

Calendar No. 682

106TH CONGRESS
2^D SESSION**H. R. 208****[Report No. 106-343]**

IN THE SENATE OF THE UNITED STATES

APRIL 21, 1999

Received; read twice and referred to the Committee on Governmental Affairs

JULY 13, 2000

Reported by Mr. THOMPSON, with amendments

[Omit the part struck through and insert the part printed in *italic*]

AN ACT

To amend title 5, United States Code, to allow for the contribution of certain rollover distributions to accounts in the Thrift Savings Plan, to eliminate certain waiting-period requirements for participating in the Thrift Savings Plan, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. ELIGIBLE ROLLOVER DISTRIBUTIONS.**

4 (a) IN GENERAL.—Section 8432 of title 5, United
5 States Code, is amended by adding at the end the fol-
6 lowing:

1 “(j)(1) For the purpose of this subsection—

2 “(A) the term ‘eligible rollover distribution’ has
3 the meaning given such term by section 402(c)(4) of
4 the Internal Revenue Code of 1986; and

5 “(B) the term ‘qualified trust’ has the meaning
6 given such term by section 402(c)(8) of the Internal
7 Revenue Code of 1986.

8 “(2) An employee or Member may contribute to the
9 Thrift Savings Fund an eligible rollover distribution ~~from~~
10 ~~a qualified trust.~~ *that a qualified trust could accept under*
11 *the Internal Revenue Code of 1986.* A contribution made
12 under this subsection shall be made in the form described
13 in section 401(a)(31) of the Internal Revenue Code of
14 1986. In the case of an eligible rollover distribution, the
15 maximum amount transferred to the Thrift Savings Fund
16 shall not exceed the amount which would otherwise have
17 been included in the employee’s or Member’s gross income
18 for Federal income tax purposes.

19 “(3) The Executive Director shall prescribe regula-
20 tions to carry out this subsection.”.

21 (b) ~~EFFECTIVE DATE.~~—The amendment made by
22 this section shall take effect on October 1, 2000, or such
23 earlier date as the Executive Director (as defined by sec-
24 tion 8401 of title 5, United States Code) may by regula-
25 tion prescribe, but not before September 1, 2000.

1 election described in such subparagraph) beginning
2 on the date of commencing service pursuant to such
3 appointment or election or, if that is not administra-
4 tively feasible, beginning on the earliest date there-
5 after that such an election becomes administratively
6 feasible, as determined by the Executive Director.

7 “(C) Notwithstanding the preceding provisions
8 of this paragraph, contributions under paragraphs
9 (1) and (2) of subsection (c) shall not be payable
10 with respect to any pay period before the earliest
11 pay period for which such contributions would other-
12 wise be allowable under this subsection if this para-
13 graph had not been enacted.

14 “(D) Sections 8351(a)(2), 8440a(a)(2),
15 8440b(a)(2), 8440c(a)(2), and 8440d(a)(2) shall be
16 applied in a manner consistent with the purposes of
17 subparagraphs (A) and (B), to the extent those sub-
18 paragraphs can be applied with respect thereto.

19 “(E) Nothing in this paragraph shall affect
20 paragraph (3).”.

21 (b) TECHNICAL AND CONFORMING AMENDMENTS.—

22 (1) Section 8432(a) of title 5, United States Code, is
23 amended—

24 (A) in the first sentence by striking “(b)(1)”
25 and inserting “(b)”; and

1 (B) by amending the second sentence to read as
2 follows: “Contributions under this subsection pursu-
3 ant to such an election shall, with respect to each
4 pay period for which such election remains in effect,
5 be made in accordance with a program of regular
6 contributions provided in regulations prescribed by
7 the Executive Director.”.

8 (2) Section 8432(b)(1)(B) of title 5, United States
9 Code, is amended by inserting “(or any election allowable
10 by virtue of paragraph (4))” after “subparagraph (A)”.

11 (3) Section 8432(b)(3) of title 5, United States Code,
12 is amended by striking “Notwithstanding paragraph
13 (2)(A), an” and inserting “An”.

14 (4) Section 8439(a)(1) of title 5, United States Code,
15 is amended by inserting “who makes contributions or”
16 after “for each individual” and by striking “section
17 8432(c)(1)” and inserting “section 8432”.

18 (5) Section 8439(c)(2) of title 5, United States Code,
19 is amended by adding at the end the following: “Nothing
20 in this paragraph shall be considered to limit the dissemi-
21 nation of information only to the times required under the
22 preceding sentence.”.

23 (6) Sections 8440a(a)(2) and 8440d(a)(2) of title 5,
24 United States Code, are amended by striking all after
25 “subject to” and inserting “this chapter.”.

1 (c) EFFECTIVE DATE.—

2 (1) IN GENERAL.—The amendments made by
 3 this section shall take effect on October 1, 2000, or
 4 such earlier date as the Executive Director (as de-
 5 fined by section 8401 of title 5, United States Code)
 6 may by regulation prescribe, but not before Sep-
 7 tember 1, 2000.

8 (1) *IN GENERAL.—The amendments made by*
 9 *this section shall take effect at the earliest practicable*
 10 *date after September 30, 2000, as determined by the*
 11 *Executive Director in regulations.*

12 (2) SAVINGS PROVISION.—Notwithstanding any
 13 other provision of this section, until the amendments
 14 made by this section take effect, title 5, United
 15 States Code, shall be applied as if this section had
 16 not been enacted.

17 **SEC. 3. ADDITIONAL GOVERNMENT CONTRIBUTIONS FOR**
 18 **RETIREMENT.**

19 (a) FEDERAL EMPLOYEES' RETIREMENT SYSTEM.—
 20 Section 8423(a) of title 5, United States Code, is amended
 21 by adding at the end the following:

22 “(5) Notwithstanding any other provision of this
 23 chapter, effective with respect to contributions for pay pe-
 24 riods beginning on or after October 1, 2000, the normal-

1 cost percentage used for purposes of any computation
2 under this subsection shall be equal to—

3 “(A) the percentage that would otherwise apply
4 if this paragraph had not been enacted; plus

5 “(B) .01 of 1 percentage point.”.

6 (b) SUPPLEMENTAL LIABILITY.—For purposes of ap-
7 plying section 8423(b) of title 5, United States Code, and
8 section 857(b) of the Foreign Service Act of 1980 (22
9 U.S.C. 4071f(b)), all amounts shall be determined as if
10 this section had never been enacted.

11 (c) LIMITATION ON SOURCE OF ADDITIONAL CON-
12 TRIBUTIONS.—Notwithstanding section 8423(a)(3) of title
13 5, United States Code, or any other provision of law, the
14 additional Government contributions required to be made
15 by reason of the amendment made by subsection (a) shall
16 be made out of any amounts available to the employing
17 agency involved, other than any appropriation, fund, or
18 other amounts available for the payment of employee sala-
19 ries or benefits.

20 (d) CONFORMING AMENDMENT.—Section 307 of the
21 Federal Employees’ Retirement System Act of 1986 (Pub-
22 lic Law 99-335; 5 U.S.C. 8401 note) is amended by in-
23 serting “, including the additional amount required under
24 section 8423(a)(5)(B) of such title 5,” after “Federal Em-
25 ployees’ Retirement System”.

1 **SEC. 3. COURT ORDERS AFFECTING REFUNDS.**

2 (a) *CIVIL SERVICE RETIREMENT SYSTEM.*—Section
3 8342(j)(1) of title 5, United States Code, is amended to read
4 as follows:

5 “(j)(1)(A) *Payment of the lump-sum credit under sub-*
6 *section (a) may be made only if the spouse, if any, and*
7 *any former spouse of the employee or Member are notified*
8 *of the employee or Member’s application.*

9 “(B) *The Office shall prescribe regulations under*
10 *which the lump-sum credit shall not be paid without the*
11 *consent of a spouse or former spouse of the employee or*
12 *Member where the Office has received such additional infor-*
13 *mation and documentation as the Office may require*
14 *that—*

15 “(i) *a court order bars payment of the lump-sum*
16 *credit in order to preserve the court’s ability to award*
17 *an annuity under section 8341(h) or section 8345(j);*
18 *or*

19 “(ii) *payment of the lump-sum credit would ex-*
20 *tinguish the entitlement of the spouse or former*
21 *spouse, under a court order on file with the Office, to*
22 *a survivor annuity under section 8341(h) or to any*
23 *portion of an annuity under section 8345(j).”.*

24 (b) *FEDERAL EMPLOYEES RETIREMENT SYSTEM.*—
25 Section 8424(b)(1) of title 5, United States Code, is amend-
26 ed to read as follows:

1 “(b)(1)(A) *Payment of the lump-sum credit under sub-*
2 *section (a) may be made only if the spouse, if any, and*
3 *any former spouse of the employee or Member are notified*
4 *of the employee or Member’s application.*

5 “(B) *The Office shall prescribe regulations under*
6 *which the lump-sum credit shall not be paid without the*
7 *consent of a spouse or former spouse of the employee or*
8 *Member where the Office has received such additional infor-*
9 *mation or documentation as the Office may require that—*

10 “(i) *a court order bars payment of the lump-sum*
11 *credit in order to preserve the court’s ability to award*
12 *an annuity under section 8445 or 8467; or*

13 “(ii) *payment of the lump-sum credit would ex-*
14 *tinguish the entitlement of the spouse or former*
15 *spouse, under a court order on file with the Office, to*
16 *a survivor annuity under section 8445 or to any por-*
17 *tion of an annuity under section 8467.”.*

Passed the House of Representatives April 20, 1999.

Attest:

JEFF TRANDAHL,

Clerk.

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