

Public Law 106-361
106th Congress

An Act

Oct. 27, 2000

[H.R. 208]

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.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ELIGIBLE ROLLOVER DISTRIBUTIONS.

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

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

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

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

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

“(3) The Executive Director shall prescribe regulations to carry out this subsection.”

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect at the earliest practicable date after September 30, 2000, as determined by the Executive Director in regulations.

SEC. 2. IMMEDIATE PARTICIPATION IN THE THRIFT SAVINGS PLAN.

(a) ELIMINATION OF CERTAIN WAITING PERIODS FOR PURPOSES OF EMPLOYEE CONTRIBUTIONS.—Paragraph (4) of section 8432(b) of title 5, United States Code, is amended to read as follows:

“(4) The Executive Director shall prescribe such regulations as may be necessary to carry out the following:

“(A) Notwithstanding subparagraph (A) of paragraph (2), an employee or Member described in such subparagraph shall be afforded a reasonable opportunity to first make an election under this subsection beginning on the date of commencing service or, if that is not administratively feasible, beginning on the earliest date thereafter that such an election becomes

Regulations.

5 USC 8432 note.

administratively feasible, as determined by the Executive Director.

“(B) An employee or Member described in subparagraph (B) of paragraph (2) shall be afforded a reasonable opportunity to first make an election under this subsection (based on the appointment or election described in such subparagraph) beginning on the date of commencing service pursuant to such appointment or election or, if that is not administratively feasible, beginning on the earliest date thereafter that such an election becomes administratively feasible, as determined by the Executive Director.

“(C) Notwithstanding the preceding provisions of this paragraph, contributions under paragraphs (1) and (2) of subsection (c) shall not be payable with respect to any pay period before the earliest pay period for which such contributions would otherwise be allowable under this subsection if this paragraph had not been enacted.

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

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

(b) TECHNICAL AND CONFORMING AMENDMENTS.—(1) Section 8432(a) of title 5, United States Code, is amended—

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

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

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

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

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

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

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

(c) EFFECTIVE DATE.—

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

(2) SAVINGS PROVISION.—Notwithstanding any other provision of this section, until the amendments made by this section

5 USC 8432 note.

take effect, title 5, United States Code, shall be applied as if this section had not been enacted.

SEC. 3. COURT ORDERS AFFECTING REFUNDS.

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

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

Regulations.

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

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

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

(b) **FEDERAL EMPLOYEES RETIREMENT SYSTEM.**—Section 8424(b)(1) of title 5, United States Code, is amended to read as follows:

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

Regulations.

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

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

“(ii) payment of the lump-sum credit would extinguish the entitlement of the spouse or former spouse, under a court order on file with the Office, to a survivor annuity under

section 8445 or to any portion of an annuity under section 8467.”.

Approved October 27, 2000.

LEGISLATIVE HISTORY—H.R. 208:

HOUSE REPORTS: No. 106-87 (Comm. on Government Reform).

SENATE REPORTS: No. 106-343 (Comm. on Governmental Affairs).

CONGRESSIONAL RECORD:

Vol. 145 (1999): Apr. 20, considered and passed House.

Vol. 146 (2000): July 21, considered and passed Senate, amended.
Oct. 10, House concurred in Senate amendments.