

115TH CONGRESS
1ST SESSION

H. R. 3031

IN THE SENATE OF THE UNITED STATES

OCTOBER 16, 2017

Received

AN ACT

To amend title 5, United States Code, to provide for flexibility in making withdrawals from a Thrift Savings Plan account, 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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “TSP Modernization
3 Act of 2017”.

4 **SEC. 2. THRIFT SAVINGS PLAN ACCOUNT WITHDRAWAL**
5 **FLEXIBILITY.**

6 (a) POST-SEPARATION PARTIAL WITHDRAWALS.—
7 Section 8433(c) of title 5, United States Code, is amend-
8 ed—

9 (1) in paragraph (1)—

10 (A) by striking “and who has not made a
11 withdrawal under subsection (h)(1)(A) may
12 make one withdrawal” and inserting “may
13 make one or more withdrawals”; and

14 (B) by striking “as a single payment” and
15 inserting “in the same manner as a single pay-
16 ment is made”; and

17 (2) by adding at the end the following:

18 “(5) Withdrawals under this subsection shall be sub-
19 ject to such other limitations or conditions as the Execu-
20 tive Director may prescribe by regulation.”.

21 (b) LIMITATION ON RETURN OF PAYMENT RELATING
22 TO A CHANGE IN ELECTION.—Section 8433(d) of title 5,
23 United States Code, is amended—

24 (1) in paragraph (1), by inserting “, except that
25 in the case of an election to receive an annuity, a
26 former employee or Member may not change an elec-

1 tion under this section on or after the date on which
2 an annuity contract is purchased to provide for the
3 annuity elected by the former employee or Member”
4 after “this subchapter”; and

5 (2) in paragraph (2)—

6 (A) by striking “change an” and inserting
7 “return a payment that was made pursuant to
8 an”; and

9 (B) by striking “on or after” and all that
10 follows through “the former employee or Mem-
11 ber”.

12 (c) ELIMINATION OF AUTOMATIC ANNUITY IN AB-
13 SENCE OF ELECTION.—Section 8433(f) of title 5, United
14 States Code, is amended—

15 (1) by striking “(1) Notwithstanding” and in-
16 serting “Notwithstanding”;

17 (2) by striking “this paragraph” and inserting
18 “this subsection”; and

19 (3) by striking paragraph (2).

20 (d) ALLOWANCE OF MULTIPLE AGE-BASED IN-SERV-
21 ICE WITHDRAWALS.—Section 8433(h) of title 5, United
22 States Code, is amended—

23 (1) by striking paragraph (2);

24 (2) by redesignating paragraphs (3), (4), and

25 (5) as paragraphs (2), (3), and (4), respectively; and

1 (3) in paragraph (3), as so redesignated, by in-
2 serting “limitations or” before “conditions”.

3 (e) TECHNICAL AMENDMENT.—Section
4 8432b(h)(2)(A) of title 5, United States Code, is amended
5 by striking “section 8433(d), or paragraph (1) or (2) of
6 section 8433(h)” and inserting “subsection (d) or (f) of
7 section 8433”.

8 (f) REGULATIONS.—As soon as is practicable, as de-
9 termined by the Executive Director of the Federal Retire-
10 ment Thrift Investment Board, but not later than 2 years
11 after the date of enactment of this Act, the Executive Di-
12 rector shall prescribe such regulations as are necessary to
13 carry out the amendments made by this section.

14 (g) EFFECTIVE DATE.—The amendments made by
15 this section shall take effect on the date on which the regu-
16 lations prescribed under subsection (f) take effect.

 Passed the House of Representatives October 11,
2017.

Attest:

KAREN L. HAAS,

Clerk.