

115TH CONGRESS
1ST SESSION

S. 873

To amend section 8433 of title 5, United States Code, to provide for flexibility in making withdrawals from the Thrift Savings Fund.

IN THE SENATE OF THE UNITED STATES

APRIL 6 (legislative day, APRIL 4), 2017

Mr. PORTMAN (for himself and Mr. CARPER) introduced the following bill; which was read twice and referred to the Committee on Homeland Security and Governmental Affairs

A BILL

To amend section 8433 of title 5, United States Code, to provide for flexibility in making withdrawals from the Thrift Savings Fund.

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. SHORT TITLE.**

4 This Act may be cited as the “TSP Modernization
5 Act of 2017”.

6 **SEC. 2. WITHDRAWAL FLEXIBILITY.**

7 (a) POST-SEPARATION PARTIAL WITHDRAWALS.—

8 Section 8433(c) of title 5, United States Code, is amend-

9 ed—

1 (1) in paragraph (1), by striking “and who has
 2 not made a withdrawal under subsection (h)(1)(A)
 3 may make one withdrawal” and inserting “may
 4 make 1 or more withdrawals”; and

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

6 “(5) Withdrawals under this subsection shall be sub-
 7 ject to such other conditions as the Executive Director
 8 may prescribe by regulation.”.

9 (b) STOPPING PERIODIC PAYMENTS.—Section
 10 8433(d)(2) of title 5, United States Code, is amended—

11 (1) by striking “change an” and inserting “re-
 12 turn a payment that was made under”; and

13 (2) by striking “a payment” and inserting
 14 “such payment”.

15 (c) ELIMINATION OF WITHDRAWAL ELECTION
 16 DEADLINE.—Section 8433(f) of title 5, United States
 17 Code, is amended—

18 (1) by striking “(1) Notwithstanding” and in-
 19 serting “Notwithstanding”; and

20 (2) by striking paragraph (2).

21 (d) AGE-BASED IN-SERVICE WITHDRAWALS.—Sec-
 22 tion 8433(h) of title 5, United States Code, is amended—

23 (1) by striking paragraph (2); and

24 (2) by redesignating paragraphs (3), (4), and
 25 (5) as paragraphs (2), (3), and (4), respectively.

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

6 (f) REGULATIONS.—As soon as is administratively
 7 feasible, as determined by the Executive Director of the
 8 Federal Retirement Thrift Investment Board, the Execu-
 9 tive Director shall prescribe regulations to carry out the
 10 amendments made by this section.

11 (g) EFFECTIVE DATE; APPLICABILITY.—The amend-
 12 ments made by this section shall—

13 (1) take effect on the date of enactment of this
 14 Act; and

15 (2) apply on and after the effective date of the
 16 regulations prescribed under subsection (f).

○