

**Suspend the Rules and Pass the Bill, H. R. 3031, With an  
Amendment**

**(The amendment strikes all after the enacting clause and inserts a  
new text)**

115TH CONGRESS  
1ST SESSION

# H. R. 3031

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

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IN THE HOUSE OF REPRESENTATIVES

JUNE 23, 2017

Mr. CUMMINGS (for himself and Mr. MEADOWS) introduced the following bill;  
which was referred to the Committee on Oversight and Government Reform

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## A BILL

To amend title 5, United States Code, to provide for flexi-  
bility 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,*

3 **SECTION 1. SHORT TITLE.**

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

1 **SEC. 2. THRIFT SAVINGS PLAN ACCOUNT WITHDRAWAL**  
2 **FLEXIBILITY.**

3 (a) **POST-SEPARATION PARTIAL WITHDRAWALS.**—  
4 Section 8433(c) of title 5, United States Code, is amend-  
5 ed—

6 (1) in paragraph (1)—

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

11 (B) by striking “as a single payment” and  
12 inserting “in the same manner as a single pay-  
13 ment is made”; and

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

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

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

21 (1) in paragraph (1), by inserting “, except that  
22 in the case of an election to receive an annuity, a  
23 former employee or Member may not change an elec-  
24 tion under this section on or after the date on which  
25 an annuity contract is purchased to provide for the

1 annuity elected by the former employee or Member”  
2 after “this subchapter”; and

3 (2) in paragraph (2)—

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

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

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

13 (1) by striking “(1) Notwithstanding” and in-  
14 serting “Notwithstanding”;

15 (2) by striking “this paragraph” and inserting  
16 “this subsection”; and

17 (3) by striking paragraph (2).

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

21 (1) by striking paragraph (2);

22 (2) by redesignating paragraphs (3), (4), and  
23 (5) as paragraphs (2), (3), and (4), respectively; and

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

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

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

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