

**List of Subjects in 5 CFR Part 1603**

Employee benefits plans, Government employees, Pensions, Retirement.

Federal Retirement Thrift Investment Board.

**Roger W. Mehle,**  
Executive Director.

For the reasons set out in the preamble, 5 CFR Part 1603 is proposed to be amended as follows:

**PART 1603—VESTING**

1. The authority citation for part 1603 continues to read as follows:

**Authority:** 5 U.S.C. 8432(g), 8432b(h)(1), 8474 (b)(5) and (c)(1).

2. Section 1603.1 is revised to read as follows:

**1603.1 Definitions.**

Terms used in this part shall have the following meaning:

*Agency automatic (1%) contributions* means any contributions made under 5 U.S.C. 8432(c)(1);

*CSRS* means the Civil Service Retirement System established by 5 U.S.C. chapter 83, subchapter III, and any equivalent Federal Government retirement plan;

*CSRS employee* means any employee, Member, or participant covered by CSRS, including employees authorized to contribute to the Thrift Savings Plan under 5 U.S.C. 8351, or 5 U.S.C. 8440a to 8440d;

*FERS* means the Federal Employees' Retirement System established by 5 U.S.C. chapter 84, and any equivalent Federal Government retirement plan;

*FERS employee* means an employee, Member, or participant covered by FERS;

*First conversion contributions* refers to the retroactive agency contributions, including interest on these contributions, made under 5 U.S.C. 8432(c)(3)(C) to the TSP accounts of employees who were automatically converted to the Federal Employees' Retirement System on January 1, 1987;

*Individual account* means the total of all sums contributed to the Thrift Savings Plan by or on behalf of a CSRS employee or FERS employee, plus earnings allocated to the employee's account under 5 CFR part 1645;

*Separation date* means the effective date of an employee's separation from Government service;

*Separation from Government service* has the same meaning as provided in 5 CFR 1650.3;

*Service* means:

(1) Any non-military service that is creditable under either 5 U.S.C. chapter 83, subchapter III, or 5 U.S.C. 8411,

provided however, that such service is to be determined without regard to any time limitations, any deposit or redeposit requirements contained in those statutory provisions after performing the service involved, or any requirement that the individual give written notice of that individual's desire to become subject to the retirement system established by 5 U.S.C. chapters 83 or 84; or

(2) Any military service creditable under the provisions of 5 U.S.C. 8432b(h)(1) and the regulations issued at 5 CFR part 1620, subpart H;

*Vested* means those amounts in an individual account which are nonforfeitable; and

*Year of service* means one full calendar year of service.

3. Section 1603.2 is amended by revising the section heading and adding a new paragraph (d) and by revising paragraphs (b) and (c) to read as follows:

**1603.2 Basic vesting rules.**

\* \* \* \* \*

(b) Except as provided in paragraph (c) of this section, all amounts in a FERS employee's individual account (including all first conversion contributions) are immediately vested.

(c) Except as provided in paragraph (d) of this section, upon separation from Government service without meeting the applicable service requirements of § 1603.3, a FERS employee's agency automatic (1%) contributions and attributable earnings will be forfeited.

(d) If a FERS employee dies (or died) after January 7, 1988, without meeting the applicable service requirements set forth in § 1603.3, the agency automatic (1%) contributions and attributable earnings in his or her individual account are deemed vested and shall not be forfeited. If a FERS employee died on or before January 7, 1988, without meeting those service requirements, his or her agency automatic (1%) contributions and attributable earnings are forfeited to the Thrift Savings Plan.

4. Section 1603.3 is amended by revising paragraph (a) and the introductory text of paragraph (b) to read as follows:

**1603.3 Service requirements.**

(a) Except as provided under paragraph (b) of this section, FERS employees will be vested in their agency automatic (1%) contributions and attributable earnings upon separating from Government only if, as of their separation date, they have completed three years of service.

(b) FERS employees will be vested in their agency automatic (1%) contributions and attributable earnings

upon separating from Government service if, as of their separation date, they have completed two years of service and they are serving in one of the following positions:

\* \* \* \* \*

[FR Doc. 97-12167 Filed 5-8-97; 8:45 am]  
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**FEDERAL RETIREMENT THRIFT INVESTMENT BOARD****5 CFR Part 1640****Periodic Participant Statements**

**AGENCY:** Federal Retirement Thrift Investment Board.

**ACTION:** Proposed rule.

**SUMMARY:** The Executive Director of the Federal Retirement Thrift Investment Board (Board) proposes to amend the Board's interim regulations concerning periodic information to be furnished to participants in the Thrift Savings Plan (TSP). The regulations implement various provisions of the Federal Employees' Retirement System Act of 1986 (FERSA), as amended. The proposed rule would clarify the types of periodic information provided to participants in the TSP, conform definitions in the interim regulations to those found in the Board's other regulations, and otherwise make the proposed regulations easier to read.

**DATES:** Comments must be received on or before June 9, 1997.

**ADDRESSES:** Comments may be sent to Merritt A. Willing, Federal Retirement Thrift Investment Board, 1250 H Street, N.W., Washington, D.C. 20005.

**FOR FURTHER INFORMATION CONTACT:** Merritt A. Willing on (202) 942-1661.

**SUPPLEMENTARY INFORMATION:** The Board administers the Thrift Savings Plan (TSP), a defined contribution plan for Federal employees established by the Federal Employees' Retirement System Act of 1986 (FERSA), Pub. L. 99-335, 100 Stat. 514 (codified, as amended, largely at 5 U.S.C. 8401-8479). The TSP is a tax-deferred retirement savings plan for Federal employees that is similar to cash or deferred arrangements established under section 401(k) of the Internal Revenue Code. The requirement that periodic statements be provided to participants by the TSP is found at 5 U.S.C. 8439(c). On June 1, 1987, the Board published an interim rule with request for comments in the **Federal Register** (52 FR 20371) which implemented the periodic statement provision of FERSA. The Board has received comments from employees and

agencies suggesting that the Board issue periodic statements more than twice a year. The Board considered these comments but decided not to issue statements more often than is required by statute because of the administrative cost associated with additional statements, which is an expense borne by all TSP participants.

Section 1640.1 contains definitions of words or terms used throughout the regulation. Some of the definitions contained in the interim regulations would be amended by the proposed rule to conform them to the Board's other regulations issued at 5 CFR chapter VI.

Section 1640.2 requires the Board to provide information to each TSP participant at least once every six months, no later than 30 days before the last month of an open season.

Sections 1640.3 and 1640.4 set forth the type of information that will be furnished to a participant regarding the status of his or her individual account during the reporting period.

Section 1640.5 describes the information to be furnished to participants relating to investments in the three investment funds described in 5 U.S.C. 8438. Two types of information are provided: (1) a description of the investment fund, and (2) a five-year history of the performance of that type of investment.

Section 1640.6 provides that individual account statements will be mailed to TSP participants by the Board's record keeper. Information regarding the TSP investments may either be mailed to TSP participants or included with other informational material that is distributed in a way reasonably designed to reach TSP participants.

#### Regulatory Flexibility Act

I certify that these regulations will not have a significant economic impact on a substantial number of small entities. They will affect only internal Government procedures related to the TSP.

#### Paperwork Reduction Act

I certify that these regulations do not require additional reporting under the criteria of the Paperwork Reduction Act of 1980.

#### Unfunded Mandates Reform Act of 1995

Pursuant to the Unfunded Mandates Reform Act of 1995, section 201, Pub. L. 104-4, 109 Stat. 48, 64, the effect of these regulations on State, local, and tribal governments and on the private sector has been assessed. This regulation will not compel the

expenditure in any one year of \$100 million or more by any State, local, and tribal governments in the aggregate or by the private sector. Therefore, a statement under section 202, 109 Stat. 48, 64-65, is not required.

#### Submission to Congress and the General Accounting Office

Under 5 U.S.C. 801(a)(1)(A), the Board submitted a report containing this rule and other required information to the U.S. Senate, the U.S. House of Representatives, and the Comptroller General of the United States before the publication of this rule in today's **Federal Register**. This rule is not a major rule as defined in section 804(2).

#### List of Subjects in 5 CFR Part 1640

Employee Benefit Plans, Government employees, Pensions, Reporting and recordkeeping requirements, Retirement.

Federal Retirement Thrift Investment Board.

**Roger W. Mehle,**  
Executive Director.

For the reasons set forth in the preamble, part 1640 of chapter VI of title 5 of the Code of Federal Regulations is proposed to be amended as follows:

#### PART 1640—PERIODIC PARTICIPANT STATEMENTS

1. The authority citation for part 1640 continues to read as follows:

**Authority:** 5 U.S.C. 8439(c)(1) and (c)(2), 5 U.S.C. 8474 (b)(5) and (c)(1).

2. Section 1640.1 is amended by removing the definitions of "Employee contribution," "Employer basic contribution," "Employer matching contribution," "Source," "Thrift Savings Fund," "Thrift Savings Plan or Plan," and "Thrift Savings Plan Service Office," by revising the definitions of "C Fund," "Executive Director," "F Fund," "G Fund," "Individual account," "Investment fund," "Open season," and "Participant," and by adding, in alphabetical order, three new definitions to read as follows:

##### § 1640.1 Definitions.

\* \* \* \* \*

*C Fund* means the Common Stock Index Investment Fund established under 5 U.S.C. 8438(b)(1)(C);

*Executive Director* means the Executive Director of the Board described in 5 U.S.C. 8474;

*F Fund* means the Fixed Income Investment Fund established under 5 U.S.C. 8438(b)(1)(B);

*G Fund* means the Government Securities Investment Fund established under 5 U.S.C. 8438(b)(1)(A);

*Individual account* means the account established for a participant in the Thrift Savings Plan under 5 U.S.C. 8439(a);

*Investment fund* means either the G Fund, the F Fund, or the C Fund, or any other Thrift Savings Plan investment fund created after [the effective date of the final rule];

*Open season* means the period during which participants may choose to begin making contributions to the Thrift Savings Plan, to change or discontinue the amount they are currently contributing to the Thrift Savings Plan (without losing the right to recommence contributions the next open season), or to allocate prospective contributions to the Thrift Savings Plan among the investment funds;

*Participant* means any person with an individual account in the Thrift Savings Plan, or who would have an account in the Thrift Savings Plan but for an employing agency error;

*Record keeper* means the entity that is engaged by the Board to perform record keeping services for the Thrift Savings Plan. As of [the effective date of the final rule], the record keeper is the National Finance Center, Office of the Chief Financial Officer, United States Department of Agriculture, located in New Orleans, Louisiana.

*Source of contributions* means either agency automatic (1%) contributions under 5 U.S.C. 8432(c)(1) or 8432(c)(3), agency matching contributions under 5 U.S.C. 8432(c)(2), or employee contributions under 5 U.S.C. 8351, or 8440(a) through 8440d;

*Thrift Savings Plan* means the Federal Retirement Thrift Savings Plan established by the Federal Employees' Retirement System Act of 1986 (FERSA), Public Law 99-335, 100 Stat. 514, which has been codified, as amended, largely at 5 U.S.C. 8401-8479.

3. Section 1640.2 is revised to read as follows:

##### § 1640.2 Duty to provide information.

The Executive Director will provide the information prescribed in §§ 1640.3 and 1640.5 at least once every six months, and not later than thirty (30) days before the last month of an open season.

4. Section 1640.3 is amended by revising the introductory text and paragraphs (c)(2), (d) and (e) to read as follows:

##### § 1640.3 Statement of individual account.

The Executive Director will furnish each participant with the following information concerning that participant's individual account:

\* \* \* \* \*

(c) \* \* \*

(2) The amounts of contributions and earnings in the C Fund, the F Fund, and the G Fund, by source of contribution;

(d) All transactions made in accordance with § 1640.4 and affecting the individual account which occurred during the period covered by the statement;

(e) Any other information that the Executive Director determines should be in the statement.

5. Section 1640.4 is revised to read as follows:

**§ 1640.4 Account transactions.**

(a) Where relevant, the following transactions will be reported in each individual account statement:

- (1) Contributions;
- (2) Earnings posted;
- (3) Withdrawals;
- (4) Forfeitures;
- (5) Loan Activity;
- (6) Transfers among investment funds;
- (7) Adjustments to prior transactions;

and

(8) Any other transaction that the Executive Director deems will affect the status of the individual account.

(b) Where relevant, the statement will contain the following information concerning each transaction identified in paragraph (a) of this section:

- (1) Type of transaction;
- (2) Pay date of the pay period in which the transaction was reflected in the participant's salary payment;
- (3) Investment funds affected;
- (4) Date the transaction was processed;
- (5) Source of the contribution;
- (6) Amount of the transaction; and
- (7) Any other information the Executive Director deems relevant.

6. Section 1640.5 is revised to read as follows:

**§ 1640.5 Investment fund information.**

For each open season, the Executive Director will furnish each participant with a statement concerning each of the investment funds. This statement will contain the following information concerning each investment fund:

(a) A summary description of the type of investments to be made by the fund, written in a manner that will allow the participant to make an informed decision; and

(b) The performance history of the type of investments to be made by the fund, covering the five-year period preceding the date of the evaluation.

7. Section 1640.6 is revised to read as follows:

**§ 1640.6 Method of providing information.**

(a) *Individual account statement.* The information concerning each

participant's individual account described in §§ 1640.3 and 1640.4 will be sent to the participant at the participant's last known address, by first class mail. It is the participant's responsibility to provide his or her current address to his or her agency or, in the case of a separated employee, to the record keeper.

(b) *Investment information.* The investment information described in § 1640.5 will be furnished to each participant either:

(1) By mailing the information to the participant by the method described in paragraph (a) of this section; or

(2) By including that information in material published by the Board and distributed in a manner reasonably designed to reach the participant. This includes distributing the material through the participant's agency or, in the case of a separated employee, through the record keeper.

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**DEPARTMENT OF AGRICULTURE**

**Animal and Plant Health Inspection Service**

**7 CFR Part 319**

[Docket No. 97-011-1]

**Importation of Coffee**

**AGENCY:** Animal and Plant Health Inspection Service, USDA.

**ACTION:** Proposed rule.

**SUMMARY:** We are proposing to revise the regulations for importing coffee by removing unnecessary text, updating references to officials of the Animal and Plant Health Inspection Service, and clarifying the requirements for moving samples of unroasted coffee through Hawaii and Puerto Rico to other destinations and the prohibitions on importing coffee berries or fruits. These nonsubstantive changes would make the regulations easier to read and understand, thereby facilitating compliance.

**DATES:** Consideration will be given only to comments received on or before July 8, 1997.

**ADDRESSES:** Please send an original and three copies of your comments to Docket No. 97-011-1, Regulatory Analysis and Development, PPD, APHIS, suite 3C03, 4700 River Road Unit 118, Riverdale, MD 20737-1238. Please state that your comments refer to Docket No. 97-011-1. Comments received may be inspected at USDA,

room 1141, South Building, 14th Street and Independence Avenue SW., Washington, DC, between 8 a.m. and 4:30 p.m., Monday through Friday, except holidays. Persons wishing to inspect comments are requested to call ahead on (202) 690-2817 to facilitate entry into the comment reading room.

**FOR FURTHER INFORMATION CONTACT:** Mr. James Petit de Mange, Staff Officer, Import-Export Team, PPQ, APHIS, 4700 River Road Unit 140, Riverdale, MD 20737-1236; phone (301) 734-6799; fax (301) 734-5786; or e-mail: jpdmanage@aphis.usda.gov.

**SUPPLEMENTARY INFORMATION:**

**Background**

The regulations contained in 7 CFR 319.73 through 319.73-4, "Subpart—Coffee" (referred to below as the coffee regulations), restrict the importation of coffee from foreign countries and localities. The coffee regulations are intended to prevent the introduction of coffee berry borers *Hypothenemus hampei* (Ferrari) and a rust disease caused by the fungus *Hemileia vastatrix* (Berkeley and Broome) into Hawaii and Puerto Rico, where coffee is commercially grown.

Section 319.73-2 of the coffee regulations prohibits the importation into Hawaii and Puerto Rico of unroasted coffee, coffee berries or fruits, coffee plants and leaves, and empty sacks previously used for unroasted coffee. Section 319.73-3 of the coffee regulations allows samples of unroasted coffee to transit Hawaii or Puerto Rico in the mail or as cargo, provided the samples are packaged so as to prevent the escape of any plant pests that may be present in the samples.

We propose to amend the coffee regulations to remove unnecessary text, update references to officials of the Animal and Plant Health Inspection Service (APHIS), and make other nonsubstantive changes to clarify the transit provisions. In addition, we propose to amend the import provisions to make it clear that coffee fruits or berries are prohibited importation into all parts of the United States because they present a significant risk of introducing the Mediterranean fruit fly, which attacks a wide range of host material grown throughout the United States. The regulations at 7 CFR 319.37-2(a), "Subpart—Nursery Stock, Plants, Roots, Bulbs, Seeds, and Other Plant Products," prohibit the importation into the United States of seeds of all kinds when in pulp from all countries of the world except Canada. This prohibition covers coffee fruits or berries. However, the coffee regulations only prohibit