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FEDERAL RETIREMENT THRIFT INVESTMENT BOARD

5 CFR Part 1651

Aged Beneficiary Designation Forms

AGENCY: Federal Retirement Thrift Investment Board.

ACTION: Final rule.

SUMMARY: The Federal Retirement Thrift Investment Board (Agency) amends its regulations to provide that a beneficiary designation form is valid only if it is received by the TSP record-keeper not more than one year after the date of the participant's signature.

DATES: This rule is effective on July 14, 2014.

FOR FURTHER INFORMATION CONTACT: Laurissa Stokes at 202-942-1645.

SUPPLEMENTARY INFORMATION: The Agency administers the Thrift Savings Plan (TSP), which was established by the Federal Employees' Retirement System Act of 1986 (FERSA), Public Law 99-335, 100 Stat. 514. The TSP provisions of FERSA are codified, as amended, largely at 5 U.S.C. 8351 and 8401-79. The TSP is a tax-deferred retirement savings plan for Federal civilian employees and members of the uniformed services. The TSP is similar to cash or deferred arrangements established for private-sector employees under section 401(k) of the Internal Revenue Code (26 U.S.C. 401(k)).

Background

Prior to 1995, active Federal employees submitted TSP beneficiary designation forms to the personnel office at their employing agency. Upon a participant's death or separation from service, the employing agency would forward the participant's beneficiary designation form to the TSP record-keeper.

Beginning on January 1, 1995, the Agency required all TSP participants to

mail or fax beneficiary designation forms directly to the TSP record-keeper. In addition to requiring all participants to submit beneficiary designation forms directly to the TSP record-keeper, the new policy of direct receipt by the TSP record-keeper required employing agencies to search their personnel records and forward all beneficiary designation forms then in their possession to the TSP record-keeper immediately. The TSP communicated the new policy in two bulletins sent to agency representatives and in three separate mailings sent directly to participants.

The TSP codified the policy of direct receipt by the TSP record-keeper in regulations on June 13, 1997 (62 FR 32426). All beneficiary designation forms in an employing agency's possession should have been forwarded to the TSP record-keeper before June 13, 1997. Nevertheless, employing agencies continue to forward to the TSP record-keeper beneficiary designation forms that are sometimes decades old.

These aged forms often do not reflect the participant's current intent. Under the current regulations, the Agency must honor these aged forms if they are otherwise valid. When the Agency processes these forms, participants often become confused and believe their accounts have been accessed fraudulently. Further, if a participant passes away after the Agency has received an aged beneficiary designation form but prior to clarifying his/her current intent, the Agency must honor the old form even though it may not reflect the participant's current intent.

On September 20, 2013, the Agency published a proposal to amend its regulations to provide that a beneficiary designation form is valid only if it is received by the TSP record-keeper not more than 365 calendar days after the date of the participant's signature on the form. 78 FR 57807 (September 20, 2013). The Agency received no comments. Therefore, the Agency is publishing the proposed rule as final without change except for a minor clarification. The Agency is clarifying that, in the event that a beneficiary designation form contains multiple participant signatures with different dates, the TSP will rely on the most recently dated signature to determine whether 365 days have passed since the participant signed the form.

Regulatory Flexibility Act

I certify that this regulation will not have a significant economic impact on a substantial number of small entities. This regulation will affect Federal employees and members of the uniformed services who participate in the Thrift Savings Plan, which is a Federal defined contribution retirement savings plan created under the Federal Employees' Retirement System Act of 1986 (FERSA), Public Law 99-335, 100 Stat. 514, and which is administered by the Agency.

Paperwork Reduction Act

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

Unfunded Mandates Reform Act of 1995

Pursuant to the Unfunded Mandates Reform Act of 1995, 2 U.S.C. 602, 632, 653, 1501-1571, the effects of this regulation on state, local, and tribal governments and the private sector have been assessed. This regulation will not compel the expenditure in any one year of \$100 million or more by state, local, and tribal governments, in the aggregate, or by the private sector. Therefore, a statement under § 1532 is not required.

Submission to Congress and the General Accounting Office

Pursuant to 5 U.S.C. 810(a)(1)(A), the Agency 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 publication of this rule in the **Federal Register**. This rule is not a major rule as defined at 5 U.S.C. 804(2).

List of Subjects in 5 CFR Part 1651

Claims, Government employees, Pensions, Retirement.

Gregory T. Long,

Executive Director, Federal Retirement Thrift Investment Board.

For the reasons stated in the preamble, the Agency amends 5 CFR chapter VI as follows:

PART 1651—Death Benefits

■ 1. The authority citation for part 1651 continues to read as follows:

Authority: 5 U.S.C. 8351, 8433, 8434, 8435, 8474(b)(5), 8474(c)(1), and Sec. 109,

Pub. L. 11–31, 123 Stat. 1176 (5 U.S.C. 8433(e)).

- 2. Amend § 1651.3 by:
 - a. Amending paragraph (c)(6) to remove “and”;
 - b. Amending paragraph (c)(7) to remove the period and add “; and”; and
 - c. Adding paragraph (c)(8) to read as follows:

§ 1651.3 Designation of beneficiary.

* * * * *

(c) * * *

(8) Be received by the TSP record-keeper not more than 365 calendar days after the date of the participant’s most recent signature.

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[FR Doc. 2014–16043 Filed 7–8–14; 8:45 am]

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DEPARTMENT OF AGRICULTURE

Food and Nutrition Service

7 CFR Part 247

RIN 0584–AE31

Commodity Supplemental Food Program (CSFP): Implementation of the Agricultural Act of 2014

AGENCY: Food and Nutrition Service (FNS), USDA.

ACTION: Final rule.

SUMMARY: This final rule amends the regulations for the Commodity Supplemental Food Program (CSFP) to phase out the eligibility of women, infants, and children, in accordance with the amendments made by the Agricultural Act of 2014 (the 2014 Farm Bill). Under amendments made to the Agriculture and Consumer Protection Act of 1973 by Section 4102 of the 2014 Farm Bill, women, infants, and children who apply to participate in CSFP on February 7, 2014, or later cannot be certified to participate in the program. Under these amendments the population served by CSFP will only be low-income elderly persons at least 60 years of age. However, Section 4102 also included amendments for a phase-out provision, which requires State and local agencies to continue providing assistance to all women, infants, and children who were certified and receiving CSFP benefits as of February 6, 2014. Those individuals can continue to receive assistance until they are no longer eligible under the program rules in effect on February 6, 2014.

DATES: *Effective Date:* This rule will become effective on August 8, 2014, without further notice.

FOR FURTHER INFORMATION CONTACT:

Erica Antonson, Program Analyst, Policy Branch, Food Distribution Division, Food and Nutrition Service, 3101 Park Center Drive, Room 500, Alexandria, Virginia 22302, or by telephone (703) 305–2662.

SUPPLEMENTARY INFORMATION:

I. Background

The Food and Nutrition Service (FNS) is amending CSFP regulations at 7 CFR part 247 to incorporate the requirements of the Agricultural Act of 2014 (Pub. L. 113–79, the 2014 Farm Bill). Prior to enactment of the 2014 Farm Bill on February 7, 2014, the Agriculture and Consumer Protection Act of 1973, 7 U.S.C. 612c note, provided for the eligibility of women, infants, and children in CSFP.

Amendments made by Section 4102 of the 2014 Farm Bill phase out the participation of women, infants, and children in CSFP and transition it to a low-income, elderly-only program. The participation of elderly persons in CSFP began as a pilot program at limited sites in the early 1980s, following which the Food Security Act of 1985 (Pub. L. 99–198) provided for the provision of benefits to the elderly at all CSFP sites, provided that all eligible women, infants, and children were already served. The Food, Conservation, and Energy Act of 2008 (Pub. L. 110–246), eliminated the priority status given to women, infants, and children effective October 1, 2008.

FNS issued a policy memorandum on March 10, 2014, implementing the amendments made by Section 4102; the memorandum is available on the FNS Web site at http://www.fns.usda.gov/sites/default/files/CSFP_Farm_Bill_Implementation_Memo.pdf. As a result of the change, no women, infants, or children applicants are eligible to be newly certified to participate in CSFP. However, women, infants, and children who were certified and receiving CSFP benefits as of February 6, 2014, the day before enactment of the 2014 Farm Bill, remain eligible for CSFP benefits until such time as they are no longer eligible to receive assistance under the program rules in effect on that date. As stated in the implementing memorandum, prospective applicants who are no longer eligible for CSFP participation as a result of the 2014 Farm Bill provisions should be referred to other nutrition programs such as the Supplemental Nutrition Assistance Program (SNAP) and the Special Supplemental Nutrition Assistance Program for Women, Infants and Children (WIC).

The number of women, infants, and children participating in CSFP has

declined steadily in recent years. In Fiscal Year (FY) 1998, 34 percent of CSFP participants were women, infants, or children and 66 percent were low-income elderly persons. In FY 2013, only three percent of CSFP participants were women, infants, or children and 97 percent of participants were elderly. At the same time, with WIC serving as an alternative to CSFP for eligible women, infants, and children, and due to greater demand for WIC benefits nationally, WIC participation increased by approximately 1.3 million over that same period.

The 2014 Farm Bill amendments recognize the participation trend and the fact that most women, infants, and children who are eligible to participate in CSFP could alternatively participate in WIC, which provides nutrition services to eligible pregnant, postpartum and breastfeeding women, infants, and children up to the age of five. WIC operates in all areas that CSFP serves and provides nutrition assistance benefits, as well as nutrition education and health referrals.

II. Discussion of the Final Rule

A. Eligibility of Women, Infants, and Children for CSFP

In this final rule, we amend several sections of 7 CFR part 247 to establish that new applications from women, infants, and children are not eligible for certification on or after February 7, 2014. References to women, infants, and children are removed from the regulations, except where they are necessary for the continued provision of benefits to those individuals still eligible for CSFP under the phase-out provision. Conforming amendments are made where necessary to clarify that these remaining regulatory provisions apply only to this limited group of women, infants, and children.

Amendments to 7 CFR part 247 are summarized as follows:

1. Section 247.2 describes the purpose and scope of CSFP. This section is revised to state that the population served by CSFP is elderly, low-income individuals 60 years of age or older, but includes a limited group of women, infants, and children who were certified for CSFP and receiving benefits as of February 6, 2014.

2. Sections 247.5 and 247.19 describe State and local agency responsibilities and dual participation, respectively. These sections are amended to clarify that coordination between CSFP State and local agencies and State WIC agencies on the detection and prevention of dual participation is required only when women, infants, or