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This section of the FEDERAL REGISTER contains regulatory documents having general applicability and legal effect, most of which are keyed to and codified in the Code of Federal Regulations, which is published under 50 titles pursuant to 44 U.S.C. 1510.

The Code of Federal Regulations is sold by the Superintendent of Documents.

FEDERAL RETIREMENT THRIFT INVESTMENT BOARD

5 CFR Part 1650

Elimination of Mandatory Roth Distributions

AGENCY: Federal Retirement Thrift Investment Board.

ACTION: Direct final rule.

SUMMARY: This direct final rule makes technical conforming revisions necessary to implement statutory amendments made by the SECURE 2.0 Act of 2022. Specifically, it eliminates the requirement to take mandatory Roth distributions.

DATES: This rule is effective on January 1, 2024, unless significant adverse comment is received by December 15, 2023.

ADDRESSES: You may submit comments using one of the following methods:

- *Federal Rulemaking Portal:* <http://www.regulations.gov>. Follow the instructions for submitting comments.

- *Mail:* Office of General Counsel, Attn: Dharmesh Vashee, Federal Retirement Thrift Investment Board, 77 K Street NE, Suite 1000, Washington, DC 20002.

FOR FURTHER INFORMATION CONTACT: *For press inquiries:* contact Kim Weaver at (202) 942-1641. *For information about commenting on this rule:* contact Magali Matarazzi at (202) 805-2823.

SUPPLEMENTARY INFORMATION: The FRTIB 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

The Internal Revenue Code requires TSP participants to receive a portion of their TSP account ("required minimum distribution") beginning when they reach a specific age and are separated from service. Currently, a participant's entire TSP account—both traditional and Roth—is subject to the required minimum distribution rules of the Internal Revenue Code. If a separated participant does not withdraw from his or her account an amount sufficient to satisfy his or her required minimum distribution for the year, FRTIB regulations provide that the TSP record keeper will automatically distribute the necessary amount pro rata from the participant's traditional balance and the participant's Roth balance.

Section 325 of the SECURE 2.0 Act of 2022, which was included in Division T of the Consolidation Appropriation Act, 2023 (Pub. L. 117-328), amended the Internal Revenue Code to eliminate the requirement to take mandatory Roth distributions. To conform FRTIB regulations to this statutory amendment, this rule will delete the provision of FRTIB regulations that says the TSP record keeper will distribute required minimum distributions pro rata from traditional balances and Roth balances.

Direct Final Rulemaking

A direct final rule is a final rule that does not go through proposed rulemaking first. We use direct final rulemaking when we expect that the rule will generate no significant adverse comments. We are issuing a direct final rule because we expect this regulatory change to be entirely non-controversial. This rule does not involve any statutory interpretation or create any new regulatory law. We believe this rule does no more than conform FRTIB regulations to the Internal Revenue Code as amended by the SECURE Act of 2022. However, to be certain that we are correct, we set the comment period to end before the effective date. If we receive a significant adverse comment, we will withdraw the direct final rule before it becomes effective.

For purposes of this rulemaking, a significant adverse comment is one that explains (1) why the rule is inappropriate, including challenges to the rule's underlying premise or

approach; or (2) why the rule will be ineffective or unacceptable without a change. In determining whether a significant adverse comment necessitates withdrawal of this direct final rule, the FRTIB will consider whether the comment raises an issue serious enough to warrant a substantive response had it been submitted in a standard notice-and-comment process. A comment that objects to the underlying statutory amendments to which FRTIB regulations must conform will be considered out of scope. A comment recommending an addition to the rule will not be considered significant and adverse unless the comment explains how this direct final rule would be ineffective or unacceptable without the addition.

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 only participants and beneficiaries of 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 FRTIB.

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 section 1532 is not required.

Submission to Congress and the General Accounting Office

Pursuant to 5 U.S.C. 810(a)(1)(A), the FRTIB 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 1650

Alimony, Claims, Government employees, Pensions, Retirement.

Ravindra Deo,

Executive Director, Federal Retirement Thrift Investment Board.

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

PART 1650—METHODS OF WITHDRAWING FUNDS FROM THE THRIFT SAVINGS PLAN

- 1. The authority citation for part 1650 continues to read as follows:

Authority: 5 U.S.C. 8351, 8432d, 8433, 8434, 8435, 8474(b)(5) and 8474(c)(1).

§ 1650.16 [Amended]

- 2. Amend § 1650.16 by removing paragraph (d).

[FR Doc. 2023–24004 Filed 10–30–23; 8:45 am]

BILLING CODE 6760–01–P

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

7 CFR Part 870

[Doc. No. AMS–FTPP–21–0055]

RIN 0581–AE26

Economic Adjustment Assistance for Textile Mills

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Final rule with request for comments.

SUMMARY: The Agricultural Marketing Service (AMS) revises the regulation providing guidance for domestic manufacturers that consume Upland Cotton and voluntarily participate in the Economic Adjustment Assistance for Textile Mills Program. The revisions add definitions and codify certain participant responsibilities currently outlined in the existing user Agreement. The changes made by this rule are intended to strengthen management controls that have been added into the Agreement to prevent fraud, waste, and abuse. This action provides the necessary legal support for program administration.

DATES:

Effective date: October 31, 2023.

Comment date: We will consider comments that we receive by the close

of business January 2, 2024. AMS may consider the comments received and may conduct additional rulemaking based on the comments.

ADDRESSES: Interested persons are invited to submit written comments concerning this final rule. All comments must be submitted through the Federal e-rulemaking portal at <https://www.regulations.gov> and should reference the document number and the date and page number of this issue of the **Federal Register**. All comments submitted in response to this final rule will be included in the record and will be made available to the public. Please be advised that the identity of the individuals or entities submitting comments will be made public on the internet at <https://www.regulations.gov>.

FOR FURTHER INFORMATION CONTACT: Dan Schofer, Cotton Program Manager, Warehouse and Commodity Management Division, Fair Trade Practices Program, AMS, USDA; Telephone: (202) 690–2434, or Email: Dan.Schofer@usda.gov.

SUPPLEMENTARY INFORMATION: Section 1207(c) of the Food, Conservation, and Energy Act of 2008 (Pub. L. 110–234; May 22, 2008) directed the Secretary of Agriculture (Secretary) to provide economic adjustment assistance to domestic users of upland cotton under the Economic Adjustment Assistance to Users of Upland Cotton program. Under the program, domestic users of upland cotton may qualify for financial assistance that can be used to acquire, construct, install, modernize, develop, convert, or expand land, plant, buildings, equipment, facilities, or machinery used in the manufacture of final cotton products. Payments for such assistance are issued by the Commodity Credit Corporation (CCC). Recipients must use these funds within a certain timeframe and must maintain and provide, to program administrators, records related to their use of upland cotton and allowable capital expenditures under the program.

Section 1203(b) of the Agriculture Improvement Act of 2018 (Pub. L. 115–334; December 20, 2018) renamed the program “Economic Adjustment Assistance for Textile Mills” (EAATM). In a memorandum dated July 1, 2019, the Secretary redelegated authority to administer EAATM from the Farm Service Agency to AMS. A final rule published in the **Federal Register** on October 15, 2020 (85 FR 65500), amended 7 CFR part 2 to reflect the redelegation. The amended 7 CFR 2.79(a)(23) authorizes the AMS Administrator to administer the EAATM program (7 U.S.C. 9037(c)). A final rule

published in the **Federal Register** on October 1, 2021 (86 FR 54339), removed the EAATM regulations from 7 CFR part 1427 and added them in a new 7 CFR part 870—Economic Adjustment Assistance for Textile Mills, in §§ 870.1 to 870.9.

For participation in the EAATM program, domestic users must enter into an Upland Cotton Domestic User Agreement (Form CCC–1045–DOM) (Agreement) and submit upland cotton consumption documentation to AMS’s Warehouse and Commodity Management Division (WCMD) to receive financial assistance.

AMS is now codifying the requirements specified in the Agreement as regulations. This final rule amends 7 CFR part 870 by reorganizing and revising existing sections and adding several new sections, supplying definitions of certain program terms, and clarifying current program practices to provide a better understanding of CCC requirements for program participants.

Under this final rule, references in 7 CFR part 870 to the Upland Cotton Domestic User Program are revised to reflect the current name of the program, Economic Adjustment Assistance for Textile Mills. The final rule adds a new § 870.2—Definitions, to provide the meaning of several terms used in program administration that have been subject to differing interpretations in the past. For example, the term *domestic user* is defined as a person regularly engaged in the business of opening bales of eligible upland cotton for the purpose of spinning such cotton into yarn, papermaking, or production of non-woven cotton products. This definition clarifies and enhances the use of other terms already defined in the current regulations. *Eligible domestic users* is defined as domestic users who have entered into an Agreement with CCC to participate in the program. *Eligible upland cotton* is defined to mean baled lint; loose samples used for classification purposes that have been re-baled; semi-processed motes that are suitable for spinning, paper making, or production of non-woven fabric; or re-ginned motes. Eligible upland cotton cannot be cotton for which previous EAATM payments have been made, unprocessed derivatives of the lint cleaning process, or textile mill wastes. Similarly, the term *final cotton product* is defined to mean a domestically manufactured final product that contains upland cotton to clarify those manufacturing purposes for which program assistance funds are eligible. Each of these definitions is intended to