

§ 1631.13 [Amended]

7. In section 1631.13 amend paragraph (c) by removing the number "10" and adding in its place the number "20".

§ 1631.14 [Amended]

8. In § 1631.14 amend the first sentence of paragraph (a) and the first sentence of paragraph (b) by removing the phrase "plus 16 percent" and adding the phrase "plus 23.5 percent" in its place.

9. Section 1631.18 is revised to read as follows:

§ 1631.18 Annual report.

The Executive Director will submit annually, on or before February 1, a Freedom of Information report covering the preceding fiscal year to the Attorney General of the United States. The report will include matters required by 5 U.S.C. 552(e).

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FEDERAL RETIREMENT THRIFT INVESTMENT BOARD

5 CFR Part 1655

Thrift Savings Plan Loans

AGENCY: Federal Retirement Thrift Investment Board.

ACTION: Proposed rule with request for comments.

SUMMARY: The Executive Director of the Federal Retirement Thrift Investment Board (Board) is publishing a proposed revision to regulations concerning Thrift Savings Plan (TSP) loans. The amendment will affect participants who are alleged to have submitted false information in support of their request for a TSP loan. The amendment establishes a process for investigating written allegations of such fraudulent activity. When the Board finds that the evidence suggests the participant provided false information to the TSP during the loan process, the Board will refer the case to the appropriate authorities for criminal prosecution and, in the appropriate case, administrative action.

DATES: Comments must be submitted on or before July 1, 1998.

ADDRESSES: Comments may be sent to Elizabeth S. Woodruff, Federal Retirement Thrift Investment Board, 1250 H Street, N.W., Washington, D.C. 20005.

FOR FURTHER INFORMATION CONTACT: Elizabeth S. Woodruff, (202) 942-1661.

SUPPLEMENTARY INFORMATION: A final rule governing TSP loans was published in the **Federal Register** on April 14, 1997 (62 FR 18019). That rule revised interim regulations that were published in the **Federal Register** on November 18, 1996 (61 FR 58754). Current regulations require participants who are applying for a loan from their TSP accounts to provide certain information and certify the truth of the information on the application. The terms and conditions of a TSP loan are then reflected in a Loan Agreement/Promissory Note which the participant signs, thereby certifying, under penalty of perjury, the truth of all statements made and documentation provided with this signed document.

Before the TSP will permit a loan to a TSP participant, the participant must indicate his or her marital status on the Loan Application and, if married, the spouse's name. In the case of a married Federal Employees' Retirement System (FERS) participant, the participant must obtain the signature of his/her spouse on the Loan Agreement/Promissory Note to show that the spouse has consented to the loan. In the case of a married Civil Service Retirement System (CSRS) participant, the consent of the spouse is not required; however, the TSP must send a notice to the spouse. The CSRS participant is therefore required to provide the spouse's address on the loan application. These consent and notice requirements can be waived upon application to the TSP pursuant to 5 CFR 1655.18.

This regulation adds paragraph (f) to § 1655.18 to provide that, if the Board receives a written allegation from the spouse stating that a participant misrepresented his/her marital status or the address of the spouse of a CSRS participant, or that the participant submitted a Loan Agreement/Promissory Note with a forged signature of the spouse of a FERS participant, the Board will submit the questioned document to the spouse and request that the allegation of fraud or forgery be affirmed. If the allegation is affirmed and the loan has been disbursed, the Board will give the participant an opportunity to repay the loan within a 60-day period. This will permit the participant to return the account to the status quo, thus restoring the spouse's interest in the account.

The notice will also advise that if the participant does not repay the loan in full within the 60 days provided, the Board will conduct an investigation into the allegation. The Board will not give this repayment opportunity to a participant who has received a final

divorce from his/her spouse before the funds are received by the TSP. In such a case, the Board will immediately begin its investigation.

Where the Board finds evidence to suggest that the participant misrepresented his/her marital status or spouse's address or that the signature of the spouse was forged, the Board will refer the case to the Department of Justice for criminal prosecution and, where the participant is still employed, to the Inspector General or other appropriate authority in the participant's employing agency for administrative action. The Board will also freeze the participant's account and will not permit a withdrawal or another loan until the loan is repaid, the Board receives assurance from the spouse in writing that the notice or consent requirements have been met, the participant is divorced, or the Board's investigation does not yield persuasive evidence to support the allegation.

Regulatory Flexibility Act

I certify that this amendment will not have a significant economic impact on a substantial number of small entities because the regulations will only affect TSP participants.

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, Public Law 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.

List of Subjects in 5 CFR Part 1655

Credit, Government employees, Pensions, Retirement.

Roger W. Mehle,

Executive Director, Federal Retirement Thrift Investment Board.

For the reasons set forth in the preamble, part 1655 of chapter VI of title 5 of the Code of Federal Regulations is amended as follows:

PART 1655—LOAN PROGRAM

1. The authority citation for part 1655 continues to read as follows:

Authority: 5 U.S.C. 8433(g) and 8474.

2. Section 1655.18 is amended by adding paragraph (f) as follows:

§ 1655.18 Spousal rights.

* * * * *

(f)(1) By signing the Loan Application and the Loan Agreement/Promissory Note, the participant represents that all information provided to the TSP during the loan process is true and correct, including statements concerning the participant's marital status and spouse's address at the time the application is filed and documentation that the current spouse has consented to the loan.

(2) If the Board receives a written allegation from the spouse that the participant may have misrepresented his/her marital status or the spouse's address (in the case of a CSRS participant), or that the signature of the spouse of a FERS participant was forged, the Board will submit the questioned document to the spouse and request that he or she state in writing that the information is false or that the spouse's signature has been forged. In the event of an alleged forgery, the Board will also request the spouse to provide at least three signature samples.

(3) If the spouse affirms the allegation in accordance with the procedure set forth in paragraph (f)(2) of this section and the loan has been disbursed, the Board will give the participant an opportunity to repay, within 60 days, the unpaid loan principal, plus unpaid interest. If the loan is repaid, the Board will not investigate the spouse's allegation.

(4) Paragraph (f)(3) of this section will not apply where the participant has received a final divorce decree before the funds are received by the Thrift Savings Plan.

(5) If the unpaid loan principal, plus unpaid interest, is not repaid to the Plan in full within the time period provided in paragraph (f)(3) of this section, the Board will conduct an investigation into the allegation. If the participant has received a final divorce decree before the funds are received by the Thrift Savings Plan, the Board will begin its investigation immediately.

(6) If, during its investigation, the Board finds evidence to suggest that the participant misrepresented his/her marital status or spouse's address (in the case of a CSRS participant), or submitted the Loan Agreement/Promissory Note with a forged

signature, the Board will refer the case to the Department of Justice for criminal prosecution and, if the participant is still employed, to the Inspector General or other appropriate authority in the participant's employing agency for administrative action.

(7) Upon receipt of an allegation described in paragraph (f)(2) of this section, the participant's account will be frozen and no withdrawal or loan will be permitted until after:

(i) Thirty days have elapsed since the participant's spouse was sent a copy of the questioned document and no written affirmation of the alleged false information or forgery (together with signature samples in the case of an alleged forgery) has been received by the Board;

(ii) The loan is repaid pursuant to paragraph (f)(3) of this section;

(iii) The Executive Director concludes that the Board's investigation did not yield persuasive evidence that supports the spouse's allegation;

(iv) The Executive Director has been assured in writing by the spouse that any future request for a loan or withdrawal comports with the applicable requirement of notice or consent; or

(v) The participant is divorced.

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DEPARTMENT OF AGRICULTURE**Animal and Plant Health Inspection Service****7 CFR Part 319**

[Docket No. 89-154-4]

Importation of Rhododendron Established in Growing Media

AGENCY: Animal and Plant Health Inspection Service, USDA.

ACTION: Notice of extension of comment period.

SUMMARY: We are extending the comment period on a proposal to allow the importation of *Rhododendron* established in growing media. Final action on that proposal had been deferred to allow consultation regarding the action with the United States Fish and Wildlife Service, in accordance with the Endangered Species Act. That consultation has been completed, and, as a result, the proposed action has been limited to *Rhododendron* imported from Europe only. This extension of the comment period will allow interested groups and individuals with additional

time to prepare comments on the proposal.

DATES: Consideration will be given only to comments received on or before July 30, 1998.

ADDRESSES: Please send an original and three copies of your comments to Docket No. 89-154-3, Regulatory Analysis and Development, PPD, APHIS, suite 3C03, 4700 River Road, Riverdale, MD 20737-1238. Please state that your comments refer to Docket No. 89-154-3. 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. Pete M. Grosser, Senior Import Specialist, PIMT, PPQ, APHIS, 4700 River Road Unit 140, Riverdale, MD 20737-1236; (301) 734-6799.

SUPPLEMENTARY INFORMATION:**Background**

On September 7, 1993, we published in the **Federal Register** a proposed rule (58 FR 47074-47084, Docket No. 89-154-1) to allow the importation of five genera of plants established in growing media. That proposal is referred to below as "the proposed rule." We accepted comments on the proposed rule for a period of 90 days, ending December 6, 1993.

In a final rule published in the **Federal Register** on January 13, 1995, and effective on February 13, 1995 (60 FR 3067-3078, Docket No. 89-154-2), the Animal and Plant Health Inspection Service (APHIS) finalized provisions for the importation of *Alstroemeria*, *Ananas*, *Anthurium*, and *Nidularium*. The final rule postponed action on *Rhododendron* established in growing media.

On April 30, 1998, we published in the **Federal Register** (63 FR 23683-23685, Docket No. 89-154-3) a notice reopening and extending the comment period on the proposal to allow the importation of *Rhododendron* established in growing media. Final action on the initial proposal had been deferred to allow consultation regarding the action with the United States Fish and Wildlife Service, in accordance with the Endangered Species Act. That consultation has been completed, and, as a result, the notice also announced APHIS's intention to limit the proposed action to *Rhododendron* imported from Europe only.