

## SUBCHAPTER J—FIDUCIARY RESPONSIBILITY UNDER THE FEDERAL EMPLOYEES' RETIREMENT SYSTEM ACT OF 1986

### PART 2582—RULES AND REGULATIONS FOR FIDUCIARY RESPONSIBILITY

#### Subpart A—Temporary Bonding Rules

- Sec.  
2582.8478-1 Temporary bonding requirements.  
2582.8478-2 Amount of the bond.

#### Subpart B—Permanent Bonding Rules

- 2582.8478-3 Permanent bonding requirements.  
2582.8478-4 Permanent amount of the bond.

AUTHORITY: 5 U.S.C. 8478 and 8478 note; Secretary of Labor's Order 1-2003, 68 FR 5374 (Feb. 3, 2003).

#### Subpart A—Temporary Bonding Rules

##### § 2582.8478-1 Temporary bonding requirements.

(a) *General.* Pending the issuance of permanent regulations under section 8478 of the Federal Employees' Retirement System Act of 1986 (FERSA), any fiduciary with respect to the Thrift Savings Fund (Fund) established under FERSA or any person who handles funds or other property of the Fund, shall be deemed to be in compliance with the bonding requirements of section 8478 of FERSA if he or she is bonded in compliance with the temporary bonding regulations under section 412 of the Employee Retirement Income Security Act of 1974 (ERISA) set forth in part 2580 of title 29 of the Code of Federal Regulations.

(b) *Application of ERISA temporary bonding rules.* For purposes of this section:

(1) Any reference to section 13 of the Welfare and Pension Plans Disclosure Act, as amended (WPPDA), or any section thereof in the ERISA temporary bonding regulations shall be deemed to refer to section 8478 of FERSA or the corresponding subsection thereof;

(2) Where the particular phrases set forth in FERSA are not identical to the phrases in the WPPDA, ERISA or

the ERISA temporary bonding regulations, the phrases appearing in FERSA shall be substituted by operation of law; and

(3) Where the phrases are identical but the meaning is different, the meaning given such phrases by FERSA shall govern. For example, the phrase "every administrator, officer and employee of any employee welfare benefit plan or of any employee pension benefit plan subject to this Act who handles funds or other property of such plan" which appears in the WPPDA and in the ERISA temporary bonding regulations shall be construed to mean, for purposes of this section, "each fiduciary and each person who handles funds or property of the Thrift Savings Fund," which is the term appearing in section 8478 of FERSA; the terms "employee benefit plan" and "plan" which appear in the ERISA temporary bonding regulations shall be construed to mean, for purposes of this section, "Thrift Savings Fund"; and the term "reporting year of the plan" which appears in the ERISA temporary bonding regulations shall be construed to mean, for purposes of this section, "fiscal year of the Thrift Savings Fund."

(c) *Effectiveness.* This section is effective until the earlier of the date of issuance by the Secretary of Labor of permanent regulations under section 8478 of FERSA or December 31, 1989.

[52 FR 35866, Sept. 23, 1987]

##### § 2582.8478-2 Amount of the bond.

(a) *General.* Under the authority of section 8478(b)(1) of the Federal Employees' Retirement System Act of 1986 (FERSA), the amount of a bond for each person, group or class to be bonded shall not be less than 10 percent of the amount of funds handled by such person, group or class with respect to any fiscal year of the Fund. In no case shall such bond be less than \$1,000 nor more than \$500,000. However, the Secretary of Labor reserves the authority under section 8478(b)(1) of FERSA to prescribe an amount in excess of