

103^D CONGRESS
1ST SESSION

H. R. 287

To amend the provisions of chapters 83 and 84 of title 5, United States Code, which relate to the deposit required in the case of an election to provide a survivor annuity to a spouse by a post-retirement marriage or a former spouse.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 5, 1993

Mrs. MORELLA introduced the following bill; which was referred to the
Committee on Post Office and Civil Service

A BILL

To amend the provisions of chapters 83 and 84 of title 5, United States Code, which relate to the deposit required in the case of an election to provide a survivor annuity to a spouse by a post-retirement marriage or a former spouse.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. AMENDMENTS TO THE CIVIL SERVICE RETIRE-**
4 **MENT SYSTEM.**

5 (a) IN GENERAL.—(1) Chapter 83 of title 5, United
6 States Code, is amended by inserting after section 8339
7 the following new section:

1 **“§ 8339a. Survivor elections; deposit; offsets**

2 “(a)(1) An individual who makes an election under
3 section 8339(j)(3), (j)(5)(C), or (k)(2) shall deposit into
4 the Fund an amount determined by the Office of Person-
5 nel Management (as nearly as may be administratively
6 feasible) to reflect the amount by which the annuity of
7 such individual would have been reduced if the election
8 had been in effect since the date of retirement (or, if later,
9 in the case of an election under section 8339(j)(5)(C),
10 since the date the previous reduction in the annuity of
11 such individual was terminated under section 8339(j)(5)
12 (A) or (B)), plus interest.

13 “(2) Interest under paragraph (1) shall be computed
14 at the rate of 6 percent a year.

15 “(b)(1) The Office shall by regulation provide for
16 payment of any deposit or combination of deposits re-
17 quired under subsection (a) by a reduction in the annuity
18 of the employee or Member.

19 “(2) The reduction shall, to the extent practicable,
20 be designed such that the present value of the future re-
21 ductions is actuarially equivalent to the present value of
22 the deposit or combination of deposits required under sub-
23 section (a), except that the total reduction under this sec-
24 tion may not exceed 25 percent of the annuity computed
25 under subsections (a)–(i), (n), (p), and (q) of section
26 8339, adjusted under section 8340.

1 “(3) A reduction under this section—

2 “(A) shall be effective as of the effective date
3 of the election under section 8339(j)(3), (j)(5)(C), or
4 (k)(2), as the case may be;

5 “(B) shall not be terminated on account of a
6 change in marital status or for any other reason;
7 and

8 “(C) shall be in addition to any reduction made
9 under section 8339(j)(4) or (k)(1).

10 “(c) Subsections (a) and (b) shall not apply with re-
11 spect to an election under section 8339(j)(5)(C) or (k)(2)
12 if—

13 “(1) the employee or Member makes such elec-
14 tion after having made an election under section
15 8339(k)(1); and

16 “(2) the election under section 8339(k)(1) be-
17 comes void under section 8339(j)(5)(C)(iv) or
18 (k)(2)(B).

19 “(d) That the total amount withheld under this sec-
20 tion from the annuity of an employee or Member, as of
21 time of death or other annuity-terminating event, is less
22 than the amount described in subsection (a) (including in-
23 terest) shall not affect either the entitlement of such em-
24 ployee’s or Member’s survivor to receive the annuity elect-
25 ed for such survivor under section 8339(j)(3), (j)(5)(C),

1 or (k)(2) (as the case may be) or the amount of such survi-
2 vor annuity.”.

3 (2) The table of sections for chapter 83 of title 5,
4 United States Code, is amended by inserting after the
5 item relating to section 8339 the following:

“8339a. Survivor elections; deposit; offsets.”.

6 (b) TECHNICAL AND CONFORMING AMENDMENTS.—

7 (1) Section 8339(j)(3) of title 5, United States Code, is
8 amended by striking the second through fourth sentences
9 and inserting the following: “An election under this para-
10 graph shall be made at the time of retirement or, if later,
11 within 2 years after the date on which the marriage of
12 the former spouse to the employee or Member is dissolved,
13 and shall become effective the first day of the second
14 month after the election is received by the Office.”.

15 (2) Section 8339(j)(5)(C) of title 5, United States
16 Code, is amended—

17 (A) by amending clause (ii) to read as follows:

18 “(ii) Such election and reduction shall become effec-
19 tive the first day of the second month after the election
20 is received by the Office, but not less than 9 months after
21 the date of the remarriage.”;

22 (B) by striking clauses (iii) and (vi); and

23 (C) by redesignating clauses (iv) and (v) as
24 clauses (iii) and (iv), respectively.

1 (3) Section 8339(k)(2) of title 5, United States Code,
2 is amended—

3 (A) in subparagraph (B)—

4 (i) by striking clause (ii);

5 (ii) by striking “(B)(i)” and the first sen-
6 tence thereafter and inserting “(B) The election
7 and reduction shall become effective the first
8 day of the second month after the election is re-
9 ceived by the Office, but not less than 9 months
10 after the date of the marriage.”; and

11 (iii) by redesignating subclauses (I) and
12 (II) (of former clause (i)) as clauses (i) and (ii),
13 respectively; and

14 (B) by striking subparagraphs (C) and (D).

15 (4) Section 8334(h) of title 5, United States Code,
16 is amended by striking “and by section 8339(j)(5)(C) and
17 the last sentence of section 8339(k)(2) of this title”.

18 **SEC. 2. AMENDMENTS TO THE FEDERAL EMPLOYEES’ RE-**
19 **TIREMENT SYSTEM.**

20 (a) IN GENERAL.—Section 8418 of title 5, United
21 States Code, is amended—

22 (1) in subsection (a)(1) by striking “which is
23 required to be made” through “Office” and inserting
24 “shall deposit into the Fund an amount determined
25 by the Office of Personnel Management”; and

1 (2) by striking subsections (b) through (d) and
2 inserting the following:

3 “(b)(1) The Office shall by regulation provide for
4 payment of the deposit under subsection (a) by a reduction
5 in the annuity of the employee or Member.

6 “(2) The reduction shall, to the extent practicable,
7 be designed such that the present value of the future re-
8 ductions is actuarially equivalent to the present value of
9 the deposit or combination of deposits required under sub-
10 section (a), except that the total reduction in the annuity
11 of the employee or Member to pay any such deposit or
12 combination of deposits may not exceed 25 percent of the
13 annuity computed under section 8415, or under section
14 8452 (including subsection (a)(2) of such section, if appli-
15 cable), adjusted under section 8462.

16 “(3) A reduction under this section—

17 “(A) shall become effective as of the effective
18 date of the election under subsection (b) or (c) of
19 section 8416 or section 8417(b), as the case may be;

20 “(B) shall not be terminated on account of a
21 change in marital status or for any other reason;
22 and

23 “(C) shall be in addition to any reduction under
24 section 8419(a) or 8420.

1 “(c) Subsections (a) and (b) shall not apply with re-
2 spect to an election under section 8416 or 8417(b) if—

3 “(1) the employee or Member makes such elec-
4 tion after having made an election under section
5 8420; and

6 “(2) the election under section 8420 becomes
7 void under section 8416 (b)(3) or (c)(2).

8 “(d) That the total amount withheld under this sec-
9 tion from the annuity of an employee or Member, as of
10 time of death or other annuity-terminating event, is less
11 than the amount described in subsection (a) (including in-
12 terest) shall not affect either the entitlement of such em-
13 ployee’s or Member’s survivor to receive the annuity elect-
14 ed for such survivor under section 8416 (b) or (c) or sec-
15 tion 8417 (as the case may be) or the amount of such
16 survivor annuity.”.

17 (b) TECHNICAL AND CONFORMING AMENDMENTS.—

18 (1) Section 8416(b)(2) of title 5, United States Code, is
19 amended by striking “be effective” and inserting “become
20 effective”.

21 (2) The first sentence of section 8416(c)(2) of title
22 5, United States Code, is amended to read as follows:
23 “The election and reduction shall become effective the first
24 day of the second month after the election is received by

1 the Office, but not less than 9 months after the date of
2 the marriage.”.

3 (3) Section 8417(b)(2) of title 5, United States Code,
4 is amended to read as follows:

5 “(2) An election under this subsection—

6 “(A) shall be made at the time of retirement or,
7 if the marriage is dissolved after the date of retire-
8 ment, within 2 years after the date on which the
9 marriage of the former spouse to the employee or
10 Member is dissolved; and

11 “(B) shall become effective the first day of the
12 second month after the election is received by the
13 Office.”.

14 **SEC. 3. EFFECTIVE DATE.**

15 (a) IN GENERAL.—The amendments made by this
16 Act shall take effect on the first day of the first month
17 beginning at least 30 days after the date of enactment
18 of this Act, and shall apply to any amount which first be-
19 comes payable on or after that date.

20 (b) REGULATIONS.—In the case of a deposit (under
21 any of the provisions of law amended by this Act) that
22 has not been fully paid before the effective date of the
23 amendments made by this Act, the Office of Personnel
24 Management shall by regulation establish procedures
25 under which reductions similar to those provided for under

- 1 such amendments shall be applied with respect to the re-
- 2 maining portion of such deposit.

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