

104TH CONGRESS
2D SESSION

H. R. 2978

To amend chapters 83 and 84 of title 5, United States Code, to provide for measures to preserve the value of deferred annuities over the period of the time between separation from Government service and when payments commence, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 27, 1996

Mr. MORAN introduced the following bill; which was referred to the Committee on Government Reform and Oversight

A BILL

To amend chapters 83 and 84 of title 5, United States Code, to provide for measures to preserve the value of deferred annuities over the period of the time between separation from Government service and when payments commence, and for other purposes.

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. DEFERRED ANNUITIES UNDER THE CIVIL**
4 **SERVICE RETIREMENT SYSTEM.**

5 (a) IN GENERAL.—Section 8338 of title 5, United
6 States Code, is amended by adding at the end the follow-
7 ing:

1 “(e)(1) Notwithstanding any other provision of this
2 subchapter, in computing the annuity of an employee or
3 Member who retires under this section, average pay shall
4 be equal to the average pay which (but for this subsection)
5 would otherwise apply, increased in the manner set forth
6 in subparagraph (B) of section 8340(g)(1) with respect
7 to (instead of the period described in such subparagraph)
8 the period—

9 “(A) beginning on the date of separation on
10 which title to such annuity is based, and

11 “(B) ending on the annuity commencement
12 date.

13 “(2) If the employee or Member dies after such date
14 of separation but before having established a valid claim
15 for such annuity, any survivor annuity payable to a widow,
16 widower, or former spouse, based on the service of such
17 employee or Member, shall be computed in conformance
18 with paragraph (1), except that the date used for purposes
19 of paragraph (1)(B) shall be the commencement date of
20 the survivor annuity involved.”.

21 (b) CONFORMING AMENDMENT.—Section 8338(d) of
22 such title is amended by striking the period and inserting
23 “, subject to subsection (e).”.

24 (c) COORDINATION PROVISIONS.—Regulations under
25 section 4 shall include such provisions as may be necessary

1 to ensure that sections 8339(f) and 8340(g) of such title
2 shall be applied in a manner consistent with the purposes
3 of this section.

4 **SEC. 2. DEFERRED ANNUITIES UNDER THE FEDERAL EM-**
5 **PLoyEES' RETIREMENT SYSTEM.**

6 Section 8413 of title 5, United States Code, is
7 amended by adding at the end the following:

8 “(c)(1) Notwithstanding any other provision of this
9 chapter, in computing the annuity of an employee or Mem-
10 ber who retires under this section or under section
11 8412(g), average pay shall be equal to the average pay
12 which (but for this subsection) would otherwise apply, in-
13 creased in the manner set forth in subparagraph (B) of
14 section 8340(g)(1) with respect to (instead of the period
15 described in such subparagraph) the period—

16 “(A) beginning on the date of separation on
17 which title to such annuity is based, and

18 “(B) ending on the annuity commencement
19 date.

20 “(2) If the employee or Member dies after such date
21 of separation but before having established a valid claim
22 for such annuity, any survivor annuity payable to a widow,
23 widower, or former spouse, based on the service of such
24 employee or Member, shall be computed in conformance
25 with paragraph (1), except that the date used for purposes

1 of paragraph (1)(B) shall be the commencement date of
2 the survivor annuity involved.”.

3 **SEC. 3. AMENDMENTS TO PROVIDE THAT THE SURVIVOR**
4 **OF A FORMER EMPLOYEE UNDER CSRS WHO**
5 **DIES AFTER SEPARATING FROM SERVICE**
6 **BUT BEFORE THE COMMENCEMENT OF SUCH**
7 **EMPLOYEE’S DEFERRED ANNUITY SHALL BE**
8 **ACCORDED THE SAME TREATMENT AS**
9 **WOULD APPLY IN THOSE SAME CIR-**
10 **CUMSTANCES UNDER FERS.**

11 (a) IN GENERAL.—Subsection (f) of section 8341 of
12 title 5, United States Code, is amended—

13 (1) in the matter before paragraph (1) by strik-
14 ing “If a” and inserting “If an employee or”;

15 (2) in paragraph (1)—

16 (A) by inserting “employee or” after “the
17 deferred annuity of the”; and

18 (B) by inserting “employee or” after “the
19 day after the”;

20 (3) in the matter after paragraph (2) and be-
21 fore subparagraph (A) by striking “surviving spouse
22 of a” and inserting “surviving spouse of an employee
23 or”; and

24 (4) in subparagraph (B) by inserting “employee
25 or” after “surviving spouse of such”.

1 (b) CONFORMING AMENDMENT.—Paragraph (1) of
2 section 8341(h) of such title is amended by striking
3 “former Member who was separated from the service with
4 title to a deferred annuity under section 8338(b)” and in-
5 serting “former employee or Member who was separated
6 from the service with title to a deferred annuity under sec-
7 tion 8338”.

8 **SEC. 4. REGULATIONS.**

9 The Office of Personnel Management shall prescribe
10 any regulations which may be necessary to carry out the
11 purposes of this Act.

12 **SEC. 5. EFFECTIVE DATE.**

13 The amendments made by this Act—

14 (1) shall take effect on October 1st of the fiscal
15 year next beginning after the date of the enactment
16 of this Act; and

17 (2) shall not apply with respect to separations
18 other than those occurring on or after the date spec-
19 ified in paragraph (1).

○