

105TH CONGRESS  
1ST SESSION

# H. R. 2675

To require that the Office of Personnel Management submit proposed legislation under which group universal life insurance and group variable universal life insurance would be available under chapter 87 of title 5, United States Code, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

OCTOBER 21, 1997

Mr. MICA (for himself, Mr. CUMMINGS, Mr. PAPPAS, Mrs. MORELLA, Mr. SESSIONS, Mr. FORD, and Ms. NORTON) introduced the following bill; which was referred to the Committee on Government Reform and Oversight

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## A BILL

To require that the Office of Personnel Management submit proposed legislation under which group universal life insurance and group variable universal life insurance would be available under chapter 87 of title 5, United States Code, 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. SHORT TITLE.**

4 This Act may be cited as the “Federal Employees  
5 Life Insurance Improvement Act”.

1 **SEC. 2. REQUIREMENT THAT A LEGISLATIVE PROPOSAL BE**  
2 **SUBMITTED.**

3 (a) IN GENERAL.—Within 6 months after the date  
4 of enactment of this Act, the Office of Personnel Manage-  
5 ment shall submit to Congress proposed legislation under  
6 which there would be made available to Federal employees  
7 and annuitants the following:

8 (1) Group universal life insurance.

9 (2) Group variable universal life insurance.

10 The proposal shall indicate whether any such insurance  
11 could be taken in addition to, in lieu of, or in combination  
12 with any insurance otherwise offered under chapter 87 of  
13 title 5, United States Code.

14 (b) DESCRIPTION OF POLICIES AND COSTS.—The  
15 proposed legislation shall be accompanied by a report  
16 which shall include a concise description of the policies  
17 proposed, an estimate of the cost to the Government an-  
18 ticipated with respect to each of those policies, and any  
19 other information which the Office of Personnel Manage-  
20 ment may consider appropriate.

21 **SEC. 3. UNREDUCED ADDITIONAL OPTIONAL LIFE INSUR-**  
22 **ANCE.**

23 (a) IN GENERAL.—Section 8714b of title 5, United  
24 States Code, is amended—

25 (1) in subsection (c)—

1 (A) by striking the last 2 sentences of  
2 paragraph (2); and

3 (B) by adding at the end the following:

4 “(3) The amount of additional optional insurance  
5 continued under paragraph (2) shall be continued, with  
6 or without reduction, in accordance with the employee’s  
7 written election at the time eligibility to continue insur-  
8 ance during retirement or receipt of compensation arises,  
9 as follows:

10 “(A) The employee may elect to have  
11 withholdings cease in accordance with subsection  
12 (d), in which case—

13 “(i) the amount of additional optional in-  
14 surance continued under paragraph (2) shall be  
15 reduced each month by 2 percent effective at  
16 the beginning of the second calendar month  
17 after the date the employee becomes 65 years of  
18 age and is retired or is in receipt of compensa-  
19 tion; and

20 “(ii) the reduction under clause (i) shall  
21 continue for 50 months at which time the insur-  
22 ance shall stop.

23 “(B) The employee may, instead of the option  
24 under subparagraph (A), elect to have the full cost  
25 of additional optional insurance continue to be with-

1 held from such employee's annuity or compensation  
2 on and after the date such withholdings would other-  
3 wise cease pursuant to an election under subpara-  
4 graph (A), in which case the amount of additional  
5 optional insurance continued under paragraph (2)  
6 shall not be reduced, subject to paragraph (4).

7 “(C) An employee who does not make any elec-  
8 tion under the preceding provisions of this para-  
9 graph shall be treated as if such employee had made  
10 an election under subparagraph (A).

11 “(4) If an employee makes an election under para-  
12 graph (3)(B), that individual may subsequently cancel  
13 such election, in which case additional optional insurance  
14 shall be determined as if the individual had originally  
15 made an election under paragraph (3)(A).”; and

16 (2) in the second sentence of subsection (d)(1)  
17 by inserting “if insurance is continued as provided  
18 in subparagraph (A) of paragraph (3),” after “ex-  
19 cept that,”.

20 (b) TECHNICAL AMENDMENT.—The last sentence of  
21 section 8714b(d)(1) of title 5, United States Code, is  
22 amended by inserting “(and any amounts withheld as pro-  
23 vided in subsection (c)(3)(B))” after “Amounts so with-  
24 held”.

1       (c) EFFECTIVE DATE.—The amendments made by  
2 this section shall take effect on the 120th day after the  
3 date of enactment of this Act and shall apply with respect  
4 to employees who become eligible, on or after such 120th  
5 day, to continue additional optional insurance during re-  
6 tirement or receipt of compensation.

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