

106TH CONGRESS
1ST SESSION

H. R. 807

To amend title 5, United States Code, to provide portability of service credit for persons who leave employment with the Federal Reserve Board to take positions with other Government agencies.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 23, 1999

Mr. SCARBOROUGH (for himself, Ms. NORTON, Mr. CUMMINGS, Mrs. Morella, Mr. HOYER, Mr. DAVIS of Virginia, Mr. MORAN of Virginia, Mr. WAXMAN, and Mr. MICA) introduced the following bill; which was referred to the Committee on Government Reform

A BILL

To amend title 5, United States Code, to provide portability of service credit for persons who leave employment with the Federal Reserve Board to take positions with other Government agencies.

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 Reserve Board
5 Retirement Portability Act”.

6 **SEC. 2. PORTABILITY OF SERVICE CREDIT.**

7 (a) CREDITABLE SERVICE.—

1 (1) IN GENERAL.—Section 8411(b) of title 5,
2 United States Code, is amended—

3 (A) by striking “and” at the end of para-
4 graph (3);

5 (B) in paragraph (4)—

6 (i) by striking “of the preceding provi-
7 sions” and inserting “other paragraph”;
8 and

9 (ii) by striking the period at the end
10 and inserting “; and”; and

11 (C) by adding at the end the following:

12 “(5) a period of service (other than any service
13 under any other paragraph of this subsection, any
14 military service, and any service performed in the
15 employ of a Federal Reserve Bank) that was cred-
16 itable under the Bank Plan (as defined in subsection
17 (i)), if the employee waives credit for such service
18 under the Bank Plan and makes a payment to the
19 Fund equal to the amount that would have been de-
20 ducted from pay under section 8422(a) had the em-
21 ployee been subject to this chapter during such pe-
22 riod of service (together with interest on such
23 amount computed under paragraphs (2) and (3) of
24 section 8334(e)).

1 Paragraph (5) shall not apply in the case of any employee
2 as to whom subsection (g) (or, to the extent subchapter
3 III of chapter 83 is involved, section 8332(n)) otherwise
4 applies.”.

5 (2) BANK PLAN DEFINED.—Section 8411 of
6 title 5, United States Code, is amended by adding
7 at the end the following:

8 “(i) For purposes of subsection (b)(5), the term
9 ‘Bank Plan’ means the benefit structure in which employ-
10 ees of the Board of Governors of the Federal Reserve Sys-
11 tem appointed on or after January 1, 1984, participate,
12 which benefit structure is a component of the Retirement
13 Plan for Employees of the Federal Reserve System, estab-
14 lished under section 10 of the Federal Reserve Act (and
15 any redesignated or successor version of such benefit
16 structure, if so identified in writing by the Board of Gov-
17 ernors of the Federal Reserve System for purposes of this
18 chapter).”.

19 (b) EXCLUSION FROM CHAPTER 84.—

20 (1) IN GENERAL.—Paragraph (2) of section
21 8402(b) of title 5, United States Code, is amended
22 by striking the matter before subparagraph (B) and
23 inserting the following:

24 “(2)(A) any employee or Member who has sepa-
25 rated from the service after—

1 “(i) having been subject to—

2 “(I) subchapter III of chapter 83
3 of this title;

4 “(II) subchapter I of chapter 8 of
5 title I of the Foreign Service Act of
6 1980; or

7 “(III) the benefit structure for
8 employees of the Board of Governors
9 of the Federal Reserve System ap-
10 pointed before January 1, 1984, that
11 is a component of the Retirement
12 Plan for Employees of the Federal
13 Reserve System, established under
14 section 10 of the Federal Reserve Act;
15 and

16 “(ii) having completed—

17 “(I) at least 5 years of civilian
18 service creditable under subchapter
19 III of chapter 83 of this title;

20 “(II) at least 5 years of civilian
21 service creditable under subchapter I
22 of chapter 8 of title I of the Foreign
23 Service Act of 1980; or

24 “(III) at least 5 years of civilian
25 service (other than any service per-

1 formed in the employ of a Federal Re-
2 serve Bank) creditable under the ben-
3 efit structure for employees of the
4 Board of Governors of the Federal
5 Reserve System appointed before Jan-
6 uary 1, 1984, that is a component of
7 the Retirement Plan for Employees of
8 the Federal Reserve System, estab-
9 lished under section 10 of the Federal
10 Reserve Act,

11 determined without regard to any deposit
12 or redeposit requirement under either such
13 subchapter or benefit structure, or any re-
14 quirement that the individual become sub-
15 ject to either such subchapter or benefit
16 structure after performing the service in-
17 volved; or”.

18 (2) EXCEPTION.—Subsection (d) of section
19 8402 of title 5, United States Code, is amended to
20 read as follows:

21 “(d) Paragraph (2) of subchapter (b) shall not apply
22 to an individual who—

23 “(1) becomes subject to—

24 “(A) subchapter II of chapter 8 of title I
25 of the Foreign Service Act of 1980 (relating to

1 the Foreign Service Pension System) pursuant
2 to an election; or

3 “(B) the benefit structure in which em-
4 ployees of the Board of Governors of the Fed-
5 eral Reserve system appointed on or after Jan-
6 uary 1, 1984, participate, which benefit struc-
7 ture is a component of the Retirement Plan for
8 Employees of the Federal Reserve System, es-
9 tablished under section 10 of the Federal Re-
10 serve Act (and any redesignated or successor
11 version of such benefit structure, if so identified
12 in writing by the Board of Governors of the
13 Federal Reserve System for purposes of this
14 chapter); and

15 “(2) subsequently enters a position in which,
16 but for paragraph (2) of subsection (b), such indi-
17 vidual would be subject to this chapter.”.

18 (c) PROVISIONS RELATING TO CERTAIN FORMER
19 EMPLOYEES.—A former employee of the Board of Gov-
20 ernors of the Federal Reserve System who—

21 (1) has at least 5 years of civilian service (other
22 than any service performed in the employ of a Fed-
23 eral Reserve Bank) creditable under the benefit
24 structure for employees of the Board of Governors
25 of the Federal Reserve System appointed before

1 January 1, 1984, that is a component of the Retirement
2 Plan for Employees of the Federal Reserve
3 System, established under section 10 of the Federal
4 Reserve Act;

5 (2) was subsequently employed subject to the
6 benefit structure in which employees of the Board of
7 Governors of the Federal Reserve System appointed
8 on or after January 1, 1984, participate, which benefit
9 structure is a component of the Retirement Plan
10 for Employees of the Federal Reserve System, established
11 under section 10 of the Federal Reserve Act
12 (and any redesignated or successor version of such
13 benefit structure, if so identified in writing by the
14 Board of Governors of the Federal Reserve System
15 for purposes of chapter 84 of title 5, United States
16 Code); and

17 (3) after service described in paragraph (2), becomes
18 subject to and thereafter entitled to benefits
19 under chapter 84 of title 5, United States Code,
20 shall, for purposes of section 302 of the Federal Employees'
21 Retirement System Act of 1986 (100 Stat. 601; 5
22 U.S.C. 8331 note) be considered to have become subject
23 to chapter 84 of title 5, United States Code, pursuant to
24 an election under section 301 of such Act.

25 (d) EFFECTIVE DATE.—

1 (1) IN GENERAL.—Subject to succeeding provi-
2 sions of this subsection, this section and the amend-
3 ments made by this section shall take effect on the
4 date of enactment of this Act.

5 (2) PROVISIONS RELATING TO CREDITABILITY
6 AND CERTAIN FORMER EMPLOYEES.—The amend-
7 ments made by subsection (a) and the provisions of
8 subsection (c) shall apply only to individuals who
9 separate from service subject to chapter 84 of title
10 5, United States Code, on or after the date of enact-
11 ment of this Act.

12 (3) PROVISIONS RELATING TO EXCLUSION
13 FROM CHAPTER.—The amendments made by sub-
14 section (b) shall not apply to any former employee
15 of the Board of Governors of the Federal Reserve
16 System who, subsequent to his or her last period of
17 service as an employee of the Board of Governors of
18 the Federal Reserve System and prior to the date of
19 enactment of this Act, became subject to subchapter
20 III of chapter 83 or chapter 84 of title 5, United
21 States Code, under the law in effect at the time of
22 the individual's appointment.

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