

103^D CONGRESS
2^D SESSION

H. R. 5042

To limit the accrual of pension benefits for Members of Congress to twelve years of service, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 13, 1994

Mr. MILLER of Florida introduced the following bill; which was referred jointly to the Committees on Post Office and Civil Service and House Administration

A BILL

To limit the accrual of pension benefits for Members of Congress to twelve years of service, 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 “Congressional Mem-
5 ber’s Pension Limitation Act of 1994”.

6 **SEC. 2. REFERENCE.**

7 Whenever in this Act a section or other provision is
8 amended or repealed, such amendment or repeal shall be
9 considered to be made to that section or other provision
10 of title 5, United States Code.

1 **SEC. 3. MAXIMUM ALLOWABLE MEMBER SERVICE FOR PUR-**
2 **POSES OF RETIREMENT BENEFITS.**

3 (a) DEFINITIONS.—

4 (1) FERS.—

5 (A) MAXIMUM ALLOWABLE MEMBER SERV-
6 ICE.—Section 8401 is amended—

7 (i) by striking out “and” at the end of
8 paragraph (31);

9 (ii) by striking out the period at the
10 end of paragraph (32) and inserting in lieu
11 thereof “; and”; and

12 (iii) by adding at the end the follow-
13 ing:

14 “(33) the term ‘maximum allowable Member
15 service’ means service as a Member of 12 years.”.

16 (B) AVERAGE PAY.—Section 8401(3) is
17 amended to read as follows:

18 “(3) the term ‘average pay’ means—

19 “(A) the largest annual rate resulting from
20 averaging—

21 “(i) in the case of an employee, an
22 employee’s rates of basic pay in effect over
23 any 3 consecutive years of service; or

24 “(ii) in the case of a Member, the
25 Member’s rates of basic pay in effect for

1 the 3 years of Member service immediately
2 preceding retirement; or

3 “(B) in the case of an annuity under this
4 chapter based on service of less than 3 years,
5 over the total service;

6 with each rate weighted by the period it was in ef-
7 fect;”.

8 (2) CSRS.—

9 (A) MAXIMUM ALLOWABLE MEMBER SERV-
10 ICE.—Section 8331 is amended—

11 (i) by striking out “and” at the end of
12 paragraph (25);

13 (ii) by striking out the period at the
14 end of paragraph (26) and inserting in lieu
15 thereof “; and”; and

16 (iii) by adding at the end the follow-
17 ing:

18 “(27) the term ‘maximum allowable Member
19 service’ means service as a Member of 12 years.”.

20 (B) AVERAGE PAY.—Section 8331(4) is
21 amended to read as follows:

22 “(3) ‘average pay’ means—

23 “(A) the largest annual rate resulting from
24 averaging—

1 “(i) in the case of an employee, an
2 employee’s rates of basic pay in effect over
3 any 3 consecutive years of creditable serv-
4 ice; or

5 “(ii) in the case of a Member, the
6 Member’s rates of basic pay in effect for
7 the 3 years of Member service immediately
8 preceding retirement; or

9 “(B) in the case of an annuity under sub-
10 section (d) or (e)(1) of section 8341 of this title
11 based on service of less than 3 years, over the
12 total service;

13 with each rate weighted by the time it was in ef-
14 fect;”.

15 (b) CREDITABLE SERVICE.—

16 (1) FERS.—

17 (A) IN GENERAL.—Section 8411(a) is
18 amended by adding at the end the following:

19 “(3) A Member may not be allowed credit for Member
20 service under this chapter that is greater than the maxi-
21 mum allowable Member service.”.

22 (B) CONFORMING AMENDMENT.—Section
23 8411(b)(1) is amended by inserting before the
24 semicolon at the end thereof the following “,

1 but not in excess of the maximum allowable
2 Member service”.

3 (2) CSRS.—Section 8332(b) is amended in the
4 matter preceding paragraph (1) by inserting “Credit
5 may not be allowed for Member service under this
6 chapter that is the greater of the maximum allow-
7 able Member service or the Member service of the
8 Member determined as of the beginning of the 104th
9 Congress.” before “The service includes”.

10 **SEC. 4. IMMEDIATE RETIREMENT.**

11 Section 8412 is amended as follows:

12 (1) Subsection (a) of such section is amended
13 by striking out “or Member”.

14 (2) Subsection (b) of such section is amended
15 by striking out “or Member”.

16 (3) Subsection (c) of such section is amended
17 by striking out “or Member”.

18 (4) Subsection (f) of such section is amended to
19 read as follows:

20 “(f) A Member who is separated from the service
21 after becoming 62 years of age and completing 4 years
22 of service is entitled to an annuity.”.

23 (5) Subsection (g) of such section is amended
24 by striking out “or Member” each place it occurs.

1 **SEC. 5. COMPUTATION OF ANNUITIES.**

2 (a) FERS.—Section 8415 is amended as follows:

3 (1) By amending subsection (b) to read as fol-
4 lows:

5 “(b) The annuity of a Member, or former Member
6 with title to a Member annuity, retiring under this sub-
7 chapter is computed under subsection (a), except that if
8 the individual has had at least 4 years of service as a
9 Member, so much of the annuity as is computed with re-
10 spect to such service, not exceeding a total of the maxi-
11 mum allowable Member service, shall be computed by mul-
12 tiplying $1\frac{7}{10}$ percent of the individual’s average pay by
13 the years of service as a Member.”.

14 (2) In subsection (c), by striking “or Member,
15 or combination thereof, so much of the annuity as
16 is computed with respect to either such type of serv-
17 ice (or combination thereof),” and inserting “, so
18 much of the annuity as is computed with respect to
19 such service,”.

20 (3) In subsection (f), by striking out “or Mem-
21 ber” each place it appears.

22 (b) CSRS.—

23 (1) AGE.—The second sentence of section
24 8339(h) is amended by striking out “60 years” and
25 inserting in lieu thereof “62 years”.

1 (2) MAXIMUM.—Section 8339(c)(1) is amended
2 by inserting “, not to exceed the total service of such
3 Member or former Member as of the effective date
4 of the Member’s Pension Limitation Act of 1994 or
5 12 years (whichever is greater),” after “service as a
6 Member”.

7 **SEC. 6. DEDUCTIONS FROM PAY.**

8 (a) FERS.—

9 (1) IN GENERAL.—Section 8422(a) is amend-
10 ed—

11 (A) in paragraph (1), by striking out
12 “The” and inserting in lieu thereof “Except as
13 provided in paragraph (3), the”; and

14 (B) adding at the end thereof the follow-
15 ing:

16 “(3) Paragraphs (1) and (2) shall cease to apply with
17 respect to a Member when the service of the Member at-
18 tains the maximum allowable Member service.”.

19 (2) GOVERNMENT CONTRIBUTIONS.—Section
20 8423(a)(1) is amended in the matter preceding sub-
21 paragraph (A) by inserting “paragraphs (1) and (2)
22 of” before “section 8422(a)”.

23 (b) CSRS.—

24 (1) IN GENERAL.—Section 8334(a) is amend-
25 ed—

1 (A) in paragraph (1), by striking out “The
2 employing agency” and inserting in lieu thereof
3 “Except as provided in paragraph (3), the em-
4 ploying agency”; and

5 (B) adding at the end thereof the follow-
6 ing:

7 “(3) Paragraphs (1) and (2) shall cease to apply with
8 respect to a Member when the service of the Member at-
9 tains the maximum allowable Member service.”.

10 (2) DEPOSITS.—Section 8334(c) is amended by
11 adding at the end the following: “This subsection
12 does not apply with respect to a Member for Mem-
13 ber service performed after January 1, 1995, in ex-
14 cess of the maximum allowable Member service of
15 that Member.”.

16 **SEC. 7. THRIFT SAVINGS PLAN.**

17 (a) FERS.—

18 (1) LIMITATION ON GOVERNMENT CONTRIBU-
19 TIONS.—Section 8432(c) is amended—

20 (A) by striking out “At the time” in para-
21 graph (1)(A) and inserting in lieu thereof “Ex-
22 cept as provided in paragraph (4), at the time”;

23 (B) by striking out “In addition to” in
24 paragraph (2)(A) and inserting in lieu thereof

1 “Except as provided in paragraph (4), in addi-
2 tion to”; and

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

4 “(4) Paragraphs (1) and (2) shall cease to apply with
5 respect to a Member when the Member attains the maxi-
6 mum allowable Member service.”.

7 (2) FORFEITURE.—Section 8432(g)(3) is
8 amended—

9 (A) by inserting “(A)” after “(3)”;

10 (B) by striking out “Member or” each
11 place it appears; and

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

13 “(B) Contributions made for the benefit of a Member
14 under subsection (c)(1) and all earnings attributable to
15 such contributions shall be forfeited if the Member sepa-
16 rates from Government employment before completing 4
17 years of civilian service.”.

18 **SEC. 8. EFFECTIVE DATE.**

19 The amendments made by this Act shall apply with
20 respect to Members of Congress who are Members of Con-
21 gress beginning with the 104th Congress.

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