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2-7-12
agreed to
by voice vote
amended

**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 3813
OFFERED BY MR. ROSS OF FLORIDA**

Strike all after the enacting clause and insert the following:

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the "Securing Annuities for
3 Federal Employees Act of 2012".

4 SEC. 2. RETIREMENT CONTRIBUTIONS.

5 (a) CIVIL SERVICE RETIREMENT SYSTEM.—

6 (1) INDIVIDUAL CONTRIBUTIONS.—Section
7 8334(c) of title 5, United States Code, is amended—

8 (A) by striking "(c) Each" and inserting
9 "(c)(1) Each"; and

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

11 "(2) Notwithstanding any other provision of this sub-
12 section, the applicable percentage of basic pay under this
13 subsection shall, for purposes of computing an amount—

14 "(A) for a period in calendar year 2013, 2014,
15 or 2015, be equal to the applicable percentage under
16 this subsection for the preceding calendar year (in-
17 cluding as increased under this paragraph, if appli-
18 cable), plus an additional 0.5 percentage point; and

1 “(B) for a period in any calendar year after
2 2015, be equal to the applicable percentage under
3 this subsection for calendar year 2015 (as deter-
4 mined under subparagraph (A)).”.

5 (2) GOVERNMENT CONTRIBUTIONS.—Section
6 8334(a)(1)(B) of title 5, United States Code, is
7 amended—

8 (A) in clause (i), by striking “Except as
9 provided in clause (ii),” and inserting “Except
10 as provided in clause (ii) or (iii),”; and

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

12 “(iii) The amount to be contributed under clause (i)
13 shall, with respect to a period in any year beginning after
14 December 31, 2012, be equal to—

15 “(I) the amount which would otherwise apply
16 under clause (i) with respect to such period, reduced
17 by

18 “(II) the amount by which, with respect to such
19 period, the withholding under subparagraph (A) ex-
20 ceeds the amount which would otherwise have been
21 withheld from the basic pay of the employee or elect-
22 ed official involved under subparagraph (A) based on
23 the percentage applicable under subsection (c) for
24 calendar year 2012.”.

1 (b) FEDERAL EMPLOYEES' RETIREMENT SYSTEM.—
2 Section 8422(a)(3) of title 5, United States Code, is
3 amended—

4 (1) by striking “(3) The” and inserting “(3)(A)
5 The”; and

6 (2) by adding at the end the following:

7 “(B) Notwithstanding any other provision of this
8 paragraph, the applicable percentage under this para-
9 graph shall, for purposes of computing any amount—

10 “(i) for a period in calendar year 2013, 2014,
11 or 2015, be equal to the applicable percentage under
12 this paragraph for the preceding calendar year (in-
13 cluding as increased under this subparagraph, if ap-
14 plicable), plus an additional 0.5 percentage point;
15 and

16 “(ii) for a period in any calendar year after
17 2015, be equal to the applicable percentage under
18 this paragraph for calendar year 2015 (as deter-
19 mined under clause (i)).”

20 **SEC. 3. AMENDMENTS RELATING TO SECURE ANNUITY EM-**
21 **PLOYEES.**

22 (a) DEFINITION OF SECURE ANNUITY EMPLOYEE.—
23 Section 8401 of title 5, United States Code, is amended—

24 (1) in paragraph (35), by striking “and” at the
25 end;

1 (2) in paragraph (36), by striking the period
2 and inserting “; and”; and

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

4 “(37) the term ‘secure annuity employee’ means
5 an employee or Member who—

6 “(A) first becomes subject to this chapter
7 after December 31, 2012; and

8 “(B) at the time of first becoming subject
9 to this chapter, does not have at least 5 years
10 of civilian service creditable under the Civil
11 Service Retirement System or any other retire-
12 ment system for Government employees.”.

13 (b) INDIVIDUAL CONTRIBUTIONS.—Section
14 8422(a)(3) of title 5, United States Code (as amended by
15 section 2(b)) is further amended—

16 (1) in subparagraph (B) (as added by section
17 2(b)), in the matter before clause (i), by striking
18 “this paragraph, the” and inserting “this paragraph
19 and except in the case of a secure annuity employee,
20 the”; and

21 (2) by adding after subparagraph (B) (as so
22 added) the following:

23 “(C) Notwithstanding any other provision of this
24 paragraph, in the case of a secure annuity employee, the
25 applicable percentage under this paragraph shall—

1 “(i) in the case of a secure annuity employee
2 who is an employee, Congressional employee, or
3 Member, be equal to 10.2 percent; and

4 “(ii) in the case of a secure annuity employee
5 who is a law enforcement officer, firefighter, member
6 of the Capitol Police, member of the Supreme Court
7 Police, air traffic controller, nuclear materials cou-
8 rier, or customs and border protection officer, be
9 equal to 10.7 percent.”.

10 (c) AVERAGE PAY.—Section 8401(3) of title 5,
11 United States Code, is amended—

12 (1) by striking “(3)” and inserting “(3)(A)”;

13 and

14 (2) by adding “except that” after the semicolon;

15 and

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

17 “(B) in the case of a secure annuity employee,
18 the term ‘average pay’ has the meaning determined
19 applying subparagraph (A)—

20 “(i) by substituting ‘5 consecutive years’
21 for ‘3 consecutive years’; and

22 “(ii) by substituting ‘5 years’ for ‘3
23 years’.”.

24 (d) COMPUTATION OF BASIC ANNUITY.—Section
25 8415 of title 5, United States Code, is amended—

1 (1) by striking subsections (a) through (e) and
2 inserting the following:

3 “(a) Except as otherwise provided in this section, the
4 annuity of an employee retiring under this subchapter is—

5 “(1) in the case of an employee other than a se-
6 cure annuity employee, 1 percent of that individual’s
7 average pay multiplied by such individual’s total
8 service; and

9 “(2) in the case of an employee who is a secure
10 annuity employee, 0.7 percent of that individual’s
11 average pay multiplied by such individual’s total
12 service.

13 “(b)(1) The annuity of a Member, or former Member
14 with title to a Member annuity, retiring under this sub-
15 chapter is computed under subsection (a)(1), except that
16 if the individual has had at least 5 years of service as a
17 Member or Congressional employee, or any combination
18 thereof, so much of the annuity as is computed with re-
19 spect to either such type of service (or a combination
20 thereof), not exceeding a total of 20 years, shall be com-
21 puted by multiplying 1.7 percent of the individual’s aver-
22 age pay by the years of such service.

23 “(2) The annuity of a Member, or former Member
24 with title to a Member annuity, retiring under this sub-

1 chapter is, if the individual is or was a secure annuity em-
2 ployee, computed—

3 “(A) under subsection (a)(2); and

4 “(B) disregarding paragraph (1) of this sub-
5 section.

6 “(c)(1) The annuity of a Congressional employee, or
7 former Congressional employee, retiring under this sub-
8 chapter is computed under subsection (a)(1), except that
9 if the individual has had at least 5 years of service as a
10 Congressional employee or Member, or any combination
11 thereof, so much of the annuity as is computed with re-
12 spect to either such type of service (or a combination
13 thereof), not exceeding a total of 20 years, shall be com-
14 puted by multiplying 1.7 percent of the individual’s aver-
15 age pay by the years of such service.

16 “(2) The annuity of a Congressional employee, or
17 former Congressional employee, retiring under this sub-
18 chapter is, if the individual is or was a secure annuity em-
19 ployee, computed—

20 “(A) under subsection (a)(2); and

21 “(B) disregarding paragraph (1) of this sub-
22 section.

23 “(d) The annuity of an employee retiring under sub-
24 section (d) or (e) of section 8412 or under subsection (a),
25 (b), or (c) of section 8425 is—

1 “(1) in the case of an individual other than a
2 secure annuity employee—

3 “(A) 1.7 percent of that individual’s aver-
4 age pay multiplied by so much of such individ-
5 ual’s total service as does not exceed 20 years;
6 plus

7 “(B) 1 percent of that individual’s average
8 pay multiplied by so much of such individual’s
9 total service as exceeds 20 years; and

10 “(2) in the case of an individual who is a secure
11 annuity employee—

12 “(A) 1.4 percent of that individual’s aver-
13 age pay multiplied by so much of such individ-
14 ual’s total service as does not exceed 20 years;
15 plus

16 “(B) 0.7 percent of that individual’s aver-
17 age pay multiplied by so much of such individ-
18 ual’s total service as exceeds 20 years.

19 “(e) The annuity of an air traffic controller or former
20 air traffic controller retiring under section 8412(a) is com-
21 puted under subsection (a)(1), except that if the individual
22 has had at least 5 years of service as an air traffic con-
23 troller as defined by section 2109(1)(A)(i), so much of the
24 annuity as is computed with respect to such type of service
25 shall be computed—

1 “(1) in the case of an individual other than a
2 secure annuity employee, by multiplying 1.7 percent
3 of the individual’s average pay by the years of such
4 service; and

5 “(2) in the case of an individual who is a secure
6 annuity employee, by multiplying 1.4 percent of the
7 individual’s average pay by the years of such serv-
8 ice.”; and

9 (2) in subsection (h)—

10 (A) in paragraph (1), by striking “sub-
11 section (a)” and inserting “subsection (a)(1)”;
12 and

13 (B) in paragraph (2), in the matter fol-
14 lowing subparagraph (B), by striking “or cus-
15 toms and border protection officer” and insert-
16 ing “customs and border protection officer, or
17 secure annuity employee.”.

18 **SEC. 4. ANNUITY SUPPLEMENT.**

19 Section 8421(a) of title 5, United States Code, is
20 amended—

21 (1) in paragraph (1), by striking “paragraph
22 (3)” and inserting “paragraphs (3) and (4)”;

23 (2) in paragraph (2), by striking “paragraph
24 (3)” and inserting “paragraphs (3) and (4)”;

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

1 “(4)(A) Except as provided in subparagraph (B), no
2 annuity supplement under this section shall be payable in
3 the case of an individual whose entitlement to annuity is
4 based on such individual’s separation from service after
5 December 31, 2012.

6 “(B) Nothing in this paragraph applies in the case
7 of an individual separating under subsection (d) or (e) of
8 section 8412.”.

9 **SEC. 5. COORDINATION WITH OTHER RETIREMENT SYS-**
10 **TEMS.**

11 (a) FOREIGN SERVICE.—For provisions of law re-
12 quiring maintenance of existing conformity—

13 (1) between the Civil Service Retirement Sys-
14 tem and the Foreign Service Retirement System,
15 and

16 (2) between the Federal Employees’ Retirement
17 System and the Foreign Service Pension System,
18 see section 827 of the Foreign Service Act of 1980 (22
19 U.S.C. 4067).

20 (b) CIARDS.—

21 (1) COMPATIBILITY WITH CSRS.—For provi-
22 sions of law relating to maintenance of existing con-
23 formity between the Civil Service Retirement System
24 and the Central Intelligence Agency Retirement and

1 Disability System, see section 292 of the Central In-
2 telligence Agency Retirement Act (50 U.S.C. 2141).

3 (2) APPLICABILITY OF FERS.—For provisions
4 of law providing for the application of the Federal
5 Employees' Retirement System with respect to em-
6 ployees of the Central Intelligence Agency, see title
7 III of the Central Intelligence Agency Retirement
8 Act (50 U.S.C. 2151 and following).

9 (c) TVA.—Section 3 of the Tennessee Valley Author-
10 ity Act of 1933 (16 U.S.C. 831b) is amended by adding
11 at the end the following:

12 “(c) The chief executive officer shall prescribe any
13 regulations which may be necessary in order to carry out
14 the purposes of the Securing Annuities for Federal Em-
15 ployees Act of 2012 with respect to any defined benefit
16 plan covering employees of the Tennessee Valley Author-
17 ity.”.

