

TITLE X—MODIFICATIONS TO DEFINED BENEFIT RETIREMENT SYSTEMS

Sec. \_\_\_\_ . Increase of Employee Contributions to Defined Benefit Retirement Systems, Increase of Agency Contributions for Purpose of Reducing Unfunded Liabilities, and Elimination of the Federal Employee Retirement System Annuity Supplement for New Employees

(a) Increase of Employee Contributions to the Civil Service Retirement System.—  
Section 8334(c), title 5, United States Code, is amended in the table by:

(1) striking “7 ... After December 31, 2000.” and inserting in lieu thereof the following:

“7 ... December 31, 2000 through December 31, 2012.  
“7.4 ... January 1, 2013 through December 31, 2013.  
“7.8 ... January 1, 2014 through December 31, 2014.  
“8.2 ... After December 31, 2014.”.

(2) striking “7.5 ... After December 31, 2000.” in each place it appears and inserting in lieu thereof the following:

“7.5 ... December 31, 2000 through December 31, 2012.  
“7.9 ... January 1, 2013 through December 31, 2013.  
“8.3 ... January 1, 2014 through December 31, 2014.  
“8.7 ... After December 31, 2014.”.

(3) striking “8 ... After December 31, 2000.” in each place it appears and inserting in lieu thereof the following:

“8 ... January 1, 2001 through December 31, 2012.  
“8.4 ... January 1, 2013 through December 31, 2013.  
“8.8 ... January 1, 2014 through December 31, 2014.  
“9.2 ... After December 31, 2014.”.

(4) striking “8 ... After December 31, 2002.” and inserting in lieu thereof the following:

“8 ... January 1, 2003 through December 31, 2012.  
“8.4 ... January 1, 2013 through December 31, 2013.  
“8.8 ... January 1, 2014 through December 31, 2014.  
“9.2 ... After December 31, 2014.”.

(5) striking “7.5 ...After June 29, 2008.” and inserting in lieu thereof the following:

“7.5 ... June 30, 2008 through December 31, 2012.  
“7.9 ... January 1, 2013 through December 31, 2013.  
“7.3 ... January 1, 2014 through December 31, 2014.  
“8.7 ... After December 31, 2014.”.

(b) The Federal Employee Retirement System

(1) Increase of Employee Contributions to the Federal Employee Retirement System.—Section 8422(a)(3), title 5, United States Code, is amended in the table by:

(A) striking “7 ... After December 31, 2000.” and inserting in lieu thereof the following:

“7 ... January 1, 2001 to December 31, 2012.  
“7.4 ... January 1, 2013 to December 31, 2013.  
“7.8 ... January 1, 2014 to December 31, 2014.  
“8.2 ... After December 31, 2014.”.

(B) striking “7.5 ... After December 31, 2000.” in each place it appears and inserting in lieu thereof the following:

“7.5 ... January 1, 2001 to December 31, 2012.  
“7.9 ... January 1, 2013 to December 31, 2013.  
“8.3 ... January 1, 2014 to December 31, 2014.  
“8.7 ... After December 31, 2014.”.

(C) striking “7.5 ... After December 31, 2002.” and inserting in lieu thereof the following:

“7.5 ... January 1, 2003 to December 31, 2012.  
“7.9 ... January 1, 2013 to December 31, 2013.  
“8.3 ... January 1, 2014 to December 31, 2014.  
“8.7 ... After December 31, 2014.”.

(D) striking “7.5 ... After June 29, 2008.” and inserting in lieu thereof the following:

“7.5 ... June 30, 2008 to December 31, 2012.  
“7.9 ... January 1, 2013 to December 31, 2013.  
“8.3 ... January 1, 2014 to December 31, 2014.  
“8.7 ... After December 31, 2014.”.

(2) Increase of Agency Contributions for Purpose of Reducing Unfunded Liabilities.—Section 8423(a) of title 5, United States Code, is amended:

(A) in paragraphs (1)(A)(i) and (1)(B)(i), by adding before “the normal-cost” the following:

“From date of enactment through December 31, 2012, 0.4 percent;  
From January 1, 2013 through December 31, 2013, 0.8 percent; and  
From January 1, 2014 through December 31, 2021, 1.2 percent; plus”

(B) in paragraph (4):

(i) by inserting after “(4)”, “(A)”; and

(ii) by inserting the following new subparagraph:

“(B) Amounts contributed to the Fund in excess of the normal-cost percentage shall be applied to the assets of the Civil Service Retirement System in the Civil Service Retirement and Disability Fund.”

(3) Elimination of FERS Annuity Supplement for those hired after [date of enactment].— Section 8421 of title 5, United States Code, shall not apply to any federal employee or Member hired after [date of enactment], unless he or she is hired under a written offer of employment preceding [date of enactment].

(c) Increase of Contributions to the Foreign Service Retirement and Disability System.

(1) Increase of Employee Contributions to the Foreign Service Retirement and Disability System.— Section 805(a)(1) of the Foreign Service Act of 1980 (22 U.S.C. 4045(a)(1)) is amended by:

(A) inserting “(A)” after “(1)”;

(B) striking “7.25” and inserting in lieu thereof “the following”;

(C) striking the period at the end of the first sentence and inserting in lieu thereof “.” and

(D) inserting at the end thereof the following:

“(A) 7.25 percent of basic salary, through December 31, 2012;

“(B) 7.65 percent of basic salary, from January 1, 2013 through December 31, 2013;

“(C) 8.05 percent of basic salary, from January 1, 2014 through December 31, 2014; and

“(D) 8.45 percent of basic salary, after December 31, 2014.

(2) Increase of Special Agent Contributions for to the Foreign Service Retirement and Disability System.— Section 805(a)(3) of the Foreign Service Act of 1980 (22 U.S.C. 4045(a)(3)) is amended:

- (A) by striking “‘7 percent’ the” and inserting in lieu thereof “the following”;
- (B) by striking “, plus .25 percent.” and inserting in lieu thereof “.”; and
- (C) by adding at the end thereof the following new subparagraphs:

- “(A) 7.25 of basic salary, through December 31, 2012;
- “(B) 7.65 percent of basic salary, from January 1, 2013 through December 31, 2013;
- “(C) 8.05 percent of basic salary, from January 1, 2014 through December 31, 2014; and
- “(D) 8.45 percent of basic salary, after December 31, 2014.”.

(3) Increase of Employee Contributions for Civilian Service. – Section 805(d)(1)(B) of the Foreign Service Act of 1980 (22 U.S.C. 4045(d)(1)(B)) is amended in the table by striking:

“After December 31, 2000.....7”

and inserting in lieu thereof the following:

- “January 1, 2001 through December 31, 2012, inclusive.....7.
- “January 1, 2013 through December 31, 2013, inclusive.....7.4.
- “January 1, 2014, through December 31, 2014, inclusive..... 7.8.
- “After December 31, 2014.....8.6.”

(4) Increase of Employee Contributions for Military or Naval Service Benefits. – Section 805(e)(1) of the Foreign Service Act of 1980 (22 U.S.C. 4045(e)(1)) is amended:

- (A) by striking “7” and inserting in lieu thereof “the following”; and
- (B) by inserting before the period at the end of the first sentence the following

- “:
- “(A)7.25 , through December 31, 2012;
- “(B) 7.65 , from January 1, 2013 through December 31, 2013;
- “(C) 8.05 , from January 1, 2014 through December 31, 2014; and
- “(D) 8.45 , after December 31, 2014”.

(d) Foreign Service Pension System

(1) Increase of Member Contributions. – Section 856(a) of the Foreign Service Act of 1980 (22 U.S.C. 4071e(a)) is amended:

- (a) in paragraph (1) by striking “applicable” and inserting in lieu thereof “following”, by striking “specified in paragraph (2) of this subsection”, and by inserting before the period at the end of the first sentence the following:

“7.55 ... January 1, 2001 through December 31, 2012.  
“8.05 ... January 1, 2013 through December 31, 2013.  
“8.55 ... January 1, 2014 through December 31, 2014.  
“8.75 ... After December 31, 2014”.

(b) in the table in paragraph (2) by striking:

“7.55 ... After January 11, 2003.”

and inserting in lieu thereof the following:

“7.55 ... January 1, 2001 through December 31, 2012.  
“8.05 ... January 1, 2013 through December 31, 2013.  
“8.55 ... January 1, 2014 through December 31, 2014.  
“8.75 ... After December 31, 2014.”.

(2) Increase of Agency Contributions for Purpose of Reducing Unfunded Liabilities. – Section 857(a) of the Foreign Service Act of 1980 (22 U.S.C. 4071f(a)) is amended by inserting the following before the period:

“Amounts contributed to the Fund in excess of the normal-cost percentage shall be transferred to the Foreign Service Retirement and Disability Fund and applied to the assets of the Foreign Service Retirement and Disability System.”

(e) The Central Intelligence Agency Retirement and Disability System

(1) Increase of Employee Contributions to the Central Intelligence Agency Retirement and Disability System.— Section 211(a)(1) of the Central Intelligence Agency Retirement Act (50 U.S.C. 2021(a)(1)) is amended by striking “7” and inserting in lieu thereof “the following”; and by inserting before the period following the first sentence:

“.

“7 ... through December 31, 2012.  
“7.4 ... January 1, 2013 through December 31, 2013.  
“7.8 ... January 1, 2014 through December 31, 2014.  
“8.2 ... After December 31, 2014”.

(f) Section 3 of the Tennessee Valley Authority Act of 1933 (16 U.S.C. 831b) is amended by adding at the end thereof the following new subsection:

“(c) Employee contributions to defined benefit plans.

“(1) The chief executive officer and his appointees shall increase the total level of their contributions to their defined benefit retirement plans by .4% of their salary from January 1, 2013 through December 31, 2013; by an additional .4% of their

salary from January 1, 2014 through December 31, 2014; and by an additional .4% of their salary after December 31, 2014.

“(2) The amount of any increase contributed pursuant to paragraph (1) shall be applied to the assets of the Tennessee Valley Authority Retirement System.”