

**[COMMITTEE PRINT]**

1 **TITLE V—COMMITTEE ON OVER-**  
2 **SIGHT AND GOVERNMENT RE-**  
3 **FORM**

4 **SEC. 501. 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—

14 “(A) except as provided in subparagraph (B) or  
15 (C), for purposes of computing an amount—

16 “(i) for a period in calendar year 2013, be  
17 equal to the applicable percentage under this  
18 subsection for calendar year 2012, plus an ad-  
19 ditional 1.5 percentage points;

20 “(ii) for a period in calendar year 2014, be  
21 equal to the applicable percentage under this  
22 subsection for calendar year 2013 (as deter-

1           mined under clause (i)), plus an additional 0.5  
2           percentage point;

3           “(iii) for a period in calendar year 2015,  
4           2016, or 2017, be equal to the applicable per-  
5           centage under this subsection for the preceding  
6           calendar year (as determined under clause (ii)  
7           or this clause, as the case may be), plus an ad-  
8           ditional 1.0 percentage point; and

9           “(iv) for a period in any calendar year  
10          after 2017, be equal to the applicable percent-  
11          age under this subsection for calendar year  
12          2017 (as determined under clause (iii));

13          “(B) for purposes of computing an amount with  
14          respect to a Member for Member service—

15                 “(i) for a period in calendar year 2013, be  
16                 equal to the applicable percentage under this  
17                 subsection for calendar year 2012, plus an ad-  
18                 ditional 2.5 percentage points;

19                 “(ii) for a period in calendar year 2014,  
20                 2015, 2016, or 2017, be equal to the applicable  
21                 percentage under this subsection for the pre-  
22                 ceding calendar year (as determined under  
23                 clause (i) or this clause, as the case may be),  
24                 plus an additional 1.5 percentage points; and

1           “(iii) for a period in any calendar year  
2           after 2017, be equal to the applicable percent-  
3           age under this subsection for calendar year  
4           2017 (as determined under clause (ii)); and

5           “(C) for purposes of computing an amount with  
6           respect to a Member or employee for Congressional  
7           employee service—

8           “(i) for a period in calendar year 2013, be  
9           equal to the applicable percentage under this  
10          subsection for calendar year 2012, plus an ad-  
11          ditional 2.5 percentage points;

12          “(ii) for a period in calendar year 2014,  
13          2015, 2016, or 2017, be equal to the applicable  
14          percentage under this subsection for the pre-  
15          ceding calendar year (as determined under  
16          clause (i) or this clause, as the case may be),  
17          plus an additional 1.5 percentage points; and

18          “(iii) for a period in any calendar year  
19          after 2017, be equal to the applicable percent-  
20          age under this subsection for calendar year  
21          2017 (as determined under clause (ii)).”.

22          (2) GOVERNMENT CONTRIBUTIONS.—Section  
23          8334(a)(1)(B) of title 5, United States Code, is  
24          amended—

1 (A) in clause (i), by striking “Except as  
2 provided in clause (ii),” and inserting “Except  
3 as provided in clause (ii) or (iii),”; and

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

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

8 “(I) the amount which would otherwise apply  
9 under clause (i) with respect to such period, reduced  
10 by

11 “(II) the amount by which, with respect to such  
12 period, the withholding under subparagraph (A) ex-  
13 ceeds the amount which would otherwise have been  
14 withheld from the basic pay of the employee or elect-  
15 ed official involved under subparagraph (A) based on  
16 the percentage applicable under subsection (c) for  
17 calendar year 2012.”.

18 (b) FEDERAL EMPLOYEES’ RETIREMENT SYSTEM.—  
19 Section 8422(a)(3) of title 5, United States Code, is  
20 amended—

21 (1) by redesignating subparagraph (B) as sub-  
22 paragraph (C);

23 (2) by inserting after subparagraph (A) the fol-  
24 lowing:

1       “(B) Notwithstanding any other provision of this  
2 paragraph, the applicable percentage under this para-  
3 graph shall—

4           “(i) except as provided in clause (ii) or (iii), for  
5 purposes of computing an amount—

6           “(I) for a period in calendar year 2013, be  
7 equal to the applicable percentage under this  
8 paragraph for calendar year 2012, plus an ad-  
9 ditional 1.5 percentage points;

10          “(II) for a period in calendar year 2014,  
11 be equal to the applicable percentage under this  
12 paragraph for calendar year 2013 (as deter-  
13 mined under subclause (I)), plus an additional  
14 0.5 percentage point;

15          “(III) for a period in calendar year 2015,  
16 2016, or 2017, be equal to the applicable per-  
17 centage under this paragraph for the preceding  
18 calendar year (as determined under subclause  
19 (II) or this subclause, as the case may be), plus  
20 an additional 1.0 percentage point; and

21          “(IV) for a period in any calendar year  
22 after 2017, be equal to the applicable percent-  
23 age under this paragraph for calendar year  
24 2017 (as determined under subclause (III));

1           “(ii) for purposes of computing an amount with  
2           respect to a Member—

3                   “(I) for a period in calendar year 2013, be  
4                   equal to the applicable percentage under this  
5                   paragraph for calendar year 2012, plus an ad-  
6                   ditional 2.5 percentage points;

7                   “(II) for a period in calendar year 2014,  
8                   2015, 2016, or 2017, be equal to the applicable  
9                   percentage under this paragraph for the pre-  
10                  ceding calendar year (as determined under sub-  
11                  clause (I) or this subclause, as the case may  
12                  be), plus an additional 1.5 percentage points;  
13                  and

14                  “(III) for a period in any calendar year  
15                  after 2017, be equal to the applicable percent-  
16                  age under this paragraph for calendar year  
17                  2017 (as determined under subclause (II)); and

18           “(iii) for purposes of computing an amount  
19           with respect to a Congressional employee—

20                   “(I) for a period in calendar year 2013,  
21                   2014, 2015, 2016, or 2017, be equal to the ap-  
22                   plicable percentage under this paragraph for  
23                   the preceding calendar year (including as in-  
24                   creased under this subclause, if applicable), plus  
25                   an additional 1.5 percentage points; and

1           “(II) for a period in any calendar year  
2           after 2017, be equal to the applicable percent-  
3           age under this paragraph for calendar year  
4           2017 (as determined under subclause (I)).”;  
5           and

6           (3) in subparagraph (C) (as so redesignated by  
7           paragraph (1))—

8                   (A) by striking “9.3” each place it appears  
9                   and inserting “12”; and

10                   (B) by striking “9.8” each place it appears  
11                   and inserting “12.5”.

12 **SEC. 502. ANNUITY SUPPLEMENT.**

13           Section 8421(a) of title 5, United States Code, is  
14           amended—

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

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

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

20                   “(4)(A) Except as provided in subparagraph (B), no  
21                   annuity supplement under this section shall be payable in  
22                   the case of an individual who first becomes subject to this  
23                   chapter after December 31, 2012.

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

4 **SEC. 503. CONTRIBUTIONS TO THRIFT SAVINGS FUND OF**  
5 **PAYMENTS FOR ACCRUED OR ACCUMULATED**  
6 **LEAVE.**

7 (a) AMENDMENTS RELATING TO CSRS.—Section  
8 8351(b) of title 5, United States Code, is amended—

9 (1) by striking paragraph (2)(A) and inserting  
10 the following:

11 “(2)(A) An employee or Member may contribute to  
12 the Thrift Savings Fund in any pay period any amount  
13 of such employee’s or Member’s basic pay for such pay  
14 period, and may contribute (by direct transfer to the  
15 Fund) any part of any payment that the employee or  
16 Member receives for accumulated and accrued annual or  
17 vacation leave under section 5551 or 5552. Notwith-  
18 standing section 2105(e), in this paragraph the term ‘em-  
19 ployee’ includes an employee of the United States Postal  
20 Service or of the Postal Regulatory Commission.”;

21 (2) by striking subparagraph (B) of paragraph  
22 (2); and

23 (3) by redesignating subparagraph (C) of para-  
24 graph (2) as subparagraph (B).

1 (b) AMENDMENTS RELATING TO FERS.—Section  
2 8432(a) of title 5, United States Code, is amended—

3 (1) by striking all that precedes paragraph (3)  
4 and inserting the following:

5 “(a)(1) An employee or Member—

6 “(A) may contribute to the Thrift Savings  
7 Fund in any pay period, pursuant to an election  
8 under subsection (b), any amount of such employee’s  
9 or Member’s basic pay for such pay period; and

10 “(B) may contribute (by direct transfer to the  
11 Fund) any part of any payment that the employee  
12 or Member receives for accumulated and accrued an-  
13 nual or vacation leave under section 5551 or 5552.

14 “(2) Contributions made under paragraph (1)(A)  
15 pursuant to an election under subsection (b) shall, with  
16 respect to each pay period for which such election remains  
17 in effect, be made in accordance with a program of regular  
18 contributions provided in regulations prescribed by the  
19 Executive Director.”; and

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

21 “(4) Notwithstanding section 2105(e), in this sub-  
22 section the term ‘employee’ includes an employee of the  
23 United States Postal Service or of the Postal Regulatory  
24 Commission.”.

1           (c) REGULATIONS.—The Executive Director of the  
2 Federal Retirement Thrift Investment Board shall pro-  
3 mulgate regulations to carry out the amendments made  
4 by this section.

5           (d) EFFECTIVE DATE.—The amendments made by  
6 subsections (a) and (b) shall take effect 1 year after the  
7 date of the enactment of this Act.