

AMENDMENT TO H.R. 1401, AS REPORTED
OFFERED BY MR. HOBSON OF OHIO
OR MR. HALL OF OHIO

At the end of title XI (page 307, after line 13), insert the following new section:

1 **SEC 1104. TEMPORARY AUTHORITY TO PROVIDE EARLY RE-**
2 **TIREMENT AND SEPARATION INCENTIVES**
3 **FOR CERTAIN CIVILIAN EMPLOYEES.**

4 (a) **EARLY RETIREMENT INCENTIVE.**—(1) An em-
5 ployee of the Department of Defense is entitled to an an-
6 nuity under chapter 83 or 84 of title 5, United States
7 Code, as applicable, if the employee—

8 (A) has been employed continuously by the De-
9 partment of Defense for more than 30 days before
10 the date that the Secretary of Defense made the de-
11 termination under subparagraph (D);

12 (B) is serving under an appointment that is not
13 time-limited;

14 (C) is not in receipt of a decision notice of in-
15 voluntary separation for misconduct or unacceptable
16 performance;

17 (D) is separated voluntarily;

1 (E) has completed 25 years of service or is at
2 least 50 years of age and has completed 20 years of
3 service; and

4 (F) retires under this subsection before October
5 1, 2000.

6 (2) As used in this subsection, the terms “employee”
7 and “annuity” shall have the same meaning as the mean-
8 ing of those terms as used in chapters 83 and 84 of title
9 5, United States Code, as applicable.

10 (b) VOLUNTARY SEPARATION INCENTIVE.—(1) The
11 Secretary of Defense may, to restructure the workforce to
12 meet mission needs, correct skill imbalances, or reduce
13 high-grade, managerial, or supervisory positions, offer sep-
14 aration pay to an employee under this subsection subject
15 to such limitations or conditions as the Secretary may re-
16 quire. Such separation pay—

17 (A) shall be paid, at the option of the employee,
18 in a lump sum or equal installment payments;

19 (B) shall be equal to the lesser of—

20 (i) an amount equal to the amount the em-
21 ployee would be entitled to receive under section
22 5595(c) of title 5, United States Code, if the
23 employee were entitled to payment under such
24 section; or

25 (ii) \$25,000;

1 (C) shall not be a basis for payment, and shall
2 not be included in the computation, of any other
3 type of Government benefit;

4 (D) shall not be taken into account for pur-
5 poses of determining the amount of any severance
6 pay to which an individual may be entitled under
7 section 5595 of title 5, United States Code, based on
8 any other separation; and

9 (E) shall terminate, upon reemployment in the
10 Federal Government, during receipt of installment
11 payments.

12 (2) For purposes of this subsection, the term “em-
13 ployee” means an employee serving under an appointment
14 without time limitation, who has been currently employed
15 for a continuous period of at least 12 months, except that
16 such term does not include—

17 (A) a reemployed annuitant under sub-
18 chapter III of chapter 83, chapter 84, or an-
19 other retirement system for employees of the
20 Government; or

21 (B) an employee having a disability on the
22 basis of which such employee is or would be eli-
23 gible for disability retirement under any of the
24 retirement systems referred to in subparagraph
25 (A).

1 (c) ADDITIONAL CONTRIBUTIONS TO RETIREMENT

2 FUND.—(1) In addition to any other payments which it
3 is required to make under subchapter III of chapter 83
4 of title 5, United States Code, the Department of Defense
5 shall remit to the Office of Personnel Management for de-
6 posit in the Treasury of the United States to the credit
7 of the Civil Service Retirement and Disability Fund an
8 amount equal to 26 percent of the final basic pay of each
9 employee of the Department of Defense who is covered
10 under subchapter III of chapter 83 or chapter 84 of title
11 5, United States Code, to whom a voluntary separation
12 incentive has been paid under this section.

13 (2) For purposes of this subsection, the term “final
14 basic pay”, with respect to an employee, means the total
15 amount of basic pay which would be payable for a year
16 of service by such employee, computed using the employ-
17 ee’s final rate of basic pay, with appropriate adjustments
18 if the employee last served on other than a full-time basis.

19 (d) APPLICABILITY.—The provisions in this section
20 shall only apply with respect to a civilian employee of the
21 Department of Defense who—

22 (1) is employed at the military base designated
23 by the Secretary of Defense under subsection (e), or
24 who is identified by the Secretary as part of a com-
25 petitive area of the civilian personnel service popu-

1 lation of such military base, during the period begin-
2 ning on October 1, 1999, and ending on October 1,
3 2000;

4 (2) is one of 300 employees designated by the
5 Secretary of the military department with jurisdic-
6 tion over the designated base; and

7 (3) elects to receive an annuity or separation
8 incentive pursuant to such provisions during such
9 period.

10 (e) DESIGNATION OF MILITARY BASE.—Not later
11 than 30 days after the date of the enactment of this Act,
12 the Secretary of Defense shall designate a military base
13 to which the provisions of this section shall apply. The
14 base designated by the Secretary shall—

15 (1) be a base that is undergoing a major work-
16 force restructuring to meet mission needs, correct
17 skill imbalances, or reduce high-grade, managerial,
18 supervisory, or similar positions; and

19 (2) employ the largest number of scientists and
20 engineers of any other base of the military depart-
21 ment that has jurisdiction over the base.