

111<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 6065

To provide that certain Secret Service employees may elect to transition to coverage under the District of Columbia Police and Fire Fighter Retirement and Disability System.

---

## IN THE HOUSE OF REPRESENTATIVES

JULY 30, 2010

Mr. RUPPERSBERGER introduced the following bill; which was referred to the Committee on Oversight and Government Reform, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

---

## A BILL

To provide that certain Secret Service employees may elect to transition to coverage under the District of Columbia Police and Fire Fighter Retirement and Disability System.

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 “United States Secret  
5 Service Retirement Act of 2010”.

1 **SEC. 2. RETIREMENT TREATMENT OF CERTAIN SECRET**  
2 **SERVICE EMPLOYEES.**

3 (a) DEFINITIONS.—In this Act:

4 (1) BOARD.—The term “Board” means the  
5 Federal Retirement Thrift Investment Board.

6 (2) COVERED EMPLOYEE.—The term “covered  
7 employee” means an individual who—

8 (A) was hired as a member of the United  
9 States Secret Service Division or the United  
10 States Secret Service Uniformed Division dur-  
11 ing the period beginning on January 1, 1984,  
12 through December 31, 1986;

13 (B) has actively performed duties other  
14 than clerical for 10 or more years directly re-  
15 lated to the protection mission of the United  
16 States Secret Service described under section  
17 3056 of title 18, United States Code;

18 (C) is serving as a member of the United  
19 States Secret Service Division or the United  
20 States Secret Service Uniformed Division (or  
21 any successor entity) on the date of enactment  
22 of this Act;

23 (D) is participating in the Federal Em-  
24 ployees Retirement System under subchapters  
25 II and III of chapter 84 of title 5, United

1 States Code on the date of enactment of this  
2 Act;

3 (E) has an amount in the account of that  
4 individual in the Thrift Savings Fund that—

5 (i) exceeds the transition cost of that  
6 individual; and

7 (ii) is available for withdrawal (includ-  
8 ing availability after application of section  
9 8435 of title 5, United States Code) imme-  
10 diately before filing an election under sub-  
11 section (d); and

12 (F) files an election to be a covered em-  
13 ployee under subsection (d).

14 (3) DC RETIREMENT SYSTEM.—The term “DC  
15 Retirement System” means the District of Columbia  
16 Police and Firefighters Retirement and Disability  
17 System administered under the provisions of law  
18 codified in chapter 7 of title 5 of the District of Co-  
19 lumbia Official Code.

20 (4) OFFICE OF PAY AND RETIREMENT SERV-  
21 ICES.—The term “Office of Pay and Retirement  
22 Services” means the Office of Pay and Retirement  
23 Services of the District of Columbia.

24 (5) TRANSITION COSTS.—The term “transition  
25 costs” means the amount determined by the Office

1 of Pay and Retirement Services under subsection  
2 (c)(1) with respect to each individual described  
3 under subsection (a)(2) (A), (B), (C), and (D).

4 (b) NOTIFICATIONS.—

5 (1) INITIAL NOTIFICATION.—Not later than 30  
6 days after the date of enactment of this Act, the  
7 United States Secret Service shall notify employees  
8 of the United States Secret Service that individuals  
9 described under subsection (a)(2) (A), (B), (C), (D),  
10 and (E) are qualified to file an election under sub-  
11 section (d).

12 (2) NOTIFICATION OF TRANSITION COSTS.—Not  
13 later than 15 days after the United States Secret  
14 Service receives a determination from the Office of  
15 Pay and Retirement Services of the transition costs  
16 of any employee, the United States Secret Service  
17 shall notify that employee of—

18 (A) the transition costs of that employee;

19 and

20 (B) if the employee files an election under  
21 subsection (d), the requirement of that em-  
22 ployee (in accordance with the regulations of  
23 the Board) to—

24 (i) complete the withdrawal forms;

25 and

1                   (ii) provide for the transfer of the  
2                   transition costs from the account of that  
3                   individual in the Thrift Savings Fund.

4           (c) TRANSITION COSTS.—

5                   (1) DETERMINATIONS.—With respect to each  
6                   individual described under subsection (a)(2) (A),  
7                   (B), (C), and (D), the Office of Pay and Retirement  
8                   Services shall determine an amount equal to—

9                           (A) the difference between—

10                                   (i) the amount that the Federal Gov-  
11                                   ernment will pay in annuity payments for  
12                                   that individual (if that individual files an  
13                                   election under subsection (d)) under the  
14                                   DC Retirement System during the 11-fis-  
15                                   cal year period beginning with the fiscal  
16                                   year in which this Act is enacted; and

17                                   (ii) the amount that the Federal Gov-  
18                                   ernment would have paid (if this Act had  
19                                   not been enacted) in annuity payments for  
20                                   that individual under chapter 84 of title 5,  
21                                   United States Code, during the 11-fiscal  
22                                   year period beginning with the fiscal year  
23                                   in which this Act is enacted;

24                                   (B) the amount not paid by the Federal  
25                   Government and that individual (if that indi-

1           vidual files an election under subsection (d)) as  
2           contributions under title II of the Social Secu-  
3           rity Act for that individual during the 11-fiscal  
4           year period beginning with the fiscal year in  
5           which this Act is enacted as a result of the en-  
6           actment of this Act; and

7           (C) the amount of future loss in Federal  
8           tax revenues (if that individual files an election  
9           under subsection (d)) resulting from a with-  
10          drawal made under subsection (e)(2)(B)(ii)(I)  
11          based on, during the 11-fiscal year period be-  
12          ginning with the fiscal year in which this Act  
13          is enacted—

14                 (i) the amount in the account of that  
15                 individual in the Thrift Savings Fund; and

16                 (ii) the age and years of Federal serv-  
17                 ice of that individual.

18          (2) TRANSMISSION OF DETERMINATIONS.—The  
19          Office of Pay and Retirement Services shall transmit  
20          the determinations made under this subsection to  
21          the United States Secret Service, including with re-  
22          spect to each individual described under subsection  
23          (a)(2) (A), (B), (C), and (D)—

24                 (A) the amount described under paragraph  
25                 (1)(A) of this subsection;

1 (B) the amount described under paragraph  
2 (1)(B) of this subsection; and

3 (C) the amount described under paragraph  
4 (1)(C) of this subsection.

5 (3) ADDITIONAL RESOURCES.—

6 (A) IN GENERAL.—The Office of Pay and  
7 Retirement Services may enter into contracts as  
8 necessary to enable that Office to carry out ac-  
9 tivities under this subsection.

10 (B) AUTHORIZATION OF APPROPRIA-  
11 TIONS.—There are authorized to be appro-  
12 priated not to exceed \$75,000 to carry out this  
13 paragraph.

14 (4) NO PAYMENT BY THE FEDERAL GOVERN-  
15 MENT.—The Federal Government shall not pay any  
16 transition costs. Transition costs shall be covered by  
17 amounts in the accounts in the Thrift Savings Fund  
18 of covered employees.

19 (d) ELECTION OF COVERAGE.—Not later than 60  
20 days after receiving notification under subsection (b)(2),  
21 an individual described under subsection (a)(2) (A), (B),  
22 (C), (D), and (E) may file an election with the United  
23 States Secret Service to be a covered employee and to  
24 transition to the DC Retirement System.

25 (e) RETIREMENT COVERAGE CONVERSION.—

1           (1) IN GENERAL.—Not later than 180 days  
2 after the date of enactment of this Act, and in con-  
3 sultation with the Secretary of Homeland Security  
4 and the Board, the Office of Personnel Management  
5 shall prescribe regulations to carry out the respon-  
6 sibilities of the Federal Government under this Act.  
7 The regulations prescribed under this paragraph  
8 shall provide for transition of covered employees  
9 from the Federal Employees Retirement System to  
10 the Civil Service Retirement System.

11           (2) TREATMENT OF COVERED EMPLOYEES.—

12           (A) ELECTION OF COVERAGE.—

13           (i) IN GENERAL.—After a covered em-  
14 ployee files an election under subsection  
15 (d), the covered employee shall be con-  
16 verted from the Federal Employees Retire-  
17 ment System to the Civil Service Retire-  
18 ment System subject to clause (ii).

19           (ii) COVERAGE IN DC RETIREMENT  
20 SYSTEM.—

21           (I) IN GENERAL.—

22           (aa) APPLICATION OF DC  
23 RETIREMENT SYSTEM.—Except  
24 as provided under subclauses  
25 (III) and (IV), the provisions of



1 law codified in chapter 7 of title  
2 5 of the District of Columbia Of-  
3 ficial Code shall apply with re-  
4 spect to a covered employee on  
5 the date on which the covered  
6 employee transitions to the Civil  
7 Service Retirement System.

8 (bb) NONAPPLICATION OF  
9 FERS OR CSRS.—A covered em-  
10 ployee to whom this clause ap-  
11 plies shall not have coverage  
12 under the Federal Employees Re-  
13 tirement System or the Civil  
14 Service Retirement System.

15 (II) AUTHORIZATION FOR DIS-  
16 TRICT OF COLUMBIA.—The govern-  
17 ment of the District of Columbia shall  
18 provide for the coverage of covered  
19 employees in the DC Retirement Sys-  
20 tem in accordance with this Act.

21 (III) UNITED STATES SECRET  
22 SERVICE.—Notwithstanding sub-  
23 section (b) of the Policemen and Fire-  
24 men’s Retirement and Disability Act  
25 (section 5–703 of title 5 of the Dis-

1           trict of Columbia Official Code), a  
2           covered employee who is a member of  
3           the United States Secret Service Divi-  
4           sion shall be authorized to transfer all  
5           funds to his credit in the Civil Service  
6           Retirement and Disability Fund con-  
7           tinued by sections 8331(5) and 8348  
8           of title 5, United States Code, to the  
9           Contributions for Annuity Benefits,  
10          United States Secret Service appro-  
11          priations account of the Department  
12          of Homeland Security and after the  
13          transfer of such funds the salary of  
14          such member shall be subject to the  
15          same deductions for credit to the Con-  
16          tributions for Annuity Benefits,  
17          United States Secret Service appro-  
18          priations account of the Department  
19          of Homeland Security as the deduc-  
20          tions from salaries of other members  
21          under the Policemen and Firemen's  
22          Retirement and Disability Act (sub-  
23          chapter I of chapter 7 of title 5 of the  
24          District of Columbia Official Code),  
25          and that member shall be entitled to

1 the same benefits as the other mem-  
2 bers to whom such Act applies.

3 (IV) UNITED STATES SECRET  
4 SERVICE UNIFORMED DIVISION.—In  
5 the administration of this clause, a  
6 covered employee who is a member of  
7 the United States Secret Service Uni-  
8 formed Division shall be authorized to  
9 transfer all funds to his credit in the  
10 Civil Service Retirement and Dis-  
11 ability Fund continued by sections  
12 8331(5) and 8348 of title 5, United  
13 States Code, to the Contributions for  
14 Annuity Benefits, United States Se-  
15 cret Service appropriations account of  
16 the Department of Homeland Security  
17 and after the transfer of such funds  
18 the salary of such member shall be  
19 subject to the same deductions for  
20 credit to the Contributions for Annu-  
21 ity Benefits, United States Secret  
22 Service appropriations account of the  
23 Department of Homeland Security as  
24 the deductions from salaries of other  
25 members under the Policemen and

1 Firemen's Retirement and Disability  
2 Act (subchapter I of chapter 7 of title  
3 5 of the District of Columbia Official  
4 Code), and that member shall be enti-  
5 tled to the same benefits as the other  
6 members to whom such Act applies.

7 (B) THRIFT SAVINGS PLAN.—

8 (i) TREATMENT AS SEPARATION FROM  
9 GOVERNMENT EMPLOYMENT.—For pur-  
10 poses of subchapter III of chapter 84 of  
11 title 5, United States Code, a covered em-  
12 ployee who is converted under subpara-  
13 graph (A) of this paragraph shall be treat-  
14 ed as a transferred employee who is sepa-  
15 rated from Government employment de-  
16 scribed under section 8431 of that title.

17 (ii) WITHDRAWAL AND TRANSFER  
18 FROM THRIFT SAVINGS ACCOUNT.—

19 (I) IN GENERAL.—Subject to sec-  
20 tion 8435 of title 5, United States  
21 Code, a covered employee shall make  
22 a single withdrawal from the account  
23 of that employee in the Thrift Savings  
24 Fund in an amount equal to the tran-  
25 sition costs of that employee for

1 transfer by the Executive Director  
2 under subclause (II).

3 (II) TRANSFER AND DEPOSIT.—

4 The Executive Director appointed  
5 under section 8474 of title 5, United  
6 States Code, shall transfer from the  
7 amount of any withdrawal made  
8 under subclause (I)—

9 (aa) an amount equal to the  
10 amount described under sub-  
11 section (c)(1)(A) for deposit into  
12 the Contributions for Annuity  
13 Benefits, United States Secret  
14 Service appropriations account of  
15 the Department of Homeland Se-  
16 curity;

17 (bb) an amount equal to the  
18 amount described under sub-  
19 section (c)(1)(B) for deposit into  
20 the Federal Old-Age and Sur-  
21 vivors Insurance Trust Fund and  
22 the Federal Disability Insurance  
23 Trust Fund in such proportions  
24 as determined by the Secretary of  
25 the Treasury; and

1 (cc) an amount equal to the  
2 amount described under sub-  
3 section (c)(1)(C) for deposit into  
4 the general fund of the United  
5 States Treasury.

6 (III) TAX ROLLOVER TREAT-  
7 MENT.—Notwithstanding section  
8 8433(c) (2), (3), and (4) of title 5,  
9 United States Code, any transfer  
10 made under subclause (II) shall be  
11 treated as a direct transfer described  
12 under section 402(e)(6) of the Inter-  
13 nal Revenue Code of 1986.

14 (C) FORFEITURE OF SOCIAL SECURITY  
15 BENEFITS.—

16 (i) CONTRIBUTIONS.—Upon conver-  
17 sion into the Civil Service Retirement Sys-  
18 tem, a covered employee shall forfeit all  
19 contributions made for purposes of title II  
20 of the Social Security Act on the basis of  
21 the covered employee's employment with  
22 the United States Secret Service under  
23 sections 3101(a) and 3111(a) of the Inter-  
24 nal Revenue Code of 1986. All forfeited  
25 funds shall remain in the Federal Old-Age

1 and Survivors Insurance Trust Fund and  
2 the Federal Disability Insurance Trust  
3 Fund, as applicable. Notwithstanding  
4 paragraphs (4) and (5) of section 205(c) of  
5 the Social Security Act, the Commissioner  
6 of Social Security shall change or delete  
7 any entry with respect to wages of a cov-  
8 ered employee that are forfeited under this  
9 clause.

10 (ii) BENEFITS.—

11 (I) IN GENERAL.—No individual  
12 shall be entitled to any benefit under  
13 title II of the Social Security Act  
14 based on wages for which the con-  
15 tributions were forfeited under clause  
16 (i).

17 (II) NO EFFECT ON MEDICARE  
18 BENEFITS.—Notwithstanding the for-  
19 feiture by a covered employee under  
20 clause (i), such contributions shall  
21 continue to be treated as having been  
22 made while performing medicare  
23 qualified government employment (as  
24 defined in section 210(p) of the Social

1 Security Act) for purposes of sections  
2 226 and 226A of that Act.

○