

119TH CONGRESS
1ST SESSION

S. 26

To exclude locality adjustments from average pay for purposes of computing the amount of retirement annuities of new employees.

IN THE SENATE OF THE UNITED STATES

JANUARY 7, 2025

Mr. CASSIDY introduced the following bill; which was read twice and referred to the Committee on Homeland Security and Governmental Affairs

A BILL

To exclude locality adjustments from average pay for purposes of computing the amount of retirement annuities of new employees.

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. EXCLUSION OF LOCALITY ADJUSTMENTS FROM**
4 **RETIREMENT ANNUITIES.**

5 Section 8401 of title 5, United States Code, is
6 amended—

7 (1) in paragraph (3), by inserting “, which for
8 a revised average pay employee shall exclude any lo-
9 cality-based comparability payments under section
10 5304 or 5304a,” after “rates of basic pay”;

1 (2) in paragraph (38)(B), by striking “and” at
2 the end;

3 (3) in paragraph (39), by striking the period at
4 the end and inserting “; and”; and

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

6 “(40) the term ‘revised average pay employee’
7 means an individual who—

8 “(A) on the date of enactment of this
9 paragraph—

10 “(i) is not an employee or Member
11 covered under this chapter;

12 “(ii) is not performing civilian service
13 which is creditable service under section
14 8411; and

15 “(iii) has not performed any civilian
16 service which is creditable service under
17 section 8411; and

18 “(B) after the date of enactment of this
19 paragraph, becomes employed as an employee
20 or becomes a Member covered under this chap-
21 ter performing service which is creditable serv-
22 ice under section 8411.”.

○