

112TH CONGRESS
1ST SESSION

H. R. 1351

To amend the provisions of title 5, United States Code, relating to the methodology for calculating the amount of any Postal surplus or supplemental liability under the Civil Service Retirement System, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 4, 2011

Mr. LYNCH (for himself and Mr. CUMMINGS) introduced the following bill; which was referred to the Committee on Oversight and Government Reform

A BILL

To amend the provisions of title 5, United States Code, relating to the methodology for calculating the amount of any Postal surplus or supplemental liability under the Civil Service Retirement System, and for other purposes.

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 Postal
5 Service Pension Obligation Recalculation and Restoration
6 Act of 2011”.

1 **SEC. 2. MODIFIED METHODOLOGY.**

2 (a) IN GENERAL.—Section 8348(h) of title 5, United
3 States Code, is amended by adding at the end the fol-
4 lowing:

5 “(4)(A) To the extent that a determination under
6 paragraph (1), relating to benefits attributable to civilian
7 employment with the United States Postal Service, is
8 based on any provision of law under subparagraph (C),
9 such determination shall be made in accordance with such
10 provision and any otherwise applicable provisions of law,
11 subject to the following:

12 “(i) The ‘average pay’ used in the case of any
13 individual shall be a single amount, determined in
14 accordance with section 8331(4), taking into account
15 the rates of basic pay in effect for such individual
16 during the periods of creditable service performed by
17 such individual. Nothing in this subsection shall be
18 considered to permit or require—

19 “(I) one determination of average pay with
20 respect to service performed with the United
21 States Postal Service; and

22 “(II) a separate determination of average
23 pay with respect to service performed with its
24 predecessor entity in function.

25 “(ii) To determine the portion of an annuity at-
26 tributable to civilian employment with the United

1 States Postal Service, the appropriate percentage to
2 apply under any provision of law under subpara-
3 graph (C) with respect to such employment is, in the
4 case of—

5 “(I) any period of employment with the
6 United States Postal Service which follows

7 “(II) any other period of employment cred-
8 itable under section 8332 (whether with the en-
9 tity referred to in clause (i)(II) or otherwise),
10 the applicable percentage under such provision, de-
11 termined after taking into account any periods of
12 employment described in subclause (II) which pre-
13 ceed the period of employment (described in sub-
14 clause (I)) as to which the determination of the ap-
15 propriate percentage to apply under such provision
16 is being made.

17 “(B)(i) Not later than the date which occurs 6
18 months after the date of enactment of this paragraph, the
19 Office shall determine (or, if applicable, redetermine) the
20 amount of the Postal surplus or supplemental liability as
21 of the close of the fiscal year most recently ending before
22 such date of enactment, in conformance with the method-
23 ology required under subparagraph (A).

24 “(ii)(I) If the result of the determination (or redeter-
25 mination) under clause (i) is a surplus, the Office shall

1 transfer the amount of such surplus to the Postal Service
2 Retiree Health Benefits Fund within 15 days after the
3 date of such determination (or redetermination).

4 “(II) If a determination under clause (i) is made be-
5 fore a determination under paragraph (2)(B) is made with
6 respect to the same fiscal year, no determination shall be
7 made with respect to such fiscal year under paragraph
8 (2)(B).

9 “(C) The provisions of law under this subparagraph
10 are—

11 “(i) the first sentence of section 8339(a); and

12 “(ii) section 8339(d)(1).

13 “(5) For purposes of this subsection—

14 “(A) the term ‘Postal Service Retiree Health
15 Benefits Fund’ refers to the fund described in sec-
16 tion 8909a; and

17 “(B) the term ‘Postal Service Fund’ refers to
18 the fund described in section 2003 of title 39.”.

19 (b) COORDINATION PROVISIONS.—(1) Section 8909a
20 of title 5, United States Code, is amended by adding at
21 the end the following:

22 “(e) Notwithstanding any other provision of law, the
23 amount payable by the Postal Service under subsection (d)
24 in any fiscal year ending on or before September 30, 2021,
25 shall be determined as if section 2(a) of the United States

1 Postal Service Pension Obligation Recalculation and Res-
2 toration Act of 2011 had never been enacted.”.

3 (2) Nothing in this Act shall affect the amount of
4 any benefits otherwise payable from the Civil Service Re-
5 tirement and Disability Fund to any individual.

6 (c) TECHNICAL AMENDMENT.—The heading for sec-
7 tion 8909a of title 5, United States Code, is amended by
8 striking “**Benefit**” and inserting “**Benefits**”.

9 **SEC. 3. ADDITIONAL PROVISIONS.**

10 (a) IN GENERAL.—Section 8348(h)(2) of title 5,
11 United States Code, is amended by adding at the end the
12 following:

13 “(F) Notwithstanding any other provision of this sub-
14 section, for purposes of determining the Postal surplus or
15 supplemental liability for each of fiscal years 2016, 2017,
16 2018, 2019, and 2020, any determination under para-
17 graph (1) shall be made by disregarding paragraph (4)(A)
18 and by instead applying the methodology that was used
19 to carry out this paragraph with respect to the fiscal year
20 preceding the fiscal year referred to in paragraph
21 (4)(B)(i).”.

22 (b) RELATING TO A POSTAL SURPLUS.—Section
23 8348(h)(2)(C) of title 5, United States Code, is amend-
24 ed—

25 (1) by inserting “2021,” after “2015,”; and

1 (2) by striking “if the result is” and all that
2 follows through “terminated.” and inserting the fol-
3 lowing: “if the result is a surplus—

4 “(i) that amount shall be transferred—

5 “(I) to the Postal Service Retiree Health
6 Benefits Fund, except as provided in subclause
7 (II); and

8 “(II) if the surplus is for fiscal year 2021
9 or a subsequent fiscal year, to the Postal Serv-
10 ice Fund; and

11 “(ii) any prior amortization schedule for pay-
12 ments shall be terminated.”.

13 **SEC. 4. TREATMENT OF CERTAIN SURPLUS RETIREMENT**
14 **CONTRIBUTIONS.**

15 Section 8423(b) of title 5, United States Code, is
16 amended—

17 (1) by redesignating paragraph (5) as para-
18 graph (6); and

19 (2) by inserting after paragraph (4) the fol-
20 lowing:

21 “(5) If, for fiscal year 2010, the amount computed
22 under paragraph (1)(B) is less than zero (in this section
23 referred to as ‘surplus postal contributions’), the amount
24 of those surplus postal contributions shall be trans-
25 ferred—

1 “(A) to the Postal Service Retiree Health Bene-
2 fits Fund to pay any liability to the Postal Service
3 Retiree Health Benefits Fund for fiscal year 2011;

4 “(B) if all liability to the Postal Service Retiree
5 Health Benefits Fund for fiscal year 2011 has been
6 paid, to the Employees’ Compensation Fund (as es-
7 tablished under section 8147); and

8 “(C) if all liability of the United States Postal
9 Service to the Employees’ Compensation Fund (as
10 so established) has been paid, to the United States
11 Postal Service for the repayment of any obligation
12 issued under section 2005 of title 39.”.

13 **SEC. 5. EFFECTIVE DATE.**

14 (a) **IN GENERAL.**—This Act and the amendments
15 made by this Act shall take effect on the date of enactment
16 of this Act.

17 (b) **INTENT OF CONGRESS.**—It is the intent of Con-
18 gress that this Act apply with respect to the allocation
19 of past, present, and future benefit liabilities between the
20 United States Postal Service and the Treasury of the
21 United States.

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