

105TH CONGRESS
2D SESSION

H. R. 4705

To provide a temporary authority for the use of voluntary separation incentives by the Department of Veterans Affairs to reduce employment levels, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 6, 1998

Mr. STUMP (for himself and Mr. EVANS) (both by request) introduced the following bill; which was referred to the Committee on Veterans' Affairs, and in addition to the Committee on Government Reform and Oversight, 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 a temporary authority for the use of voluntary separation incentives by the Department of Veterans Affairs to reduce employment levels, 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 “Department of Veter-
5 ans Affairs Employment Reduction Assistance Act of
6 1998”.

1 **SEC. 2. DEFINITIONS.**

2 For the purpose of this Act:

3 (1) The term “employee” means an employee
4 (as defined by section 2105 of title 5, United States
5 Code) of the Department of Veterans Affairs who is
6 serving under an appointment without time limita-
7 tion and has been currently employed by the Depart-
8 ment for a continuous period of at least 3 years, but
9 does not include—

10 (A) a reemployed annuitant under sub-
11 chapter III of chapter 83 or chapter 84 of title
12 5, United States Code, or another retirement
13 system for employees of the Government;

14 (B) an employee having a disability on the
15 basis of which such employee is eligible for dis-
16 ability retirement under subchapter III of chap-
17 ter 83 or chapter 84 of title 5, United States
18 Code, or another retirement system for employ-
19 ees of the Government;

20 (C) an employee who is in receipt of a spe-
21 cific notice of involuntary separation for mis-
22 conduct or unacceptable performance;

23 (D) an employee who previously has re-
24 ceived any voluntary separation incentive pay-
25 ment by the Government under this Act or any
26 other authority;

1 (E) an employee covered by statutory re-
2 employment rights who is on transfer to an-
3 other organization; or

4 (F) an employee who, during the 24-month
5 period preceding the date of separation, has re-
6 ceived a recruitment or relocation bonus under
7 section 5753 of title 5, United States Code, or
8 a recruitment bonus under section 7458 of title
9 38, United States Code; and

10 (G) any employee who, during the 12-
11 month period preceding the date of separation,
12 received a retention allowance under section
13 5754 of title 5, United States Code, or a reten-
14 tion bonus under section 7458 of title 38,
15 United States Code.

16 (2) The term “Department” means the Depart-
17 ment of Veterans Affairs.

18 (3) The term “Secretary” means the Secretary
19 of Veterans Affairs.

20 **SEC. 3. DEPARTMENT PLANS; APPROVAL.**

21 (a) IN GENERAL.—The Secretary, before obligating
22 any resources for voluntary separation incentive payments,
23 shall submit to the Director of the Office of Management
24 and Budget a strategic plan outlining the use of such in-
25 centive payments and a proposed organizational chart for

1 the Department once such incentive payments have been
2 completed.

3 (b) CONTENTS.—The plan shall specify—

4 (1) the positions and functions to be reduced or
5 eliminated, identified by organizational unit, geo-
6 graphic location, occupational category and grade
7 level; the proposed coverage may be based on—

8 (A) any component of the Department of
9 Veterans Affairs;

10 (B) any occupation, occupation level or
11 type of position;

12 (C) any geographic location; or

13 (D) any appropriate combination of the
14 factors in subparagraphs (A), (B), and (C);

15 (2) the manner in which such reductions will
16 improve operating efficiency or meet actual or antici-
17 pated levels of budget or staffing resources;

18 (3) the period of time during which incentives
19 may be paid; and

20 (4) a description of how the affected compo-
21 nents of the Department of Veterans Affairs will op-
22 erate without the eliminated functions and positions.

23 (c) APPROVAL.—The Director of the Office of Man-
24 agement and Budget shall approve or disapprove each
25 plan submitted under subsection (a) and may make appro-

1 p r i a t e m o d i f i c a t i o n s t o t h e p l a n w i t h r e s p e c t t o t h e t i m e
2 p e r i o d i n w h i c h v o l u n t a r y s e p a r a t i o n i n c e n t i v e s m a y b e
3 p a i d , w i t h r e s p e c t t o t h e n u m b e r a n d a m o u n t s o f i n c e n t i v e
4 p a y m e n t s , o r w i t h r e s p e c t t o t h e c o v e r a g e o f i n c e n t i v e s o n
5 t h e b a s i s o f t h e f a c t o r s i n s u b s e c t i o n (b) (1) .

6 **SEC. 4. VOLUNTARY SEPARATION INCENTIVE PAYMENTS.**

7 (a) A U T H O R I T Y T O P R O V I D E V O L U N T A R Y S E P A R A -
8 T I O N I N C E N T I V E P A Y M E N T S . —

9 (1) I N G E N E R A L . — T h e S e c r e t a r y m a y p a y a
10 v o l u n t a r y s e p a r a t i o n i n c e n t i v e p a y m e n t t o a n e m -
11 p l o y e e o n l y t o t h e e x t e n t n e c e s s a r y t o r e d u c e o r
12 e l i m i n a t e t h e p o s i t i o n s a n d f u n c t i o n s i d e n t i f i e d b y
13 t h e s t r a t e g i c p l a n .

14 (2) E M P L O Y E E S W H O M A Y R E C E I V E I N C E N -
15 T I V E S . — I n o r d e r t o r e c e i v e a v o l u n t a r y s e p a r a t i o n
16 i n c e n t i v e p a y m e n t , a n e m p l o y e e m u s t s e p a r a t e f r o m
17 s e r v i c e w i t h t h e D e p a r t m e n t v o l u n t a r i l y (w h e t h e r b y
18 r e t i r e m e n t o r r e s i g n a t i o n) u n d e r t h e p r o v i s i o n s o f
19 t h i s A c t .

20 (b) A M O U N T A N D T R E A T M E N T O F P A Y M E N T S . — A
21 v o l u n t a r y s e p a r a t i o n i n c e n t i v e p a y m e n t —

22 (1) s h a l l b e p a i d i n a l u m p s u m a f t e r t h e e m -
23 p l o y e e ' s s e p a r a t i o n ;

24 (2) s h a l l b e e q u a l t o t h e l e s s e r o f —

1 (A) an amount equal to the amount the
2 employee would be entitled to receive under sec-
3 tion 5595(c) of title 5, United States Code, if
4 the employee were entitled to payment under
5 such section (without adjustment for any pre-
6 vious payment made under that section); or

7 (B) an amount determined by the Sec-
8 retary, not to exceed \$25,000;

9 (3) shall not be a basis for payment, and shall
10 not be included in the computation, of any other
11 type of Government benefit;

12 (4) shall not be taken into account in determin-
13 ing the amount of severance pay to which an em-
14 ployee may be entitled under section 5595 of title 5,
15 United States Code, based on any other separation;
16 and

17 (5) shall be paid from the appropriations or
18 funds available for payment of the basic pay of the
19 employee.

20 **SEC. 5. EFFECT OF SUBSEQUENT EMPLOYMENT WITH THE**
21 **GOVERNMENT.**

22 (a) **REPAYMENT UPON SUBSEQUENT EMPLOY-**
23 **MENT.**—An individual who has received a voluntary sepa-
24 ration incentive payment under this Act and accepts any
25 employment with the Government, or who works for any

1 agency of the Government through a personal services con-
2 tract, within five years after the date of the separation
3 on which the payment is based shall be required to repay,
4 before the individual's first day of employment, the entire
5 amount of the incentive payment to the Department.

6 (b) WAIVER AUTHORITY FOR CERTAIN INDIVID-
7 UALS.—(1) If the employment under subsection (a) is with
8 an Executive agency (as defined by section 105 of title
9 5, United States Code), the United States Postal Service,
10 or the Postal Rate Commission, the Director of the Office
11 of Personnel Management may, at the request of the head
12 of the agency, waive the repayment if the individual in-
13 volved possesses unique abilities and is the only qualified
14 applicant available for the position.

15 (2) If the employment under subsection (a) is with
16 an entity in the legislative branch, the head of the entity
17 or the appointing official may waive the repayment if the
18 individual involved possesses unique abilities and is the
19 only qualified applicant available for the position.

20 (3) If the employment under subsection (a) is with
21 the judicial branch, the Director of the Administrative Of-
22 fice of the United States Courts may waive the repayment
23 if the individual involved possesses unique abilities and is
24 the only qualified applicant available for the position.

1 (c) DEFINITION.—For the purpose of this section,
2 the term “employment” includes—

3 (1) for the purposes of subsections (a) and (b),
4 employment of any length or under any type of ap-
5 pointment, but does not include employment that is
6 without compensation; and

7 (2) for the purposes of subsection (a), employ-
8 ment with any agency of the Government through a
9 personal services contract.

10 **SEC. 6. ADDITIONAL AGENCY CONTRIBUTION TO RETIRE-**
11 **MENT FUND.**

12 (a) ADDITIONAL CONTRIBUTION.—In addition to any
13 other payments which it is required to make under sub-
14 chapter III of chapter 83 or chapter 84 of title 5, United
15 States Code, the Secretary shall remit to the Office of Per-
16 sonnel Management for deposit in the Treasury of the
17 United States to the credit of the Civil Service Retirement
18 and Disability Fund an amount equal to 15 percent of
19 the final basic pay of each employee of the Department
20 who is covered under subchapter III of chapter 83 or
21 chapter 84 of title 5 to whom a voluntary separation in-
22 centive has been paid under this Act.

23 (b) DEFINITION.—For the purpose of this section,
24 the term “final basic pay”, with respect to an employee,
25 means the total amount of basic pay that would be payable

1 for a year of service by that employee, computed using
2 the employee's final rate of basic pay, and, if last serving
3 on other than a full-time basis, with appropriate adjust-
4 ment therefor.

5 **SEC. 7. REDUCTION OF AGENCY EMPLOYMENT LEVELS.**

6 (a) IN GENERAL.—The total full-time equivalent em-
7 ployment in the Department shall be reduced by one for
8 each separation of an employee who receives a voluntary
9 separation incentive payment under this Act. The reduc-
10 tion shall be calculated by comparing the Department's
11 full-time equivalent employment for the fiscal year in
12 which the voluntary separation payments are made with
13 the actual full-time equivalent employment for the prior
14 fiscal year.

15 (b) ENFORCEMENT.—The President, through the Of-
16 fice of Management and Budget, shall monitor the De-
17 partment and take any action necessary to ensure that the
18 requirements of this section are met.

19 (c) WAIVER AUTHORITY.—Subsection (a) may be
20 waived upon a determination by the President that—

21 (1) the existence of a state of war or other na-
22 tional emergency so requires; or

23 (2) the existence of an extraordinary emergency
24 which threatens life, health, safety, property, or the
25 environment so requires.

1 **SEC. 8. CONTINUED HEALTH INSURANCE COVERAGE.**

2 Section 8905a(d)(4) of title 5, United States Code,
3 is amended—

4 (1) in subparagraph (A), by inserting after
5 force “, or an involuntary separation from a position
6 in or under the Department of Veterans Affairs due
7 to a reduction in force or a title 38 staffing adjust-
8 ment”;

9 (2) in subparagraph (B), by inserting at the be-
10 ginning thereof “With respect to the Department of
11 Defense,”;

12 (3) by redesignating subparagraph (C) as sub-
13 paragraph (D);

14 (4) by inserting after subparagraph (B) the fol-
15 lowing new subparagraph (C):

16 “(C) With respect to the Department of
17 Veterans Affairs, this paragraph shall apply
18 with respect to any individual whose continued
19 coverage is based on a separation occurring on
20 or after the date of the enactment of this sub-
21 paragraph and before—

22 “(i) October 1, 2004; or

23 “(ii) February 1, 2005, if specific no-
24 tice of such separation was given to such
25 individual before October 1, 2004.”.

1 **SEC. 9. REGULATIONS.**

2 The Director of the Office of Personnel Management
3 may prescribe any regulations necessary to administer the
4 provisions of this Act.

5 **SEC. 10. LIMITATION; SAVINGS CLAUSE.**

6 (a) **LIMITATION.**—No voluntary separation incentive
7 under this Act may be paid based on the separation of
8 an employee after September 30, 2004.

9 (b) **SAVINGS CLAUSE.**—This Act supplements and
10 does not supersede other authority of the Secretary.

11 **SEC. 11. EFFECTIVE DATE.**

12 This Act shall take effect on the date of the enact-
13 ment of this Act.

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