

leave our principles at the door when we enter this Chamber.

Ambition is a good thing, but not when you impugn the motives of those who disagree. Those of us who have some experience understand that such words quoted from the D.C. Examiner, if they had been spoken on the floor, would have been considered inappropriate. They are just as inappropriate off the floor as they are on the floor.

Mr. Speaker, this rule is wrong. The underlying bill is wrong. The efforts to continue to involve our government in places it has no business in is wrong.

We need to do everything we can at this time—and we know we have people in this country hurting. Republicans are very, very sensitive to that. But the last thing in the world we need to do is to cut out the basis of this country—to weaken the very things that have made us the greatest country in the world. And involving ourselves more and more in controlling private enterprise will do nothing but to weaken this country more, to get our government involved.

It's the wrong way to go. I urge my colleagues to vote against this rule and to vote against the underlying bill.

With that, I yield back the balance of my time.

Mr. PERLMUTTER. I yield myself such time as I may consume.

I would urge an "aye" vote on this rule. So we will begin with that. The rule is designed and provides for seven amendments to a bill that limits executive compensation that is excessive, unreasonable, and not performance-based.

If an executive of an institution that's been loaned money or in which it has had capital advanced by the United States of America, by the people of America, and pays \$5 million, \$10 million, \$20 million for no reason, in an excessive manner, then that kind of bonus is restricted.

The people's money as we've advanced it is to get the institutions back on track and not to pay executives exorbitant salaries. The people across the country expect that, number one. So I support the rule and I support the underlying bill.

Now there are a lot of reasons we got into this position where the government and the people of this country have had to assist the financial system—not the least of which was something like the Gramm-Leach-Bliley, which dropped regulations; or an inattention by the Bush administration to regulations within the financial system. But we are where we are.

President Bush and Secretary Paulson asked for a huge advance to the financial system to keep it upright. We did that. As a Democrat and as a Democratic Congress, advancing \$700 billion to a Republican President and his Treasury Secretary to put the financial system back on track was not the first thing I wanted to do. But they made a good case. Their pleas were heard. And we did that.

Now we've got to make sure that people within that system don't take advantage of the good graces of the American people. And that's the purpose of this bill.

It provides for guidelines and regulations. There will be amendments, Mr. Speaker, that will potentially limit this to bigger banks—not to smaller community banks.

I would agree with my friend from North Carolina that whether it's on this floor or out in public, hyperbole and rhetoric can impugn somebody's character. She's concerned about Mr. GRAYSON. I would say there are others on her side who call people un-American because of the way they vote here.

I would just say to you, Mr. Speaker, and to the Members of this Chamber, that our words do really matter, and we do need to keep an eye on what we say. We really do have to watch ourselves and not get caught up in the heat of debate.

This bill is appropriate at this time to manage the lending that this country has done. As companies pay back their TARP advances, they're no longer subject to this. The management payments and salaries are subject to the board of directors and their shareholders.

But at this point in time, with those particular institutions, we are both lenders and shareholders, and we certainly have a say over the compensation of the management.

I urge an "aye" vote on the rule and on the underlying bill.

I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore (Mr. SALAZAR). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Ms. FOXX. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this question will be postponed.

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ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair will postpone further proceedings today on motions to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote incurs objection under clause 6 of rule XX.

Record votes on the postponed questions will be taken later.

FEDERAL RETIREMENT REFORM ACT OF 2009

Mr. TOWNS. Mr. Speaker, I move to suspend the rules and pass the bill

(H.R. 1804) to amend title 5, United States Code, to make certain modifications in the Thrift Savings Plan, the Civil Service Retirement System, and the Federal Employees' Retirement System, and for other purposes.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 1804

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Federal Retirement Reform Act of 2009".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—PROVISIONS RELATING TO FEDERAL EMPLOYEES RETIREMENT

Subtitle A—Thrift Savings Plan Enhancement

Sec. 101. Short title.

Sec. 102. Automatic enrollments.

Sec. 103. Qualified Roth contribution program.

Sec. 104. Authority to establish self-directed investment window.

Sec. 105. Reporting requirements.

Sec. 106. Acknowledgement of risk.

Subtitle B—Other Retirement-Related Provisions

Sec. 111. Credit for unused sick leave.

Sec. 112. Exemption of certain CSRS repayments from the requirement that they be made with interest.

Sec. 113. Computation of certain annuities based on part-time service.

Sec. 114. Treatment of members of the uniformed services under the Thrift Savings Plan.

Sec. 115. Authority to deposit refunds under FERS.

Sec. 116. Retirement credit for service of certain employees transferred from District of Columbia service to Federal service.

TITLE II—SPECIAL SURVIVOR INDEMNITY ALLOWANCE FOR SURVIVING SPOUSES OF ARMED FORCES MEMBERS

Sec. 201. Increase in monthly amount of special survivor indemnity allowance for widows and widowers of deceased members of the Armed Forces affected by required Survivor Benefit Plan annuity offset for dependency and indemnity compensation.

TITLE I—PROVISIONS RELATING TO FEDERAL EMPLOYEES RETIREMENT

Subtitle A—Thrift Savings Plan Enhancement

SEC. 101. SHORT TITLE.

This subtitle may be cited as the "Thrift Savings Plan Enhancement Act of 2009".

SEC. 102. AUTOMATIC ENROLLMENTS.

(a) IN GENERAL.—Section 8432(b) of title 5, United States Code, is amended by striking paragraphs (2) through (4) and inserting the following:

"(2)(A) The Board shall by regulation provide for an eligible individual to be automatically enrolled to make contributions under subsection (a) at the default percentage of basic pay.

"(B) For purposes of this paragraph, the default percentage shall be equal to 3 percent or such other percentage, not less than 2 percent nor more than 5 percent, as the Board may by regulation prescribe.

"(C) The regulations shall include provisions under which any individual who would

otherwise be automatically enrolled in accordance with subparagraph (A) may—

“(i) modify the percentage or amount to be contributed pursuant to automatic enrollment, effective from the start of such enrollment; or

“(ii) decline automatic enrollment altogether.

“(D) For purposes of this paragraph, the term ‘eligible individual’ means any individual who, after any regulations under subparagraph (A) first take effect, is appointed, transferred, or reappointed to a position in which that individual is eligible to contribute to the Thrift Savings Fund.

“(E)(i) Subject to clause (ii), sections 8351(a)(1), 8440a(a)(1), 8440b(a)(1), 8440c(a)(1), 8440d(a)(1), and 8440e(a)(1) shall be applied in a manner consistent with the purposes of this paragraph.

“(ii) The Secretary concerned may, with respect to members of the uniformed services under the authority of such Secretary, establish such special rules as such Secretary considers necessary for the administration of this subparagraph, including rules in accordance with which such Secretary may—

“(I) provide for delayed automatic enrollment; or

“(II) preclude or suspend the application of automatic enrollment.”.

(b) **TECHNICAL AMENDMENT.**—Section 8432(b)(1) of title 5, United States Code, is amended by striking the parenthetical matter in subparagraph (B).

SEC. 103. QUALIFIED ROTH CONTRIBUTION PROGRAM.

(a) **IN GENERAL.**—Subchapter III of chapter 84 of title 5, United States Code, is amended by inserting after section 8432c the following: “§8432d. Qualified Roth contribution program

“(a) **DEFINITIONS.**—For purposes of this section—

“(1) the term ‘qualified Roth contribution program’ means a program described in paragraph (1) of section 402A(b) of the Internal Revenue Code of 1986 which meets the requirements of paragraph (2) of such section; and

“(2) the terms ‘designated Roth contribution’ and ‘elective deferral’ have the meanings given such terms in section 402A of the Internal Revenue Code of 1986.

“(b) **AUTHORITY TO ESTABLISH.**—The Board shall by regulation provide for the inclusion in the Thrift Savings Plan of a qualified Roth contribution program, under such terms and conditions as the Board may prescribe.

“(c) **REQUIRED PROVISIONS.**—The regulations under subsection (b) shall include—

“(1) provisions under which an election to make designated Roth contributions may be made—

“(A) by any individual who is eligible to make contributions under section 8351, 8432(a), 8440a, 8440b, 8440c, 8440d, or 8440e; and

“(B) by any individual, not described in subparagraph (A), who is otherwise eligible to make elective deferrals under the Thrift Savings Plan;

“(2) any provisions which may, as a result of enactment of this section, be necessary in order to clarify the meaning of any reference to an ‘account’ made in section 8432(f), 8433, 8434(d), 8435, 8437, or any other provision of law; and

“(3) any other provisions which may be necessary to carry out this section.”.

(b) **CLERICAL AMENDMENT.**—The analysis for chapter 84 of title 5, United States Code, is amended by inserting after the item relating to section 8432c the following:

“8432d. Qualified Roth contribution program.”.

SEC. 104. AUTHORITY TO ESTABLISH SELF-DIRECTED INVESTMENT WINDOW.

(a) **IN GENERAL.**—Section 8438(b)(1) of title 5, United States Code, is amended—

(1) in subparagraph (D), by striking “and” at the end;

(2) in subparagraph (E), by striking the period and inserting “; and”; and

(3) by adding after subparagraph (E) the following:

“(F) a self-directed investment window, if the Board authorizes such window under paragraph (5).”.

(b) **REQUIREMENTS.**—Section 8438(b) of title 5, United States Code, is amended by adding at the end the following:

“(5)(A) The Board may authorize the addition of a self-directed investment window under the Thrift Savings Plan if the Board determines that such addition would be in the best interests of participants.

“(B) The self-directed investment window shall be limited to—

“(i) low-cost, passively-managed index funds that offer diversification benefits; and

“(ii) other investment options, if the Board determines the options to be appropriate retirement investment vehicles for participants.

“(C) The Board shall ensure that any administrative expenses related to use of the self-directed investment window are borne solely by the participants who use such window.

“(D) The Board may establish such other terms and conditions for the self-directed investment window as the Board considers appropriate to protect the interests of participants, including requirements relating to risk disclosure.

“(E) The Board shall consult with the Employee Thrift Advisory Council (established under section 8473) before establishing any self-directed investment window.”.

SEC. 105. REPORTING REQUIREMENTS.

(a) **ANNUAL REPORT.**—The Board shall, not later than June 30 of each year, submit to Congress an annual report on the operations of the Thrift Savings Plan. Such report shall include, for the prior calendar year, information on the number of participants as of the last day of such prior calendar year, the median balance in participants’ accounts as of such last day, demographic information on participants, the percentage allocation of amounts among investment funds or options, the status of the development and implementation of the self-directed investment window, the diversity demographics of any company, investment adviser, or other entity retained to invest and manage the assets of the Thrift Savings Fund, and such other information as the Board considers appropriate. A copy of each annual report under this subsection shall be made available to the public through an Internet website.

(b) **REPORTING OF FEES AND OTHER INFORMATION.**—

(1) **IN GENERAL.**—The Board shall include in the periodic statements provided to participants under section 8439(c) of title 5, United States Code, the amount of the investment management fees, administrative expenses, and any other fees or expenses paid with respect to each investment fund and option under the Thrift Savings Plan. Any such statement shall also provide a statement notifying participants as to how they may access the annual report described in subsection (a), as well as any other information concerning the Thrift Savings Plan that might be useful.

(2) **USE OF ESTIMATES.**—For purposes of providing the information required under this subsection, the Executive Director may provide a reasonable and representative estimate of any fees or expenses described in paragraph (1) and shall indicate any such es-

timate as being such an estimate. Any such estimate shall be based on the previous year’s experience.

(c) **DEFINITIONS.**—For purposes of this section—

(1) the term “Board” has the meaning given such term by 8401(5) of title 5, United States Code;

(2) the term “participant” has the meaning given such term by section 8471(3) of title 5, United States Code; and

(3) the term “account” means an account established under section 8439 of title 5, United States Code.

SEC. 106. ACKNOWLEDGEMENT OF RISK.

(a) **IN GENERAL.**—Section 8439(d) of title 5, United States Code, is amended—

(1) by striking the matter after “who elects to invest in” and before “shall sign an acknowledgement” and inserting “any investment fund or option under this chapter, other than the Government Securities Investment Fund.”; and

(2) by striking “either such Fund” and inserting “any such fund or option”.

(b) **COORDINATION WITH PROVISIONS RELATING TO FIDUCIARY RESPONSIBILITIES, LIABILITIES, AND PENALTIES.**—Section 8477(e)(1)(C) of title 5, United States Code, is amended—

(1) by redesignating subparagraph (C) as subparagraph (C)(i); and

(2) by adding at the end the following:

“(ii) A fiduciary shall not be liable under subparagraph (A), and no civil action may be brought against a fiduciary—

“(I) for providing for the automatic enrollment of a participant in accordance with section 8432(b)(2)(A);

“(II) for enrolling a participant in a default investment fund in accordance with section 8438(c)(2); or

“(III) for allowing a participant to invest through the self-directed investment window or for establishing restrictions applicable to participants’ ability to invest through the self-directed investment window.”.

Subtitle B—Other Retirement-Related Provisions

SEC. 111. CREDIT FOR UNUSED SICK LEAVE.

(a) **IN GENERAL.**—Section 8415 of title 5, United States Code, is amended—

(1) by redesignating the second subsection (k) and subsection (l) as subsections (l) and (m), respectively; and

(2) in subsection (l) (as so redesignated by paragraph (1))—

(A) by striking “(1) In computing” and inserting “(1)(1) In computing”; and

(B) by adding at the end the following:

“(2) Except as provided in paragraph (1), in computing an annuity under this subchapter, the total service of an employee who retires on an immediate annuity or who dies leaving a survivor or survivors entitled to annuity includes the days of unused sick leave to his credit under a formal leave system, except that these days will not be counted in determining average pay or annuity eligibility under this subchapter. For purposes of this subsection, in the case of any such employee who is excepted from subchapter I of chapter 63 under section 6301(2)(x)-(xiii), the days of unused sick leave to his credit include any unused sick leave standing to his credit when he was excepted from such subchapter.”.

(b) **EXCEPTION FROM DEPOSIT REQUIREMENT.**—Section 8422(d)(2) of title 5, United States Code, is amended by striking “section 8415(k)” and inserting “paragraph (1) or (2) of section 8415(l)”.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply with respect to annuities computed based on separations occurring on or after the date of enactment of this Act.

SEC. 112. EXEMPTION OF CERTAIN CSRS REPAYMENTS FROM THE REQUIREMENT THAT THEY BE MADE WITH INTEREST.

(a) IN GENERAL.—Section 8334(d)(1) of title 5, United States Code, is amended—

(1) by striking “(d)(1)” and inserting “(d)(1)(A)”; and

(2) by adding at the end the following:

“(B) No interest under subparagraph (A) shall be required in the case of any deposit to the extent that it represents the amount of any refund that was made to an employee or Member during the period beginning on October 1, 1990, and ending on February 28, 1991.”

(b) APPLICABILITY.—The amendments made by subsection (a) shall be effective with respect to any annuity, entitlement to which is based on a separation from service occurring on or after the date of enactment of this Act.

SEC. 113. COMPUTATION OF CERTAIN ANNUITIES BASED ON PART-TIME SERVICE.

(a) IN GENERAL.—Section 8339(p) of title 5, United States Code, is amended by adding at the end the following:

“(3) In the administration of paragraph (1)—

“(A) subparagraph (A) of such paragraph shall apply with respect to service performed before, on, or after April 7, 1986; and

“(B) subparagraph (B) of such paragraph—
“(i) shall apply with respect to that portion of any annuity which is attributable to service performed on or after April 7, 1986; and
“(ii) shall not apply with respect to that portion of any annuity which is attributable to service performed before April 7, 1986.”

(b) APPLICABILITY.—The amendment made by subsection (a) shall be effective with respect to any annuity, entitlement to which is based on a separation from service occurring on or after the date of enactment of this Act.

SEC. 114. TREATMENT OF MEMBERS OF THE UNIFORMED SERVICES UNDER THE THRIFT SAVINGS PLAN.

(a) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) members of the uniformed services should have a retirement system that is at least as generous as the one which is available to Federal civilian employees; and

(2) Federal civilian employees receive matching contributions from their employing agencies for their contributions to the Thrift Savings Fund, but the costs of requiring such a matching contribution from the Department of Defense could be significant.

(b) REPORTING REQUIREMENT.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall report to Congress on—

(1) the cost to the Department of Defense of providing a matching payment with respect to contributions made to the Thrift Savings Fund by members of the Armed Forces;

(2) the effect that requiring such a matching payment would have on recruitment and retention; and

(3) any other information that the Secretary of Defense considers appropriate.

SEC. 115. AUTHORITY TO DEPOSIT REFUNDS UNDER FERS.

(a) DEPOSIT AUTHORITY.—Section 8422 of title 5, United States Code, is amended by adding at the end the following:

“(i)(1) Each employee or Member who has received a refund of retirement deductions under this or any other retirement system established for employees of the Government covering service for which such employee or

Member may be allowed credit under this chapter may deposit the amount received, with interest. Credit may not be allowed for the service covered by the refund until the deposit is made.

“(2) Interest under this subsection shall be computed in accordance with paragraphs (2) and (3) of section 8334(e) and regulations prescribed by the Office. The option under the third sentence of section 8334(e)(2) to make a deposit in one or more installments shall apply to deposits under this subsection.

“(3) For the purpose of survivor annuities, deposits authorized by this subsection may also be made by a survivor of an employee or Member.”

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) DEFINITIONAL AMENDMENT.—Section 8401(19)(C) of title 5, United States Code, is amended by striking “8411(f);” and inserting “8411(f) or 8422(i);”.

(2) CREDITING OF DEPOSITS.—Section 8422(c) of title 5, United States Code, is amended by adding at the end the following: “Deposits made by an employee, Member, or survivor also shall be credited to the Fund.”

(3) SECTION HEADING.—(A) The heading for section 8422 of title 5, United States Code, is amended to read as follows:

“**§ 8422. Deductions from pay; contributions for other service; deposits**”.

(B) The analysis for chapter 84 of title 5, United States Code, is amended by striking the item relating to section 8422 and inserting the following:

“8422. Deductions from pay; contributions for other service; deposits.”

(4) RESTORATION OF ANNUITY RIGHTS.—The last sentence of section 8424(a) of title 5, United States Code, is amended by striking “based.” and inserting “based, until the employee or Member is reemployed in the service subject to this chapter.”

SEC. 116. RETIREMENT CREDIT FOR SERVICE OF CERTAIN EMPLOYEES TRANSFERRED FROM DISTRICT OF COLUMBIA SERVICE TO FEDERAL SERVICE.

(a) RETIREMENT CREDIT.—

(1) IN GENERAL.—Any individual who is treated as an employee of the Federal Government for purposes of chapter 83 or chapter 84 of title 5, United States Code, on or after the date of enactment of this Act who performed qualifying District of Columbia service shall be entitled to have such service included in calculating the individual's creditable service under sections 8332 or 8411 of title 5, United States Code, but only for purposes of the following provisions of such title:

(A) Sections 8333 and 8410 (relating to eligibility for annuity).

(B) Sections 8336 (other than subsections (d), (h), and (p) thereof) and 8412 (relating to immediate retirement).

(C) Sections 8338 and 8413 (relating to deferred retirement).

(D) Sections 8336(d), 8336(h), 8336(p), and 8414 (relating to early retirement).

(E) Section 8341 and subchapter IV of chapter 84 (relating to survivor annuities).

(F) Section 8337 and subchapter V of chapter 84 (relating to disability benefits).

(2) TREATMENT OF DETENTION OFFICER SERVICE AS LAW ENFORCEMENT OFFICER SERVICE.—Any portion of an individual's qualifying District of Columbia service which consisted of service as a detention officer under section 2604(2) of the District of Columbia Government Comprehensive Merit Personnel Act of 1978 (sec. 1-626.04(2), D.C. Official Code) shall be treated as service as a law enforcement officer under sections 8331(20) or 8401(17) of title 5, United States Code, for

purposes of applying paragraph (1) with respect to the individual.

(3) SERVICE NOT INCLUDED IN COMPUTING AMOUNT OF ANY ANNUITY.—Qualifying District of Columbia service shall not be taken into account for purposes of computing the amount of any benefit payable out of the Civil Service Retirement and Disability Fund.

(b) QUALIFYING DISTRICT OF COLUMBIA SERVICE DEFINED.—In this section, “qualifying District of Columbia service” means any of the following:

(1) Service performed by an individual as a nonjudicial employee of the District of Columbia courts—

(A) which was performed prior to the effective date of the amendments made by section 11246(b) of the Balanced Budget Act of 1997; and

(B) for which the individual did not ever receive credit under the provisions of subchapter III of chapter 83 or chapter 84 of title 5, United States Code (other than by virtue of section 8331(1)(iv) of such title).

(2) Service performed by an individual as an employee of an entity of the District of Columbia government whose functions were transferred to the Pretrial Services, Parole, Adult Supervision, and Offender Supervision Trustee under section 11232 of the Balanced Budget Act of 1997—

(A) which was performed prior to the effective date of the individual's coverage as an employee of the Federal Government under section 11232(f) of such Act; and

(B) for which the individual did not ever receive credit under the provisions of subchapter III of chapter 83 or chapter 84 of title 5, United States Code (other than by virtue of section 8331(1)(iv) of such title).

(3) Service performed by an individual as an employee of the District of Columbia Public Defender Service—

(A) which was performed prior to the effective date of the amendments made by section 7(e) of the District of Columbia Courts and Justice Technical Corrections Act of 1998; and

(B) for which the individual did not ever receive credit under the provisions of subchapter III of chapter 83 or chapter 84 of title 5, United States Code (other than by virtue of section 8331(1)(iv) of such title).

(4) In the case of an individual who was an employee of the District of Columbia Department of Corrections who was separated from service as a result of the closing of the Lorton Correctional Complex and who was appointed to a position with the Bureau of Prisons, the District of Columbia courts, the Pretrial Services, Parole, Adult Supervision, and Offender Supervision Trustee, the United States Parole Commission, or the District of Columbia Public Defender Service, service performed by the individual as an employee of the District of Columbia Department of Corrections—

(A) which was performed prior to the effective date of the individual's coverage as an employee of the Federal Government; and

(B) for which the individual did not ever receive credit under the provisions of subchapter III of chapter 83 or chapter 84 of title 5, United States Code (other than by virtue of section 8331(1)(iv) of such title).

(c) CERTIFICATION OF SERVICE.—The Office of Personnel Management shall accept the certification of the appropriate personnel official of the government of the District of Columbia or other independent employing entity concerning whether an individual performed qualifying District of Columbia service and the length of the period of such service the individual performed.

TITLE II—SPECIAL SURVIVOR INDEMNITY ALLOWANCE FOR SURVIVING SPOUSES OF ARMED FORCES MEMBERS

SEC. 201. INCREASE IN MONTHLY AMOUNT OF SPECIAL SURVIVOR INDEMNITY ALLOWANCE FOR WIDOWS AND WIDOWERS OF DECEASED MEMBERS OF THE ARMED FORCES AFFECTED BY REQUIRED SURVIVOR BENEFIT PLAN ANNUITY OFFSET FOR DEPENDENCY AND INDEMNITY COMPENSATION.

Section 1450(m)(2) of title 10, United States Code, is amended—

(1) in subparagraph (B), by striking “\$60” and inserting “\$95”;

(2) in subparagraph (C), by striking “\$70” and inserting “\$105”;

(3) in subparagraph (D), by striking “\$80” and inserting “\$120”;

(4) in subparagraph (E), by striking “\$90; and” and inserting “\$130;” and

(5) by striking subparagraph (F) and inserting the following new subparagraphs:

“(F) for months during fiscal year 2014, \$330;

“(G) for months during fiscal year 2015, \$335; and

“(H) for months during fiscal year 2016 ending before the termination date specified in paragraph (6), \$345.”

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York (Mr. TOWNS) and the gentleman from California (Mr. ISSA) each will control 20 minutes.

The Chair recognizes the gentleman from New York.

GENERAL LEAVE

Mr. TOWNS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. TOWNS. Mr. Speaker, I yield myself such time as I may consume.

Today, I am pleased to bring to the floor H.R. 1804, the Federal Retirement Reform Act of 2009. The bill modernizes the Thrift Savings Plan, the retirement savings plan for Federal employees. The legislation includes several other important retirement reforms for Federal employees and members of the Armed Forces.

This bill enjoyed strong bipartisan support in the last Congress when it passed the House as H.R. 1108. Two weeks ago, the Oversight and Government Reform Committee again considered and reported favorably the current language of this bill. I am pleased that the bill makes further progress in ending the military family tax which unfairly penalizes the survivors of those who died in service or as a result of their service-connected injuries.

As Chairman SKELTON will explain, this bill increases the monthly amounts paid to surviving spouses who are denied the full amount of their annuity under the Survivor Benefit Plan. Our enhancement to the TSP program also will benefit military members and their families.

The Federal Employee Thrift Savings Plan is one of the best retirement savings programs in the Nation. The plan

runs with very low cost and is a model for both the private sector and other governments. The bill we are considering today will strengthen and modernize the TSP.

At the suggestion of the Federal Retirement Thrift Investment Board, the bill provides for automatic enrollment in TSP for new Federal civilian employees. Employees have the opportunity to choose whether to enroll or not, but for those who do not make any decision enrollment would be the default. The decision on automatic enrollment for members of the uniformed services is at the discretion of the Secretaries of the military departments.

The bill would also provide a Roth contribution option for TSP. With a Roth option, employee contributions are made after taxes are deducted, and the employee does not pay taxes on the fund upon withdrawal. This option is currently available in many private sector retirement plans today.

The bill also includes a provision to allow employees covered by the Federal Employees Retirement System to receive credit for unused sick leave towards their retirement annuity, as is currently the case for employees covered by the older Civil Service Retirement System. The committee also adopted amendments to make it easier for former employees to reinstate their retirement credits if they return to Federal service, and to work part-time at the end of their career.

I want to recognize the Federal Workforce Subcommittee chairman, Mr. LYNCH, who has worked really hard on this, and for his work on these issues and the bill. I would also like to thank Representative NORTON, Representative VAN HOLLEN, and Representative CONNOLLY for their thoughtful amendments that improve the bill.

I would like to thank the Oversight Committee ranking member, Mr. ISSA of California, for his amendments that strengthen the legislation as it relates to members of the uniformed services. Thank you for your input.

Finally, I would like to thank Chairman SKELTON and the Armed Services Committee for their contribution to this bill that will provide better financial protection to the families of our military men and women. I urge my colleagues to support this legislation.

I reserve the balance of my time.

Mr. ISSA. I reserve the balance of my time.

Mr. TOWNS. I recognize the gentleman from Missouri (Mr. SKELTON) for 3 minutes, the person who has worked really hard on this and has done a fantastic job. And of course, when it comes to the military and military personnel, he is always there doing the right thing.

Mr. SKELTON. First, I thank the gentleman from New York (Mr. TOWNS) for yielding. I rise in strong support of his bill, H.R. 1804, and I thank him for his partnership on this bill.

In addition to the many good things this legislation does for Federal civil

servants, I am pleased to report that this bill includes a provision of great importance to the surviving spouses of servicemembers who have died as a result of service-connected conditions.

I want to thank Chairman TOWNS for his great assistance in making it possible to address this issue in this bill. Members of the Committee on Armed Services, which I am privileged to chair, are very appreciative of the cooperation that made the legislation possible, because it is unlikely that the funding required to support the change could have otherwise been found.

I would also commend my colleague, my friend, a member of the Armed Services Committee, Congressman SOLOMON ORTIZ, who has introduced legislation on the SBP offset and has been a great leader and advocate for the military families affected by this issue.

The provision would increase the monthly special survivors indemnity allowance beginning in fiscal year 2010 with a \$35 increase, resulting in a monthly payment of \$95, and concludes in fiscal year 2016 with a \$245 increase, resulting in a monthly payment of \$345.

Although the improvements are substantial and a welcomed addition for our surviving spouses, the proposal is an incremental change that falls short of the ultimate objective to eliminate the offset of the Survivor Benefit Plan, or SBP as it is called, by the amount of Dependency and Indemnity Compensation, or DIC, received from the Department of Veterans Affairs.

This so-called widow's tax has long denied surviving family members the full payment of their SBP benefits. I can assure our surviving spouses and my colleagues on the Armed Services Committee that we will continue to explore every opportunity to pursue legislation that brings us closer to eliminating the widow's tax, just as we are doing today, with the help of Chairman TOWNS. H.R. 1804 provides a robust step in that direction, and I encourage my colleagues to vote for it.

Mr. ISSA. Mr. Speaker, I would like to thank Chairman SKELTON and Chairman TOWNS for the hard work they put into this bill. I am here today to say this is a good bill on the front end. I am sad to say this is a bad bill on the back end.

What this bill does, which was worked out on a very bipartisan basis with all speaking here today, is in fact it does recognize that modern retirement plans should have as many options as possible, and certainly adding the Roth IRA option for some Federal workers is extremely good.

Additionally, the advantages for the military and military commanders to be able to look at their individual needs of their services and allow for different opting in and out patterns of course makes sense, and I appreciate Chairman TOWNS' willingness to work on that fix during the markup.

The majority in our committee and the minority in our committee found this to be a very bipartisan issue to

work on, and I appreciate the fact that this is good for the troops and on paper saves money. However, I have to say, the back end of this bill, sponsored by Members of the majority not speaking yet here today, is nothing but a piggy bank for other projects, for special interest projects.

The fact that this is a tobacco bill begs the question of: If we were to free up 2 or 3 or more billion dollars from a military budget in outlying years, why would this be a reason, when we have trillions of dollars of deficits, to spend money? I think the majority knows it is not.

In fact, the idea that you on paper save money by members of the government opting out of pre-tax contributions in favor of the Roth IRA post-tax contribution and thus creating additional tax revenue, at a time when we have a deficit at the highest in our history, says not one penny ever saved will in fact go to deficit reduction under this majority.

So, will I vote for this bill? Of course, I will. It does a lot of good things for our Federal workers. The fact, though, that the provision for family smoking prevention is not funded through the ordinary course of revenue but rather through this scheme that, depending upon how many workers choose Roth IRAs, may or may not produce the money that is about to be spent, I find wrong and I find misguided.

As the chairman said, there were a number of things we did for the military. There is more that we should do. Only the U.S. military is eligible for TSP but receives no match.

It is very clear that, in a modern military, one in which only about one in four serve until retirement on active duty, the TSP is all the military takes with them when they leave. That famous 20-year retirement does not vest in 5 years the way it does with the majority and the minority, all of us as Members of Congress; in fact, it takes 18½ years to lock in a military retirement and 20 years to appreciate it. Clearly, the military does not enjoy what we in Congress enjoy, which is TSP, with a match, and a 5-year vesting schedule so that we can take our retirement plan with us whenever we leave, in as few years as 5.

I do once again thank all the Members on both sides of the aisle that worked hard on the front ends of this bill. I believe it has merit and should be positively received and voted for.

I reserve the balance of my time.

Mr. TOWNS. Mr. Speaker, I recognize one of the hardest working Members in this body, the chairman of the Federal Workforce Subcommittee, STEPHEN LYNCH, for 3 minutes.

Mr. LYNCH. I thank the gentleman for his kind words.

Mr. Speaker, I rise in support of both Chairman TOWNS, the gentleman from Brooklyn, and also Mr. SKELTON from Missouri in their endorsement of H.R. 1804, their sponsorship as well. This is the Federal Retirement Reform Act

that includes enhancements to the Thrift Savings Plan as well as to other Federal retirement programs. And I do so because I am in agreement with both of those gentlemen that the TSP's offerings to Federal employees must finally be allowed to catch up to private sector 401(k) plans.

Given the Thrift Savings Plan's integral role in providing retirement income security for Federal employees, it is time for Congress to adopt and extend the auto enrollment plan to TSP participants. This legislation would allow the Thrift Savings Plan to offer a Roth option. And both sides have talked about the impact of that.

I think it is important to point out that by having Federal employees using this Roth option, it is calculated that we will bring in approximately \$2.2 billion in new taxes, new tax revenues from Federal contributions from Federal employees over the next 10 years.

□ 1230

This bill, unlike a lot of other bills on this floor, basically pays for itself.

Mr. Speaker, in my role as chairman of the Federal Workforce, Postal Service, and the District of Columbia Subcommittee, I believe that the Federal Government must ensure that its benefits allow it to retain and recruit the best and the brightest. Toward that end, I authored H.R. 1263, legislation that would make improvements to the TSP, as well as to the Federal retirement programs. I have been pleased to work with both Chairman TOWNS and former Chairman WAXMAN on the issue, as well as my friend and colleague, JIM MORAN from Virginia.

This bill facilitates amending the Federal Employees Retirement System to provide employees with retirement credit for unused sick leave. Federal executives, managers and employees have called for crediting unused sick leave in the same way that the Civil Service Retirement System treats unused sick leave.

Additionally, this legislation fixes a CSRS annuity calculation problem for those employees who wish to phase down to part-time work at the end of their Federal careers. That is an important option given the aging demographics of our Federal workforce.

At a time of an overall aging workforce in America, and a particularly aging Federal workforce, the government as an employer must take the lead in addressing these workplace realities.

I conclude my remarks by stating that I give my full support to these civil service provisions. On behalf of the National Active and Retired Federal Employees Association, NARFE, I would also like to make it clear that this new obligation—this is very important—this new obligation does not result in an “unfunded obligation” for the Civil Service Retirement and Disability Fund as current law provides that new payments are fully funded.

And I am submitting an additional clarification to that effect as part of the RECORD.

Mr. Speaker, I would like to expand on a provision contained in H.R. 1804, the “Federal Retirement Reform Act of 2009,” which makes improvements to the Thrift Savings Plan (TSP) and to the federal retirement programs. By amending the Federal Employees Retirement System (FERS) to credit unused sick leave for retirement purposes, the measure will modestly increase certain federal employees' retirement benefits. Thus, this bill will result in additional benefits, though small, from the Civil Service Retirement and Disability Trust Fund (CSRDF). However, on behalf of the National Active and Retired Federal Employees Association (NARFE), I want to make it clear that this new obligation does not result in an “unfunded obligation” of the CSRDF as current law expressly provides that new payments from the CSRDF are fully funded. Since the creation of FERS in the 1980's, Section 8348f of Title 5 of the United States Code has ensured the integrity of the CSRDF by automatically setting-aside funds to cover the cost of any new benefits. Additionally, H.R. 1804 results in sufficient savings to cover the cost of this modest benefit increase under FERS.

Mr. ISSA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, once again, I have to say it is not the front end of this bill that anyone should object to. The part we are seeing here today is excellent. But as Chairman LYNCH said, and said quite rightfully, it is calculated that this piece of legislation will save net approximately \$2.2 billion for better or worse on the backs of our retirees.

It is a short-term savings, Mr. Speaker. It is not, in fact, a long-term savings. Any time you do collect money now but don't collect it later, it is going to eventually catch up. So for the short period of time in which this \$2.2 billion is generated, it certainly would have been appropriate for all of us to be able to use this money in the committee for the Federal workforce. And the part that upsets me is that we are neither returning it to the taxpayers in the form of less deficit, nor are we using it for structural changes for the Federal workforce, whether uniform military or civilian. That is the only problem.

Again, what this bill does, it does well. What this bill eventually does is, in fact, fund a pet project of the former chairman, Mr. WAXMAN, for tobacco programs, something that has certainly been funded very well, funded on the backs of plenty of other programs. Candidly, I don't believe that this is the best use of the money at a time we are running trillions in deficits.

I reserve the balance of my time.

Mr. TOWNS. Mr. Speaker, I yield 2 minutes to the chairman of the Readiness Subcommittee on Armed Services, the gentleman from Texas, Mr. SOLOMON ORTIZ.

Mr. ORTIZ. Chairmen TOWNS, SKELTON and HENRY BROWN, thank you so much for bringing this bill to the floor.

I rise in support of the bill before us today.

Today, the Congress takes another important step toward providing surviving spouses of military servicemembers relief by addressing a long-standing problem in our military survivors benefit system called the widow's tax.

Like most matters that involve Federal payments, this is a complex yet pivotal matter of importance to the survivors of our servicemembers. Essentially, if servicemembers purchase a survivor's benefit plan for their loved ones, the survivor receives a portion of the servicemember's retired pay upon his or her death. If that servicemember dies of a service-connected cause, the survivor is also entitled to compensation from the VA.

However, per current law, the survivor benefit payment is decreased by the amount of the VA payment dollar for dollar, and that's the amount the survivor will get, not the full amount of both entitlements.

This affects approximately 59,000 widows. For too long, the offset between the two programs has done precisely the opposite of what they are intended to do, protect the surviving loved ones.

The survivors of those who defend our country deserve our very best. Congress addressed the unfairness of the offset in the Fiscal Year 2008 Defense Authorization Act by creating a special monthly survivor allowance for dependents subject to the offset.

I am pleased that this bill considered today builds upon those efforts by providing a substantial increase in the monthly payment to spouses from the survivor allowance. Although there is still much work to be done, this bill is an important step towards the complete elimination of the offset and reflects our bipartisan desire to provide for surviving dependents of military servicemen and -women.

And I want to thank all those involved in bringing this bill to the floor.

I support it, and I urge my colleagues to support this bill.

Mr. ISSA. Mr. Speaker, I reserve the remainder of my time.

Mr. TOWNS. Mr. Speaker, I yield 1 minute to the gentlewoman from California (Mrs. DAVIS), the chairwoman of the Military Personnel Subcommittee.

Mrs. DAVIS of California. Mr. Speaker, I rise in support of H.R. 1804. Earlier this year, spouses of servicemembers from current and past wars stood up during a Military Personnel Subcommittee hearing to share their stories about how the SBP/DIC offset has impacted their lives. Their stories, I can assure you, were compelling and demonstrated why the goal of eliminating this offset is so important.

While the enhancement of the monthly benefits under the Special Survivor Indemnity Allowance provided in this bill does not end the so-called widow's tax, it is a strong step in the right direction. We have done the best we could with this bill given the resources available, and strong support for H.R. 1804 from the military associations has confirmed the value of

our effort. However, I do believe that more needs to be done, and I intend to keep searching for opportunities to make improvements with the hope that someday we can find a permanent solution.

I want to thank Chairman TOWNS for sponsoring a bill that provides so many benefits to our civilian and military workforce, and Mr. ORTIZ for his leadership on the SBP/DIC issue. I urge my colleagues to vote in favor of H.R. 1804.

Mr. ISSA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I continue to urge my colleagues to vote for this bill because of all the good things it does. I also urge my colleagues to continue to look at what we owe our Federal workforce, and particularly as previous speakers have said, our uniform men and women. Men and women in uniform enter the service voluntarily. Four years, 6 years, 8 years later, they often leave. As a matter of fact, with the up-or-out program, many of them are not promoted and must leave. Therefore, they leave the military service with less than 20 years. Therefore, they have nothing. They have their GI Bill, but they have no retirement.

Only, only in the Federal uniform services do we treat people that way. The President served 1 day, and he was eligible for his lifetime benefit. I don't begrudge the President hundreds of thousands of dollars a year for the rest of his life or any of the previous Presidents. But it is amazing to me that the President vests as soon as he is sworn in. Members of Congress fully vest after just 5 years; and yet, we are looking at our men and women in uniform being shot at, being injured, often being forced into early retirement or early leaving of the service with 10 or 20 or 30 percent disability, just enough they can't really do the job they came in to do, but not enough to get, if you will, a handsome retirement. They then enter the workforce later in life, and they enter with instead of a head start, with an impairment.

This \$2.2 billion was only about one-tenth of what it would have taken to provide matching TSP funds for our men and women in uniform. Certainly, it is even a fraction of what it would take to give them a defined benefit plan, even close to what we here in Congress get. But certainly, as we pass this piece of legislation today as a downpayment for reform, we need to begin looking at what it is going to take to provide our men and women in uniform equal justice with the rest of the Federal workforce.

I reserve the balance of my time.

Mr. TOWNS. Mr. Speaker, I yield 2 minutes to Congressman CONNOLLY from the great State of Virginia.

Mr. CONNOLLY of Virginia. I thank the distinguished chairman.

Mr. Speaker, I rise today in support of the Federal Retirement Reform Act of 2009. This legislation eliminates inconsistencies in the Federal retirement system and provides greater retirement

security for Federal employees. It helps ensure we will not face a brain drain that could cripple Federal agencies. Within the next decade 47 percent of supervisory staff in the Federal workforce will be eligible for retirement. We must take action to ensure that Federal agencies continue to have the institutional knowledge and expertise that allows government to function smoothly and effectively.

The Federal Retirement Reform Act of 2009 makes several legislative reforms. This legislation enables members of the civil service and the Federal Employees Retirement Service to re-deposit their cashed-out annuities if they decide to re-enter civil service. The committee adopted my amendment to H.R. 1256 by adding this language which is contained in the bipartisan FERS Redeposit Act.

I am pleased that we now have the opportunity to enact this legislation that will attract talented employees back to the Federal Government. We should be consistent with all of our Federal workers. Employees in the Civil Service Retirement System can already re-deposit their annuities. Allowing FERS employees to do the same is only fair. This bill also ensures that FERS employees receive annuity credit for unused sick leave, just as CSRS employees do. Again, it is an issue of equity to provide those employees with the same benefits. This reform will improve the efficiency of the Federal Government by reducing absenteeism.

In addition, the bill will enable employees in the Civil Service Retirement System to work part-time at the end of their careers without losing retirement benefits. This provision will help retain talented workers and assist in training future supervisors and executive-level staff.

I applaud the distinguished chairman, Mr. TOWNS, for shepherding this important legislation through committee and look forward to its passage to help ensure a vibrant Federal workforce for years to come.

Mr. ISSA. Mr. Speaker, it is my distinct pleasure to yield 2 minutes to the ranking member of the Subcommittee on the Workforce, Mr. CHAFFETZ of Utah.

Mr. CHAFFETZ. Mr. Speaker, the gentleman from Virginia (Mr. CONNOLLY) just indicated his support of this bill. I have a brief question. I would like to yield some time to him. He was quoted in the Washington Post as saying, "We need to reverse the Bush economic policies by balancing the budget." My question to him is does he intend to support the President's budget today which would double the national debt?

I yield time to the gentleman from Virginia.

Mr. CONNOLLY of Virginia. I would say to my good friend in response, when the budget comes to the floor this afternoon, I would be glad to talk about that subject. Right now we are talking about Federal employees and

trying to make sure that they have what they need.

Mr. CHAFFETZ. Reclaiming my time, Mr. Speaker, my question for the gentleman from Virginia, I wonder if the gentleman from the State of Virginia knows that this Democratic budget raises taxes by \$1.2 trillion or that it makes each American's share of the national debt \$70,000. Or that it opens the door to a national energy tax that will cost every family at least \$3,128 a year.

Mr. Speaker, I would like to yield some time to the gentleman from Virginia to respond.

Mr. CONNOLLY of Virginia. Well, as a member of the Budget Committee, I'm very aware of the fact that actually tax cuts for middle class families in this budget exceed \$2 trillion. And again, that will be made clear when we have the opportunity to debate the budget on the floor of the House. I thought the gentleman wanted me to answer his question.

Mr. TOWNS. Mr. Speaker, I yield 1 minute to Congresswoman CAROL SHEA-PORTER from New Hampshire.

Ms. SHEA-PORTER. Mr. Speaker, I rise today in support of the Federal Retirement Reform Act which contains a much-needed provision to increase the special survivor indemnity allowance for widows or widowers of deceased servicemembers.

When our servicemembers purchase a survivor benefit plan to protect their families, they expect their families to receive the full annuity they paid for. Unfortunately, if the surviving spouse is eligible for VA dependency and indemnity compensation because of a spouse's service-related death, the survivor benefit annuity is reduced dollar for dollar. This is not fair.

The DIC is meant to compensate survivors for the servicemember's death in service. Why would we penalize those servicemembers who have the foresight to purchase insurance for their families?

Our military, and their families, make many sacrifices to serve and protect our Nation. We owe them the benefits they earned for their service, and we most certainly owe them the insurance they purchased. They should not have to worry about their families if they die. This is no way to treat those who are willing to put their lives on the line for us, and this is no way to treat their families.

This bill takes another step toward eliminating this unfair widow's tax that in effect punishes the families of those who sacrificed their lives for this country.

Mr. ISSA. I continue to reserve the balance of my time.

□ 1245

Mr. TOWNS. I recognize the gentleman from Virginia (Mr. MORAN) for 1 minute.

Mr. MORAN of Virginia. Mr. Speaker, I rise in support of this bill and, particularly, for three bills that I was

proud to sponsor that are included, the FERS Redeposit bill, the Part-Time Compensation, and the Parity For Retirement Systems. I want to mention a word about the parity for retirement systems.

At a time when those who are in the Federal Employee Retirement System are seeing their Thrift Savings Plans tank by 30, sometimes 40 percent, it's particularly important that they be fully compensated for unused sick leave. The reality is that, in the earlier retirement system, the so-called CSRS system, Federal employees are fully compensated for all unused sick leave at the end of their careers. But under the FERS system, if they don't use that sick leave, they lose it. And so the Government loses \$68 million in productivity from those employees who take their sick leave at the very end of their careers. That's not an intelligent plan, and the fact is that this bill corrects that disparity.

The entire bill should be passed, and I hope we'll have bipartisan support for it. And I thank Mr. LYNCH for his leadership on behalf of Federal employees.

Mr. TOWNS. I would like to recognize the gentleman from Virginia, GLENN NYE, for 1 minute.

Mr. NYE. Mr. Speaker, the men and women who sign up to serve our country in uniform do so knowing they may not return home, and with the expectation that, if the unthinkable should happen, their loved ones will be cared for.

However, because of the so-called "widow's tax," survivor benefits paid for by the VA are subtracted from benefits paid by the Department of Defense, meaning that families receive less than they should. For families of servicemembers killed in Iraq and Afghanistan, this sudden loss of income adds an unnecessary burden to the tragedy of losing a loved one.

The widow's tax also strikes the families of older veterans. Often the spouses of seriously disabled veterans give up their own careers in order to act as caregivers. And when these veterans pass away, the reduced benefit is not enough for their widows to make ends meet.

With this bill we will take a strong step toward righting this wrong by increasing the payments to survivors. This is the least we can do for our servicemembers, our veterans and their families, and it's the right thing to do as a country.

I urge my colleagues to support this bill.

Mr. TOWNS. At this time I yield 1½ minutes to the Congresswoman from Washington, D.C., Ms. ELEANOR HOLMES NORTON.

Ms. NORTON. I want to thank the chairman and the ranking member for bringing forth this very important set of bills that benefit Federal employees. One that perhaps has not been spoken to I'll speak to now. It's the Employees' Equity Act, which restores credible service or retirement years to Dis-

trict of Columbia employees who were involuntarily transferred to the Federal Government pursuant to the Revitalization Act and, in the process, somehow, by an error of government, not an error of their own, they have lost retirement years. Not money, just years. Some of them are working when they could have retired 10 years ago.

This bill simply restores the years, gives them credit for the years so that, in their transfer from the District of Columbia to the Federal Government, they haven't lost all of those years of service. They have to start over again as if just entering the Federal Government. No one intended that.

And because you, Mr. Chairman, and the ranking member have understood this bill, which has been in the Congress for some time, we come forward now to correct this mistake. Some of them will retire, some of them will stay on, but all of them will have all of their years in public service credited to them. I thank you both.

Mr. TOWNS. Does the gentleman have any further speakers?

Mr. ISSA. I'll do a very short close, if you want to reserve your time to close.

Mr. TOWNS. I'd like to reserve the time to close.

Mr. ISSA. Mr. Speaker, I yield myself such time as I may consume.

Once again, in closing, this is a good bill. As the previous speakers have said, we were able to fix a number of ills, including what was mentioned by the gentlelady from the District of Columbia.

What I'm sad about is that we didn't begin to make a down payment on some other important areas; certainly, most among them, our uniform services. We took the benefit of putting military personnel on to a Roth IRA without looking into whether we could do something for them.

Mr. Speaker, there's no question in this body that our men and women in uniform that are not able to retire in 20 years will leave the military only with whatever they happen to put into their Thrift Savings Plan. They're basically finding themselves encouraged to save on what is one of the smallest salaries that anyone could imagine for a particular private, corporal or sergeant. And yet, we will not even make the 3 percent match we make for ourselves here in Congress.

So I certainly would hope that, in the foreseeable future, this Congress, on a bipartisan basis, as we're doing here today, can see fit to make a bipartisan down payment for our men and women in uniform to allow their Thrift Savings Plan to have at least some match, which today it doesn't have, and leaves them often with no retirement when they leave the military.

With that, I want to thank the chairman for the markup on this bill, which was done in a very cordial fashion, pre-agreed and worked out so that it could be done efficiently and we could get the best possible bill to the floor.

I yield back.

Mr. TOWNS. How much time remains?

The SPEAKER pro tempore. The gentleman has 1¼ minutes remaining.

Mr. TOWNS. Let me begin by first thanking the gentleman from California (Mr. ISSA) for his input. Let me thank the staff for all their input. I'd like to thank Congressman SKELTON. And of course I'd like to thank Congressman LYNCH for all the work they've done to make this bill better.

I'd like to reiterate my strong support for H.R. 1804. It will provide much-needed enhancements to the Thrift Savings Plan and to the Federal Government's retirement system.

I urge all of my colleagues to join in supporting the passage of this measure and, of course, because I think it will do so much for the servicemen and, of course, the widows of servicemen. And I think that we owe them that.

And this legislation is not perfect, but it's a giant step in the right direction. So I'm hoping that my colleagues will support this legislation. And let's move it very quickly through the House, and let's get it to the President's desk for him to be able to sign it.

Thank you so much for the support that we've gotten from everyone.

Mr. BROWN of South Carolina. Mr. Speaker, I rise today in support of Title II of H.R. 1804, the Federal Retirement Reform Act. Congressman TOWNS is to be commended for taking up the cause that Congressman ORTIZ and I, along with many others, have championed with H.R. 775, The Military Surviving Spouses Equity Act. While this bill doesn't repeal the widows' tax imposed by the offset of Survivor Benefit Plans by Dependency and Indemnity Compensation, it helps military survivors during a difficult time for all of us.

When Congress established the Military Survivors' Benefit Plan, or SBP, in 1972, they did so in order to give members of the military a sense of security about their spouses in the event of their death. The plan is voluntary, can be purchased by retirees or will be provided to survivors of active duty servicemembers who are killed in the line of duty. Through the SBP that was bought, spouses and children can receive up to 55% of the servicemembers' retired pay. While SBP is an annuity, survivors of military retirees and veterans may also receive Dependency and Indemnity Compensation (DIC) if their spouse died a service connected death. Under current law, widows are forfeiting, dollar-for-dollar, the SBP annuity their spouse paid for by the amount of the DIC benefit.

It's simply wrong, and unfair to our military surviving spouses who were tasked with supporting their spouses during the most difficult of war times and peace times, to take away that which was intentionally paid for because of a benefit intended to serve another purpose. We don't do this with private life-insurance, we don't do it with the federal survivor benefit, and we shouldn't do it to the families of those who paid the greatest cost for freedom.

This bill, while it doesn't repeal the offset of SBP annuities by the DIC benefit, will be a needed help for widows, widowers and their children. However, I hope that it will not be

considered the last step towards equity. By increasing payments by \$35 beginning in 2010, surviving spouses will receive a monthly payment of \$95 and will continue to receive increased payments until fiscal year 2016 with a \$245 increase resulting in a monthly payment of \$345. It's the least we can do; we need to repeal the offset.

Finally, I want to thank the veterans service organizations, particularly the Gold Star Wives of America, and Representative SOLOMON ORTIZ, for their hard work towards equity for surviving spouses. While I've sponsored a bill to repeal the SBP/DIC offset since my first term in Congress, even such small steps as the one we took today wouldn't be possible without their help.

Ms. BORDALLO. Mr. Speaker, I rise today in support of the passage of H.R. 1804, the Federal Retirement Reform Act of 2009 in the House of Representatives. The passage of this bill in the House marks an important step towards reducing the "widow's tax" that currently denies surviving family members the full payment of their Survivor Benefit Plan (SBP).

If enacted, Title II of H.R. 1804 would increase the monthly payments under the Special Survivor Indemnity Allowance to surviving spouses or former spouses of deceased service members who were denied the full amount of their annuity under the SBP due to an offset requirement by the Dependency and Indemnity Compensation (DIC) from the Department of Veterans Affairs (VA). This benefit will help thousands of military widows and more than a million current servicemembers and federal civilian employees.

I commend Representative IKE SKELTON of Missouri and Chairman of the House Armed Services Committee as well as Representative ED TOWNS of New York and Chairman of the House Committee on Oversight and Government Reform for their working together to strike a compromise on this important provision in H.R. 1804. I will continue to work with my colleagues on the House Armed Services Committee to find ways to reduce the burden on widows of our nation's servicemembers. The compromise struck in this legislation is a major step forward and we need to continue to find ways to ensure that the servicemembers' widows receiving the full and fair annuity to which they are entitled under the SBP.

Mr. TOWNS. I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. TOWNS) that the House suspend the rules and pass the bill, H.R. 1804.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

END GOVERNMENT REIMBURSEMENT OF EXCESSIVE EXECUTIVE DISBURSEMENTS (END THE GREED) ACT

Mr. CONYERS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1575) to petition the courts to avoid fraudulent transfers of excessive compensation made by entities that have received extraordinary Federal fi-

nancial assistance on or after September 1, 2008, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 1575

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "End the Government Reimbursement of Excessive Executive Disbursements (End the GREED) Act".

SEC. 2. CIVIL ACTION TO AVOID FRAUDULENT TRANSFER.

The Attorney General, after consultation with the Secretary of the Treasury, may commence a civil action in an appropriate district court of the United States to avoid any transfer of compensation by (or on behalf of) a recipient entity to (or for the benefit of) an officer, director or employee made on or after September 1, 2008 (and to avoid the obligation pursuant to which such transfer occurred, to the extent of such transfer), and to recover such compensation (wherever located) for the benefit of such entity, to the extent such entity received less than a reasonably equivalent value in exchange for such compensation and such entity—

(1) was insolvent on the date that such compensation was transferred, not taking into account any covered direct capital investment received by such entity on or after September 1, 2008, or

(2) was engaged in business or a transaction, or was about to engage in business or a transaction, for which property remaining in the recipient entity was an unreasonably small capital, not taking into account any such covered direct capital investment.

Pursuant to the authority provided in this section, the Attorney General may avoid any such transfer in the manner described in this section, or may avoid any such transfer to the full extent that such transfer is avoidable under applicable law by or on behalf of any creditor holding an unsecured claim against such entity.

SEC. 3. SUBPOENA AUTHORITY.

The Attorney General may, after consultation with the Secretary of the Treasury, issue a subpoena requiring the attendance and testimony of witnesses and the production of documentary evidence relevant to possible avoidance of any transfer of compensation under section 2, including evidence regarding the circumstances surrounding any compensation arrangement or transfer of compensation involved, which subpoena, in the case of contumacy or refusal to obey, shall be enforceable by order of an appropriate district court of the United States.

SEC. 4. DEFINITIONS.

For purposes of this Act—

(1) the term "covered direct capital investment" means a direct capital investment received under the Troubled Assets Relief Program or, with respect to the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, or a Federal home loan bank, under the amendments made by section 1117 of the Housing and Economic Recovery Act of 2008,

(2) the term "officer, director, or employee" includes—

(A) an officer, director, or employee of a recipient entity, and

(B) an officer, director, or employee of a subsidiary of a recipient entity,

(3) the term "compensation arrangement" means an arrangement that provides for the payment of compensation (including performance or incentive compensation, a bonus of any kind, or any other financial return designed to replace or enhance incentive, stock, or other compensation), and