

Ronald Reagan Presidential Library  
Digital Library Collections

---

This is a PDF of a folder from our textual collections.

---

**Collection:** Barr, William: Files  
**Folder Title:** [Economic Equity Act of 1983] (2)  
**Box:** 5

---

To see more digitized collections visit:

<https://reaganlibrary.gov/archives/digital-library>

To see all Ronald Reagan Presidential Library inventories visit:

<https://reaganlibrary.gov/document-collection>

Contact a reference archivist at: [reagan.library@nara.gov](mailto:reagan.library@nara.gov)

Citation Guidelines: <https://reaganlibrary.gov/citing>

National Archives Catalogue: <https://catalog.archives.gov/>

98TH CONGRESS  
1ST SESSION

H. R. \_\_\_\_\_

*Bill B -*

*if you want  
to keep  
for files*

IN THE HOUSE OF REPRESENTATIVES

Mrs. SCHROEDER (for herself and \_\_\_\_\_) introduced the following bill; which was referred to the Committee on \_\_\_\_\_

A BILL

To provide effective programs to assure equality of economic opportunities for women and men, and for other purposes.

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

- 1                   SHORT TITLE AND TABLE OF CONTENTS
- 2           SECTION 1. This Act may be cited as the ''Economic
- 3 Equity Act of 1983''.

TABLE OF CONTENTS

Sec. 1. Short title and table of contents.

TITLE I--TAX AND RETIREMENT MATTERS

- ✓ Sec. 101. Compensation of spouse may be taken into account in determining income tax deduction for retirement savings.
- ✓ Sec. 102. Alimony treated as compensation in determining income tax deduction for retirement savings.
- ✓ Sec. 103. Joint and survivor annuity requirements for retirement plans.
- ✓ Sec. 104. Prohibition against assignment of benefits under retirement plans not to apply in divorce, etc., proceedings.
- Sec. 105. Exemption from ERISA preemption for judgments, decrees, and orders pursuant to State domestic relations law.
- ✓ Sec. 106. Lowering of age limitation for minimum participation standards for retirement plans.
- Sec. 107. Counting years of service after age 21 for vesting under retirement plans.
- ✓ Sec. 108. Continuation of benefit accruals under retirement plans while the employee is on approved maternity or paternity leave.
- ✓ Sec. 109. Reforms relating to spousal benefits under civil service retirement.
- ✓ Sec. 110. Displaced homemakers established as a targeted group for purposes of computing the income tax credit for employment of certain new employees.
- ✓ Sec. 111. Zero bracket amount for heads of households in determining income tax increased to amount for joint returns, etc.

TITLE II--DEPENDENT CARE PROGRAM

- Sec. 201. Increase in the tax credit for expenses for household and dependent care services necessary for gainful employment.
- Sec. 202. Certain organizations providing dependent care included within the definition of tax-exempt organizations.
- Sec. 203. Tax credit for household and dependent care

services necessary for gainful employment made refundable.

Sec. 204. Child care information and referral services.

#### TITLE III--NONDISCRIMINATION IN INSURANCE

Sec. 301. Short title of title.

Sec. 302. Findings and policy.

Sec. 303. Definitions.

Sec. 304. Unlawful discriminatory actions.

Sec. 305. State or local enforcement prior to judicial enforcement under this title.

Sec. 306. Civil action by or on behalf of aggrieved person.

Sec. 307. Civil action by the Attorney General involving issues of general public importance.

Sec. 308. Jurisdiction.

Sec. 309. Judicial relief.

Sec. 310. Inapplicability.

Sec. 311. Effective date of title.

#### TITLE IV--REGULATORY REFORM AND GENDER NEUTRALITY

Sec. 401. Revision of regulations, etc., and legislative recommendations.

Sec. 402. Rule of statutory construction relating to gender.

#### TITLE V--CHILD SUPPORT ENFORCEMENT

##### PART A--PROGRAM IMPROVEMENTS

Sec. 501. Purpose of the program.

Sec. 502. Collection of past-due support from Federal tax refunds.

Sec. 503. Child support clearinghouse.

Sec. 504. Strengthening of State child support enforcement procedures.

Sec. 505. Exceptions to discharge in bankruptcy.

##### PART B--FEDERAL EMPLOYEE PROVISIONS

Sec. 511. Allotment of Federal pay for child and spousal support.

#### 1 TITLE I--TAX AND RETIREMENT MATTERS

2 COMPENSATION OF SPOUSE MAY BE TAKEN INTO ACCOUNT IN

3 DETERMINING DEDUCTION FOR RETIREMENT SAVINGS

4 SEC. 101 (a) Paragraph (2) of section 219(f) of the

*Handwritten initials*

1 Internal Revenue Code of 1954 (relating to retirement  
2 savings) is amended to read as follows:

3 "(2) MARRIED INDIVIDUALS.--

4 "(A) MAXIMUM DEDUCTION.--The maximum deduction  
5 under subsection (b) shall be computed separately  
6 for each individual, and this section shall be  
7 applied without regard to any community property  
8 laws.

9 "(B) INDIVIDUALS WHO RECEIVE LESS COMPENSATION  
10 THAN THEIR SPOUSES.--If any individual has less  
11 compensation includible in gross income for the  
12 taxable year than the compensation includible in the  
13 gross income of the spouse of such individual for  
14 such year, the maximum deduction under subsection  
15 (b)(1) shall be determined as if such individual had  
16 compensation includible in gross income equal to the  
17 compensation includible in the gross income of the  
18 spouse of such individual."

19 (b) Subsection (c) of section 219 of such Code (relating  
20 to special rules for certain married individuals) is hereby  
21 repealed.

22 (c) The amendments made by this section shall apply to  
23 taxable years beginning after December 31, 1983.

24 ALIMONY TREATED AS COMPENSATION IN DETERMINING DEDUCTION FOR  
25 RETIREMENT SAVINGS

1 SEC. 102. (a) Paragraph (1) of section 219(f) of the  
2 Internal Revenue Code of 1954 (defining compensation) is  
3 amended by inserting before the period at the end thereof  
4 "and amounts includible in gross income under section 71".

5 (b) Paragraph (4) of section 219(b) of such Code  
6 (relating to certain divorced individuals) is hereby  
7 repealed.

8 (c) The amendments made by this section shall apply to  
9 taxable years beginning after December 31, 1983.

10 JOINT AND SURVIVOR ANNUITY REQUIREMENTS FOR RETIREMENT PLANS

11 SEC. 103. (a)(1)(A) Section 205 of the Employee § 103(a)(1)  
12 Retirement Income Security Act of 1974 (relating to joint  
13 and survivor annuity requirement) (29 U.S.C. 1055) is  
14 amended by striking out subsections (b) and (c) and  
15 inserting in lieu thereof the following new subsection:

16 "(b)(1) A plan which provides that the normal form of  
17 benefit is an annuity shall not be treated as satisfying the  
18 requirements of this section unless the plan provides, with  
19 respect to any participant described in paragraph (2), a  
20 survivor annuity for the participant's surviving spouse (if  
21 such spouse is living on the survivor annuity starting  
22 date)--

23 "(A) which begins on the survivor annuity starting  
24 date and continues for the life of such spouse, and

25 "(B) the payments under which are not less than the

1 payments which would have been made under the survivor  
2 annuity to which such spouse would have been entitled if  
3 the participant had terminated employment on his date of  
4 death, had survived and retired on the survivor annuity  
5 starting date, and had died on the day following such  
6 date.

7 "(2) A participant referred to in paragraph (1) is  
8 described in this paragraph if the participant--

9 "(A) dies before an annuity starting date under the  
10 plan with respect to the participant, and

11 "(B) is credited under the plan with at least 10  
12 years of service for purposes of determining under  
13 section 203 nonforfeitable rights to accrued  
14 benefits."

15 (B) Section 205(g) of such Act (29 U.S.C. 1055(g)) is  
16 amended by adding at the end thereof the following new  
17 paragraph:

18 "(4) The term 'survivor annuity starting date'  
19 means, in connection with a participant who dies before  
20 an annuity starting date under the plan with respect to  
21 the participant--

22 "(A) the date which would be the participant's  
23 annuity starting date if the participant had  
24 retired, prior to death, on the date on which the  
25 participant would have attained the earliest

1           retirement age under the plan,

2           ''(B) the date of death of the participant (if  
3 later than the date specified in subparagraph (A)),  
4 or

5           ''(C) any other date, subsequent to the dates  
6 specified in subparagraphs (A) and (B), selected by  
7 the participant's surviving spouse in accordance  
8 with plan procedures, except that such date may not  
9 be later than the date on which the participant  
10 would have attained normal retirement age under the  
11 plan had the participant lived to such date.''.  
12

13 (C) Section 205(d) of such Act (29 U.S.C. 1055(d)) is  
14 amended--

15           (i) by striking out ''(whether or not an election  
16 has been made under subsection (c))''; and

17           (ii) by adding at the end thereof the following new  
18 sentence: ''In the case of an individual who was the  
19 spouse of the participant on the annuity starting date  
20 and who survives the participant, a plan shall not be  
21 treated as satisfying the requirements of this section  
22 unless the plan treats such individual as if such  
23 individual were the spouse of the participant on the  
24 date of death of the participant (whether or not  
25 divorced after the annuity starting date).''.           §103(a)(2)

25           (2) Subsection (e) of section 205 of such Act (29 U.S.C.

1 1055(e)) is amended to read as follows:

2 ''(e) A plan shall not be treated as satisfying the  
3 requirements of this section unless, under the plan--

4 ''(1) each participant has a reasonable period (as  
5 prescribed by the Secretary of the Treasury by  
6 regulations) before the annuity starting date during  
7 which the participant may elect in writing (after such  
8 participant has received a written explanation of the  
9 terms and conditions of the joint and survivor annuity  
10 and the effect of an election under this subsection) not  
11 to take such joint and survivor annuity, and

12 ''(2) such an election will not be effective unless  
13 the spouse of the participant (as of the time such  
14 election is made) consents in writing to such an  
15 election and such consent is witnessed by a plan  
16 representative or a notary public.''.

17 (3) Subsection (f) of section 205 of such Act (29 U.S.C.  
18 1055(f)) is repealed.

19 (4) Section 205(h) of such Act (29 U.S.C. 1055(h)) is  
20 amended by striking out ''under an election made under  
21 subsection (c)''.

22 (5) Section 205(i) of such Act (29 U.S.C. 1055(i)) is  
23 amended to read as follows:

24 ''(i)(1) Except as provided in paragraph (2), this  
25 section shall apply only if--

1           ''(A) the annuity starting date did not occur before  
2 the effective date of this section, and

3           ''(B) the participant was an active participant in  
4 the plan on or after such effective date.

5           ''(2) A plan shall not be treated as satisfying the  
6 requirements of this section unless the plan provides that  
7 any participant who is not a participant described in  
8 paragraph (1)(B) may elect to receive benefits in the form  
9 of a joint and survivor annuity if such election takes place  
10 before the annuity starting date.''.

11           (b)(1)(A) Paragraph (11) of section 401(a) of the  
12 Internal Revenue Code of 1954 (relating to qualified  
13 pension, profit-sharing, and stock-bonus plans) is amended  
14 by striking out subparagraphs (B) and (C) and inserting in  
15 lieu thereof the following new subparagraph:

16           ''(B)(i) A plan which provides that the normal form  
17 of benefit is an annuity shall not be treated as  
18 satisfying the requirements of this paragraph unless the  
19 plan provides, with respect to any participant described  
20 in clause (ii), a survivor annuity for the participant's  
21 surviving spouse (if such spouse is living on the  
22 survivor annuity starting date)--

23           ''(I) which begins on the survivor annuity  
24 starting date and continues for the life of such  
25 spouse, and

§103(b)(1)

1           ''(II) the payments under which are not less  
2           than the payments which would have been made under  
3           the survivor annuity to which such spouse would have  
4           been entitled if the participant had terminated  
5           employment on his date of death, had survived and  
6           retired on the survivor annuity starting date, and  
7           had died on the day following such date.

8           ''(ii) A participant referred to in clause (i) is  
9           described in this clause if the participant--

10           ''(I) dies before an annuity starting date under  
11           the plan with respect to the participant, and

12           ''(II) is credited under the plan with at least  
13           10 years of service for purposes of determining  
14           under section 411 nonforfeitable rights to accrued  
15           benefits.''.  
16

(B) Subparagraph (G) of section 401(a)(11) such Code is  
17 amended--

18           --(i) in clause (ii), by striking out ''and'';

19           (ii) in clause (iii), by striking out  
20           ''participant.'' and inserting in lieu thereof

21           ''participant, and''; and

22           (iii) by adding at the end thereof the following new  
23           clause:

24           ''(iv) the term 'survivor annuity starting date'  
25           means, in connection with a participant who dies

1 before an annuity starting date under the plan with  
2 respect to the participant--

3 '(I) the date which would be the  
4 participant's annuity starting date if the  
5 participant had retired, prior to death, on the  
6 date on which the participant would have  
7 attained the earliest retirement age under the  
8 plan,

9 '(II) the date of death of the participant  
10 (if later than the date specified in subclause  
11 (I)), or

12 '(III) any other date, subsequent to the  
13 dates specified in subclauses (I) and (II),  
14 selected by the participant's surviving spouse  
15 in accordance with plan procedures, except that  
16 such date may not be later than the date on  
17 which the participant would have attained normal  
18 retirement age under the plan had the  
19 participant lived to such date.''

20 (C) Subparagraph (D) of section 401(a)(11) of such Code  
21 is amended--

22 (i) by striking out '(whether or not an election  
23 described in subparagraph (C) has been made under  
24 subparagraph (C))'; and

25 (ii) by adding at the end the following new

1 sentence: "In the case of an individual who was the  
2 spouse of the participant on the annuity starting date  
3 and who survives the participant, a plan shall not be  
4 treated as satisfying the requirements of this paragraph  
5 unless the plan treats such individual as if such  
6 individual were the spouse of the participant on the  
7 date of death of the participant (whether or not  
8 divorced after the annuity starting date).".

9 (2) Subparagraph (E) of section 401(a)(11) of such Code  
10 is amended to read as follows:

11 "(E) A plan shall not be treated as satisfying the  
12 requirements of this paragraph unless, under the plan--

13 "(i) each participant has a reasonable period  
14 (as prescribed by the Secretary by regulations)  
15 before the annuity starting date during which the  
16 participant may elect in writing (after such  
17 participant has received a written explanation of  
18 the terms and conditions of the joint and survivor  
19 annuity and the effect of an election under this  
20 subsection) not to take such joint and survivor  
21 annuity, and

22 "(ii) such an election will not be effective  
23 unless the spouse of the participant (as of the time  
24 such election is made) consents in writing to such  
25 an election and such consent is witnessed by a plan

1 representative or a notary public.''.  
2

3 (3) Subparagraph (F) of section 401(a)(11) of such Code  
4 is repealed.

5 (4) Subparagraph (H) of section 401(a)(11) of such Code  
6 is amended to read as follows:

7 ''(H)(i) Except as provided in clause (ii), this  
8 paragraph shall apply only if--

9 ''(I) the annuity starting date did not occur  
10 before the effective date of this section, and

11 ''(II) the participant was an active participant  
12 in the plan on or after such effective date.

13 ''(ii) A plan shall not be treated as satisfying the  
14 requirements of this paragraph unless the plan provides  
15 that any participant who is not a participant described  
16 in clause (i)(II) may elect to receive benefits in the  
17 form of a joint and survivor annuity if such election  
18 takes place before the annuity starting date.''.  
19

20 (c)(1) Except as provided in paragraph (2), the  
21 amendments made by this section shall apply with respect to  
22 plan years beginning more than one year after the date of  
23 the enactment of this Act.

24 (2) The amendments made by subsections (a)(5) and (b)(4)  
25 shall take effect on the date of the enactment of this Act.

PROHIBITION AGAINST ASSIGNMENT OF BENEFITS UNDER RETIREMENT  
PLANS NOT TO APPLY IN DIVORCE, ETC., PROCEEDINGS

1       SEC. 104. (a) Subsection (d) of section 206 of the  
2 Employee Retirement Income Security Act of 1974 (relating to  
3 form and payment of benefits) (29 U.S.C. 1056(d)) is amended  
4 by adding at the end thereof the following new paragraph:

5       ''(3) Paragraph (1) shall not apply in the case of a  
6 judgment, decree, or order (including an approval of a  
7 property settlement agreement) relating to child support,  
8 alimony payments, or marital property rights, pursuant to a  
9 State domestic relations law (whether of the common law or  
10 community property type), which--

11       ''(A) creates or recognizes the existence of an  
12 individual's right to receive all or a portion of the  
13 benefits to which a participant or a participant's  
14 designated beneficiary would otherwise be entitled under  
15 a pension plan,

16       ''(B) clearly identifies such participant, the  
17 amount or percentage of such benefits to be paid to such  
18 individual, the number of payments to which such  
19 judgment, decree, or order applies, and the name and  
20 mailing address of such individual, and

21       ''(C) does not require such plan to alter the  
22 effective date, timing, form, duration, or amount of any  
23 benefit payments under the plan or to honor any election  
24 which is not provided for under the plan or which is  
25 made by a person other than a participant or

1 beneficiary.''

2 (b) Paragraph (13) of section 401(a) of the Internal  
3 Revenue Code of 1954 (relating to qualified pension, profit-  
4 sharing, and stock bonus plans) is amended by adding at the  
5 end thereof the following new sentence: ''The preceding  
6 provisions of this paragraph shall not apply in the case of  
7 any judgment, decree, or order pursuant to a State domestic  
8 relations law (whether of the common law or community  
9 property type) if such judgment, decree, or order is  
10 described in section 206(d)(3) of the Employee Retirement  
11 Income Security Act of 1974.''

12 (c) The amendments made by this section shall take  
13 effect on the date of the enactment of this Act.

14 EXEMPTION FROM ERISA PREEMPTION FOR JUDGMENTS, DECREES, AND  
15 ORDERS PURSUANT TO STATE DOMESTIC RELATIONS LAW

16 SEC. 105. (a) Section 514(b) of the Employee Retirement  
17 Income Security Act of 1974 (relating to exemptions from  
18 preemption) (29 U.S.C. 1144(b)) is amended by adding at the  
19 end thereof the following new paragraph:

20 ''(7) Subsection (a) shall not apply with respect to any  
21 judgment, decree, or order pursuant to a State domestic  
22 relations law (whether of the common law or community  
23 property type) if such judgment, decree, or order is  
24 described in section 206(d)(3).''

25 (b) The amendment made by subsection (a) shall take

1 effect on the date of the enactment of this Act.

2 LOWERING OF AGE LIMITATION FOR MINIMUM PARTICIPATION

3 STANDARDS FOR RETIREMENT PLANS

4 SEC. 106. (a) Subparagraphs (A)(i) and (B)(ii) of  
5 section 202(a)(1) of the Employee Retirement Income Security  
6 Act of 1974 (relating to minimum participation standards)  
7 (29 U.S.C. 1052(a)(1)(A)(i) and (B)(ii)) are each amended by  
8 striking out "'25'" and inserting in lieu thereof "'21'".

9 (b) Subparagraphs (A)(i) and (B)(ii) of section  
10 410(a)(1) of the Internal Revenue Code of 1954 (relating to  
11 minimum participation standards) are each amended by  
12 striking out "'25'" and inserting in lieu thereof "'21'".

13 (c) The amendments made by this section shall apply to  
14 plan years beginning more than ninety days after the date of  
15 the enactment of this Act.

16 COUNTING YEARS OF SERVICE AFTER AGE 21 FOR VESTING UNDER  
17 RETIREMENT PLANS

18 SEC. 107. (a) Section 203(b)(1)(A) of the Employee  
19 Retirement Income Security Act of 1974 (29 U.S.C.  
20 1053(b)(1)(A)) is amended by striking out "'22'" and  
21 inserting in lieu thereof "'21'".

22 (b) Section 411(a)(4)(A) of the Internal Revenue Code of  
23 1954 (relating to minimum vesting standards) is amended by  
24 striking out "'22'" and inserting in lieu thereof "'21'".

25 (c) The amendments made by this section shall apply to

1 plan years beginning more than 90 days after the date of the  
2 enactment of this Act.

3 CONTINUATION OF BENEFIT ACCRUALS UNDER RETIREMENT PLANS  
4 WHILE THE EMPLOYEE IS ON APPROVED MATERNITY OR PATERNITY  
5 LEAVE

6 SEC. 108. (a)(1) Subsection (b) of section 202 of the  
7 Employee Retirement Income Security Act of 1974 (relating to  
8 minimum participation standards) (29 U.S.C. 1052(b)) is  
9 amended by adding at the end thereof the following new  
10 paragraph:

11 '(5)(A) For purposes of this section, for each week of  
12 an approved maternity or paternity leave of an employee, the  
13 employee shall be deemed to have performed 20 hours of  
14 service for the employer.

15 '(B) For purposes of subparagraph (A), the term  
16 'approved maternity or paternity leave' means any period  
17 (not to exceed 52 weeks) during which the employee is absent  
18 from work if--

19 '(i) such absence is by reason of pregnancy or the  
20 birth of a child of the employee or for purposes of  
21 caring for a child of the employee, and

22 '(ii) such absence is approved by the employer.

23 '(C) Subparagraph (A) shall not apply unless the  
24 employee continues to perform service for the employer after  
25 the end of the approved maternity or paternity leave or

1 offers to do so but is not reemployed by the employer.''.  
2

3 (2) Subsection (b) of section 203 of such Act (relating  
4 to minimum vesting standards) (29 U.S.C. 1053(b)) is  
5 amended--

6 (A) by redesignating paragraph (4) as paragraph (5);  
7 and

8 (B) by inserting after paragraph (3) the following  
9 new paragraph:

10 ''(4)(A) For purposes of this section, for each week of  
11 an approved maternity or paternity leave of an employee, the  
12 employee shall be deemed to have performed 20 hours of  
13 service for the employer.

14 ''(B) For purposes of subparagraph (A), the term  
15 'approved maternity or paternity leave' means any period  
16 (not to exceed 52 weeks) during which the employee is absent  
17 from work if--

18 ''(i) such absence is by reason of pregnancy or the  
19 birth of a child of the employee or for purposes of  
20 caring for a child of the employee, and

21 ''(ii) such absence is approved by the employer.

22 ''(C) Subparagraph (A) shall not apply unless the  
23 employee continues to perform service for the employer after  
24 the end of the approved maternity or paternity leave or  
25 offers to do so but is not reemployed by the employer.''.  
26

27 (3) Section 204 of such Act (relating to benefit accrual

1 requirements) (29 U.S.C. 1054)) is amended--

2 (A) by redesignating subsection (h) as subsection  
3 (i); and

4 (B) by inserting after subsection (g) the following  
5 new subsection:

6 '(h)(1) For purposes of this section, for each week of  
7 an approved maternity or paternity leave of an employee, the  
8 employee shall be deemed to have performed 20 hours of  
9 service for the employer.

10 '(2) For purposes of paragraph (1), the term 'approved  
11 maternity or paternity leave' means any period (not to  
12 exceed 52 weeks) during which the employee is absent from  
13 work if--

14 '(A) such absence is by reason of pregnancy or the  
15 birth of a child of the employee or for purposes of  
16 caring for a child of the employee, and

17 '(B) such absence is approved by the employer.

18 '(3) Paragraph (1) shall not apply unless the employee  
19 continues to perform service for the employer after the end  
20 of the approved maternity or paternity leave or offers to do  
21 so but is not reemployed by the employer.''

22 (b)(1) Subsection (a) of section 410 of the Internal  
23 Revenue Code of 1954 (relating to minimum participation  
24 standards) is amended by adding at the end thereof the  
25 following new paragraph:

1           ''(6) APPROVED MATERNITY OR PATERNITY LEAVE.--

2           ''(A) IN GENERAL.--For purposes of this section,  
3 for each week of an approved maternity or paternity  
4 leave of an employee, the employee shall be deemed  
5 to have performed 20 hours of service for the  
6 employer.

7           ''(B) APPROVED MATERNITY OR PATERNITY LEAVE  
8 DEFINED.--For purposes of subparagraph (A), the term  
9 'approved maternity or paternity leave' means any  
10 period (not to exceed 52 weeks) during which the  
11 employee is absent from work if--

12           ''(i) such absence is by reason of pregnancy  
13 or the birth of a child of the employee or for  
14 purposes of caring for a child of the employee,  
15 and

16           ''(ii) such absence is approved by the  
17 employer.

18           ''(C) SERVICE REQUIREMENT AFTER THE  
19 LEAVE.--Subparagraph (A) shall not apply unless the  
20 employee continues to perform service for the  
21 employer after the end of the approved maternity or  
22 paternity leave or offers to do so but is not  
23 reemployed by the employer.''

24           (2) Subsection (d) of section 411 of such Code (relating  
25 to minimum vesting standards) is amended by adding at the

1 end thereof the following new paragraph:

2           ''(7) APPROVED MATERNITY OR PATERNITY LEAVE.--

3           ''(A) IN GENERAL.--For purposes of this section,  
4 for each week of an approved maternity or paternity  
5 leave of an employee, the employee shall be deemed  
6 to have performed 20 hours of service for the  
7 employer.

8           ''(B) APPROVED MATERNITY OR PATERNITY LEAVE  
9 DEFINED.--For purposes of subparagraph (A), the term  
10 'approved maternity or paternity leave' means any  
11 period (not to exceed 52 weeks) during which the  
12 employee is absent from work if--

13           ''(i) such absence is by reason of pregnancy  
14 or the birth of a child of the employee or for  
15 purposes of caring for a child of the employee,  
16 and

17           ''(ii) such absence is approved by the  
18 employer.

19           ''(C) SERVICE REQUIREMENT AFTER THE  
20 LEAVE.--Subparagraph (A) shall not apply unless the  
21 employee continues to perform service for the  
22 employer after the end of the approved maternity or  
23 paternity leave or offers to do so but is not  
24 reemployed by the employer.''

25 (c) The amendments made by this section shall apply to

1 plan years beginning more than one year after the date of  
2 the enactment of this Act.

3 REFORMS RELATING TO SPOUSAL BENEFITS UNDER CIVIL SERVICE  
4 RETIREMENT

5 SEC. 109. (a) DEFINITIONS.--(1) Section 8331 of title 5,  
6 United States Code, relating to definitions for purposes of  
7 civil service retirement, is amended by adding at the end  
8 thereof the following new paragraphs:

9 '(23) 'court' means any court of any State or of  
10 the District of Columbia;

11 '(24) 'court order' means any court decree of  
12 divorce or annulment, or any court order or court  
13 approved property settlement agreement incident to any  
14 court decree of divorce or annulment which orders that a  
15 portion of the annuity of an employee or Member, or  
16 survivor benefit based on the service of such employee  
17 or Member, be paid to that spouse by such employee or  
18 Member, the Director of the Office of Personnel  
19 Management, or the Government;

20 '(25) 'former spouse' means a former wife or  
21 husband of an individual who was married to such  
22 individual for not less than 10 years during periods of  
23 service by that individual which are creditable under  
24 section 8332 of this title;

25 '(26) 'pro rata share', in the case of any former

1 spouse of any individual, means a percentage which is  
2 equal to the percentage that (A) the number of years  
3 during which the former spouse was married to the  
4 individual during the creditable service of that  
5 individual is of (B) the total number of years of such  
6 creditable service; and

7 '(27) 'spousal agreement' means any agreement  
8 between an individual and that individual's spouse or  
9 former spouse which is in writing and acknowledged  
10 before a notary public.'.

11 (2) Such section 8331 of title 5, United States Code, is  
12 further amended--

13 (A) by striking out 'and' at the end of paragraph  
14 (21), and

15 (B) by striking out the period at the end of  
16 paragraph (22) and inserting in lieu thereof a  
17 semicolon.

18 (b) ANNUITIES AND SURVIVOR ANNUITIES FOR FORMER  
19 SPOUSES.--(1) Subchapter III of chapter 83 of title 5,  
20 United States Code, relating to civil service retirement, is  
21 amended by inserting after section 8341 the following new  
22 section:

23 ''§8341A. Former spouse annuities

24 '(a)(1) Unless otherwise expressly provided by any  
25 spousal agreement or court order under section 8345(j) of

1 this title, a former spouse of an employee or Member retired  
2 under this subchapter is entitled to an annuity--

3       ''(A) if married to the employee or Member  
4 throughout that employee's or Member's period of  
5 creditable service, equal to 50 percent of the annuity  
6 (determined without regard to the reduction under  
7 paragraph (5) of this subsection) to which such employee  
8 or Member is entitled, or

9       ''(B) if not married to the employee or Member  
10 throughout the period of creditable service, equal to  
11 that former spouse's pro rata share of 50 percent of  
12 such annuity.

13       ''(2) A former spouse shall not be qualified for an  
14 annuity under this subsection if before the commencement of  
15 that annuity the former spouse remarries before becoming 60  
16 years of age.

17       ''(3) The annuity of a former spouse under this  
18 subsection commences on the later of the day the employee or  
19 Member upon whose service the annuity is based becomes  
20 entitled to an annuity under this subchapter or the first  
21 day of the month in which the divorce or annulment involved  
22 becomes final. The annuity of such former spouse and the  
23 right thereto terminate on--

24       ''(A) the last day of the month before the former  
25 spouse dies or remarries before 60 years of age; or

1           ''(B) the date the annuity of the employee or Member  
2           terminates (except in the case of an annuity subject to  
3           paragraph (5)(B)).

4           ''(4) No spousal agreement or court order under section  
5           8345(j) of this title involving any employee or Member may  
6           provide for an annuity or any combination of annuities under  
7           this subsection which exceeds the annuity of the employee or  
8           Member, nor may any such court order relating to an annuity  
9           under this subsection be given effect if it is issued more  
10          than 12 months after the date the divorce or annulment  
11          involved becomes final.

12          ''(5)(A) The annuity payable to any employee or Member  
13          shall be reduced by the amount of an annuity under this  
14          subsection paid to any former spouse based upon the service  
15          of that employee or Member. Such reduction shall be --  
16          disregarded in calculating the survivor annuity for any  
17          spouse, former spouse, or other survivor under this  
18          subchapter, and in calculating any reduction in the annuity  
19          of the employee or Member to provide survivor benefits under  
20          subsection (b) or section 8341(b)(1) of this title.

21          ''(B) If any disability annuitant whose annuity is  
22          reduced under subparagraph (A) becomes reinstated or  
23          reappointed in the civil service, the pay of that annuitant  
24          shall be reduced by the same amount as the annuity would  
25          have been reduced if it had continued. Amounts equal to the

1 reductions under this subparagraph shall be deposited in the  
2 Treasury of the United States to the credit of the Fund.

3 '(6) Notwithstanding paragraph (3), in the case of any  
4 former spouse of a disability annuitant--

5 '(A) the annuity of that former spouse shall  
6 commence on the date the employee or Member would  
7 qualify on the basis of the employee's or Member's  
8 creditable service for an annuity under this subchapter  
9 (other than a disability annuity) or the date the  
10 disability annuity begins, whichever is later, and

11 '(B) the amount of the annuity of the former spouse  
12 shall be calculated on the basis of the annuity for  
13 which the employee or Member would otherwise so qualify.

14 '(b)(1) Subject to any election under section 8339(j)  
15 of this title and unless otherwise expressly provided by any  
16 spousal agreement or court order under section 8345(j) of  
17 this title, if a former employee or Member who is entitled  
18 to receive an annuity is survived by a former spouse, the  
19 former spouse shall be entitled to a survivor annuity--

20 '(A) if married to the employee or Member  
21 throughout the creditable service of the employee or  
22 Member, equal to 55 percent of the full amount of the  
23 employee's or Member's annuity, as computed under  
24 section 8339 of this title, or

25 '(B) if not married to the employee or Member

1 throughout such creditable service, equal to that former  
2 spouse's pro rata share of 55 percent of the full amount  
3 of such annuity.

4 '(2) A former spouse shall not be qualified for an  
5 annuity under this subsection if before the commencement of  
6 that annuity the former spouse remarries before becoming 60  
7 years of age.

8 '(3) An annuity payable from the Fund to a surviving  
9 former spouse under this subsection shall commence on the  
10 day after the annuitant dies and shall terminate on the last  
11 day of the month before the former spouse's death or  
12 remarriage before attaining age 60. If such a survivor  
13 annuity is terminated because of remarriage, it shall be  
14 restored at the same rate commencing on the date such  
15 remarriage is terminated if any lump sum paid upon  
16 termination of the annuity is returned to the Fund.

17 '(4)(A) The maximum survivor annuity or combination of  
18 survivor annuities under this section (and section 8341(b))  
19 with respect to any employee or Member may not exceed 55  
20 percent of the full amount of the employee's or Member's  
21 annuity, as calculated under section 8339 of this title.

22 '(B) Once a survivor annuity has been provided for  
23 under this subsection for any former spouse, a survivor  
24 annuity may thereafter be provided for under this subsection  
25 (or section 8341(b)) with respect to an employee or Member

1 only for that portion (if any) of the maximum available  
2 which is not committed for survivor benefits for any former  
3 spouse whose prospective right to such annuity has not  
4 terminated by reason of death or remarriage.

5 '(C) After the death of an employee or Member, a court  
6 order under section 8345(j) of this title may not adjust the  
7 amount of the annuity of any former spouse under this  
8 subsection.

9 '(5)(A) For each full month after a former spouse of an  
10 employee or Member dies or remarries before attaining age  
11 60, the annuity of the employee or Member, if reduced to  
12 provide a survivor annuity for that former spouse, shall be  
13 recomputed and paid as if the annuity had not been so  
14 reduced, unless an election is in effect under subparagraph  
15 (B).

16 '(B) Subject to paragraph (4)(B), the employee or  
17 Member may elect in writing within one year after receipt of  
18 notice of the death or remarriage of the former spouse to  
19 continue the reduction in order to provide a higher survivor  
20 annuity under section 8341(b) of this title for any spouse  
21 of the employee or Member.

22 '(c)(1) In the case of any employee or Member providing  
23 a survivor annuity benefit under subsection (b) for a former  
24 spouse--

25 '(A) such employee or Member may elect, or

1           ''(B) a spousal agreement or court order under  
2           section 8345(j) of this title may provide for,  
3           an additional survivor annuity under this subsection for any  
4           other former spouse or spouse surviving the employee or  
5           Member, if the employee or Member satisfactorily passes a  
6           physical examination as prescribed by the Office of  
7           Personnel Management.

8           ''(2) Neither the total amount of survivor annuity or  
9           annuities under this subsection with respect to any employee  
10          or Member, nor the survivor annuity or annuities for any one  
11          surviving spouse or former spouse of such employee or Member  
12          under this section and section 8341 of this title, shall  
13          exceed 55 percent of the full amount of the employee's or  
14          Member's annuity, as computed under section 8339 of this  
15          title.

16          ''(3)(A) In accordance with regulations which the Office  
17          shall prescribe, the employee or Member involved may provide  
18          for any annuity under this subsection--

19               ''(i) by a reduction in the annuity or an allotment  
20               from the pay of the employee or Member,

21               ''(ii) by a lump sum payment or installment payments  
22               to the Fund, or

23               ''(iii) by any combination thereof.

24          ''(B) The present value of the total amount to accrue to  
25          the Fund under subparagraph (A) to provide any annuity under

1 this subsection shall be actuarially equivalent in value to  
2 such annuity, as calculated upon such tables of mortality as  
3 may from time to time be prescribed for this purpose by the  
4 Office.

5 '(C) If a former spouse predeceases the employee or  
6 Member or remarries before attaining age 60 (or, in the case  
7 of a spouse, the spouse does not qualify as a former spouse  
8 upon dissolution of the marriage)--

9 '(i) if an annuity reduction or salary allotment  
10 under subparagraph (A) is in effect for that spouse or  
11 former spouse, the annuity shall be recomputed and paid  
12 as if it had not been reduced or the salary allotment  
13 terminated, as the case may be, and

14 '(ii) any amount accruing to the Fund under  
15 subparagraph (A) shall be refunded, but only to the  
16 extent that such amount may have exceeded the actuarial  
17 cost of providing benefits under this subsection for the  
18 period such benefits were provided, as determined under  
19 regulations prescribed by the Office.

20 '(D) Under regulations prescribed by the Office, an  
21 annuity shall be recomputed (or salary allotment terminated  
22 or adjusted), and a refund provided (if appropriate), in a  
23 manner comparable to that provided under subparagraph (C),  
24 in order to reflect a termination or reduction of future  
25 benefits under this subsection for a spouse in the event a

1 former spouse of the employee or Member dies or remarries  
2 before attaining age 60 and an increased annuity is provided  
3 for that spouse in accordance with this subchapter.

4 '(4) An annuity payable under this subsection to a  
5 spouse or former spouse shall commence on the day after the  
6 employee or Member dies and shall terminate on the last day  
7 of the month before the former spouse's death or remarriage  
8 before attaining age 60.

9 '(5) Section 8340 of this title shall not apply to any  
10 annuity under this subsection, unless authorized under  
11 regulations prescribed by the Office.

12 '(d)(1) Section 8345(f) of this title shall not apply--

13 '(A) to any annuity payable under subsection (a) or  
14 (b) to any former spouse if the amount of that annuity  
15 varies by reason of a spousal agreement or court order  
16 under section 8345(j), or an election under section  
17 8339(j), from the amount which would be calculated under  
18 subsection (a)(1) or (b)(1), as the case may be, in the  
19 absence of such spousal agreement, court order, or  
20 election; and

21 '(B) to any annuity payable under subsection (c).

22 '(2) A former spouse is not entitled to an annuity  
23 under this subchapter based upon the service of an employee  
24 or Member unless the former spouse elects to receive it  
25 instead of any other annuity to which the former spouse may

1 be entitled under this subchapter or any retirement system  
2 for Government employees on the basis of a marriage to  
3 someone other than the employee or Member.''.  
4

5 (2) Section 8332 of title 5, United States Code,  
6 relating to creditable service, is amended by adding at the  
7 end thereof the following new subsection:

8 '(n)(1) Service of an employee or Member shall be  
9 considered creditable service for purposes of applying  
10 provisions of this subchapter relating to former spouses if  
11 such service would be creditable--

12 '(A) under subsection (k) (1) or (2) but for the  
13 fact an election was not made under subsection (k)(1) or  
14 a special contribution was not made under subsection  
15 (k)(2), and

16 '(B) under section 8334(d) but for the fact that a  
17 refund of contributions has not been repaid unless the  
18 former spouse received under this subchapter a portion  
19 of the lump sum (or a spousal agreement or court order  
20 provided otherwise).

21 '(2) A former spouse shall not be considered as married  
22 to an employee or Member for periods assumed to be  
23 creditable service under section 8341(d)(2) of this  
24 title.''.  
25

(3)(A) Section 8341(b) of title 5, United States Code,  
relating to survivor spouse annuities, is amended by adding

1 at the end thereof the following new paragraph:

2 '(4) Notwithstanding the preceding paragraphs in this  
3 subsection and subsection (d), the amount of the annuity  
4 calculated under this subsection for a surviving spouse in  
5 any case in which there is also a surviving former spouse  
6 who qualifies for an annuity under section 8341A(b) with  
7 respect to the same employee or Member may not exceed 55  
8 percent of the portion (if any) of the base for survivor  
9 benefits which remains available under section  
10 8341A(b)(4)(B).''.

11 (B) Section 8341(d) of title 5, United States Code,  
12 relating to survivor spouse annuities in the case of death  
13 in service, is amended by adding at the end thereof the  
14 following new sentence: ''Any surviving former spouse shall  
15 be entitled to an annuity under section 8341A(b) as if the  
16 employee or Member died after being entitled to an annuity  
17 under this subchapter.''.

18 (4)(A) Section 8342(a) of title 5, United States Code,  
19 relating to lump-sum benefits, is amended by striking out  
20 ''is entitled'' and inserting in lieu thereof ''(and any  
21 former spouse of such employee or Member, in accordance with  
22 subsection (j)) are entitled''.

23 (B) Section 8342 of title 5, United States Code, is  
24 amended by adding at the end thereof the following:

25 ''(j) Unless otherwise expressly provided by any spousal

1 agreement or court order under section 8345(j) of this  
2 title, the amount of an employee's or Member's lump-sum  
3 credit payable to a former spouse shall be--

4       ''(1) if the former spouse was married to the  
5 employee or Member throughout the period of creditable  
6 service, 50 percent of the lump-sum credit to which such  
7 employee or Member would be entitled in the absence of  
8 this subsection, or

9       ''(2) if such former spouse was not married to the  
10 employee or Member throughout the period of his  
11 creditable service, an amount equal to such former  
12 spouse's pro rata share of 50 percent of such lump-sum  
13 credit.

14 The lump-sum credit of the employee or Member shall be  
15 reduced by the amount of the lump-sum credit payable to the  
16 former spouse.''

17       (5) Section 8344 of title 5, United States Code,  
18 relating to annuities and pay on reemployment, is amended by  
19 re-designating subsection (e) as subsection (f) and by  
20 inserting after subsection (d) the following new subsection:

21       ''(e) The Office shall prescribe regulations to provide  
22 for the application of this section in any case in which an  
23 annuitant has a former spouse entitled to an annuity under  
24 section 8341A of this title.''

25       (6) The table of sections for chapter 83 of title 5,

1 United States Code, is amended by inserting after the item  
2 relating to section 8341 the following new item:

'8341A. Former spouse annuities.'

3 (c) JOINT EMPLOYEE-SPOUSE ELECTIONS.--(1) Section  
4 8339(j) of title 5, United States Code, relating to election  
5 of survivor annuities, is amended to read as follows:

6 '(j)(1)(A) Except to the extent provided otherwise  
7 under a written election under subparagraph (B) or (C), if  
8 at the time of retirement an employee or Member is married  
9 (or has a former spouse who has not remarried before  
10 attaining age 60), the employee or Member shall receive a  
11 reduced annuity and provide a survivor annuity under section  
12 8341(b) for the employee's or Member's spouse or a survivor  
13 annuity under section 8341A(b) for the former spouse, or a  
14 combination of such annuities, as the case may be.

15 '(B) At the time of retirement, a married employee or  
16 Member and the employee's or Member's spouse may jointly  
17 elect to waive a survivor annuity for that spouse under  
18 section 8341(b) (or under section 8341A(b) if the spouse  
19 later qualifies as a former spouse under section 8331(25)),  
20 or to reduce such a survivor annuity by designating a  
21 portion of the annuity of the employee or Member as the base  
22 for the survivor benefit. Any such election shall be in  
23 writing and shall be acknowledged before a notary public. In  
24 the event the marriage is dissolved following an election

1 for such a reduced annuity and the spouse qualifies as a  
2 former spouse, the base used in calculating any annuity of  
3 the former spouse under section 8341A(b) may not exceed the  
4 portion of the employee's or Member's annuity designated  
5 under this subparagraph.

6 '(C) If an employee or Member has a former spouse, the  
7 employee or Member and such former spouse may jointly elect  
8 by spousal agreement under section 8345(j) to waive a  
9 survivor annuity under section 8341A(b) for that former  
10 spouse if the election is made (i) before the end of the  
11 12-month period after the divorce or annulment involving  
12 that former spouse becomes final or (ii) at the time of  
13 retirement, whichever occurs first.

14 '(D) The Office of Personnel Management may prescribe  
15 regulations under which an employee or Member may make an  
16 election under subparagraph (B) or (C) without the  
17 employee's or Member's spouse or former spouse if the  
18 employee or Member establishes to the satisfaction of the  
19 Office that the employee or Member does not know, and has  
20 taken all reasonable steps to determine, the whereabouts of  
21 the spouse or former spouse.

22 '(2) The annuity of an employee or Member providing a  
23 survivor benefit under section 8341(b) (or section  
24 8341A(b)), excluding any portion of the annuity not  
25 designated or committed as a base for any survivor annuity,

1 shall be reduced by 2 1/2 percent of the first \$3,600  
2 plus 10 percent of any amount over \$3,600. The reduction  
3 under this paragraph shall be calculated before any  
4 reduction under section 8341A(a)(5).

5 '(3) An annuity which is reduced under this subsection  
6 or any similar prior provision of law to provide a survivor  
7 benefit for a spouse shall, if the marriage of the employee  
8 or Member is dissolved, be recomputed and paid for each  
9 month during which the employee or Member is not married (or  
10 is remarried if there is no election in effect under the  
11 following sentence) as if the annuity had not been reduced,  
12 subject to any reduction required to provide a survivor  
13 benefit under section 8341A (b) or (c). Upon remarriage the  
14 retired employee or Member may irrevocably elect, by means  
15 of a signed writing received by the Office within one year  
16 after such remarriage, to receive during such marriage a  
17 reduction in annuity for the purpose of allowing an annuity  
18 for the new spouse of the annuitant in the event such spouse  
19 survives the annuitant. Such reduction shall be equal to  
20 the reduction in effect immediately before the dissolution  
21 of the previous marriage (unless such reduction is adjusted  
22 under section 8341A(b)(5)), and shall be effective the first  
23 day of the first month beginning one year after the date of  
24 remarriage.

25 '(4) The Office shall, on an annual basis--