

## Benefit changes resulting from the National Defense Authorization Act, fiscal year 2010

The National Defense Authorization Act for Fiscal Year 2010 was signed into law by President Obama on October 28, 2010. NDAA 2010 is best known for the provisions that resulted in the abolishment of the National Security Personnel System. Less publicized was the fact that the Act also resulted in a number of benefits changes to the Civil Service Retirement System and the Federal Employees' Retirement System. These changes have the potential to directly impact the retirement benefits of many of our employees. Benefits changes that are a part of NDAA 2010 include:

- Providing service credit for unused sick leave for employees under FERS
- Limited expansion of the class of individuals eligible to receive an actuarially reduced annuity under CSRS
- Computation of CSRS annuities based on part-time service
- Authority to redeposit refunds (with interest) under FERS and have service credit reinstated
- Retirement credit for service of certain employees transferred from District of Columbia service to federal service
- Non-foreign area retirement equity assurance

The provision of the Act with the potential to impact the greatest number of employees is the one that provides service credit for the unused sick leave of employees covered by FERS. In addition to the obvious potential benefits for employees at retirement, it is hoped that this added benefit will result in more judicious use of sick leave. Prior to the implementation of this bill, unlike CSRS employees, FERS employees did not benefit from unused sick leave upon retirement or separation.

Employees who want additional information on any of these expanded retirement benefits may access a DoD Handout on the subject at:

<http://www.hr.dla.mil/resources/benefits/retire.html>

A copy of the OPM Benefits Administration Letter issued January 12, 2010 may be accessed at: <http://www.hr.dla.mil/resources/benefits/retire.html>

Employees who have specific questions related to any of these expanded benefits after reading the DOD and/or Office of Personnel Management informational material may address their questions to their servicing benefits team at:

<http://www.hr.dla.mil/cntctus.htm>