

110TH CONGRESS  
2D SESSION

# H. R. 5573

To amend title 5, United States Code, to provide for a lump-sum payment for certain Federal employees who retire with a substantial amount of unused sick leave for which they would not otherwise receive any compensation or benefit, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 10, 2008

Mr. MORAN of Virginia (for himself, Mr. WOLF, and Mr. TOM DAVIS of Virginia) introduced the following bill; which was referred to the Committee on Oversight and Government Reform

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## A BILL

To amend title 5, United States Code, to provide for a lump-sum payment for certain Federal employees who retire with a substantial amount of unused sick leave for which they would not otherwise receive any compensation or benefit, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. PAYMENT FOR CERTAIN UNUSED SICK LEAVE.**

4 (a) **IN GENERAL.**—Chapter 55 of title 5, United  
5 States Code, is amended by adding at the end the fol-  
6 lowing:

1 "SUBCHAPTER X—PAYMENT FOR CERTAIN  
2 UNUSED SICK LEAVE

3 "§ 5597a. Definitions

4 "For purposes of this subchapter—

5 "(1) the term 'covered retirement system'  
6 means the Federal Employees' Retirement System  
7 and the Foreign Service Pension System; and

8 "(2) the term 'employee' means an employee as  
9 defined by section 2105 and an officer or employee  
10 of the United States Postal Service or of the Postal  
11 Regulatory Commission, but does not include a Con-  
12 gressional employee as defined by section 2107.

13 "§ 5597b. Lump-sum payment for certain unused sick  
14 leave

15 "(a) IN GENERAL.—Any qualified employee who is  
16 separated from the service or is transferred to a position  
17 which is not subject to a covered retirement system shall  
18 be eligible to receive a lump-sum payment under this sec-  
19 tion.

20 "(b) QUALIFIED EMPLOYEE.—For purposes of this  
21 section, the term 'qualified employee' means an employee  
22 who, immediately before such employee's separation or  
23 transfer (as described in subsection (a))—

24 "(1) is subject to a covered retirement system;  
25 and

1           “(2) satisfies the age and service requirements  
2           for immediate or early retirement under such sys-  
3           tem.

4           “(c) AMOUNT PAYABLE.—

5           “(1) IN GENERAL.—A lump-sum payment  
6           under this section shall be equal to the amount of  
7           basic pay (including locality pay) the employee would  
8           have received, for such employee’s period of compen-  
9           sable sick leave, if such employee had remained in  
10          the service or not transferred until the end of such  
11          period.

12          “(2) PERIOD OF COMPENSABLE SICK LEAVE.—  
13          For purposes of this section, the term ‘period of  
14          compensable sick leave’ means a period equal in du-  
15          ration to 15 percent of the amount (rounded to the  
16          nearest whole number of hours) by which the total  
17          number of hours of accumulated and current ac-  
18          crued sick leave standing to the employee’s credit  
19          (as of the time of separation or transfer) under a  
20          formal leave system, exceeds 500 hours.

21          “(3) LIMITATIONS.—In no event shall—

22                  “(A) any payment under this section ex-  
23                  ceed \$10,000; or

24                  “(B) any hours of sick leave be taken into  
25                  account under paragraph (2)(A) which are

1           creditable in the computation of any other com-  
2           pensation or benefit provided for under any  
3           other statute.

4           “(d) **CONDITIONS FOR AND EFFECT OF RECEIVING**  
5 **A PAYMENT.**—A payment under this section—

6           “(1) shall be payable by the agency from which  
7           the employee was separated or transferred, but only  
8           upon application made in accordance with applicable  
9           regulations under section 5597c;

10           “(2) terminates all rights of the employee with  
11           respect to the hours of leave described in subsection  
12           (c)(2)(A) (and not excluded by subsection (c)(3)(B));  
13           and

14           “(3) terminates any right of the employee to re-  
15           ceive any other payment under this section, includ-  
16           ing with respect to any sick leave subsequently ac-  
17           ruing.

18           “(e) **APPLICATION BY A SURVIVOR.**—An application  
19           under this section may also be made by any person who,  
20           by virtue of subchapter VIII, is entitled to receive any pay-  
21           ment which (but for subsection (d)(1)) would otherwise  
22           be due a deceased employee under this section.

23           “(f) **ADDITIONAL RULES.**—A lump-sum payment  
24           under this section shall be considered pay for taxation pur-  
25           poses only. The period of compensable sick leave used in

1 calculating any such payment shall not be extended due  
2 to any holiday occurring after the employee's separation  
3 or transfer.

4 **“§ 5597c. Regulations**

5 “Any regulations necessary for the administration of  
6 this subchapter shall be prescribed by the appropriate au-  
7 thority. For purposes of the preceding sentence, the ‘ap-  
8 propriate authority’ is—

9 “(1) if the separation or transfer is from a posi-  
10 tion in the executive branch, the Director of the Of-  
11 fice of Personnel Management;

12 “(2) if the separation or transfer is from a posi-  
13 tion in the judicial branch, the Director of the Ad-  
14 ministrative Office of the United States Courts; and

15 “(3) if the separation or transfer is from a posi-  
16 tion in the legislative branch, the head of the office,  
17 agency, or other establishment from which such sep-  
18 aration or transfer occurs.”.

19 (b) SETTLEMENT OF ACCOUNTS.—Section 5581(2)  
20 of title 5, United States Code, is amended—

21 (1) by redesignating subparagraph (I) as sub-  
22 paragraph (J);

23 (2) in subparagraph (H), by striking “and”  
24 after the semicolon; and

1 (3) by inserting after subparagraph (H) the fol-  
2 lowing:

3 “(I) payment for compensable sick leave  
4 under section 5597b; and”.

5 (c) CLERICAL AMENDMENT.—The analysis for chap-  
6 ter 55 of title 5, United States Code, is amended by add-  
7 ing at the end the following:

“SUBCHAPTER X—PAYMENT FOR CERTAIN UNUSED SICK LEAVE

“5597a. Definitions.

“5597b. Lump-sum payment for certain unused sick leave.

“5597c. Regulations.”

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