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§ 847.423 Credit for refunded FERS service.

(a) An employee or survivor who elects FERS coverage with credit for NAFI service under § 847.421 will receive credit in the FERS annuity for the service represented by any refund of the unexpended balance under § 843.202 of this chapter.

(b) The amount of the refund, increased by interest as computed under § 842.305(e) of this chapter, will be added to the deficiency computed under § 847.604 and collected in accordance with the provisions of § 847.609 (pertaining to a monthly reduction in the annuity benefit).

ELECTIONS TO REMAIN IN NAFI COVERAGE WITH CREDIT FOR FERS SERVICE BASED ON A MOVE FROM FERS TO NAFI

§ 847.431 Election requirements.

(a)(1)(i) A NAFI employee who completed a qualifying move from FERS under § 847.402(a) may, instead of the election provided by § 847.411 (pertaining to elections of CSRS and FERS coverage), elect to remain subject to the current NAFI retirement system for all subsequent periods of service.

(ii) Prior service under FERS becomes credible under the NAFI retirement system rules.

(2) A NAFI employee who has had a previous opportunity to elect retirement coverage under § 847.202(c) and (d) is not excluded from making this election.

(b) A survivor may make an election under paragraph (a) of this section if the employee was otherwise eligible, but died before expiration of the time limit under § 847.304.

(c) An election under this section is irrevocable when received by the employing agency.

§ 847.432 Effect of a refund of FERS deductions.

OPM will inform the NAFI retirement system of the amount of service performed under FERS, without regard to whether a refund of contributions for such period has been paid under FERS.

§ 847.433 Exclusion from FERS for future service.

(a) An employee who elects NAFI retirement system coverage with credit for FERS service under § 847.431(a) is excluded from coverage under FERS during that and all subsequent periods of employment, including any periods of service as a reemployed annuitant.

(b) FERS service which becomes creditable in a NAFI retirement benefit based on an election under § 847.431 is not creditable for any purpose under FERS.

ELECTIONS OF NAFI COVERAGE BASED ON A MOVE FROM NAFI TO FERS

§ 847.441 Election requirements.

(a) An employee who completed a qualifying move under § 847.402(b) may elect to be covered by a NAFI retirement system for all Federal service following the qualifying move.

(b) A survivor eligible for benefits under FERS may make an election under this section if the employee was otherwise eligible to make an election, but died before expiration of the time limit under § 847.304.

§ 847.442 Effective date.

(a) An election under § 847.441 is effective on the first day of FERS-covered employment following NAFI employment subject to retirement coverage.

(b) Deductions and contributions for NAFI retirement system coverage begin effective on the first day of the next pay period after the agency receives the employee's election under § 847.441(a).

(c) An election under § 847.441 is irrevocable when received by the employing agency.

§ 847.443 Exclusion from FERS for future service.

An employee who elects NAFI retirement system coverage with credit for FERS service under § 847.441(a) is excluded from coverage under FERS during that and all subsequent periods of employment, including any periods of service as a reemployed annuitant.

Subpart E—Transfers of Contributions Under the Retroactive Provisions

§ 847.501 Purpose and scope.

This subpart regulates transferring retirement contributions and crediting those contributions to offset the employee costs in connection with elections section 1043(c)(2) of the National Defense Authorization Act for Fiscal Year 1996.

§ 847.502 Transfers to the CSR Fund.

For elections of CSRS or FERS coverage under § 847.411 or FERS coverage and service credit under § 847.421, the amount under § 847.504 will be transferred to the Fund using the procedures established under § 847.506.

§ 847.503 Transfers from the CSR Fund.

For elections of NAFI retirement system coverage under § 847.441, the amount under § 847.504 will be transferred from the Fund using the procedures established under § 847.506.

§ 847.504 Amount of transfer.

(a) All transfers must include employee contributions with interest, if not previously refunded, and Government contributions for civilian service which becomes creditable under the elected retirement system due to an election under §§ 847.411, 847.421, and 846.441.

(b) If the employee has withdrawn his or her contributions to the retirement system, the amount required by paragraph (a) of this section, less the amount refunded, will be transferred.

§ 847.505 When transfer occurs.

(a) OPM, the Department of Defense, and the U.S. Coast Guard will transfer the amount specified in § 847.504 as soon as practicable after receipt of an election of retirement coverage under subpart D of this part.

(b) The transfer of contributions may not be delayed until the employee retires or separates from service.

§ 847.506 Procedures for transfer.

OPM, the Department of Defense, and the U.S. Coast Guard will jointly determine the procedure for transfer of contributions.

§ 847.507 Earnings after transfer.

Amounts transferred to the Fund under § 847.502 that are used to determine the deficiency under § 847.604 accrue interest at the rate prescribed under § 841.603 of this chapter from the date of receipt in OPM through the date determined under § 847.603 (pertaining to the date of calculation of any deficiency).

Subpart F—Additional Employee Costs Under the Retroactive Provisions

§ 847.601 Purpose and scope.

(a) The purpose of this subpart is to establish the methodology that OPM will use to determine—

(1) The cost of an employee's election under § 847.411 or § 847.421; and

(2) The amount by which annuity payments may be affected as a result of the election.

(b) This subpart applies only to CSRS and FERS benefits. The Departments of Defense, and the U.S. Coast Guard will issue regulations providing methodologies for NAFI's under their jurisdictions.

§ 847.602 Present value factors.

(a) OPM publishes the following tables (available at personnel and payroll offices):

(1) One table of present value factors for all CSRS annuities;

(2) One table of present value factors for FERS annuities that do not receive cost-of-living adjustments before the retiree attains age 62; and

(3) One table of present value factors for FERS annuities that receives cost-of-living adjustments before the retiree attains age 62.

(b)(1) Each present value factor will equal the amount of money (earning interest at an assumed rate) required at the date of computation to fund an annuity that starts out at the rate of $1 a month and is payable in monthly