

“(2) The term ‘Federal employees affected by reductions in force’ means Federal employees who are separated, or are scheduled to be separated, from service under a reduction in force pursuant to—

“(A) regulations prescribed under section 3502 of title 5, United States Code; or

“(B) procedures established under section 3595 of such title.”

SPECIAL RULE ON APPLICATION OF SUBSECTIONS (d)  
AND (e)

Pub. L. 102-484, div. D, title XLIV, § 4433(b), Oct. 23, 1992, 106 Stat. 2722, as amended by Pub. L. 103-337, div. A, title III, § 341(a), Oct. 5, 1994, 108 Stat. 2720, provided that:

“(1) The provisions of section 3502(d) and (e) of title 5, United States Code (as added by subsection (a)) shall apply to employees of the Department of Defense according to their terms, except that, with respect to any reduction in force within that agency that would involve the separation of a significant number of employees (as determined under paragraph (1)(B) of such section 3502(d)), any reference in such section 3502(d) to ‘60 days’ shall, in the case of the employees described in paragraph (2), be deemed to read ‘120 days’.

“(2) The employees described in this paragraph are those employees of the Department of Defense who are to be separated, due to a reduction in force described in paragraph (1), effective on or after the last day of the 90-day period referred to in subsection (a)(2) [see Effective Date of 1992 Amendment note above] and before February 1, 2000.

“(3) Nothing in this subsection shall prevent the application of the amendment made by subsection (a) [amending this section] with respect to an employee if—

“(A) the preceding paragraphs of this subsection do not apply with respect to such employee; and

“(B) the amendment made by subsection (a) would otherwise apply with respect to such employee.

“(4) The Secretary of Defense shall prescribe such regulations as may be necessary to carry out this subsection.”

INDIAN PREFERENCE LAWS APPLICABLE TO BUREAU OF  
INDIAN AFFAIRS AND INDIAN HEALTH SERVICE POSI-  
TIONS

Applicability of Indian preference laws to Bureau of Indian Affairs and Indian Health Service positions for purposes of reduction-in-force procedures under subsec. (a) of this section, see section 5117(a) of Title 25, Indians.

**Executive Documents**

EX. ORD. NO. 12828. DELEGATION OF CERTAIN PERSONNEL  
MANAGEMENT AUTHORITIES

Ex. Ord. No. 12828, Jan. 5, 1993, 58 F.R. 2965, as amended by Ex. Ord. No. 13415, § 2(b), Dec. 1, 2006, 71 F.R. 70641, provided:

By the authority vested in me as President by the Constitution and the laws of the United States of America, including section 301 of title 3 of the United States Code and sections 3502(e), 4505a(e), and 5377(i)(2) of title 5 of the United States Code, it is hereby ordered as follows:

SECTION 1. The Office of Personnel Management is designated and empowered to exercise, without the approval, ratification, or other action of the President, the following:

(1) The authority of the President under 5 U.S.C. 3502(e), as added by section 4433 of Public Law 102-484, to shorten the period of advance notice otherwise required by law with respect to reductions in force.

(2) The authority of the President under 5 U.S.C. 4505a(e), as added by section 2(19) of Public Law 102-378, to permit performance-based cash awards to be paid to categories of employees who would not otherwise be eligible.

SEC. 2. This order shall be effective immediately.

**§ 3503. Transfer of functions**

(a) When a function is transferred from one agency to another, each competing employee in the function shall be transferred to the receiving agency for employment in a position for which he is qualified before the receiving agency may make an appointment from another source to that position.

(b) When one agency is replaced by another, each competing employee in the agency to be replaced shall be transferred to the replacing agency for employment in a position for which he is qualified before the replacing agency may make an appointment from another source to that position.

(Pub. L. 89-554, Sept. 6, 1966, 80 Stat. 429; Pub. L. 95-454, title III, § 307(f), Oct. 13, 1978, 92 Stat. 1149; Pub. L. 96-54, § 2(a)(18), Aug. 14, 1979, 93 Stat. 382.)

HISTORICAL AND REVISION NOTES

<i>Derivation</i>	<i>U.S. Code</i>	<i>Revised Statutes and Statutes at Large</i>
.....	5 U.S.C. 861(a) (3d proviso).	June 27, 1944, ch. 287, § 12 (3d proviso), 58 Stat. 390.

In subsection (a), the words “a function” are substituted for “any or all of the functions”. The word “receiving” is substituted for “replacing” in the phrase “receiving agency” to avoid confusion with subsection (b).

In subsections (a) and (b), the word “first” in the phrase “shall first be transferred” is omitted as redundant in view of the subsequent limitation imposed by the words following “before”. The words “make an appointment from another source to that position” are substituted for “appoint additional employees from any other source for such position”.

Standard changes are made to conform with the definitions applicable and the style of this title as outlined in the preface to the report.

**Editorial Notes**

AMENDMENTS

1979—Subsecs. (a), (b). Pub. L. 96-54 substituted “competing employee” for “preference eligible employed”.

1978—Subsecs. (a), (b). Pub. L. 95-454 which directed the substitution of “competing employee” for “preference eligible employee” was impossible to execute literally because the text contained reference to “preference eligible employed”. See 1979 Amendment note above.

**Statutory Notes and Related Subsidiaries**

EFFECTIVE DATE OF 1979 AMENDMENT

Amendment by Pub. L. 96-54 effective July 12, 1979, see section 2(b) of Pub. L. 96-54, set out as a note under section 305 of this title.

EFFECTIVE DATE OF 1978 AMENDMENT

Amendment by Pub. L. 95-454 effective 90 days after Oct. 13, 1978, see section 907 of Pub. L. 95-454, set out as a note under section 1101 of this title.

**§ 3504. Preference eligibles; retention; physical qualifications; waiver**

(a) In determining qualifications of a preference eligible for retention in a position in the competitive service, an Executive agency, or the