

duction in force) under honorable conditions, but did not voluntarily separate from such service.

(b) An individual is not entitled to compensation under this subchapter for any period with respect to which the individual receives—

(1) a subsistence allowance under chapter 31 of title 38 or under part VIII of Veterans Regulation Numbered 1(a);

(2) except in the case of an individual described in subsection (a), an educational assistance allowance under chapter 33 of title 38; or

(3) an educational assistance allowance under chapter 35 of title 38.

(Pub. L. 89–554, Sept. 6, 1966, 80 Stat. 591; Pub. L. 90–83, §1(90), Sept. 11, 1967, 81 Stat. 219; Pub. L. 114–92, div. A, title V, §560, Nov. 25, 2015, 129 Stat. 828.)

HISTORICAL AND REVISION NOTES 1966 ACT

<i>Derivation</i>	<i>U.S. Code</i>	<i>Revised Statutes and Statutes at Large</i>
.....	42 U.S.C. 1371(g)–(i).	Aug. 28, 1958, Pub. L. 85–848, §3 “Sec. 1511 (g)–(i)”, 72 Stat. 1089. Sept. 2, 1958, Pub. L. 85–857, §13(i)(3), 72 Stat. 1265.

In subsection (b), the words “an education and training allowance under subsection (a), (b), (c), or (d) of section 1632 of title 38” are omitted as obsolete. The authority to pay an education and training allowance under section 1632 of title 38 terminated on January 31, 1965, pursuant to section 1613(a) of title 38.

Section 1371(i) of title 42, providing that certain individuals are not entitled to unemployment compensation under the provisions of subchapter I of chapter 41 of title 38, is omitted as obsolete. Subchapter I of chapter 41 of title 38, which related to unemployment compensation for Korean conflict veterans, was repealed by the Act of Sept. 19, 1962, Pub. L. 87–675, 76 Stat. 558.

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

1967 ACT

This section deletes subsection (a) of 5 U.S.C. 8525. That subsection is now obsolete in view of the repeal, effective July 1, 1966, of chapter 43 of title 38, U.S.C., by Public Law 89–50, section 1(a) (79 Stat. 173).

Editorial Notes

AMENDMENTS

2015—Subsec. (a). Pub. L. 114–92, §560(b), added subsec. (a).

Subsec. (b). Pub. L. 114–92, §560(a)(1), substituted “the individual receives” for “he receives” in introductory provisions.

Subsec. (b)(2), (3). Pub. L. 114–92, §560(a)(2)–(4), added par. (2) and redesignated former par. (2) as (3).

CHAPTER 87—LIFE INSURANCE

<i>Sec.</i>	
8701.	Definitions.
8702.	Automatic coverage.
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Editorial Notes

AMENDMENTS

1994—Pub. L. 103–409, §2(b), Oct. 25, 1994, 108 Stat. 4232, added item 8714d.

1988—Pub. L. 100–238, title I, §108(a)(2)(B), Jan. 8, 1988, 101 Stat. 1747, added item 8713.

1984—Pub. L. 98–353, title II, §208(b), July 10, 1984, 98 Stat. 351, inserted “; assignment of ownership” in item 8706.

1980—Pub. L. 96–427, §§2(e), 7(b), 8(c), and 9(b), Oct. 10, 1980, 94 Stat. 1832, 1836, 1837, added items 8714b and 8714c, substituted “Definitions” for “Definition” in item 8701, and struck out item 8713 “Advisory committee”.

1967—Pub. L. 90–206, title IV, §404(2), Dec. 16, 1967, 81 Stat. 648, added item 8714a.

Pub. L. 90–83, §1(94), Sept. 11, 1967, 81 Stat. 219, substituted “Advisory committee” for “Advisors” in item 8713.

§ 8701. Definitions

(a) For the purpose of this chapter, “employee” means—

(1) an employee as defined by section 2105 of this title;

(2) a Member of Congress as defined by section 2106 of this title;

(3) a Congressional employee as defined by section 2107 of this title;

(4) the President;

(5) a justice or judge of the United States appointed to hold office during good behavior (i) who is in regular active judicial service, or (ii) who is retired from regular active service under section 371(b) or 372(a) of title 28, United States Code, or (iii) who has resigned the judicial office under section 371(a) of title 28 with the continued right during the remainder of his lifetime to receive the salary of the office at the time of his resignation;

(6) an individual first employed by the government of the District of Columbia before October 1, 1987;

(7) an individual employed by Gallaudet College;¹

(8) an individual employed by a county committee established under section 590h(b) of title 16;

(9) an individual appointed to a position on the office staff of a former President under section 1(b) of the Act of August 25, 1958 (72 Stat. 838); and

(10) an individual appointed to a position on the office staff of a former President, or a former Vice President under section 5 of the

¹ See Change of Name note below.

Presidential Transition Act of 1963, as amended (78 Stat. 153), who immediately before the date of such appointment was an employee as defined under any other paragraph of this subsection;

but does not include—

(A) an employee of a corporation supervised by the Farm Credit Administration if private interests elect or appoint a member of the board of directors;

(B) an individual who is not a citizen or national of the United States and whose permanent duty station is outside the United States, unless the individual was an employee for the purpose of this chapter on September 30, 1979, by reason of service in an Executive agency, the United States Postal Service, or the Smithsonian Institution in the area which was then known as the Canal Zone; or

(C) an employee excluded by regulation of the Office of Personnel Management under section 8716(b) of this title.

(b) Notwithstanding subsection (a) of this section, the employment of a teacher in the recess period between two school years in a position other than a teaching position in which he served immediately before the recess period does not qualify the individual as an employee for the purpose of this chapter. For the purpose of this subsection, “teacher” and “teaching position” have the meanings given them by section 901 of title 20.

(c) For the purpose of this chapter, “basic insurance amount” means, in the case of any employee under this chapter, an amount equal to the greater of—

- (1) the annual rate of basic pay payable to the employee, rounded to the next higher multiple of \$1,000, plus \$2,000, or
- (2) \$10,000.

In the case of any former employee entitled to coverage under this chapter, the term means the basic insurance amount applicable for the employee at the time the insurance to which the employee is entitled as an employee under this chapter stops pursuant to section 8706(a) of this title.

(d)(1) For the purpose of this chapter, “family member”, when used with respect to any individual, means—

- (A) the spouse of the individual; and
- (B) an unmarried dependent child of the individual (other than a stillborn child), including an adopted child, stepchild or foster child (but only if the stepchild or foster child lived with the individual in a regular parent-child relationship), or recognized natural child—
 - (i) who is less than 22 years of age, or
 - (ii) who is 22 years of age or older and is incapable of self-support because of a mental or physical disability which existed before the child became 22 years of age.

(2) For the purpose of this subsection, “dependent”, in the case of any child, means that the individual involved was, at the time of the child’s death, either living with or contributing to the support of the child, as determined in accordance with the regulations the Office shall prescribe.

(Pub. L. 89–554, Sept. 6, 1966, 80 Stat. 592; Pub. L. 91–418, §3(a), Sept. 25, 1970, 84 Stat. 869; Pub. L. 93–160, §1(a), Nov. 27, 1973, 87 Stat. 635; Pub. L. 95–454, title IX, §906(a)(2), Oct. 13, 1978, 92 Stat. 1224; Pub. L. 96–54, §2(a)(51), Aug. 14, 1979, 93 Stat. 384; Pub. L. 96–70, title I, §1209(b), Sept. 27, 1979, 93 Stat. 463; Pub. L. 96–427, §§2(a), 8(b), Oct. 10, 1980, 94 Stat. 1831, 1837; Pub. L. 98–353, title II, §205, July 10, 1984, 98 Stat. 350; Pub. L. 99–335, title II, §207(k)(1), June 6, 1986, 100 Stat. 597; Pub. L. 100–679, §13(b), Nov. 17, 1988, 102 Stat. 4071; Pub. L. 105–311, §§3(1), 4, Oct. 30, 1998, 112 Stat. 2950; Pub. L. 114–136, §2(c)(4), Mar. 18, 2016, 130 Stat. 305.)

HISTORICAL AND REVISION NOTES

<i>Derivation</i>	<i>U.S. Code</i>	<i>Revised Statutes and Statutes at Large</i>
(a)	2 U.S.C. 126.	Sept. 1, 1954, ch. 1208, §603, 68 Stat. 1116.
	5 U.S.C. 2091(a) (1st sentence, less words between 6th and 7th commas), (b), (d) (1st sentence, less words between 1st and 2d commas).	Aug. 17, 1954, ch. 752, §2(a) (1st sentence, less words between 6th and 7th commas), (b), 68 Stat. 736. Aug. 1, 1956, ch. 837, §501(c)(1) (as applicable to §2 (b)), 70 Stat. 882. Aug. 2, 1956, ch. 901, §1, 70 Stat. 955. July 1, 1960, Pub. L. 86–568, §115(c) “(d) (1st sentence, less words between 1st and 2d commas)”. 74 Stat. 302. Aug. 31, 1964, Pub. L. 88–531 §2, 78 Stat. 737.
	[Uncodified].	Aug. 25, 1958, Pub. L. 85–745, §1(b) (last sentence, as applicable to the Federal Employees’ Group Life Insurance Act of 1954), 72 Stat. 838.
(b)	5 U.S.C. 2358(c) (less applicability to the Civil Service Retirement Act).	July 17, 1959, Pub. L. 86–91, §10(c) (less applicability to the Civil Service Retirement Act), 73 Stat. 217.

The definition of “Congressional employee” in section 2107 of this title includes an Official Reporter of Debates of the Senate and an individual employed by an Official Reporter of Debates of the Senate so that the inclusion of “a Congressional employee” in subsection (a)(3) provides the coverage for those individuals which was given by former section 126 of title 2.

The definition of “employee” in section 2105 of this title is broad enough to cover the officers and employees set out in former section 2091(a) with the exception of Members of Congress, the President, individuals employed either by the government of the District of Columbia or by Gallaudet College, and United States commissioners. Accordingly, these have been added specifically in paragraphs (2), (4), (5), (6), and (7).

In subsection (a) (B), the words “United States” are substituted for “a State of the United States or the District of Columbia”.

Subsection (a)(C) is added for clarity.

In subsection (b), the last sentence is added on authority of former section 2351, which section is scheduled for transfer to section 901 of title 20.

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

REFERENCES IN TEXT

Act of August 25, 1958 (72 Stat. 838), referred to in subsec. (a)(9), is Pub. L. 85–745 and is set out as a note under section 102 of Title 3, The President.

Section 5 of the Presidential Transition Act of 1963, referred to in subsec. (a)(10), is section 5 of Pub. L. 88-277, which is set out as a note under section 102 of Title 3, The President.

AMENDMENTS

Subsec. (a)(10). Pub. L. 114-136 substituted “section 5” for “section 4”.

1998—Subsec. (c). Pub. L. 105-311, §3(1), substituted a period for comma after “\$10,000” in par. (2) and struck out “except that the amount of insurance may not exceed the annual rate of basic pay payable for positions at level II of the Executive Schedule under section 5313 of this title, rounded to the next higher multiple of \$1,000, plus \$2,000.” before last sentence.

Subsec. (d)(1)(B). Pub. L. 105-311, §4, inserted “or foster child” after “stepchild” in two places in introductory provisions.

1988—Subsec. (a)(10). Pub. L. 100-679 added par. (10).

1986—Subsec. (a)(6). Pub. L. 99-335 amended par. (6) generally, substituting “first employed” for “employed” and inserting “before October 1, 1987”.

1984—Subsec. (a)(5) to (9). Pub. L. 98-353 added par. (5) and redesignated former pars. (5) to (8) as (6) to (9), respectively.

1980—Pub. L. 96-427, §2(a)(1), substituted “Definitions” for “Definition” in section catchline.

Subsec. (c). Pub. L. 96-427, §2(a)(2), added subsec. (c).

Subsec. (d). Pub. L. 96-427, §8(b), added subsec. (d).

1979—Subsec. (a)(7) to (9). Pub. L. 96-54 struck out cl. (7) which related to coverage within term “employee” of a United States Commissioner, and redesignated cls. (8) and (9) as (7) and (8), respectively.

Subsec. (a)(B). Pub. L. 96-70 inserted provisions relating to an individual who was an employee for the purpose of this chapter on Sept. 30, 1979, by reason of service in an Executive agency, the United States Postal Service, or the Smithsonian Institution in the area which was then known as the Canal Zone.

1978—Subsec. (a)(C). Pub. L. 95-454 substituted “Office of Personnel Management” for “Civil Service Commission”.

1973—Subsec. (a)(B). Pub. L. 93-160 excluded from definition of “employee” persons who are not nationals of the United States and whose permanent duty station is outside the United States and the Panama Canal Zone.

1970—Subsec. (a)(B). Pub. L. 91-418 excluded from definition of “employee” a noncitizen employee whose permanent duty station is outside the Panama Canal Zone.

Statutory Notes and Related Subsidiaries

CHANGE OF NAME

Gallaudet College, referred to in subsec. (a)(7), redesignated Gallaudet University by section 101(a) of Pub. L. 99-371, which is classified to section 4301(a) of Title 20, Education.

EFFECTIVE DATE OF 1998 AMENDMENT

Pub. L. 105-311, §11, Oct. 30, 1998, 112 Stat. 2954, provided that:

“(a) IN GENERAL.—Except as otherwise provided in this Act [see Short Title of 1998 Amendment note below], the amendments made by this Act shall take effect on the date of enactment of this Act [Oct. 30, 1998].

“(b) MAXIMUM LIMITATION ON EMPLOYEE INSURANCE.—Section 3 [amending this section and section 8714b of this title] shall take effect on the first day of the first applicable pay period beginning on or after the date of enactment of this Act.

“(c) ERRONEOUS COVERAGE.—Section 5 [amending section 8706 of this title] shall be effective in any case in which a finding of erroneous insurance coverage is made on or after the date of enactment of this Act.

“(d) DIRECT PAYMENT OF INSURANCE CONTRIBUTIONS.—Section 6 [amending sections 8707 and 8714a to 8714c of this title] shall take effect on the first day of the first applicable pay period beginning on or after the date of enactment of this Act.

“(e) ADDITIONAL OPTIONAL LIFE INSURANCE.—

“(1) IN GENERAL.—Section 7 [amending section 8714b of this title and enacting provisions set out as a note under section 8714b of this title] shall take effect on the first day of the first pay period that begins on or after the 180th day following the date of enactment of this Act, or on any earlier date that the Office of Personnel Management may prescribe that is at least 60 days after the date of enactment of this Act.

“(2) REGULATIONS.—The Office shall prescribe regulations under which an employee may elect to continue additional optional insurance that remains in force on such effective date without subsequent reduction and with the full cost withheld from annuity or compensation on and after such effective date if that employee—

“(A) separated from service before such effective date due to retirement or entitlement to compensation under subchapter I of chapter 81 of title 5, United States Code; and

“(B) continued additional optional insurance pursuant to section 8714b(c)(2) as in effect immediately before such effective date.

“(f) IMPROVED OPTIONAL LIFE INSURANCE ON FAMILY MEMBERS.—The amendments made by section 8 [amending section 8714c of this title] shall take effect on the first day of the first pay period which begins on or after the 180th day following the date of enactment of this Act or on any earlier date that the Office of Personnel Management may prescribe.

“(g) OPEN SEASON.—Any election made by an employee under section 9 [set out as a note below], and applicable withholdings, shall be effective on the first day of the first applicable pay period that—

“(1) begins on or after the date occurring 365 days after the first day of the election period authorized under section 9; and

“(2) follows a pay period in which the employee was in a pay and duty status.”

EFFECTIVE DATE OF 1986 AMENDMENT

Amendment by Pub. L. 99-335 effective Jan. 1, 1987, see section 702(a) of Pub. L. 99-335, set out as an Effective Date note under section 8401 of this title.

EFFECTIVE DATE OF 1980 AMENDMENT

Pub. L. 96-427, §10, Oct. 10, 1980, 94 Stat. 1838, provided that:

“(a) Unless otherwise specified, this Act [see Short Title note below] shall take effect on the date of the enactment of this Act [Oct. 10, 1980] and shall have no effect in the case of an employee who died, was separated, or retired before the date of enactment.

“(b) The amendment made by subsection (d) of section 2 of this Act [amending section 8704 of this title] shall apply with respect to premium pay payable under section 5545(c)(2) of title 5, United States Code, from and after the first day of the first pay period which begins on or after the date of the enactment of this Act [Oct. 10, 1980].

“(c) The amendment made by section 3 of this Act [amending section 8706 of this title] shall apply only in the case of an employee who retires or become entitled to receive compensation for work injury on or after the 180th day following the date of the enactment of this Act [Oct. 10, 1980], or any earlier date that the Office of Personnel Management may prescribe which is at least 60 days after the date of enactment.

“(d) The amendments made by sections 7 and 8 of this Act [enacting sections 8714b and 8714c of this title and amending this section] shall take effect on the first day of the first pay period which begins on or after the 180th day following the date of the enactment of this Act [Oct. 10, 1980], or on any earlier date that the Office may prescribe which is at least 60 days after the date of enactment, and shall have no effect in the case of an employee who died, was finally separated, or retired before the effective date.”

EFFECTIVE DATE OF 1979 AMENDMENTS

Amendment by Pub. L. 96-70 effective Oct. 1, 1979, see section 3304 of Pub. L. 96-70, set out as an Effective

Date note under section 3601 of Title 22, Foreign Relations and Intercourse.

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.

SHORT TITLE OF 1998 AMENDMENT

Pub. L. 105-311, § 1, Oct. 30, 1998, 112 Stat. 2950, provided that: “This Act [amending this section and sections 7703, 8706, 8707, and 8714a to 8714c of this title and enacting provisions set out as notes under this section and sections 7703 and 8714b of this title] may be cited as the ‘Federal Employees Life Insurance Improvement Act’.”

SHORT TITLE OF 1994 AMENDMENT

Pub. L. 103-409, § 1, Oct. 25, 1994, 108 Stat. 4230, provided that: “This Act [enacting section 8714d of this title and provisions set out as notes under this section and sections 8704, 8714, and 8901 of this title] may be cited as the ‘FEGLI Living Benefits Act’.”

SHORT TITLE OF 1980 AMENDMENT

Pub. L. 96-427, § 1, Oct. 10, 1980, 94 Stat. 1831, provided that: “This Act [enacting sections 8714b and 8714c of this title, amending this section and sections 8704, 8706, 8707, 8709, and 8714a of this title, repealing section 8713 of this title and enacting provisions set out as notes under this section and sections 8704 and 8714a of this title] may be cited as the ‘Federal Employees’ Group Life Insurance Act of 1980’.”

CONSTRUCTION

Pub. L. 111-8, div. D, title III, § 307(b), Mar. 11, 2009, 123 Stat. 648, provided that: “For purposes of construing and applying chapter 87 of title 5, United States Code, including any adjustment of insurance rates by regulation or otherwise, the following categories of judicial officers shall be deemed to be judges of the United States as described under section 8701 of title 5, United States Code:

“(1) United States magistrate judges.

“(2) Bankruptcy judges appointed under chapter 6 of title 28, United States Code.

“(3) Judges of the District Court of Guam, judges of the District Court for the Northern Mariana Islands, and judges of the District Court of the Virgin Islands.

“(4) Bankruptcy judges and magistrate judges retired under section 377 of title 28, United States Code.

“(5) Judges retired under section 373 of title 28, United States Code.”

[Section 307(b) of Pub. L. 111-8, set out above, applicable with respect to any payment made on or after the first day of the first applicable pay period beginning on or after Jan. 7, 2008, see section 307(c) of Pub. L. 111-8, set out as an Effective Date of 2009 Amendment note under section 604 of Title 28, Judiciary and Judicial Procedure.]

Similar provisions were contained in the following prior act:

Pub. L. 110-177, title V, § 502(b), Jan. 7, 2008, 121 Stat. 2542.

OPEN SEASON

Pub. L. 105-311, § 9, Oct. 30, 1998, 112 Stat. 2954, provided that: “Beginning not later than 180 days after the date of enactment of this Act [Oct. 30, 1998], the Office of Personnel Management shall conduct an open enrollment opportunity for purposes of chapter 87 of title 5, United States Code, over a period of not less than 8 weeks. During this period, an employee (as defined under section 8701(a) of such title)—

“(1) may, if the employee previously declined or voluntarily terminated any coverage under chapter 87

of such title, elect to begin, resume, or increase group life insurance (and acquire applicable accidental death and dismemberment insurance) under all sections of such chapter without submitting evidence of insurability; and

“(2) may, if currently insured for optional life insurance on family members, elect an amount above the minimum insurance on a spouse.”

Pub. L. 103-409, § 3(b), Oct. 25, 1994, 108 Stat. 4232, provided that:

“(1) The Office of Personnel Management shall prescribe regulations under which, beginning not later than 9 months after the date of the enactment of this Act [Oct. 25, 1994], and over a period of not less than 8 weeks—

“(A) an employee (as defined by section 8701(a) of title 5, United States Code) who declined or voluntarily terminated coverage under chapter 87 of such title—

“(i) may elect to begin, or to resume, group life insurance and group accidental death and dismemberment insurance; and

“(ii) may make such other elections under such chapter as the Office may allow; and

“(B) such other elections as the Office allows may be made.

“(2) The Office shall take such action as may be necessary to ensure that employees and any other individuals who would be eligible to make an election under this subsection are afforded advance notification to that effect.”

CONTINUED COVERAGE UNDER CERTAIN FEDERAL EMPLOYEE BENEFIT PROGRAMS FOR CERTAIN EMPLOYEES OF SAINT ELIZABETHS HOSPITAL

For provisions relating to treatment of certain Federal employees of Saint Elizabeths Hospital under certain Federal employee benefit programs, see section 207(o) of Pub. L. 99-335, set out as a note under section 8331 of this title.

§ 8702. Automatic coverage

(a) An employee is automatically insured on the date he becomes eligible for insurance and each policy of insurance purchased by the Office of Personnel Management under this chapter shall provide for that automatic coverage.

(b) An employee desiring not to be insured shall give written notice to his employing office on a form prescribed by the Office. If the notice is received before he has become insured, he shall not be insured. If the notice is received after he has become insured, his insurance stops at the end of the pay period in which the notice is received.

(c) Notwithstanding a notice previously given under subsection (b), an employee who is deployed in support of a contingency operation (as that term is defined in section 101(a)(13) of title 10) or an employee of the Department of Defense who is designated as an emergency essential employee under section 1580 of title 10 shall be insured if the employee, within 60 days after the date of notification of deployment or designation, elects to be insured under a policy of insurance under this chapter. An election under the preceding sentence shall be effective when provided to the Office in writing, in the form prescribed by the Office, within such 60-day period.

(d) Any services by an officer or employee under this chapter relating to benefits under this chapter shall be deemed, for purposes of section 1342 of title 31, services for emergencies involving the safety of human life or the protection of property.

(Pub. L. 89-554, Sept. 6, 1966, 80 Stat. 593; Pub. L. 95-454, title IX, §906(a)(2), (3), Oct. 13, 1978, 92 Stat. 1224; Pub. L. 106-398, §1 [[div. A], title XI, §1134(a)], Oct. 30, 2000, 114 Stat. 1654, 1654A-318; Pub. L. 110-417, [div. A], title XI, §1103(a), Oct. 14, 2008, 122 Stat. 4616; Pub. L. 116-92, div. A, title XI, §1110(b), Dec. 20, 2019, 133 Stat. 1600.)

HISTORICAL AND REVISION NOTES

<i>Derivation</i>	<i>U.S. Code</i>	<i>Revised Statutes and Statutes at Large</i>
.....	5 U.S.C. 2094(a) (less 1st par.).	Aug. 17, 1954, ch. 752, §5(a) (less 1st par.), 68 Stat. 738.

In subsection (a), the words “eligible for insurance” are coextensive with and substituted for “eligible under the terms of this chapter”.

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

2019—Subsec. (d). Pub. L. 116-92 added subsec. (d).

2008—Subsec. (c). Pub. L. 110-417 inserted “an employee who is deployed in support of a contingency operation (as that term is defined in section 101(a)(13) of title 10) or” after “subsection (b),” and substituted “the date of notification of deployment or” for “the date of the”.

2000—Subsec. (c). Pub. L. 106-398 added subsec. (c).

1978—Subsecs. (a), (b). Pub. L. 95-454 substituted “Office of Personnel Management” for “Civil Service Commission” and “Office” for “Commission”.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 2019 AMENDMENT

Pub. L. 116-92, div. A, title XI, §1110(d), Dec. 20, 2019, 133 Stat. 1600, provided that: “The amendments made by subsection[s] (a) and (b) [amending this section and section 8905 of this title] shall apply to any lapse in appropriations beginning on or after the date of enactment of this Act [Dec. 20, 2019].”

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.

REGULATIONS

Pub. L. 116-92, div. A, title XI, §1110(c), Dec. 20, 2019, 133 Stat. 1600, provided that:

“(1) IN GENERAL.—Not later than 90 days after the date of the enactment of this Act [Dec. 20, 2019], the Office of Personnel Management shall prescribe regulations to carry out the amendments made by subsections (a) and (b) [amending this section and section 8905 of this title].

“(2) PAY STATUS FOR FURLOUGHED EMPLOYEES.—The regulations prescribed under paragraph (1) for the amendments made by subsection (a) [amending section 8905 of this title] shall provide that an employee furloughed as result of a lapse in appropriations shall, during such lapse, be deemed to be in a pay status for purposes of enrolling or changing the enrollment (as the case may be) of that employee under chapter 89 of title 5, United States Code.”

APPLICABILITY

Pub. L. 106-398, §1 [[div. A], title XI, §1134(b)], Oct. 30, 2000, 114 Stat. 1654, 1654A-318, provided that: “For purposes of section 8702(c) of title 5, United States Code (as added by subsection (a)), an employee of the Department of Defense who is designated as an emergency es-

sential employee under section 1580 of title 10, United States Code, before the date of the enactment of this Act [Oct. 30, 2000] shall be deemed to be so designated on the date of the enactment of this Act.”

§ 8703. Benefit certificate

The Office of Personnel Management shall arrange to have each insured employee receive a certificate setting forth the benefits to which he is entitled, to whom the benefits are payable, to whom the claims shall be submitted, and summarizing the provisions of the policy principally affecting him. The certificate is issued instead of the certificate which the insurance company would otherwise be required to issue.

(Pub. L. 89-554, Sept. 6, 1966, 80 Stat. 593; Pub. L. 95-454, title IX, §906(a)(2), Oct. 13, 1978, 92 Stat. 1224.)

HISTORICAL AND REVISION NOTES

<i>Derivation</i>	<i>U.S. Code</i>	<i>Revised Statutes and Statutes at Large</i>
.....	5 U.S.C. 2098.	Aug. 17, 1954, ch. 752, §9, 68 Stat. 742.

The words “each insured employee” are coextensive with and substituted for “each employee insured under such policy”.

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

1978—Pub. L. 95-454 substituted “Office of Personnel Management” for “Civil Service Commission”.

Statutory Notes and Related Subsidiaries

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.

§ 8704. Group insurance; amounts

(a) An employee eligible for insurance is entitled to be insured for an amount of group life insurance equal to—

(1) the employee’s basic insurance amount, multiplied by

(2) the appropriate factor determined on the basis of the employee’s age in accordance with the following schedule:

If the age of the employee is	The appropriate factor is:
35 or under	2.0
36	1.9
37	1.8
38	1.7
39	1.6
40	1.5
41	1.4
42	1.3
43	1.2
44	1.1
45 or over	1.0.

(b) An employee eligible for insurance is entitled to be insured for group accidental death and dismemberment insurance in accordance with

this subsection. Subject to the conditions and limitations approved by the Office of Personnel Management which are contained in the policy purchased by the Office, the group accidental death and dismemberment insurance provides payment as follows:

Loss	Amount payable
For loss of life	Full amount of the employee's basic insurance amount.
Loss of one hand or of one foot or loss of sight of one eye.	One-half the amount of the employee's basic insurance amount.
Loss of two or more such members.	Full amount of the employee's basic insurance amount.

For any one accident the aggregate amount of group accidental death and dismemberment insurance that may be paid may not exceed an amount equal to the employee's basic insurance amount.

(c) The Office shall prescribe regulations providing for the conversion of other than annual rates of pay to annual rates of pay and shall specify the types of pay included in annual pay. For the purpose of this chapter, "annual pay" includes—

(1) premium pay under section 5545(c)(1) of this title; and

(2) with respect to a law enforcement officer as defined in section 8331(20) or 8401(17) of this title, premium pay under section 5545(c)(2) of this title.

(d) In determining the amount of insurance to which an employee is entitled—

(1) a change in rate of pay under subchapter VI of chapter 53 of this title is deemed effective as of the first day of the pay period after the pay period in which the payroll change is approved; and

(2) a change in rate of pay under section 5344 or 5349 of this title is deemed effective as of the date of issuance of the order granting the increase or the effective date of the increase, whichever is later, except, that in the case of an employee who dies or retires during the period beginning on the effective date of the increase and ending on the date of the issuance of the order granting the increase, a change in rate of pay under either of such sections shall be deemed as having been in effect for such employee during that period.

(Pub. L. 89-554, Sept. 6, 1966, 80 Stat. 593; Pub. L. 89-737, §1(3), Nov. 2, 1966, 80 Stat. 1164; Pub. L. 90-206, title IV, §401, Dec. 16, 1967, 81 Stat. 646; Pub. L. 92-392, §11, Aug. 19, 1972, 86 Stat. 575; Pub. L. 95-454, title VIII, §801(a)(3)(E), title IX, §906(a)(2), (3), Oct. 13, 1978, 92 Stat. 1222, 1224; Pub. L. 96-427, §2(b)-(d), Oct. 10, 1980, 94 Stat. 1831, 1832; Pub. L. 100-238, title I, §103(b), Jan. 8, 1988, 101 Stat. 1744.)

HISTORICAL AND REVISION NOTES

Derivation	U.S. Code	Revised Statutes and Statutes at Large
(a)-(c)	5 U.S.C. 2092 (less (d))	Aug. 17, 1954, ch. 752, §3 (less (d)), 68 Stat. 737.
(d)(1)	[Uncodified].	Aug. 23, 1958, Pub. L. 85-737, §3, 72 Stat. 831.
(d)(2)	5 U.S.C. 1183.	Sept. 2, 1958, Pub. L. 85-872, §3, 72 Stat. 1697.

In subsection (a), the words "An employee eligible for insurance is entitled" are coextensive with and substituted for "Each employee to whom this chapter applies shall be eligible".

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

1988—Subsec. (c)(2). Pub. L. 100-238 inserted "or 8401(17)" after "8331(20)".

1980—Subsec. (a). Pub. L. 96-427, §2(b), substituted new formula for group life insurance to be computed by multiplying the basic insurance with a factor to be obtained from the table based on age for provisions calling for group life insurance and an equal amount of death and dismemberment insurance in accordance with a schedule based on the basic pay with special provision for extension by the amount of increase in the annual rates of basic pay for positions at level II of the Executive Schedule under section 5313 of this title. Prior to this amendment, the table was as follows:

If annual pay is—		The amount of group life insurance is—	The amount of group accidental death and dismemberment insurance is—
Greater than—	But not greater than—		
0	\$8,000	\$10,000	\$10,000
\$8,000	9,000	11,000	11,000
9,000	10,000	12,000	12,000
10,000	11,000	13,000	13,000
11,000	12,000	14,000	14,000
12,000	13,000	15,000	15,000
13,000	14,000	16,000	16,000
14,000	15,000	17,000	17,000
15,000	16,000	18,000	18,000
16,000	17,000	19,000	19,000
17,000	18,000	20,000	20,000
18,000	19,000	21,000	21,000
19,000	20,000	22,000	22,000
20,000	21,000	23,000	23,000
21,000	22,000	24,000	24,000
22,000	23,000	25,000	25,000
23,000	24,000	26,000	26,000
24,000	25,000	27,000	27,000
25,000	26,000	28,000	28,000
26,000	27,000	29,000	29,000
27,000	28,000	30,000	30,000
28,000	29,000	31,000	31,000
29,000		32,000	32,000

Subsec. (b). Pub. L. 96-427, §2(c), inserted provision that an employee eligible for insurance is entitled to be insured for group accidental death and dismemberment insurance in accordance with this subsection and substituted reference to employee's basic insurance amount for reference to the amount shown in the schedule in subsec. (a) of this section in four places.

Subsec. (c). Pub. L. 96-427, §2(d), expanded definition of "annual pay" to include premium pay under section 5545(c)(2) of this title with respect to a law enforcement officer as defined in section 8331(20) of this title.

1978—Subsecs. (b), (c). Pub. L. 95-454, §906(a)(2), (3), substituted "Office of Personnel Management" and "Office" for "Civil Service Commission" and "Commission", respectively, wherever appearing.

Subsec. (d)(1). Pub. L. 95-454, §801(a)(3)(E), substituted "subchapter VI of chapter 53" for "section 5337".

1972—Subsec. (d)(2). Pub. L. 92-392 substituted "section 5344 or 5349 of this title" for "section 5343 of this title" and added the exception.

1967—Subsec. (a). Pub. L. 90-206, in material preceding the table, struck out reference to an approximate relationship between the amount of group life insurance and the eligible employee's annual pay and inserted reference to an automatic extension of the schedule correspondingly by the amounts of increases in the annual rate of basic pay for positions at level II of the Executive Schedule under section 5313 of this

title, and raised the insurance coverages for both life and accidental death and dismemberment.

1966—Subsec. (c). Pub. L. 89-737 inserted provision that, for the purpose of this chapter, “annual pay” includes premium pay under section 5545(c)(1) of this title.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100-238 effective Jan. 1, 1987, see section 103(f) of Pub. L. 100-238 set out as a note under section 3307 of this title.

EFFECTIVE DATE OF 1980 AMENDMENT

Amendment by section 2(d) of Pub. L. 96-427 applicable with respect to premium pay payable under section 5545(c)(2) of this title from and after the first day of the first pay period which begins on or after Oct. 10, 1980, see section 10(b) of Pub. L. 96-427, set out as a note under section 8701 of this title.

Pub. L. 96-427, §2(f), Oct. 10, 1980, 94 Stat. 1832, provided that: “Subsections (b) and (c) of this section [amending this section] shall take effect beginning with the first pay period beginning on or after October 1, 1981.”

EFFECTIVE DATE OF 1978 AMENDMENT

Amendment by section 801(a)(3)(E) of Pub. L. 95-454 effective on first day of first applicable pay period beginning on or after 90th day after Oct. 13, 1978, see section 801(a)(4) of Pub. L. 95-454, set out as an Effective Date note under section 5361 of this title.

Amendment by section 906(a)(2), (3) of 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.

EFFECTIVE DATE OF 1972 AMENDMENT

Amendment by Pub. L. 92-392 effective on first day of first applicable pay period beginning on or after 90th day after Aug. 19, 1972, see section 15(a) of Pub. L. 92-392, set out as an Effective Date note under section 5341 of this title.

EFFECTIVE DATE OF 1967 AMENDMENT

Pub. L. 90-206, title IV, §405(a), Dec. 16, 1967, 81 Stat. 648, provided that: “The amendments made by sections 401 to 403, inclusive, of this Act [amending this section and sections 8707 and 8708 of this title] shall take effect on the first day of the first pay period which begins on or after the sixtieth day following the date of enactment [Dec. 16, 1967]. In the case of an employee who dies or retires during the period beginning on the date of enactment of this Act and prior to the effective date prescribed by this subsection, the amount of insurance shall be determined as if the amendments made by section 401 [amending this section] were in effect for such employee during such period.”

EFFECTIVE DATE OF 1966 AMENDMENT

Amendment by Pub. L. 89-737 applicable with respect to premium pay payable from and after first day of first pay period which begins after date of enactment of Pub. L. 89-737, which was approved Nov. 2, 1966, see section 4 of Pub. L. 89-737, set out in the note under section 8114 of this title.

RETROACTIVE EFFECT OF 1967 AMENDMENT

Pub. L. 90-206, title IV, §405(c), Dec. 16, 1967, 81 Stat. 648, provided that: “The amendments made by sections 401 to 404, inclusive, of this Act [enacting section 8714a of this title and amending this section and sections 8707 and 8708 of this title] shall have no effect in the case of an employee who died, was finally separated, or retired prior to the date of enactment [Dec. 16, 1967].”

1967 ADJUSTMENT IN AMOUNT OF INSURANCE

Pub. L. 90-206, title II, §220(b), Dec. 16, 1967, 81 Stat. 639, provided that: “For the purposes of determining

the amount of insurance for which an individual is eligible chapter 87 of title 5, United States Code, relating to group life insurance for Federal employees—

“(1) all changes in rates of pay which result from the enactment of this title [see Short Title Note under section 5332 of this title] except Postal Field Service Schedule II, Rural Carrier Schedule II, and sections 207, 212, 213(d) and (e), 215, 219, and 225) shall be held and considered to become effective as of the date of such enactment [Dec. 16, 1967]; and

“(2) all changes in rates of pay which result from the enactment of section 212 of this title [enacting provisions set out as a note under section 5303 of this title] and which take effect retroactively from the date on which the adjustments thereof are actually ordered under such section, shall be held and considered to become effective on the date on which such adjustments are actually ordered.”

[Section 220(b) of Pub. L. 90-206 effective Dec. 16, 1967, see section 220(a) (1) of Pub. L. 90-206, set out as an Effective Date note under section 3110 of this title.]

§ 8705. Death claims; order of precedence; escheat

(a) Except as provided in subsection (e), the amount of group life insurance and group accidental death insurance in force on an employee at the date of his death shall be paid, on the establishment of a valid claim, to the person or persons surviving at the date of his death, in the following order of precedence:

First, to the beneficiary or beneficiaries designated by the employee in a signed and witnessed writing received before death in the employing office or, if insured because of receipt of annuity or of benefits under subchapter I of chapter 81 of this title as provided by section 8706(b) of this title, in the Office of Personnel Management. For this purpose, a designation, change, or cancellation of beneficiary in a will or other document not so executed and filed has no force or effect.

Second, if there is no designated beneficiary, to the widow or widower of the employee.

Third, if none of the above, to the child or children of the employee and descendants of deceased children by representation.

Fourth, if none of the above, to the parents of the employee or the survivor of them.

Fifth, if none of the above, to the duly appointed executor or administrator of the estate of the employee.

Sixth, if none of the above, to other next of kin of the employee entitled under the laws of the domicile of the employee at the date of his death.

(b) If, within 1 year after the death of the employee, no claim for payment has been filed by a person entitled under the order of precedence named by subsection (a) of this section, or if payment to the person within that period is prohibited by Federal statute or regulation, payment may be made in the order of precedence as if the person had predeceased the employee, and the payment bars recovery by any other person.

(c) If, within 2 years after the death of the employee, no claim for payment has been filed by a person entitled under the order of precedence named by subsection (a) of this section, and neither the Office nor the administrative office established by the company concerned pursuant to section 8709(b) of this title has received notice that such a claim will be made, payment may be

made to the claimant who in the judgment of the Office is equitably entitled thereto, and the payment bars recovery by any other person.

(d) If, within 4 years after the death of the employee, payment has not been made under this section and no claim for payment by a person entitled under this section is pending, the amount payable escheats to the credit of the Employees' Life Insurance Fund.

(e)(1) Any amount which would otherwise be paid to a person determined under the order of precedence named by subsection (a) shall be paid (in whole or in part) by the Office to another person if and to the extent expressly provided for in the terms of any court decree of divorce, annulment, or legal separation, or the terms of any court order or court-approved property settlement agreement incident to any court decree of divorce, annulment, or legal separation.

(2) For purposes of this subsection, a decree, order, or agreement referred to in paragraph (1) shall not be effective unless it is received, before the date of the covered employee's death, by the employing agency or, if the employee has separated from service, by the Office.

(3) A designation under this subsection with respect to any person may not be changed except—

(A) with the written consent of such person, if received as described in paragraph (2); or

(B) by modification of the decree, order, or agreement, as the case may be, if received as described in paragraph (2).

(4) The Office shall prescribe any regulations necessary to carry out this subsection, including regulations for the application of this subsection in the event that two or more decrees, orders, or agreements, are received with respect to the same amount.

(Pub. L. 89-554, Sept. 6, 1966, 80 Stat. 594; Pub. L. 90-83, §1(91), Sept. 11, 1967, 81 Stat. 219; Pub. L. 95-454, title IX, §906(a)(2), (3), Oct. 13, 1978, 92 Stat. 1224; Pub. L. 95-583, §1(b), Nov. 2, 1978, 92 Stat. 2481; Pub. L. 105-205, §1, July 22, 1998, 112 Stat. 683.)

HISTORICAL AND REVISION NOTES 1966 ACT

<i>Derivation</i>	<i>U.S. Code</i>	<i>Revised Statutes and Statutes at Large</i>
.....	5 U.S.C. 2093.	Aug. 17, 1954, ch. 752, §4, 68 Stat. 738. Aug. 28, 1962, Pub. L. 87-611, §1, 76 Stat. 406.

In subsection (c), the words "Employees' Life Insurance Fund" are substituted for "fund created pursuant to section 2094(c) of this title".

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

1967 ACT

<i>Section of title 5</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
8705(a)	5 App.: 2093.	Mar. 23, 1966, Pub. L. 89-373, §1, 80 Stat. 78.

In subsection (a), "Civil Service Commission" is substituted for "Commission" on authority of former 5 U.S.C. 2091(a).

In subsection (c), "Commission" is substituted for "Civil Service Commission" for consistency of style.

The full title of the Commission is set forth the first time it is used in a section.

Editorial Notes

AMENDMENTS

1998—Subsec. (a). Pub. L. 105-205, §1(1), substituted "Except as provided in subsection (e), the" for "The".

Subsec. (e). Pub. L. 105-205, §1(2), added subsec. (e).

1978—Subsec. (a). Pub. L. 95-583 struck out "or (c)" after "section 8706(b)".

Pub. L. 95-454 substituted "Office of Personnel Management" for "Civil Service Commission".

Subsec. (c). Pub. L. 95-454 substituted "Office" for "Commission" wherever appearing.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 1978 AMENDMENTS

Amendment by Pub. L. 95-583 effective Nov. 2, 1978, see section 3 of Pub. L. 95-583, set out as a note under section 8706 of this title.

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.

§ 8706. Termination of insurance; assignment of ownership

(a) A policy purchased under this chapter shall contain a provision, approved by the Office of Personnel Management, to the effect that insurance on an employee stops on his separation from the service or 12 months after discontinuance of his pay, whichever is earlier, subject to a provision for temporary extension of life insurance coverage and for conversion to an individual policy of life insurance under conditions approved by the Office. Justices and judges of the United States described in section 8701(a)(5)(ii) and (iii) of this chapter are deemed to continue in active employment for purposes of this chapter.

(b)(1) In the case of any employee who retires on an immediate annuity and has been insured under this chapter throughout—

(A) the 5 years of service immediately preceding the date of the employee's retirement, or

(B) the full period or periods of service during which the employee was entitled to be insured, if fewer than 5 years,

life insurance, without accidental death and dismemberment insurance, may be continued, under conditions determined by the Office.

(2) In the case of any employee who becomes entitled to receive compensation under subchapter I of chapter 81 of this title because of disease or injury to the employee and has been insured under this chapter throughout—

(A) the 5 years of service immediately preceding the date the employee becomes entitled to compensation, or

(B) the full period or periods of service during which the employee was entitled to be insured, if fewer than 5 years,

life insurance, without accidental death and dismemberment insurance, may be continued, under conditions determined by the Office, during the period the employee is receiving compensation and is held by the Secretary of Labor or the Secretary's delegate to be unable to return to duty.

(3) The amount of life insurance continued under paragraph (1) or (2) of this subsection shall be continued, with or without reduction, at the end of each full calendar month after the date the employee becomes 65 years of age and is retired or is receiving compensation for disease or injury, in accordance with the employee's written election at the time eligibility to continue insurance during retirement or receipt of compensation arises, as follows:

(A) the employee may elect to have the deductions required by section 8707 of this title withheld from annuity or compensation, and the employee's life insurance shall be reduced each month by 2 percent of the face value until 25 percent of the amount of life insurance in force before the first reduction remains; or

(B) in addition to any deductions which would be required if the insurance were continued as provided under subparagraph (A) of this paragraph, the employee may elect continuous withholdings from annuity or compensation in amounts determined by the Office, and the employee's life insurance coverage shall be either continued without reduction or reduced each month by no more than 1 percent of its face value until no less than 50 percent of the amount of insurance in force before the first reduction remains.

(4) If an employee elects to continue insurance under subparagraph (B) of paragraph (3) of this subsection at the time eligibility to continue insurance during retirement or receipt of compensation for disease or injury arises, the individual may later cancel that election and life insurance coverage shall continue as if the individual had originally elected coverage under subparagraph (A) of paragraph (3) of this subsection.

(c) Notwithstanding subsections (a) and (b) of this section, an employee who enters on approved leave without pay to serve as a full-time officer or employee of an organization composed primarily of employees as defined by section 8701(a) of this title, within 60 days after entering on that leave without pay, may elect to continue his insurance and arrange to pay currently into the Employees' Life Insurance Fund, through his employing agency, both employee and agency contributions from the beginning of leave without pay. The employing agency shall forward the premium payments to the Fund. If the employee does not so elect, his insurance will continue during nonpay status and stop as provided by subsection (a) of this section.

(d)(1) An employee who enters on approved leave without pay in the circumstances described in paragraph (2) may elect to have such employee's life insurance continue (beyond the end of the 12 months of coverage provided for under subsection (a)) for an additional 12 months and arrange to pay currently into the Employees' Life Insurance Fund, through such employee's employing agency, both employee and agency contributions, from the beginning of that additional 12 months of coverage. The employing agency shall forward the premium payments to the Fund. If the employee does not so elect, such employee's insurance will continue during nonpay status and stop as provided by

subsection (a). An individual making an election under this subsection may cancel that election at any time, in which case such employee's insurance will stop as provided by subsection (a) or upon receipt of notice of cancellation, whichever is later.

(2) This subsection applies in the case of any employee who—

(A) is a member of a reserve component of the armed forces called or ordered to active duty under a call or order that does not specify a period of 30 days or less; and

(B) enters on approved leave without pay to perform active duty pursuant to such call or order.

(e) If the insurance of an employee stops because of separation from the service or suspension without pay, and the separation or suspension is thereafter officially found to have been erroneous, the employee is deemed to have been insured during the period of erroneous separation or suspension. Deductions otherwise required by section 8707 of this chapter shall not be withheld from any backpay awarded for the period of separation or suspension unless death or accidental dismemberment of the employee occurs during such period.

(f)(1) Under regulations prescribed by the Office, each policy purchased under this chapter shall provide that an insured employee or former employee may make an irrevocable assignment of the employee's or former employee's incidents of ownership in the policy.

(2) A court decree of divorce, annulment, or legal separation, or the terms of a court-approved property settlement agreement incident to any court decree of divorce, annulment, or legal separation, may direct that an insured employee or former employee make an irrevocable assignment of the employee's or former employee's incidents of ownership in insurance under this chapter (if there is no previous assignment) to the person specified in the court order or court-approved property settlement agreement.

(g) If the insurance of a former employee receiving a disability annuity under section 8337 of this title stops because of the termination of such annuity, and such annuity is thereafter restored under the second or third sentence of subsection (e) of such section, such former employee may, under regulations prescribed by the Office, elect to resume the insurance coverage which was so stopped.

(h) The insurance of an employee under a policy purchased under section 8709 shall not be invalidated based on a finding that the employee erroneously became insured, or erroneously continued insurance upon retirement or entitlement to compensation under subchapter I of chapter 81 of this title, if such finding occurs after the erroneous insurance and applicable withholdings have been in force for 2 years during the employee's lifetime.

(Pub. L. 89-554, Sept. 6, 1966, 80 Stat. 595; Pub. L. 90-83, §1(92), Sept. 11, 1967, 81 Stat. 219; Pub. L. 92-529, Oct. 21, 1972, 86 Stat. 1050; Pub. L. 95-454, title IX, §906(a)(2), (3), Oct. 13, 1978, 92 Stat. 1224; Pub. L. 95-583, §1(a), Nov. 2, 1978, 92 Stat. 2481; Pub. L. 96-427, §3(a), Oct. 10, 1980, 94 Stat. 1832; Pub. L. 98-353, title II, §§206, 208, July 10, 1984, 98

Stat. 351, as amended by Pub. L. 99-336, §7(1), June 19, 1986, 100 Stat. 639; Pub. L. 99-53, §3(b), June 17, 1985, 99 Stat. 95; Pub. L. 99-335, title II, §207(k)(2), June 6, 1986, 100 Stat. 597; Pub. L. 99-336, §7(1), June 19, 1986, 100 Stat. 639; Pub. L. 102-378, §2(74), Oct. 2, 1992, 106 Stat. 1355; Pub. L. 103-336, §4, Oct. 3, 1994, 108 Stat. 2662; Pub. L. 105-205, §2, July 22, 1998, 112 Stat. 683; Pub. L. 105-311, §5, Oct. 30, 1998, 112 Stat. 2951; Pub. L. 110-181, div. A, title XI, §1102, Jan. 28, 2008, 122 Stat. 345.)

HISTORICAL AND REVISION NOTES
1966 ACT

<i>Derivation</i>	<i>U.S. Code</i>	<i>Revised Statutes and Statutes at Large</i>
(a)-(c)	5 U.S.C. 2095.	Aug. 17, 1954, ch. 752, §6, 68 Stat. 739. Aug. 11, 1955, ch. 794, §2(a), 69 Stat. 677. May 28, 1956, ch. 328, §1, 70 Stat. 213. Sept. 23, 1959, Pub. L. 86-377, §4(c), 73 Stat. 701.
(d)	5 U.S.C. 2091(c).	Aug. 1, 1956, ch. 837, §501(c)(1) (less applicability to §2(b)), 70 Stat. 882.

In subsection (b), the words “armed forces” are coextensive with and substituted for “Army, Navy, Air Force, and Marine Corps, or Coast Guard of the United States” in view of the definition of “armed forces” in section 2101.

In subsection (c), the word “only” is supplied for clarity and for consistency with subsection (b). The words “under conditions determined by the Commission, without cost to him” are coextensive with and substituted for “as provided in subsection (b) of this section”.

In subsection (d), the first sentence of former section 2091(c) is omitted as unnecessary as the definition of “employee” in section 8701 precludes acquisition of coverage by a member of a uniformed service. The words “section 101 of title 38” are substituted for “section 1101 of title 38” on authority of section 5(a) of the Act of Sept. 2, 1958, Pub. L. 85-857, 72 Stat. 1262.

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

1967 ACT

<i>Section of title 5</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
8706(e)	5 App.: 2095(d).	July 18, 1966, Pub. L. 89-504, §406(a), 80 Stat. 298.

The words “subsections (a)-(c) of this section” are substituted for “the foregoing” to reflect the codification of former 5 U.S.C. 2095. The word “officer” is omitted as included in “employee.” The words “as defined by section 8701(a) of this title” are substituted for “as defined in section 2 of the Act” to reflect the codification of that section in 5 U.S.C. 8701(a). The words “Employees’ Life Insurance Fund” and “Fund” are substituted for “fund” and “fund established by section 5 of this Act”, respectively.

Editorial Notes

AMENDMENTS

2008—Subsecs. (d) to (h). Pub. L. 110-181 added subsec. (d) and redesignated former subsecs. (d) to (g) as (e) to (h), respectively.

1998—Subsec. (e). Pub. L. 105-205 designated existing provisions as par. (1) and added par. (2).

Subsec. (g). Pub. L. 105-311 added subsec. (g).

1994—Subsec. (e). Pub. L. 103-336 substituted “employee or former employee” for “Federal judge”, “employee’s or former employee’s” for “judge’s”, and “purchased” for “purchase”.

1992—Subsecs. (f), (g). Pub. L. 102-378 redesignated subsec. (g) as (f).

1986—Subsec. (a). Pub. L. 98-353, §206, as amended generally by Pub. L. 99-336, §7(1), inserted sentence which deemed justices and judges described in section 8701(a)(5)(ii) and (iii) of this chapter to continue in active employment for purposes of this chapter.

Subsecs. (c) to (f). Pub. L. 99-335 struck out subsec. (c) and redesignated subsecs. (d) to (f) as (c) to (e), respectively. Former subsec. (c) provided that insurance granted an employee stops, except for a 31-day extension of life insurance coverage, on the day immediately before his entry on active duty or active duty for training unless the period is covered by military leave with pay but does not stop during a period of inactive duty training and defined “active duty”, “active duty for training”, and “inactive duty training” as having the meanings given them by section 101 of title 38.

1985—Subsec. (g). Pub. L. 99-53 added subsec. (g).

1984—Pub. L. 98-353, §208(b), inserted “; assignment of ownership” in section catchline.

Subsec. (f). Pub. L. 98-353, §208(a), added subsec. (f).

1980—Subsec. (b). Pub. L. 96-427 added subsec. (b) and struck out former subsec. (b) which read as follows:

“(1) If on the date the insurance would otherwise stop the employee retires on an immediate annuity and has been insured under this chapter throughout—

“(A) the 5 years of service immediately preceding such date, or

“(B) the full period or periods of service during which the employee was entitled to be insured, if less than 5 years,

life insurance only may be continued, without cost to the employee, under conditions determined by the Office.

“(2) If on the date the insurance would otherwise stop the employee is receiving compensation under subchapter I of chapter 81 of this title because of disease or injury to the employee and has been insured under this chapter throughout—

“(A) the 5 years of service immediately preceding such date, or

“(B) the full period or periods of service during which the employee was entitled to be insured, if less than 5 years,

life insurance only may be continued, without cost to the employee, under conditions determined by the Office, during the period the employee is receiving compensation for work injuries and is held by the Secretary of Labor or his delegate to be unable to return to duty.

“(3) The amount of life insurance continued under paragraph (1) or paragraph (2) of this subsection shall be reduced by 2 percent at the end of each full calendar month after the date the employee becomes 65 years of age and is retired or is receiving such compensation for disease or injury. The Office shall prescribe minimum amounts, not less than 25 percent of the amount of life insurance in force before the first reduction, to which the insurance may be reduced.”

1978—Subsec. (a). Pub. L. 95-454 substituted “Office of Personnel Management” and “Office” for “Civil Service Commission” and “Commission”, respectively.

Subsec. (b). Pub. L. 95-583, §1(a)(1), added subsec. (b) and struck out former subsec. (b) which read as follows: “If on the date the insurance would otherwise stop the employee retires on an immediate annuity and—

“(1) his retirement is for disability; or

“(2) he has completed 12 years of creditable service as determined by the Commission;

his life insurance only may be continued, without cost to him, under conditions determined by the Commission. Periods of honorable, active service in the armed forces shall be credited toward the required 12 years if the employee has completed at least 5 years of civilian

service. The amount of life insurance continued under this subsection shall be reduced by 2 percent at the end of each full calendar month after the date the employee becomes 65 years of age or retires, whichever is later. The Commission may prescribe minimum amounts, not less than 25 percent of the amount of life insurance in force before the first reduction, to which the insurance may be reduced."

Pub. L. 95-454, which substituted "Office" for "Commission", was executed to text of subsec. (b) as amended by Pub. L. 95-583. See Effective Date of 1978 Amendments note below.

Subsec. (c). Pub. L. 95-583, §1(a)(1), (2), struck out "If on the date the insurance would otherwise stop the employee is receiving benefits under subchapter I of chapter 81 of this title because of disease or injury to himself, his life insurance only may be continued, without cost to him, under conditions determined by the Commission while he is receiving the benefits and is held by the Department of Labor to be unable to return to duty." and redesignated subsec. (d) as (c).

Subsec. (d). Pub. L. 95-583, §1(a)(2), (3), redesignated subsec. (e) as (d) and substituted reference to "subsections (a) and (b) of this section" for "subsections (a)-(c) of this section". Former subsec. (d) redesignated (c).

Subsecs. (e), (f). Pub. L. 95-583, §1(a)(2), redesignated subsecs. (e) and (f) as (d) and (e), respectively.

1972—Subsec. (f). Pub. L. 92-529 added subsec. (f).

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 1998 AMENDMENT

Amendment by Pub. L. 105-311 effective in any case in which a finding of erroneous insurance coverage is made on or after Oct. 30, 1998, see section 11(c) of Pub. L. 105-311, set out as a note under section 8701 of this title.

EFFECTIVE DATE OF 1986 AMENDMENTS

Pub. L. 98-353, title II, §207, July 10, 1984, 98 Stat. 351, as amended generally by Pub. L. 99-336, §7(2), provided that: "The amendments to chapter 87 of title 5, United States Code, made by section 206 of this Act [which, as amended generally by Pub. L. 99-336, §7(1), amended this section and sections 8714a to 8714c of this title] shall apply in the case of any justice or judge who is retired under section 371(a) or 371(b) or 372(a) of title 28, United States Code. The amendments apply to those who retire on or after January 1, 1982."

Amendment by Pub. L. 99-335 effective Jan. 1, 1987, see section 702(a) of Pub. L. 99-335, set out as an Effective Date note under section 8401 of this title.

EFFECTIVE DATE OF 1984 AMENDMENT

Pub. L. 98-353, title II, §209, July 10, 1984, 98 Stat. 351, provided that:

"(a) Except as provided in subsection (b), the amendments made by this Act to section 8706 of title 5, United States Code, shall apply to policies purchased by judges after the date of enactment of this Act [July 10, 1984].

"(b) If a company which issued a policy which is in effect on the date of the enactment of this Act agrees, the amendments made by this Act [probably should be 'made by this Act to section 8706 of title 5'] shall apply to such policy."

EFFECTIVE DATE OF 1980 AMENDMENT

Amendment by Pub. L. 96-427 applicable only in case of an employee who retires or becomes entitled to receive compensation for work injury on or after 180th day following Oct. 10, 1980, or any earlier date that Office of Personnel Management may prescribe which is at least 60 days after Oct. 10, 1980, see section 10(c) of Pub. L. 96-427, set out as a note under section 8701 of this title.

EFFECTIVE DATE OF 1978 AMENDMENTS

Pub. L. 95-583, §3, Nov. 2, 1978, 92 Stat. 2482, provided that: "The amendments made by this Act [amending

this section and sections 8705, 8714a, and 8901 of this title] shall take effect on the date of the enactment of this Act [Nov. 2, 1978]."

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.

INSURANCE COVERAGE FOR RESTORED DISABILITY ANNUITANTS

Pub. L. 99-53, §3(c), June 17, 1985, 99 Stat. 95, provided that:

"(1) The amendments made by this section [amending this section and section 8908 of this title] shall apply with respect to any individual whose disability annuity is or was restored under section 8337(e) of title 5, United States Code, after December 31, 1983.

"(2)(A) The Office of Personnel Management shall notify each individual under subparagraph (B) of any rights which such individual may have under section 8706(g) or section 8908(c) of title 5, United States Code, as amended by this section, including any procedures or deadlines which may apply with respect to the exercise of those rights.

"(B) Notification under this paragraph shall be provided to any individual who, as of the 90th day after the date of enactment of this Act [June 17, 1985], is receiving a disability annuity which was restored to such individual under section 8337(e) of title 5, United States Code, after December 31, 1983.

"(3)(A) Nothing in this section shall be construed to authorize—

"(i) coverage under chapter 87 of title 5, United States Code, in the case of any individual who makes an election under section 8706(g) of such title (as amended by this Act), for any period before the date of such election; or

"(ii) coverage under chapter 89 of title 5, United States Code, in the case of any individual who becomes enrolled in a health benefits plan under section 8908(c) of such title (as amended by this Act), for any period before the date as of which such individual becomes so enrolled.

"(B) This paragraph applies with respect to any individual receiving a disability annuity which is or was restored under section 8337(e) of title 5, United States Code, after December 31, 1983, and before the expiration of the 90-day period beginning on the date of enactment of this Act [June 17, 1985]."

ELECTION OF LIFE INSURANCE OR HEALTH BENEFITS DURING PERIOD OF SERVICE AS OFFICER OR EMPLOYEE OF AN EMPLOYEE ORGANIZATION; CONTRIBUTIONS INTO EMPLOYEES LIFE INSURANCE FUND OR EMPLOYEES HEALTH BENEFITS FUND, NON-ELECTION; REGULATIONS

Pub. L. 89-504, title IV, §406(c), July 18, 1966, 80 Stat. 298, provided that: "An officer or employee who is on approved leave without pay and serving as a full-time officer or employee of an organization composed primarily of employees, as defined in section 2 of the Federal Employees' Group Life Insurance Act of 1954, as amended (5 U.S.C. 2091) [section 8701 of this title] or section 2 of the Federal Employees Health Benefits Act of 1959, as amended (5 U.S.C. 3001) [section 8901 of this title] as the case may be, may, within sixty days after the date of enactment of this Act [July 18, 1966], file with his employing agency an election (1) to continue any insurance status or health benefits enrollment, or both, that he has on the date of enactment of this Act [July 18, 1966], (2) to reacquire any insurance status or health benefits enrollment, or both, which he may have lost while on leave without pay, or (3) to acquire as insured status or enroll in a health benefits plan, or both, if he was never previously eligible to do so, by arranging to pay currently and continuously into the employees' life insurance fund and the employees' health benefits fund, as appropriate, through his employing agency, both employee and agency contributions. The employing agency shall forward such payments to the em-

employees' life insurance fund and the employees' health benefits fund, as appropriate. If he does not so elect, his insurance status and health benefits enrollment will continue and terminate as for other employees in non-pay status, or he will remain ineligible for insurance and health benefits, as the case may be, as though this paragraph had not been enacted. The United States Civil Service Commission is authorized to issue regulations to carry out the purposes of this paragraph."

[Provision effective July 18, 1966, see section 410(1) of Pub. L. 89-504.]

§ 8707. Employee deductions; withholding

(a) Subject to subsection (c)(2), during each period in which an employee is insured under a policy purchased by the Office of Personnel Management under section 8709 of this title, there shall be withheld from the employee's pay a share of the cost of the group life insurance and accidental death and dismemberment insurance.

(b)(1) Subject to subsection (c)(2), whenever life insurance continues after an employee retires on an immediate annuity or while the employee is receiving compensation under subchapter I of chapter 81 of this title because of disease or injury to the employee, as provided in section 8706(b) of this title, deductions for insurance shall be withheld from the employee's annuity or compensation, except that, in any case in which the insurance is continued as provided in section 8706(b)(3)(A) of this title, the deductions shall not be made for months after the calendar month in which the employee becomes 65 years of age.

(2) Notwithstanding paragraph (1) of this subsection, insurance shall be so continued without cost (other than as provided under section 8706(b)(3)(B)) to each employee who so retires, or commences receiving compensation, on or before December 31, 1989.

(c)(1) The amount withheld from the pay, annuity, or compensation of each employee subject to insurance deductions shall be at the rate, adjusted to the nearest half-cent, of 66⅔ percent of the level cost as determined by the Office for each \$1,000 of the employee's basic insurance amount.

(2) An employee who is subject to withholdings under this section and whose pay, annuity, or compensation is insufficient to cover such withholdings may nevertheless continue insurance if the employee arranges to pay currently into the Employees' Life Insurance Fund, through the agency or retirement system that administers pay, annuity, or compensation, an amount equal to the withholdings that would otherwise be required under this section.

(d) If an agency fails to withhold the proper amount of life insurance deductions from an individual's salary, compensation, or retirement annuity, the collection of unpaid deductions may be waived by the agency if, in the judgment of the agency, the individual is without fault and recovery would be against equity and good conscience. However, if the agency so waives the collection of unpaid deductions, the agency shall submit an amount equal to the sum of the uncollected deductions and related agency contributions required under section 8708 of this title to the Office for deposit to the Employees' Life Insurance Fund.

(Pub. L. 89-554, Sept. 6, 1966, 80 Stat. 595; Pub. L. 90-206, title IV, § 402, Dec. 16, 1967, 81 Stat. 647; Pub. L. 95-454, title IX, § 906(a)(2), (3), Oct. 13, 1978, 92 Stat. 1224; Pub. L. 96-427, § 4(a), Oct. 10, 1980, 94 Stat. 1833; Pub. L. 105-311, § 6(1), Oct. 30, 1998, 112 Stat. 2951.)

HISTORICAL AND REVISION NOTES

<i>Derivation</i>	<i>U.S. Code</i>	<i>Revised Statutes and Statutes at Large</i>
.....	5 U.S.C. 2094(a) (1st par.).	Aug. 17, 1954, ch. 752, § 5(a) (1st par.), 68 Stat. 738. Sept. 23, 1959, Pub. L. 86-377, § 4(b), 73 Stat. 701.

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

1998—Subsec. (a). Pub. L. 105-311, § 6(1)(A), substituted "Subject to subsection (c)(2), during" for "During".

Subsec. (b)(1). Pub. L. 105-311, § 6(1)(B), substituted "Subject to subsection (c)(2), whenever" for "Whenever".

Subsec. (c). Pub. L. 105-311, § 6(1)(C), designated existing provisions as par. (1) and added par. (2).

1980—Subsec. (a). Pub. L. 96-427 designated first sentence of existing section as subsec. (a) and substituted "a policy purchased" for "a policy of insurance purchased" and "the employee's pay a share of the cost" for "the pay of the employee his share of the cost".

Subsec. (b). Pub. L. 96-427 added subsec. (b).

Subsec. (c). Pub. L. 96-427 designated second sentence of existing section as subsec. (c) and inserted reference to pay, annuity, or compensation of each employee.

Subsec. (d). Pub. L. 96-427 added subsec. (d).

1978—Pub. L. 95-454 substituted "Office of Personnel Management" and "Office" for "Civil Service Commission" and "Commission", respectively.

1967—Pub. L. 90-206 struck out reference to the Civil Service Commission's function of determining the amount to be withheld for group insurance and substituted provisions setting a rate of 66⅔ percent of the level cost of each \$1,000 of insurance as determined by the Commission for provisions setting a limit of 25 cents biweekly for each \$1,000 of group life insurance and directing the withholding of the amount from employees paid on other than a biweekly basis at a proportional rate adjusted to the nearest cent.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 1998 AMENDMENT

Amendment by Pub. L. 105-311 effective on the first day of the first applicable pay period beginning on or after Oct. 30, 1998, see section 11(d) of Pub. L. 105-311, set out as a note under section 8701 of this title.

EFFECTIVE DATE OF 1980 AMENDMENT

Amendment by Pub. L. 96-427 effective Oct. 10, 1980, with the amendment to have no effect in case of an employee who died, was separated, or retired before Oct. 10, 1980, see section 10(a) of Pub. L. 96-427, set out as a note under section 8701 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.

EFFECTIVE DATE OF 1967 AMENDMENT

Amendment by Pub. L. 90-206 effective on first day of first pay period which begins on or after sixtieth day following Dec. 16, 1967, see section 405(a) of Pub. L. 90-206, set out as a note under section 8704 of this title.

RETROACTIVE EFFECT OF 1967 AMENDMENT

Amendment by Pub. L. 90-206 to have no effect in case of an employee who died, was finally separated, or retired prior to Dec. 16, 1967, see section 405(c) of Pub. L. 90-206, set out as a note under section 8704 of this title.

§ 8708. Government contributions

(a) For each period in which an employee is insured under a policy of insurance purchased by the Office of Personnel Management under section 8709 of this title, a sum equal to one-half the amount which is withheld from the pay of the employee under section 8707 of this title shall be contributed from the appropriation or fund which is used to pay him.

(b) When an employee is paid by the Chief Administrative Officer of the House of Representatives, the Chief Administrative Officer may contribute the sum required by subsection (a) of this section from the applicable accounts of the House of Representatives.

(c) When the employee is an elected official, the sum required by subsection (a) of this section is contributed from an appropriation or fund available for payment of other salaries of the same office or establishment.

(d)(1) Except as otherwise provided in this subsection, for each period in which an employee continues life insurance after retirement or while in receipt of compensation under subchapter I of chapter 81 of this title because of disease or injury to the employee, as provided under section 8706(b) of this title, a sum equal to one-half of the amount which is withheld from the employee's annuity or compensation under section 8707 of this title shall be contributed by the Office from annual appropriations which are authorized to be made for that purpose and which may be made available until expended.

(2) Contributions under this subsection—

(A) shall not be made other than with respect to individuals who retire, or commence receiving compensation, after December 31, 1989;

(B) shall not be made with respect to any individual for months after the calendar month in which such individual becomes 65 years of age; and

(C) shall, in the case of any individual who elects coverage under subparagraph (B) of section 8706(b)(3) of this title, be equal to the amount which would apply under this subsection if such individual had instead elected coverage under subparagraph (A) of such section.

(3) The United States Postal Service shall pay the contributions required under this subsection with respect to any individual who—

(A) first becomes an annuitant by reason of retirement from employment with the United States Postal Service after December 31, 1989; or

(B) commences receiving compensation under subchapter I of chapter 81 of this title (because of disease or injury to the individual) after December 31, 1989, if the position last held by the individual before commencing to receive such compensation was within the United States Postal Service.

(Pub. L. 89-554, Sept. 6, 1966, 80 Stat. 595; Pub. L. 90-206, title IV, §403, Dec. 16, 1967, 81 Stat. 647; Pub. L. 95-454, title IX, §906(a)(2), Oct. 13, 1978, 92 Stat. 1224; Pub. L. 101-303, §2, May 29, 1990, 104 Stat. 250; Pub. L. 104-186, title II, §215(18), Aug. 20, 1996, 110 Stat. 1746.)

HISTORICAL AND REVISION NOTES

<i>Derivation</i>	<i>U.S. Code</i>	<i>Revised Statutes and Statutes at Large</i>
(a), (c)	5 U.S.C. 2094(b).	Aug. 17, 1954, ch. 752, §5(b), 68 Stat. 738.
(b)	2 U.S.C. 128.	Aug. 5, 1955, ch. 568, §101 (4th par. under "Administrative Provisions"), 69 Stat. 513.

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

1996—Subsec. (b). Pub. L. 104-186 substituted "Chief Administrative Officer of the House of Representatives, the Chief Administrative Officer may contribute the sum required by subsection (a) of this section from the applicable accounts of the House of Representatives." for "Clerk of the House of Representatives, the Clerk may contribute the sum required by subsection (a) of this section from the contingent fund of the House."

1990—Subsec. (d). Pub. L. 101-303 added subsec. (d).

1978—Subsec. (a). Pub. L. 95-454 substituted "Office of Personnel Management" for "Civil Service Commission".

1967—Subsec. (a). Pub. L. 90-206 substituted provisions setting the sum to be withheld at one-half the amount withheld from the pay of the employee under section 8707 of this title for provisions setting the sum to be withheld at a rate to be determined by the Commission not to exceed one-half of the amount withheld under section 8707 of this title.

Statutory Notes and Related Subsidiaries

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.

EFFECTIVE DATE OF 1967 AMENDMENT

Amendment by Pub. L. 90-206 effective on first day of first pay period which begins on or after sixtieth day following December 16, 1967, see section 405(a) of Pub. L. 90-206, set out as a note under section 8704 of this title.

RETROACTIVE EFFECT OF 1967 AMENDMENT

Amendment by Pub. L. 90-206 to have no effect in case of an employee who died, was finally separated, or retired prior to Dec. 16, 1967, see section 405(c) of Pub. L. 90-206, set out as a note under section 8704 of this title.

§ 8709. Insurance policies

(a) The Office of Personnel Management, without regard to section 6101(b) to (d) of title 41, may purchase from one or more life insurance companies a policy or policies of group life and accidental death and dismemberment insurance to provide the benefits specified by this chapter. A company must meet the following requirements:

(1) It must be licensed to transact life and accidental death and dismemberment insur-

ance under the laws of 48 of the States and the District of Columbia.

(2) It must have in effect, on the most recent December 31 for which information is available to the Office, an amount of employee group life insurance equal to at least 1 percent of the total amount of employee group life insurance in the United States in all life insurance companies.

(b) A company issuing a policy under subsection (a) of this section shall establish an administrative office under a name approved by the Office.

(c) The Office at any time may discontinue a policy purchased from a company under subsection (a) of this section.

(d)(1) The provisions of any contract under this chapter which relate to the nature or extent of coverage or benefits (including payments with respect to benefits) shall supersede and preempt any law of any State or political subdivision thereof, or any regulation issued thereunder, which relates to group life insurance to the extent that the law or regulation is inconsistent with the contractual provisions.

(2) For the purpose of this section, “State” means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and a territory or possession of the United States.

(Pub. L. 89-554, Sept. 6, 1966, 80 Stat. 596; Pub. L. 95-454, title IX, §906(a)(2), (3), Oct. 13, 1978, 92 Stat. 1224; Pub. L. 96-427, §5(a), Oct. 10, 1980, 94 Stat. 1834; Pub. L. 111-350, §5(a)(11), Jan. 4, 2011, 124 Stat. 3841.)

HISTORICAL AND REVISION NOTES

<i>Derivation</i>	<i>U.S. Code</i>	<i>Revised Statutes and Statutes at Large</i>
.....	5 U.S.C. 2096 (less (c)-(e)).	Aug. 17, 1954, ch. 752, §7 (less (c)-(e)), 68 Stat. 739.

In subsection (a), the words “as determined by it” are omitted as unnecessary.

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

2011—Subsec. (a). Pub. L. 111-350 substituted “section 6101(b) to (d) of title 41” for “section 5 of title 41” in introductory provisions.

1980—Subsec. (d). Pub. L. 96-427 added subsec. (d).

1978—Subsecs. (a) to (c). Pub. L. 95-454 substituted “Office of Personnel Management” and “Office” for “Civil Service Commission” and “Commission”, respectively, wherever appearing.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 1980 AMENDMENT

Amendment by Pub. L. 96-427 effective Oct. 10, 1980, with the amendment to have no effect in case of an employee who died, was separated, or retired before Oct. 10, 1980, see section 10(a) of Pub. L. 96-427, set out as a note under section 8701 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.

§ 8710. Reinsurance

(a) The Office of Personnel Management shall arrange with a company issuing a policy under this chapter for the reinsurance, under conditions approved by the Office, of portions of the total amount of insurance under the policy, determined under this section, with other life insurance companies which elect to participate in the reinsurance.

(b) The Office shall determine for and in advance of a policy year which companies are eligible to participate as reinsurers and the amount of insurance under a policy which is to be allocated to the issuing company and to reinsurers. The Office shall make this determination at least every 3 years and when a participating company withdraws.

(c) The Office shall establish a formula under which the amount of insurance retained by an issuing company after ceding reinsurance, and the amount of reinsurance ceded to each reinsurer, is in proportion to the total amount of each company's group life insurance, excluding insurance purchased under this chapter, in force in the United States on the determination date, which is the most recent December 31 for which information is available to the Office. In determining the proportions, the portion of a company's group life insurance in force on the determination date in excess of \$100,000,000 shall be reduced by—

(1) 25 percent of the first \$100,000,000 of the excess;

(2) 50 percent of the second \$100,000,000 of the excess;

(3) 75 percent of the third \$100,000,000 of the excess; and

(4) 95 percent of the remaining excess.

However, the amount retained by or ceded to a company may not exceed 25 percent of the amount of the company's total life insurance in force in the United States on the determination date.

(d) A fraternal benefit association which is—

(1) licensed to transact life insurance under the laws of a State or the District of Columbia; and

(2) engaged in issuing insurance certificates on the lives of employees of the United States exclusively;

is eligible to act as a reinsuring company and may be allocated an amount of reinsurance equal to 25 percent of its total life insurance in force on employees of the United States on the determination date named by subsection (c) of this section.

(e) An issuing company or reinsurer is entitled, as a minimum, to be allocated an amount of insurance under the policy equal to any reduction from December 31, 1953, to the determination date, in the amount of the company's group life insurance under policies issued to associations of employees of the United States. However, any increase under this subsection in the amount allocated is reduced by the amount in force on the determination date of any policy covering life insurance agreements assumed by the Office.

(f) The Office may modify the computations under this section as necessary to carry out the intent of this section.

(Pub. L. 89-554, Sept. 6, 1966, 80 Stat. 596; Pub. L. 95-454, title IX, §906(a)(2), (3), Oct. 13, 1978, 92 Stat. 1224.)

HISTORICAL AND REVISION NOTES

<i>Derivation</i>	<i>U.S. Code</i>	<i>Revised Statutes and Statutes at Large</i>
.....	5 U.S.C. 2096(c)-(e).	Aug. 17, 1954, ch. 752, §7(c)-(e), 68 Stat. 739. Aug. 11, 1955, ch. 794, §3, 69 Stat. 677.

The section is reorganized to clarify the steps in the computation of the insurance allocable to issuing and reinsuring companies.

In subsections (c) and (d), references to the first determination date, December 31, 1953, are omitted as executed.

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

1978—Subsecs. (a) to (c), (e), (f). Pub. L. 95-454 substituted “Office of Personnel Management” and “Office” for “Civil Service Commission” and “Commission”, respectively, wherever appearing.

Statutory Notes and Related Subsidiaries

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.

§ 8711. Basic tables of premium rates

(a) A policy purchased under this chapter shall include, for the first policy year, basic tables of premium rates as follows:

(1) For group life insurance, a schedule of basic premium rates by age which the Office of Personnel Management determines to be consistent with the lowest schedule of basic premium rates generally charged for new group life insurance policies issued to large employers.

(2) For group accidental death and dismemberment insurance, a basic premium rate which the Office determines is consistent with the lowest rate generally charged for new group accidental death and dismemberment policies issued to large employers.

The schedule for group life insurance, except as otherwise provided by this section, shall be applied to the distribution by age of the amounts of group life insurance under the policy at its date of issuance to determine an average basic premium rate per \$1,000 of life insurance.

(b) The policy shall provide that the basic premium rates determined for the first policy year continue for later policy years except as readjusted for a later year based on experience under the policy. The company issuing the policy may make the readjustment on a basis that the Office determines in advance of the policy year is consistent with the general practice of life insurance companies under policies of group life and group accidental death and dismemberment insurance issued to large employers.

(c) The policy shall provide that if the Office determines that ascertaining the actual age dis-

tribution of the amounts of group life insurance in force at the date of issue of the policy or at the end of the first or any later year of insurance thereunder would not be possible except at a disproportionately high expense, the Office may approve the determination of a tentative average group life premium rate, for the first or any later policy year, instead of using the actual age distribution. The Office, on request by the company issuing the policy, shall redetermine the tentative average premium rate during any policy year, if experience indicates that the assumptions made in determining that rate were incorrect for that year.

(d) The policy shall stipulate the maximum expense and risk charges for the first policy year. The Office shall determine these charges on a basis consistent with the general level of charges made by life insurance companies under policies of group life and accidental death and dismemberment insurance issued to large employers. The maximum charges continue from year to year, except that the Office may redetermine them for any year either by agreement with the company issuing the policy or on written notice given to the company at least 1 year before the beginning of the year for which the redetermined maximum charges will be effective.

(Pub. L. 89-554, Sept. 6, 1966, 80 Stat. 597; Pub. L. 95-454, title IX, §906(a)(2), (3), Oct. 13, 1978, 92 Stat. 1224.)

HISTORICAL AND REVISION NOTES

<i>Derivation</i>	<i>U.S. Code</i>	<i>Revised Statutes and Statutes at Large</i>
.....	5 U.S.C. 2097 (less (d)).	Aug. 17, 1954, ch. 752, §8 (less (d)), 68 Stat. 740.

In subsection (a), the word “policy” is substituted for “policy or policies” on authority of 1 U.S.C. 1. In subsections (b) and (c), the words “The policy” are substituted for “Each policy so purchased”. In subsections (b), (c), and (d), the word “insurance”, preceding the word “company”, is omitted as unnecessary; and the word “company” is substituted for “company or companies” on authority of 1 U.S.C. 1.

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

1978—Subsecs. (a) to (d). Pub. L. 95-454 substituted “Office of Personnel Management” and “Office” for “Civil Service Commission” and “Commission”, respectively, wherever appearing.

Statutory Notes and Related Subsidiaries

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.

§ 8712. Annual accounting; special contingency reserve

A policy purchased under this chapter shall provide for an accounting to the Office of Personnel Management not later than 90 days after the end of each policy year. The accounting

shall set forth, in a form approved by the Office—

- (1) the amounts of premiums actually accrued under the policy from its date of issue to the end of the policy year;
- (2) the total of all mortality and other claim charges incurred for that period; and
- (3) the amounts of the insurers' expense and risk charges for that period.

An excess of the total of paragraph (1) of this section over the sum of paragraphs (2) and (3) of this section shall be held by the company issuing the policy as a special contingency reserve to be used by the company only for charges under the policy. The reserve shall bear interest at a rate determined in advance of each policy year by the company and approved by the Office as being consistent with the rates generally used by the company for similar funds held under other group life insurance policies. When the Office determines that the special contingency reserve has attained an amount estimated by it to make satisfactory provision for adverse fluctuations in future charges under the policy, any further excess shall be deposited in the Treasury of the United States to the credit of the Employees' Life Insurance Fund. When a policy is discontinued, any balance remaining in the special contingency reserve after all charges have been made shall be deposited in the Treasury to the credit of the Fund. The company may make the deposit in equal monthly installments over a period of not more than 2 years.

(Pub. L. 89-554, Sept. 6, 1966, 80 Stat. 598; Pub. L. 95-454, title IX, §906(a)(2), (3), Oct. 13, 1978, 92 Stat. 1224.)

HISTORICAL AND REVISION NOTES

<i>Derivation</i>	<i>U.S. Code</i>	<i>Revised Statutes and Statutes at Large</i>
.....	5 U.S.C. 2097(d).	Aug. 17, 1954, ch. 752, §8(d), 68 Stat. 741.

The words "A policy purchased under this chapter" are substituted for "Each such policy" for clarity. The word "insurance", preceding the word "company", is omitted as unnecessary; and the word "company" is substituted for "company or companies" on authority of 1 U.S.C. 1.

The words "Employees' Life Insurance Fund" are substituted for "fund".

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

1978—Pub. L. 95-454 substituted "Office of Personnel Management" and "Office" for "Civil Service Commission" and "Commission", respectively.

Statutory Notes and Related Subsidiaries

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.

§ 8713. Effect of other statutes

Any provision of law outside of this chapter which provides coverage or any other benefit

under this chapter to any individuals who (based on their being employed by an entity other than the Government) would not otherwise be eligible for any such coverage or benefit shall not apply with respect to any individual appointed, transferred, or otherwise commencing that type of employment on or after October 1, 1988.

(Added Pub. L. 100-238, title I, §108(a)(2)(A), Jan. 8, 1988, 101 Stat. 1747.)

Editorial Notes

PRIOR PROVISIONS

A prior section 8713, Pub. L. 89-554, Sept. 6, 1966, 80 Stat. 598; Pub. L. 90-83, §1(93), Sept. 11, 1967, 81 Stat. 219; Pub. L. 95-454, title IX, §906(a)(1), (4), Oct. 13, 1978, 92 Stat. 1224, 1225, provided for an advisory committee to be appointed by the Director of the Office of Personnel Management to be composed of five employees insured under this chapter, to serve without additional pay, to advise the Office regarding matters of concern to employees under this chapter, prior to repeal by Pub. L. 96-427, §9(a), Oct. 10, 1980, 94 Stat. 1837, effective Oct. 10, 1980, with the repeal to have no effect in the case of an employee who died, was separated, or retired before Oct. 10, 1980.

§ 8714. Employees' Life Insurance Fund

(a) The amounts withheld from employees under section 8707 of this title and the sums contributed from appropriations and funds under section 8708 of this title shall be deposited in the Treasury of the United States to the credit of the Employees' Life Insurance Fund. The Fund is available without fiscal year limitation for—

- (1) premium payments under an insurance policy purchased under this chapter; and
- (2) expenses incurred by the Office of Personnel Management in the administration of this chapter within the limitations that may be specified annually by appropriation acts.

(b) The Secretary of the Treasury may invest and reinvest any of the money in the Fund in interest-bearing obligations of the United States, and may sell these obligations for the purposes of the Fund. The interest on and the proceeds from the sale of these obligations, and the income derived from dividend or premium rate adjustments from insurers, become a part of the Fund.

(c)(1) No tax, fee, or other monetary payment may be imposed or collected by any State, the District of Columbia, or the Commonwealth of Puerto Rico, or by any political subdivision or other governmental authority thereof, on, or with respect to, any premium paid under an insurance policy purchased under this chapter.

(2) Paragraph (1) of this subsection shall not be construed to exempt any company issuing a policy of insurance under this chapter from the imposition, payment, or collection of a tax, fee, or other monetary payment on the net income or profit accruing to or realized by that company from business conducted under this chapter, if that tax, fee, or payment is applicable to a broad range of business activity.

(Pub. L. 89-554, Sept. 6, 1966, 80 Stat. 598; Pub. L. 95-454, title IX, §906(a)(2), Oct. 13, 1978, 92 Stat. 1224; Pub. L. 96-499, title IV, §405(a), Dec. 5, 1980, 94 Stat. 2606.)

HISTORICAL AND REVISION NOTES

<i>Derivation</i>	<i>U.S. Code</i>	<i>Revised Statutes and Statutes at Large</i>
.....	5 U.S.C. 2094(c) (less applicability to 5 U.S.C. 2099), (d).	Aug. 17, 1954, ch. 752, §5(c) (less applicability to §10), 68 Stat. 739. Aug. 11, 1955, ch. 794, §1(a) “(c) (less applicability to §10)”, (b), 69 Stat. 676. Apr. 11, 1958, Pub. L. 85-377, §1 (less applicability to §10), 72 Stat. 87.

In subsection (a), the words “of the Employees’ Life Insurance Fund” are substituted for “of a fund which is hereby created”. The proviso which made appropriations available to the Commission for salaries and expenses for the fiscal year 1955 available on a reimbursable basis for necessary administrative expenses for carrying out the purposes of this chapter is omitted as executed.

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

1980—Subsec. (c). Pub. L. 96-499 added subsec. (c).
1978—Subsec. (a)(2). Pub. L. 95-454 substituted “Office of Personnel Management” for “Civil Service Commission”.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 1980 AMENDMENT

Pub. L. 96-499, title IV, §405(b), Dec. 5, 1980, 94 Stat. 2607, provided that: “The amendment made by subsection (a) [amending this section] shall take effect on the date of the enactment of this Act [Dec. 5, 1980], and shall apply with respect to premiums paid on or after such date.”

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.

FUNDING

Pub. L. 103-409, §4, Oct. 25, 1994, 108 Stat. 4232, provided that: “Notwithstanding section 8714(a)(1) of title 5, United States Code, the Office of Personnel Management shall retain in the Employees’ Life Insurance Fund such portion of premium payments otherwise due as will, no later than September 30, 1995, permanently reduce the contingency reserve established under the third sentence of section 8712 of such title 5 by an amount equal to the amount by which payments from the Employees’ Life Insurance Fund during the fiscal year ending September 30, 1995, exceed the payments that would have been paid had the amendments made by this Act [enacting section 8714d of this title] not been enacted.”

§ 8714a. Optional insurance

(a) Under the conditions, directives, and terms specified in sections 8709-8712 of this title, the Office of Personnel Management, without regard to section 6101(b) to (d) of title 41, may purchase a policy which shall make available to each insured employee equal amounts of optional life insurance and accidental death and dismemberment insurance in addition to the amounts provided in section 8704(a) of this title.

(b)(1) An employee who is deployed in support of a contingency operation (as that term is de-

defined in section 101(a)(13) of title 10) or an employee of the Department of Defense who is designated as emergency essential under section 1580 of title 10 shall be insured under the policy of insurance under this section if the employee, within 60 days after the date of notification of deployment or designation, elects to be insured under the policy of insurance. An election under this paragraph shall be effective when provided to the Office in writing, in the form prescribed by the Office, within such 60-day period.

(2) The optional life insurance and accidental death and dismemberment insurance shall be made available to each insured employee under such conditions as the Office shall prescribe and in amounts approved by the Office but not more than the greater of \$10,000 or an amount which, when added to the amount provided in section 8704(a) of this title, makes the sum of his insurance equal to his annual pay.

(c)(1) Except as otherwise provided in this subsection, the optional insurance on an employee stops on his separation from service or 12 months after discontinuance of his pay, whichever is earlier, subject to a provision for temporary extension of life insurance coverage and for conversion to an individual policy of life insurance under conditions approved by the Office.

(2)(A) In the case of any employee who retires on an immediate annuity and has been insured under this section throughout—

(i) the 5 years of service immediately preceding the date of such retirement, or

(ii) the full period or periods of service during which the employee was entitled to be insured, if less than 5 years,

the amount of optional life insurance only which has been in force throughout such period may be continued, under conditions determined by the Office.

(B) In the case of any employee who becomes entitled to receive compensation under subchapter I of chapter 81 of this title because of disease or injury to the employee and has been insured under this section throughout—

(i) the 5 years of service immediately preceding the date such employee becomes entitled to such compensation, or

(ii) the full period or periods of service during which the employee was entitled to be insured, if less than 5 years,

the amount of optional life insurance only which has been in force throughout such period may be continued, under conditions determined by the Office, during the period the employee is receiving such compensation for disease or injury and is held by the Secretary of Labor or his delegate to be unable to return to duty.

(C) The amount of optional life insurance continued under subparagraph (A) or subparagraph (B) of this paragraph shall be reduced by 2 percent at the end of each full calendar month after the date the employee becomes 65 years of age and is retired or is receiving compensation for disease or injury. The Office shall prescribe minimum amounts, not less than 25 percent of the amount of life insurance in force before the first reduction, to which the insurance may be reduced.

(3) Notwithstanding paragraph (c)(1) of this section,¹ a justice or judge of the United States as defined by section 8701(a)(5) of this title who resigns his office without meeting the requirements of section 371(a) of title 28, United States Code, for continuation of the judicial salary shall have the right to convert regular optional life insurance coverage issued under this section during his judicial service to an individual policy of life insurance under the same conditions approved by the Office governing conversion of basic life insurance coverage for employees eligible as provided in section 8706(a) of this title.

(d)(1) During each period in which an employee has the optional insurance the full cost thereof shall be withheld from his pay. During each period in which an employee continues optional life insurance after retirement or while in receipt of compensation for work injuries, as provided in section 8706(b) of this title, the full cost thereof shall be withheld from his annuity or compensation, except that, at the end of the calendar month in which he becomes 65 years of age, the optional life insurance shall be without cost to him. Amounts so withheld shall be deposited, used, and invested as provided in section 8714 of this title and shall be reported and accounted for separately from amounts withheld and contributed under sections 8707 and 8708 of this title.

(2) If an agency fails to withhold the proper cost of optional insurance from an individual's salary, compensation, or retirement annuity, the collection of amounts properly due may be waived by the agency if, in the judgment of the agency, the individual is without fault and recovery would be against equity and good conscience. However, if the agency so waives the collection of any unpaid amount, the agency shall submit an amount equal to the uncollected amount to the Office for deposit to the Employees' Life Insurance Fund.

(3) Notwithstanding paragraph (1), an employee who is subject to withholdings under this subsection and whose pay, annuity, or compensation is insufficient to cover such withholdings may nevertheless continue optional insurance if the employee arranges to pay currently into the Employees' Life Insurance Fund, through the agency or retirement system which administers pay, annuity, or compensation, an amount equal to the withholdings that would otherwise be required under this subsection.

(e) The cost of the optional insurance shall be determined from time to time by the Office on the basis of such age groups as it considers appropriate.

(f) The amount of optional life, or life and accidental death, insurance in force on an employee at the date of his death shall be paid as provided in section 8705 of this title.

(Added Pub. L. 90-206, title IV, § 404(1), Dec. 16, 1967, 81 Stat. 647; amended Pub. L. 95-454, title IX, § 906(a)(2), (3), Oct. 13, 1978, 92 Stat. 1224; Pub. L. 95-583, § 1(c), Nov. 2, 1978, 92 Stat. 2481; Pub. L. 96-427, § 6, Oct. 10, 1980, 94 Stat. 1834; Pub. L. 98-353, title II, § 206, July 10, 1984, 98 Stat. 351, as

amended by Pub. L. 99-336, § 7(1), June 19, 1986, 100 Stat. 639; Pub. L. 99-335, title II, § 207(k)(3), June 6, 1986, 100 Stat. 597; Pub. L. 99-336, § 7(1), June 19, 1986, 100 Stat. 639; Pub. L. 105-311, § 6(2), Oct. 30, 1998, 112 Stat. 2951; Pub. L. 110-417, [div. A], title XI, § 1103(b), Oct. 14, 2008, 122 Stat. 4616; Pub. L. 111-350, § 5(a)(12), Jan. 4, 2011, 124 Stat. 3841.)

Editorial Notes

AMENDMENTS

2011—Subsec. (a). Pub. L. 111-350 substituted “section 6101(b) to (d) of title 41” for “section 5 of title 41”.

2008—Subsec. (b). Pub. L. 110-417 designated existing provisions as par. (2) and added par. (1).

1998—Subsec. (d)(3). Pub. L. 105-311 added par. (3).

1986—Subsec. (c)(1). Pub. L. 99-336 amended Pub. L. 98-353, § 206, generally. See 1984 Amendment note below.

Pub. L. 99-335 amended par. (1) generally, effective Jan. 1, 1987. Prior to such effective date, par. (1) read as follows: “The optional insurance on an employee stops on his separation from service, 12 months after discontinuance of his pay, or on his entry on active duty or active duty for training, as provided in sections 8706(a) and 8706(c) of this title. Justices and judges of the United States described in section 8701(a)(5)(ii) and (iii) of this chapter are deemed to continue in active employment for purposes of this chapter.”

1984—Subsec. (c)(1). Pub. L. 98-353, § 206, as amended generally by Pub. L. 99-336, inserted sentence which deemed justices and judges described in section 8701(a)(5)(ii) and (iii) of this chapter to continue in active employment for purposes of this chapter.

Subsec. (c)(3). Pub. L. 98-353, § 206, added par. (3).

1980—Subsec. (c)(2)(C). Pub. L. 96-427, § 6(a), substituted provisions that the amount of optional life insurance shall be reduced by 2% at the end of each calendar month after the date the employee becomes 65 years of age and is retired or is receiving compensation for disease or injury and that the Office shall prescribe minimum amount of life insurance in force before the first reduction to which the insurance may be reduced for provisions that such optional insurance be subject to the same monthly reductions as required for regular life insurance under section 8706(b)(3) of this title.

Subsec. (d). Pub. L. 96-427, § 6(b), designated existing provisions as par. (1) and added par. (2).

1978—Subsecs. (a), (b). Pub. L. 95-454 substituted “Office of Personnel Management” for “Civil Service Commission” and “Office” for “Commission” wherever appearing.

Subsec. (c)(1). Pub. L. 95-583, § 1(c)(1), substituted reference to section “8706(c)” for “8706(d)”.

Subsec. (c)(2). Pub. L. 95-583, § 1(c)(2), added par. (2) and struck out former par. (2) which read as follows: “So much of the optional life insurance in force on an employee on the date he retires on an immediate annuity or becomes entitled to receive compensation for work injuries which has been in force for not less than—

“(A) the full period or periods of service during which the optional insurance was available to him; or

“(B) the 12 years of service immediately preceding his retirement or beginning date of entitlement to compensation for work injuries and during which the optional insurance was available to him;

whichever is shorter, may be continued—

“(A) after retirement, under the same conditions (except with respect to cost but including reduction of the amount continued) as provided in section 8706(b) of this title; or

“(B) while in receipt of compensation for work injuries under the same conditions (except with respect to cost) as provided in section 8706(c) of this title.”

Pub. L. 95-454, which substituted “Office” for “Commission”, was executed to text of subsec. (c)(2) as amended by Pub. L. 95-583. See Effective Date of 1978 Amendments note below.

¹ So in original. Probably should be “paragraph (1) of this subsection.”

Subsec. (d). Pub. L. 95-583, §1(c)(3), struck out “or 8706(c)” after “section 8706(b)”.

Subsec. (e). Pub. L. 95-454 substituted “Office” for “Commission”.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 1998 AMENDMENT

Amendment by Pub. L. 105-311 effective on the first day of the first applicable pay period beginning on or after Oct. 30, 1998, see section 11(d) of Pub. L. 105-311, set out as a note under section 8701 of this title.

EFFECTIVE DATE OF 1986 AMENDMENT

Amendment by Pub. L. 99-335 effective Jan. 1, 1987, see section 702(a) of Pub. L. 99-335, set out as an Effective Date note under section 8401 of this title.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98-353, §206, as amended generally by Pub. L. 99-336, §7(1), applicable to any justice or judge who retires under 28 U.S.C. 371(a) or (b) or 372(a) on or after January 1, 1982, see section 207 of Pub. L. 98-353, as amended generally by Pub. L. 99-336, §7(2), set out as a note under section 8706 of this title.

EFFECTIVE DATE OF 1980 AMENDMENT

Amendment by Pub. L. 96-427 effective Oct. 10, 1980, with amendment to have no effect in case of an employee who died, was separated, or retired before Oct. 10, 1980, see section 10(a) of Pub. L. 96-427, set out as a note under section 8701 of this title.

EFFECTIVE DATE OF 1978 AMENDMENTS

Amendment by Pub. L. 95-583 effective Nov. 2, 1978, see section 3 of Pub. L. 95-583, set out as a note under section 8706 of this title.

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.

EFFECTIVE DATE

Pub. L. 90-206, title IV, §405(b), Dec. 16, 1967, 81 Stat. 648, provided that:

“(1) The amendments made by section 404 of this Act [enacting this section and amending analysis preceding section 8701 of this title] shall take effect on the first day of the first pay period which begins on or after the one hundred and eightieth day following the date of enactment [Dec. 16, 1967], or on any earlier date that the Civil Service Commission may prescribe, which is at least sixty days after the date of enactment [Dec. 16, 1967]. In the case of an employee who dies during the period beginning on the date of enactment [Dec. 16, 1967] and ending on the effective date prescribed by or pursuant to this subsection, or during the sixty days immediately following such period if the Commission determines that he did not have a reasonable opportunity to elect the optional insurance made available by section 404, the insurance of such employee shall be determined as if the amendments made by section 404 had been in effect on the date of such death, and the employee had elected to receive the maximum amount of optional insurance available to him under such amendments. An employee who retires during the period beginning on the date of enactment and ending on the effective date prescribed by or pursuant to this subsection shall have an opportunity to elect the optional insurance made available by section 404.

“(2) In the case of an employee in the service on the effective date prescribed by or pursuant to this subsection, (i) the period during which such employee may elect to receive optional insurance under the amendment made by section 404 shall not expire prior to the sixtieth day after such effective date, and (ii) for the purpose of determining the amount of insurance to be continued after retirement, the period during which such optional insurance was available to such employee

shall not be considered to have commenced prior to the expiration of sixty days following such effective date.”

RETROACTIVE EFFECT

Enactment of this section by Pub. L. 90-206 to have no effect in the case of an employee who died, was finally separated, or retired prior to Dec. 16, 1967, see section 405(c) of Pub. L. 90-206, set out as an Retroactive Effect of 1967 Amendment note under section 8704 of this title.

AVAILABILITY OF CERTAIN FUNDS IN EMPLOYEES' LIFE INSURANCE FUND

Pub. L. 96-427, §11, Oct. 10, 1980, 94 Stat. 1838, provided that: “Amounts credited to the Employees' Life Insurance Fund under section 8714a(d) of title 5, United States Code shall be available for expenses incurred by the Office of Personnel Management in implementing the amendments made by sections 7 and 8 of this Act [enacting sections 8714b, 8714c, and 8701(d) of this title].”

§ 8714b. Additional optional life insurance

(a) Under the conditions, directives, and terms specified in sections 8709 through 8712 of this title, the Office of Personnel Management, without regard to section 6101(b) to (d) of title 41, may purchase a policy which shall make available to each employee insured under section 8702 of this title amounts of additional optional life insurance (without accidental death and dismemberment insurance). An employee may elect coverage under this section without regard to whether the employee has elected coverage under optional insurance available under section 8714a of this title.

(b)(1) An employee who is deployed in support of a contingency operation (as that term is defined in section 101(a)(13) of title 10) or an employee of the Department of Defense who is designated as emergency essential under section 1580 of title 10 shall be insured under the policy of insurance under this section if the employee, within 60 days after the date of notification of deployment or designation, elects to be insured under the policy of insurance. An election under this paragraph shall be effective when provided to the Office in writing, in the form prescribed by the Office, within such 60-day period.

(2) The additional optional insurance provided under this section shall be made available to each eligible employee who has elected coverage under this section, under conditions the Office shall prescribe, in multiples, at the employee's election, of 1, 2, 3, 4, or 5 times the annual rate of basic pay payable to the employee (rounded to the next higher multiple of \$1,000). An employee may reduce or stop coverage elected pursuant to this section at any time.

(c)(1) Except as otherwise provided in this subsection, the additional optional insurance elected by an employee pursuant to this section shall stop on separation from service or 12 months after discontinuance of his pay, whichever is earlier, subject to a provision for temporary extension of life insurance coverage and for conversion to an individual policy of life insurance under conditions approved by the Office. Justices and judges of the United States described in section 8701(a)(5)(ii) and (iii) of this chapter are deemed to continue in active employment for purposes of this chapter. A justice or judge of the United States as defined by section

8701(a)(5) of this title who resigns his office without meeting the requirements of section 371(a) of title 28, United States Code, for continuation of the judicial salary shall have the right to convert additional optional life insurance coverage issued under this section during his judicial service to an individual policy of life insurance under the same conditions approved by the Office governing conversion of basic life insurance coverage for employees eligible as provided in section 8706(a) of this title.

(2) In the case of any employee who retires on an immediate annuity or who becomes entitled to receive compensation under subchapter I of chapter 81 of this title because of disease or injury to the employee, so much of the additional optional insurance as has been in force for not less than—

(A) the 5 years of service immediately preceding the date of retirement or entitlement to compensation, or

(B) the full period or periods of service during which the insurance was available to the employee, if fewer than 5 years,

may be continued under conditions determined by the Office after retirement or while the employee is receiving compensation under subchapter I of chapter 81 of this title and is held by the Secretary of Labor (or the Secretary's delegate) to be unable to return to duty.

(3) The amount of additional optional insurance continued under paragraph (2) shall be continued, with or without reduction, in accordance with the employee's written election at the time eligibility to continue insurance during retirement or receipt of compensation arises, as follows:

(A) The employee may elect to have withholdings cease in accordance with subsection (d), in which case—

(i) the amount of additional optional insurance continued under paragraph (2) shall be reduced each month by 2 percent effective at the beginning of the second calendar month after the date the employee becomes 65 years of age and is retired or is in receipt of compensation; and

(ii) the reduction under clause (i) shall continue for 50 months at which time the insurance shall stop.

(B) The employee may, instead of the option under subparagraph (A), elect to have the full cost of additional optional insurance continue to be withheld from such employee's annuity or compensation on and after the date such withholdings would otherwise cease pursuant to an election under subparagraph (A), in which case the amount of additional optional insurance continued under paragraph (2) shall not be reduced, subject to paragraph (4).

(C) An employee who does not make any election under the preceding provisions of this paragraph shall be treated as if such employee had made an election under subparagraph (A).

(4) If an employee makes an election under paragraph (3)(B), that individual may subsequently cancel such election, in which case additional optional insurance shall be determined as if the individual had originally made an election under paragraph (3)(A).

(5)(A) An employee whose additional optional insurance under this section would otherwise stop in accordance with paragraph (1) and who is not eligible to continue insurance under paragraph (2) may elect, under conditions prescribed by the Office of Personnel Management, to continue all or a portion of so much of the additional optional insurance as has been in force for not less than—

(i) the 5 years of service immediately preceding the date of the event which would cause insurance to stop under paragraph (1); or

(ii) the full period or periods of service during which the insurance was available to the employee, if fewer than 5 years,

at group rates established for purposes of this section, in lieu of conversion to an individual policy. The amount of insurance continued under this paragraph shall be reduced by 50 percent effective at the beginning of the second calendar month after the date the employee or former employee attains age 70 and shall stop at the beginning of the second calendar month after attainment of age 80, subject to a provision for temporary extension of life insurance coverage and for conversion to an individual policy of life insurance under conditions approved by the Office. Alternatively, insurance continued under this paragraph may be reduced or stopped at any time the employee or former employee elects.

(B) When an employee or former employee elects to continue additional optional insurance under this paragraph following separation from service or 12 months without pay, the insured individual shall submit timely payment of the full cost thereof, plus any amount the Office determines necessary to cover associated administrative expenses, in such manner as the Office shall prescribe by regulation. Amounts required under this subparagraph shall be deposited, used, and invested as provided under section 8714 and shall be reported and accounted for together with amounts withheld under section 8714a(d).

(C)(i) Subject to clause (ii), no election to continue additional optional insurance may be made under this paragraph 3 years after the effective date of this paragraph.

(ii) On and after the date on which an election may not be made under clause (i), all additional optional insurance under this paragraph for former employees shall terminate, subject to a provision for temporary extension of life insurance coverage and for conversion to an individual policy of life insurance under conditions approved by the Office.

(d)(1) During each period in which the additional optional insurance is in force on an employee the full cost thereof shall be withheld from the employee's pay. During each period in which an employee continues additional optional insurance after retirement or while in receipt of compensation under subchapter I of chapter 81 of this title because of disease or injury to the employee, as provided in subsection (c) of this section, the full cost thereof shall be withheld from the former employee's annuity or compensation, except that, if insurance is continued as provided under subsection (c)(3)(A), beginning at the end of the calendar month in which the former employee becomes 65 years of

age, the additional optional life insurance shall be without cost to the former employee. Amounts so withheld (and any amounts withheld as provided in subsection (c)(3)(B)) shall be deposited, used, and invested as provided in section 8714 of this title and shall be reported and accounted for together with amounts withheld under section 8714a(d) of this title.

(2) If an agency fails to withhold the proper cost of additional optional insurance from an individual's salary, compensation, or retirement annuity, the collection of amounts properly due may be waived by the agency if, in the judgment of the agency, the individual is without fault and recovery would be against equity and good conscience. However, if the agency so waives the collection of any unpaid amount, the agency shall submit an amount equal to the uncollected amount to the Office for deposit to the Employees' Life Insurance Fund.

(3) Notwithstanding paragraph (1), an employee who is subject to withholdings under this subsection and whose pay, annuity, or compensation is insufficient to cover such withholdings may nevertheless continue additional optional insurance if the employee arranges to pay currently into the Employees' Life Insurance Fund, through the agency or retirement system which administers pay, annuity, or compensation, an amount equal to the withholdings that would otherwise be required under this subsection.

(e) The cost of the additional optional insurance shall be determined from time to time by the Office on the basis of the employee's age relative to such age groups as the Office establishes under section 8714a(e) of this title.

(f) The amount of additional optional life insurance in force on an employee at the date of his death shall be paid as provided in section 8705 of this title.

(Added Pub. L. 96-427, §7(a), Oct. 10, 1980, 94 Stat. 1834; amended Pub. L. 98-353, title II, §§206, 207, July 10, 1984, 98 Stat. 351, as amended by Pub. L. 99-336, §7(1), June 19, 1986, 100 Stat. 639; Pub. L. 99-335, title II, §207(k)(4), June 6, 1986, 100 Stat. 597; Pub. L. 99-336, §7(1), June 19, 1986, 100 Stat. 639; Pub. L. 105-311, §§3(2), 6(3), 7(a), (c), Oct. 30, 1998, 112 Stat. 2950-2953; Pub. L. 110-417, [div. A], title XI, §1103(c), Oct. 14, 2008, 122 Stat. 4617; Pub. L. 111-350, §5(a)(13), Jan. 4, 2011, 124 Stat. 3841.)

Editorial Notes

AMENDMENTS

2011—Subsec. (a). Pub. L. 111-350 substituted “section 6101(b) to (d) of title 41” for “section 5 of title 41”.

2008—Subsec. (b). Pub. L. 110-417 designated existing provisions as par. (2) and added par. (1).

1998—Subsec. (b). Pub. L. 105-311, §3(2), in first sentence, struck out “except that coverage may not exceed an amount equal to 5 times the annual rate of basic pay payable for positions at level II of the Executive Schedule under section 5313 of this title (rounded to the next higher multiple of \$1,000)” after “\$1,000”.

Subsec. (c)(2). Pub. L. 105-311, §7(a)(1)(A), struck out at end “The amount of insurance continued under this paragraph shall be reduced each month by 2 percent effective at the beginning of the second calendar month after the date the employee becomes 65 years of age and is retired or is in receipt of compensation. The reduc-

tion shall continue for 50 months at which time the insurance stops.”

Subsec. (c)(3) to (5). Pub. L. 105-311, §7(a)(1)(B), added pars. (3) to (5).

Subsec. (d)(1). Pub. L. 105-311, §7(a)(2), (c), inserted “if insurance is continued as provided under subsection (c)(3)(A),” after “except that,” and “(and any amounts withheld as provided in subsection (c)(3)(B))” after “Amounts so withheld”.

Subsec. (d)(3). Pub. L. 105-311, §6(3), added par. (3).

1986—Subsec. (c)(1). Pub. L. 98-353, §206, as amended generally by Pub. L. 99-336, §7(1), inserted sentence which deemed justices and judges described in section 8701(a)(5)(ii) and (iii) of this chapter to continue in active employment for purposes of this chapter.

Pub. L. 99-335 substituted “Except as otherwise provided in this subsection, the additional optional insurance elected by an employee pursuant to this section shall stop on separation from service or 12 months after discontinuance of his pay, whichever is earlier, subject to a provision for temporary extension of life insurance coverage and for conversion to an individual policy of life insurance under conditions approved by the Office” for “The additional optional insurance elected by an employee pursuant to this section shall stop on separation from service, 12 months after discontinuance of pay, or on entry on active military duty or active duty for training, subject to provision for a 31-day temporary extension of insurance coverage and for conversion to an individual policy, as provided in sections 8706(a) and 8706(c) of this title”.

1984—Subsec. (c)(1). Pub. L. 98-353 inserted “A justice or judge of the United States as defined by section 8701(a)(5) of this title who resigns his office without meeting the requirements of section 371(a) of title 28, United States Code, for continuation of the judicial salary shall have the right to convert additional optional life insurance coverage issued under this section during his judicial service to an individual policy of life insurance under the same conditions approved by the Office governing conversion of basic life insurance coverage for employees eligible as provided in section 8706(a) of this title.”

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 1998 AMENDMENT

Amendment by sections 3(2) and 6(3) of Pub. L. 105-311 effective on the first day of the first applicable pay period beginning on or after Oct. 30, 1998, and amendment by section 7(a), (c) of Pub. L. 105-311 effective on the first day of the first pay period that begins on or after the 180th day following Oct. 30, 1998, or on any earlier date that the Office of Personnel Management may prescribe that is at least 60 days after Oct. 30, 1998, see section 11(b), (d), (e)(1) of Pub. L. 105-311, set out as a note under section 8701 of this title.

EFFECTIVE DATE OF 1986 AMENDMENTS

Amendment by Pub. L. 98-353, §206, as amended generally by Pub. L. 99-336, §7(1), applicable to any justice or judge who retires under 28 U.S.C. 371(a) or (b) or 372(a) on or after January 1, 1982, see section 207 of Pub. L. 98-353, as amended generally by Pub. L. 99-336, §7(2), set out as a note under section 8706 of this title.

Amendment by Pub. L. 99-335 effective Jan. 1, 1987, see section 702(a) of Pub. L. 99-335, set out as an Effective Date note under section 8401 of this title.

EFFECTIVE DATE

Section effective on first day of first pay period which begins on or after 180th day following Oct. 10, 1980, or on any earlier date that Office may prescribe which is at least 60 days after Oct. 10, 1980, and shall have no effect in case of an employee who died, was finally separated, or retired before effective date, see section 10(d) of Pub. L. 96-427 set out as an Effective Date of 1980 Amendment note under section 8701 of this title.

REPORT TO CONGRESS

Pub. L. 105-311, §7(b), Oct. 30, 1998, 112 Stat. 2953, required the Office of Personnel Management to submit, not later than 3 years after Oct. 30, 1998, a report to Congress on additional optional insurance provided under subsec. (c)(5) of this section.

§ 8714c. Optional life insurance on family members

(a) Under the conditions, directives, and terms specified in sections 8709 through 8712 of this title, the Office of Personnel Management, without regard to section 6101(b) to (d) of title 41, may purchase a policy which shall make available to each employee insured under section 8702 of this title amounts of optional life insurance (without accidental death and dismemberment insurance) on the employee's family members.

(b)(1) The optional life insurance on family members provided under this section shall be made available to each eligible employee who has elected coverage under this section, under conditions the Office shall prescribe, in multiples, at the employee's election, of 1, 2, 3, 4, or 5 times—

(A) \$5,000 for a spouse; and

(B) \$2,500 for each child described under section 8701(d).

(2) An employee may reduce or stop coverage elected pursuant to this section at any time.

(c)(1) Except as otherwise provided in this subsection, the optional life insurance on family members shall stop at the earlier of the employee's death, the employee's separation from the service, or 12 months after discontinuance of pay, subject to a provision for temporary extension of life insurance coverage and for conversion to individual policies of life insurance under conditions approved by the Office.

(2) In the case of any employee who retires on an immediate annuity or who becomes entitled to receive compensation under subchapter I of chapter 81 of this title because of disease or injury to the employee and who has had in force insurance under this section for no less than—

(A) the 5 years of service immediately preceding the date of retirement or entitlement to compensation, or

(B) the full period or periods of service during which the insurance was available to the employee, if fewer than 5 years,

optional life insurance on family members may be continued under the same conditions as provided in section 8714b(c)(2) through (4).

(d)(1) During each period in which the optional life insurance on family members is in force the full cost thereof shall be withheld from the employee's pay. During each period in which an employee continues optional life insurance on family members after retirement or while in receipt of compensation under subchapter I of chapter 81 of this title because of disease or injury to the employee, as provided in subsection (c) of this section, the full cost shall be withheld from the annuity or compensation, except that, beginning at the end of the calendar month in which the former employee becomes 65 years of age, the optional life insurance on family members shall be without cost to the employee. Notwithstanding the preceding sentence, the full

cost shall be continued after the calendar month in which the former employee becomes 65 years of age if, and for so long as, an election under this section corresponding to that described in section 8714b(c)(3)(B) remains in effect with respect to such former employee. Amounts so withheld shall be deposited, used, and invested as provided in section 8714 of this title and shall be reported and accounted for together with amounts withheld under section 8714a(d) of this title.

(2) If an agency fails to withhold the proper cost of optional life insurance on family members from an individual's salary, compensation, or retirement annuity, the collection of amounts properly due may be waived by the agency if, in the judgment of the agency, the individual is without fault and recovery would be against equity and good conscience. However, if the agency so waives the collection of any unpaid amount, the agency shall submit an amount equal to the uncollected amount to the Office for deposit to the Employees' Life Insurance Fund.

(3) Notwithstanding paragraph (1), an employee who is subject to withholdings under this subsection and whose pay, annuity, or compensation is insufficient to cover such withholdings may nevertheless continue optional life insurance on family members if the employee arranges to pay currently into the Employees' Life Insurance Fund, through the agency or retirement system that administers pay, annuity, or compensation, an amount equal to the withholdings that would otherwise be required under this subsection.

(e) The cost of the optional life insurance on family members shall be determined from time to time by the Office on the basis of the employee's age relative to such age groups as the Office establishes under section 8714a(e) of this title.

(f) The amount of optional life insurance which is in force under this section on a family member of an employee or former employee on the date of the death of the family member shall be paid, on the establishment of a valid claim by the employee, to such employee or, in the event of the death of the employee before payment can be made, to the person or persons entitled to the group life insurance in force on the employee under section 8705 of this title.

(Added Pub. L. 96-427, §8(a), Oct. 10, 1980, 94 Stat. 1836; amended Pub. L. 98-353, title II, §206, as amended by Pub. L. 99-336, §7(1), June 19, 1986, 100 Stat. 639; Pub. L. 99-335, title II, §207(k)(5), June 6, 1986, 100 Stat. 598; Pub. L. 99-336, §7(1), June 19, 1986, 100 Stat. 639; Pub. L. 105-311, §§6(4), 8, Oct. 30, 1998, 112 Stat. 2951, 2953; Pub. L. 111-350, §5(a)(14), Jan. 4, 2011, 124 Stat. 3842.)

Editorial Notes

AMENDMENTS

2011—Subsec. (a). Pub. L. 111-350 substituted “section 6101(b) to (d) of title 41” for “section 5 of title 41”.

1998—Subsec. (b). Pub. L. 105-311, §8(a), amended subsec. (b) generally. Prior to amendment, subsec. (b) read as follows: “The optional life insurance on family members provided under this section shall be made available to each eligible employee who elects coverage under this section, under conditions the Office shall

prescribe, in the amount of \$5,000 for a spouse and \$2,500 for each child described in section 8701(d). The employee may stop coverage elected under this section at any time.”

Subsec. (c)(2). Pub. L. 105-311, §8(b)(1), substituted “section 8714b(c)(2) through (4)” for “section 8714b(c)(2) of this title”.

Subsec. (d)(1). Pub. L. 105-311, §8(b)(2), inserted before last sentence “Notwithstanding the preceding sentence, the full cost shall be continued after the calendar month in which the former employee becomes 65 years of age if, and for so long as, an election under this section corresponding to that described in section 8714b(c)(3)(B) remains in effect with respect to such former employee.”

Subsec. (d)(3). Pub. L. 105-311, §6(4), added par. (3).

1986—Subsec. (c)(1). Pub. L. 99-336 amended Pub. L. 98-353, §206, generally. See 1984 Amendment note below.

Pub. L. 99-335 amended par. (1) generally, effective Jan. 1, 1977. Prior to such effective date, par. (1) read as follows: “Optional life insurance on family members shall stop at the earlier of the employee’s death, the employee’s separation from the service, 12 months after discontinuance of pay, or the employee’s entry on active duty or active duty for training, as provided in sections 8706(a) and 8706(c) of this title, subject to provision for a 31-day temporary extension of insurance coverage and for conversion to individual policies under conditions approved by the Office. Justices and judges of the United States described in section 8701(a)(5)(ii) and (iii) of this chapter are deemed to continue in active employment for purposes of this chapter.”

1984—Subsec. (c)(1). Pub. L. 98-353, §206, as amended generally by Pub. L. 99-336, inserted sentence which deemed justices and judges described in section 8701(a)(5)(ii) and (iii) of this chapter to continue in active employment for purposes of this chapter.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 1998 AMENDMENT

Amendment by section 6(4) of Pub. L. 105-311 effective on the first day of the first applicable pay period beginning on or after Oct. 30, 1998, and amendment by section 8 of Pub. L. 105-311 effective on the first day of the first pay period which begins on or after the 180th day following Oct. 30, 1998, or on any earlier date that the Office of Personnel Management may prescribe, see section 11(d), (f) of Pub. L. 105-311, set out as a note under section 8701 of this title.

EFFECTIVE DATE OF 1986 AMENDMENT

Amendment by Pub. L. 99-335 effective Jan. 1, 1987, see section 702(a) of Pub. L. 99-335, set out as an Effective Date note under section 8401 of this title.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98-353, §206, as amended generally by Pub. L. 99-336, §7(1), applicable to any justice or judge who retires under 28 U.S.C. 371(a) or (b) or 372(a) on or after January 1, 1982, see section 207 of Pub. L. 98-353, as amended generally by Pub. L. 99-336, §7(2), set out as a note under section 8706 of this title.

EFFECTIVE DATE

Section effective on first day of first pay period which begins on or after 180th day following Oct. 10, 1980, or on any earlier date that Office may prescribe which is at least 60 days after Oct. 10, 1980, and shall have no effect in case of an employee who died, was finally separated, or retired before effective date, see section 10(d) of Pub. L. 96-427 set out as an Effective Date of 1980 Amendment note under section 8701 of this title.

§ 8714d. Option to receive “living benefits”

(a) For the purpose of this section, an individual shall be considered to be “terminally ill”

if such individual has a medical prognosis that such individual’s life expectancy is 9 months or less.

(b) The Office of Personnel Management shall prescribe regulations under which any individual covered by group life insurance under section 8704(a) may, if such individual is terminally ill, elect to receive a lump-sum payment equal to—

(1) the full amount of insurance under section 8704(a) (or portion thereof designated for this purpose under subsection (d)(4)) which would otherwise be payable under this chapter (on the establishment of a valid claim)—

(A) computed based on a date determined under regulations of the Office (but not later than 30 days after the date on which the individual’s application for benefits under this section is approved or deemed approved under subsection (d)(3)); and

(B) assuming continued coverage under this chapter at that time;

reduced by

(2) an amount necessary to assure that there is no increase in the actuarial value of the benefit paid (as determined under regulations of the Office).

(c)(1) If a lump-sum payment is taken under this section—

(A) no insurance under the provisions of section 8704(a) or (b) shall be payable based on the death or any loss of the individual involved, unless the lump-sum payment represents only a portion of the total benefits which could have been taken, in which case benefits under those provisions shall remain in effect, except that the basic insurance amount on which they are based—

(i) shall be reduced by the percentage which the designated portion comprised relative to the total benefits which could have been taken (rounding the result to the nearest multiple of \$1,000 or, if midway between multiples of \$1,000, to the next higher multiple of \$1,000); and

(ii) shall not be subject to further adjustment; and

(B) deductions and withholdings under section 8707, and contributions under section 8708, shall be terminated with respect to such individual (or reduced in a manner consistent with the percentage reduction in the individual’s basic insurance amount, if applicable), effective with respect to any amounts which would otherwise become due on or after the date of payment under this section.

(2) An individual who takes a lump-sum payment under this section (whether full or partial) remains eligible for optional benefits under sections 8714a-8714c (subject to payment of the full cost of those benefits in accordance with applicable provisions of the section or sections involved, to the same extent as if no election under this section had been made).

(d)(1) The Office’s regulations shall include provisions regarding the form and manner in which an application under this section shall be made and the procedures in accordance with which any such application shall be considered.

(2) An application shall not be considered to be complete unless it includes such information and supporting evidence as the regulations require, including certification by an appropriate medical authority as to the nature of the individual's illness and that the individual is not expected to live more than 9 months because of that illness.

(3)(A) In order to ascertain the reliability of any medical opinion or finding submitted as part of an application under this section, the covered individual may be required to submit to a medical examination under the direction of the agency or entity considering the application. The individual shall not be liable for the costs associated with any examination required under this subparagraph.

(B) Any decision by the reviewing agency or entity with respect to an application for benefits under this section (including one relating to an individual's medical prognosis) shall not be subject to administrative review.

(4)(A) An individual making an election under this section may designate that only a limited portion (expressed as a multiple of \$1,000) of the total amount otherwise allowable under this section be paid pursuant to such election.

(B) A designation under this paragraph may not be made by an individual described in paragraph (1) or (2) of section 8706(b).

(5) An election to receive benefits under this section shall be irrevocable, and not more than one such election may be made by any individual.

(6) The regulations shall include provisions to address the question of how to apply section 8706(b)(3)(B) in the case of an electing individual who has attained 65 years of age.

(Added Pub. L. 103-409, §2(a), Oct. 25, 1994, 108 Stat. 4230.)

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 1994 AMENDMENT

Pub. L. 103-409, §3(a), Oct. 25, 1994, 108 Stat. 4232, provided that: "The amendments made by section 2 [enacting this section] shall take effect 9 months after the date of the enactment of this Act [Oct. 25, 1994]."

§ 8715. Jurisdiction of courts

The district courts of the United States have original jurisdiction, concurrent with the United States Court of Federal Claims, of a civil action or claim against the United States founded on this chapter.

(Pub. L. 89-554, Sept. 6, 1966, 80 Stat. 599; Pub. L. 97-164, title I, §160(a)(2), Apr. 2, 1982, 96 Stat. 48; Pub. L. 102-572, title IX, §902(b)(1), Oct. 29, 1992, 106 Stat. 4516.)

HISTORICAL AND REVISION NOTES

Derivation	U.S. Code	Revised Statutes and Statutes at Large
.....	5 U.S.C. 2103 (less applicability to 5 U.S.C. 2099).	Aug. 17, 1954, ch. 752, §14 (less applicability to §10), 68 Stat. 743.

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

1992—Pub. L. 102-572 substituted "United States Court of Federal Claims" for "United States Claims Court".

1982—Pub. L. 97-164 substituted "United States Claims Court" for "Court of Claims".

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 1992 AMENDMENT

Amendment by Pub. L. 102-572 effective Oct. 29, 1992, see section 911 of Pub. L. 102-572, set out as a note under section 171 of Title 28, Judiciary and Judicial Procedure.

EFFECTIVE DATE OF 1982 AMENDMENT

Amendment by Pub. L. 97-164 effective Oct. 1, 1982, see section 402 of Pub. L. 97-164, set out as a note under section 171 of Title 28, Judiciary and Judicial Procedure.

§ 8716. Regulations

(a) The Office of Personnel Management may prescribe regulations necessary to carry out the purposes of this chapter.

(b) The regulations of the Office may prescribe the time at which and the conditions under which an employee is eligible for coverage under this chapter. The Office, after consulting the head of the agency or other employing authority concerned, may exclude an employee on the basis of the nature and type of his employment or conditions pertaining to it, such as short-term appointment, seasonal, intermittent employment, and employment of like nature. The Office may not exclude—

(1) an employee or group of employees solely on the basis of the hazardous nature of employment;

(2) a teacher in the employ of the Board of Education of the District of Columbia, whose pay is fixed by section 1501 of title 31, District of Columbia Code, on the basis of the fact that the teacher is serving under a temporary appointment if the teacher has been so employed by the Board for a period or periods totaling not less than two school years; or

(3) an employee who is occupying a position on a part-time career employment basis (as defined in section 3401(2) of this title).

(c) The Secretary of Agriculture shall prescribe regulations to effect the application and operation of this chapter to an individual named by section 8701(a)(8) of this title.

(Pub. L. 89-554, Sept. 6, 1966, 80 Stat. 599; Pub. L. 95-437, §4(b), Oct. 10, 1978, 92 Stat. 1058; Pub. L. 95-454, title IX, §906(a)(2), (3), (c)(2)(F), (G), Oct. 13, 1978, 92 Stat. 1224, 1227.)

HISTORICAL AND REVISION NOTES

Derivation	U.S. Code	Revised Statutes and Statutes at Large
(a)	5 U.S.C. 2100 (less applicability to 5 U.S.C. 2099).	Aug. 17, 1954, ch. 752, §11 (less applicability to §10), 68 Stat. 742.

HISTORICAL AND REVISION NOTES—CONTINUED

<i>Derivation</i>	<i>U.S. Code</i>	<i>Revised Statutes and Statutes at Large</i>
(b), (c)	5 U.S.C. 2091(a) (words between 6th and 7th commas of 1st sentence and 2d sentence), (d) (words between 1st and 2d commas of 1st sentence, and 2d sentence).	Aug. 17, 1954, ch. 752, §2(a) (words between 6th and 7th commas of 1st sentence and 2d sentence), 68 Stat. 736. July 1, 1960, Pub. L. 86-568, §115(c) “(d) (words between 1st and 2d commas of 1st sentence, and 2d sentence)”, 74 Stat. 302. Oct. 6, 1964, Pub. L. 88-631, §2, 78 Stat. 1007.

In subsection (a), the words “Except as otherwise provided herein” are omitted as unnecessary since the authority to prescribe regulations is carried into this section.

In subsection (b), the words “section 1501 of title 31, District of Columbia Code” are substituted for “section 1 of the District of Columbia Teachers’ Salary Act of 1955 (69 Stat. 521), as amended (Sec. 31-1501, D.C. Code, 1961 edition)”.

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

1978—Subsec. (a). Pub. L. 95-454, §906(a)(2), substituted “Office of Personnel Management” for “Civil Service Commission”.

Subsec. (b). Pub. L. 95-454, §906(a)(3), substituted “Office” for “Commission” wherever appearing.

Pub. L. 95-437 substituted “intermittent employment” for “intermittent or part-time employment” in provision preceding par. (1), and added par. (3).

Pub. L. 95-454, §906(c)(2)(F), (G), substituted “3401” for “3391” in par. (3).

Statutory Notes and Related Subsidiaries

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.

CHAPTER 89—HEALTH INSURANCE

Sec.	Definitions.
8901.	Contracting authority.
8902.	Debarment and other sanctions.
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Editorial Notes

AMENDMENTS

2022—Pub. L. 117-108, title I, §102(a)(2)(B), Apr. 6, 2022, 136 Stat. 1135, added item 8903c.

2006—Pub. L. 109-435, title VIII, §803(a)(2), Dec. 20, 2006, 120 Stat. 3252, added item 8909a.

1998—Pub. L. 105-266, §6(a)(2), Oct. 19, 1998, 112 Stat. 2369, added item 8903b.

1988—Pub. L. 100-654, title I, §101(b), title II, §201(a)(2), title III, §301(b), Nov. 14, 1988, 102 Stat. 3841, 3845, 3846, added items 8902a, 8905a, and 8906a.

Pub. L. 100-238, title I, §108(a)(3)(B), Jan. 8, 1988, 101 Stat. 1748, added item 8914.

1985—Pub. L. 99-53, §1(b)(2), 3(a)(2)(B), June 17, 1985, 99 Stat. 94, 95, added item 8903a and inserted “or disability” after “and survivor” in item 8908.

1984—Pub. L. 98-615, §3(8), Nov. 8, 1984, 98 Stat. 3204, substituted “Information to individuals eligible to enroll” for “Information to employees” in item 8907.

1976—Pub. L. 94-342, §1(b), July 6, 1976, 90 Stat. 808, substituted “employees and survivor annuitants” for “employee” in item 8908.

§ 8901. Definitions

For the purpose of this chapter—

(1) “employee” means—

(A) an employee as defined by section 2105 of this title;

(B) a Member of Congress as defined by section 2106 of this title;

(C) a Congressional employee as defined by section 2107 of this title;

(D) the President;

(E) an individual first employed by the government of the District of Columbia before October 1, 1987;

(F) an individual employed by Gallaudet College;¹

(G) an individual employed by a county committee established under section 590h(b) of title 16;

(H) an individual appointed to a position on the office staff of a former President under section 1(b) of the Act of August 25, 1958 (72 Stat. 838);

(I) an individual appointed to a position on the office staff of a former President, or a former Vice President under section 5 of the Presidential Transition Act of 1963, as amended (78 Stat. 153), who immediately before the date of such appointment was an employee as defined under any other subparagraph of this paragraph; and

(J) an individual who is employed by the Roosevelt Campobello International Park Commission and is a citizen of the United States,

but does not include—

(i) an employee of a corporation supervised by the Farm Credit Administration if private interests elect or appoint a member of the board of directors;

(ii) an individual who is not a citizen or national of the United States and whose permanent duty station is outside the United States, unless the individual was an employee for the purpose of this chapter on September 30, 1979, by reason of service in an Executive agency, the United States Postal Service, or the Smithsonian Institution in the area which was then known as the Canal Zone;

(iii) an employee of the Tennessee Valley Authority; or

¹ See Change of Name note below.