

Public Law 87-270

AN ACT

September 21, 1961
[H. R. 7043]

To extend to employees subject to the Classification Act of 1949 the benefits of salary increases in connection with the protection of basic compensation rates from the effects of downgrading actions, to provide salary protection for postal field service employees in certain cases of reduction in salary standing, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Federal employees.
Salary protection.

**TITLE I—SALARY PROTECTION FOR EMPLOYEES
SUBJECT TO CLASSIFICATION ACT OF 1949**

AMENDMENTS TO CLASSIFICATION ACT OF 1949

SEC. 101. (a) Section 507 of the Classification Act of 1949, as amended (72 Stat. 830; Public Law 85-737; 5 U.S.C. 1107), is amended—

(1) by inserting “(including each increase provided by law in such rate of basic compensation)” immediately following “to receive the rate of basic compensation to which he was entitled immediately prior to such reduction in grade” in subsections (a) and (b) of such section;

(2) by striking out “and” in paragraph (3) of such subsection (a);

(3) by inserting “and, with respect to each temporary promotion occurring on or after the date of enactment of this amendment, is not a condition of his temporary promotion to a higher grade” immediately before the semicolon at the end of such paragraph (3); and

(4) by inserting “(including each increase provided by law in such rate)” immediately following “July 1, 1954”, wherever occurring in subsection (c) of such section, and immediately before the period at the end of such subsection.

(b) (1) The amendments made by subparagraphs (1) and (4) of subsection (a) of this section shall become effective as of August 23, 1958.

Effective dates.

(2) The amendments made by subparagraphs (2) and (3) of such subsection (a) shall become effective on the date of enactment of this Act.

**RETROACTIVE COMPENSATION; VALIDATION OF PAYMENTS; RELATION OF
PAYMENTS TO CIVIL SERVICE RETIREMENT ACT AND FEDERAL EMPLOYEES’
GROUP LIFE INSURANCE ACT OF 1954**

SEC. 102. (a) (1) Except as otherwise provided in paragraph (2) of this subsection, payments of increases provided by law in rates of basic compensation are hereby authorized, and shall be made, in accordance with the amendments made by subparagraphs (1) and (4) of subsection (a) of section 101 of this title to section 507 of the Classification Act of 1949, as amended (5 U.S.C. 1107), and in accordance with other applicable provisions of such section 507, as amended, for services to which the provisions of such section 507, as amended, apply and which were rendered in the period beginning on the first day of the first pay period commencing after August 23, 1958, and ending at the expiration of two years immediately following the first day of such first pay period, with respect to each individual who, on the date of enactment of this Act, is on any employment roll of the

Federal Government or of the municipal government of the District of Columbia, as follows—

(A) to such individual for such services so rendered by him, if, on such date of enactment, he (i) is on any such employment roll, (ii) is in the service of the Armed Forces of the United States, or (iii) is retired under any retirement law or retirement system for civilian officers and employees in or under the Federal Government or the municipal government of the District of Columbia; or

(B) to the survivor or survivors, in accordance with the Act of August 3, 1950 (Public Law 636, Eighty-first Congress), as amended (5 U.S.C. 61f-61k), of any such individual (for such services so rendered by him) who has died prior to such date of enactment, if, at the time of his death, such individual was (i) on any such employment roll, (ii) in the service of the Armed Forces of the United States, or (iii) retired under any such retirement law or retirement system.

64 Stat. 395.

(2) Payments of increases provided by law in rates of basic compensation which were made for services described in paragraph (1) of this subsection and rendered in the period described in such paragraph, and which would have been authorized under the amendments made by subparagraphs (1) and (4) of subsection (a) of section 101 of this title if such amendments had been in effect at the time such services were rendered in such period, are hereby validated to the same extent as if such amendments had been in effect during such period.

70 Stat. 743.

(b) (1) Payments of increases described in paragraph (1) of subsection (a) of this section shall not be considered as basic salary for the purposes of the Civil Service Retirement Act (5 U.S.C. 2251-2267) in the case of any retired or deceased individual described in subparagraph (A) or (B) of such paragraph (1).

(2) Payments of increases validated by paragraph (2) of such subsection (a) shall be considered as basic salary for purposes of such Act.

(c) For the purposes of this section, service in the Armed Forces of the United States, in the case of an individual relieved from training and service in the Armed Forces of the United States or discharged from hospitalization following such training and service, shall include the period provided by law for the mandatory restoration of such individual to a position in or under the Federal Government or the municipal government of the District of Columbia.

Group life insurance.

(d) (1) Increases in rates of basic compensation authorized to be paid by paragraph (1) of subsection (a) of this section shall not be held or considered to be annual compensation for the purposes of the Federal Employees' Group Life Insurance Act of 1954, as amended (5 U.S.C. 2091-2103).

68 Stat. 736.

Effective date.

(2) Each change in rate of basic compensation made in the period described in paragraph (1) of subsection (a) of this section by reason of any payment validated by paragraph (2) of such subsection shall be held and considered to be effective for group life insurance purposes under the Federal Employees Group Life Insurance Act of 1954, as amended (5 U.S.C. 2091-2103), as of the first day of the first pay period following the pay period in which the payroll change was approved with respect to such individual.

SAVINGS PROVISIONS

SEC. 103. (a) Nothing in this title or in the amendments made by this title shall be held or considered to modify, supersede, or otherwise affect the application and operation of section 24 of title 13 of the United States Code, which contains special provisions with respect to the assignment, promotion, appointment, detail, and other utilization of nontemporary employees of the Bureau of the Census in the Department of Commerce in temporary positions in connection with any census.

Bureau of the Census.

74 Stat. 911.

(b) Nothing in this title or in the amendments made by this title shall be held or considered to modify, change, or otherwise affect any increase in a saved rate of basic compensation paid in accordance with the Federal Employees Salary Increase Act of 1960 (part B of title I of the Act of July 1, 1960; 74 Stat. 298; Public Law 86-568).

Basic compensation, saved rate.

5 USC 1113 note.

TITLE II—SALARY PROTECTION FOR POSTAL FIELD SERVICE EMPLOYEES

PROTECTION OF SALARY STANDING OF POSTAL FIELD SERVICE EMPLOYEES

SEC. 201. That part of chapter 45 of title 39 of the United States Code under the heading "Salary Steps and Promotions" is amended by adding at the end thereof the following new section:

Postal field service employees.

74 Stat. 648-

651.

39 USC 3551-

3559.

"Salary standing."

§ 3560. Salary protection

"(a) As used in this section, the term 'salary standing' means—

"(1) basic salary and salary level, with respect to the Postal Field Service Schedule (excluding salary levels PFS 17, 18, 19, and 20),

"(2) salary for the particular route (including additional compensation for forty hours and under for serving heavily patronized routes), with respect to the Rural Carrier Schedule, and

"(3) gross receipts category, with respect to the Fourth-Class Office Schedule.

"(b) Subject to the provisions of subsection (c) of this section, each employee—

"(1) who at any time on or after July 1, 1961, is or was reduced in salary standing;

"(2) who, on the effective date of such reduction in salary standing, holds or held a career appointment or a probational appointment in the postal field service;

"(3) whose reduction in salary standing is not or was not caused by a demotion for personal cause, is not or was not at his own request, is not or was not a condition of his temporary promotion or temporary assignment to a higher salary standing, is not or was not a condition of his temporary appointment, and is not or was not effected in a reduction in force due to lack of funds or curtailment of work;

"(4) who, for two continuous years immediately prior to such reduction in salary standing, served in the postal field service with the same salary standing or with the same and higher salary standing; and

"(5) whose performance of work at all times during such period of two years is or was satisfactory;

shall be entitled, as of the effective date of such reduction in salary standing or as of the first day of the first pay period which begins on or after the date of enactment of this section, whichever is later, unless or until he is entitled to receive basic salary at a higher rate by reason

of the operation of this section, or until the expiration of a period of two years immediately following the effective date of such reduction in salary standing or immediately following the first day of such first pay period, as applicable, to receive the rate of basic salary to which he was entitled immediately prior to such reduction in salary standing (including each increase provided by law in such rate of basic salary) so long as he continues in the postal field service without any break in service of one workday or more and is not demoted or reassigned for personal cause, at his own request, or in a reduction in force due to lack of funds or curtailment of work.

“(c) The rate of basic salary to which such employee is entitled under subsection (b) of this section with respect to each reduction in salary standing to which this section applies shall be the lesser of the following:

“(A) the amount of the existing rate of basic salary of the employee immediately prior to the reduction in salary standing (including each increase provided by law in such rate); or

“(B) the amount of the rate of the salary level or salary range (including each increase provided by law in such rate) to which the employee is reduced, increased by 25 per centum.

“(d) The Postmaster General is authorized to issue regulations to carry out the purposes of this section.

“(e) (1) For the purposes of section 3559(a), the existing basic salary shall be the basic salary which the employee would have received except for the provisions of this section.

“(2) For the purposes of section 3544(h), the basic compensation earned shall be the basic compensation which the employee would have received except for the provisions of this section.

“(f) For the purposes of this section, the term ‘curtailment of work’ does not include—

“(1) reductions in class or gross receipts category of any post office, or

“(2) reductions in route mileage for rural carriers.”

CONFORMING AMENDMENT

SEC. 202. That part of the table of contents of chapter 45 of title 39 of the United States Code under the heading “SALARY STEPS AND PROMOTIONS” is amended by inserting

“3560. Salary protection.”

immediately below

“3559. Promotions.”

Approved September 21, 1961.

Public Law 87-271

AN ACT

To amend section 607(b) of the Merchant Marine Act, 1936, as amended.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the last sentence of section 607(b) of the Merchant Marine Act, 1936 (46 U.S.C. 1177(b)) is amended by inserting before the period at the end thereof a comma and the following: “and may also pay from such fund, with such consent and upon terms and conditions which the Secretary of Commerce shall by regulation prescribe to give priority to the foregoing purposes of the fund (and with respect to any transfer of funds from the special reserve fund, to give priority to

Regulatory authority.

74 Stat. 651.
39 USC 3559.

39 USC 3544.

“Curtailment of work.”
Exclusions.

39 USC note
prec. 3501.

September 21, 1961
[H. R. 6974]

Merchant Marine Act, 1936, amendment.

Reserve funds for research.
66 Stat. 764.