

in section 101(f) of division A of Public Law 104-208; 110 Stat. 3009-383), referred to in subsec. (a), is set out as a note under section 5597 of Title 5, Government Organization and Employees.

AMENDMENTS

2017—Subsec. (b). Pub. L. 115-91 substituted “section 2302(d)” for “section 2302(c)”.

Pub. L. 115-73 substituted “section 2302(c)” for “section 2302(d)”.

SUBPART IV—RETIREMENT

§ 3681. Retirement under special treaty provisions

(a) Purchase of retirement equity; individuals entitled to participate

(1) Subject to subsection (b) of this section, and under such regulations as the President may prescribe, the Secretary of the Treasury shall pay to the Social Security System of the Republic of Panama, out of funds deposited in the Treasury of the United States to the credit of the Civil Service Retirement and Disability Fund under section 8334(a)(2) of title 5, such sums of money as may be necessary to aid in the purchase of a retirement equity in such System for each individual who—

(A) meets the requirements of paragraph (2) of this subsection;

(B) is separated from employment in the Panama Canal Company, the Canal Zone Government, or the Commission by reason of the implementation of any provision of the Panama Canal Treaty of 1977 and related agreements; and

(C) becomes employed in a position covered by the Social Security System of the Republic of Panama through the transfer of a function or activity to the Republic of Panama from the United States or through a job placement assistance program.

(2) This subsection applies with respect to any individual only if the individual—

(A) has been credited with at least 5 years of civilian service under section 8332 of title 5, relating to creditable service for purposes of civil service retirement;

(B) is not eligible for an immediate retirement annuity under chapter 83 of title 5, relating to civil service retirement, and elects not to receive a deferred annuity under that chapter based on any portion of that service, and

(C) elects to withdraw from the Civil Service Retirement and Disability Fund the individual's entire lump-sum credit (as defined in section 8331(8) of title 5) and to transfer that amount to the Social Security System of the Republic of Panama pursuant to the special regime referred to in paragraph 3 of Article VIII of the Agreement in Implementation of Article III of the Panama Canal Treaty of 1977.

(b) Limitation on amount paid to Social Security System of Republic of Panama

The amount paid to the Social Security System of the Republic of Panama with respect to any individual under subsection (a) of this section shall not exceed the individual's entire lump-sum credit (as so defined).

(c) Purchase of nontransferable deferred annuity; employees entitled to participate

(1) Pursuant to paragraph 2(b) of Annex C to the Agreement in Implementation of Article IV of the Panama Canal Treaty of 1977, the President, or the President's designee, shall purchase from a source determined by the President to be appropriate, in accordance with such regulations as the President or the President's designee may prescribe, and to such extent or in such amounts as may be provided in advance in appropriation Acts, a nontransferable deferred annuity for the benefit of each employee of an agency or instrumentality of the Government of the United States in the Republic of Panama—

(A) who is not a citizen of the United States;

(B) who was employed on October 1, 1979, and during any period before that date by an agency or instrumentality of the Government of the United States at any permanent duty station in the Republic of Panama (including, with respect to employment before that date, the area then known as the Canal Zone);

(C) who, for any period of service with such agency or instrumentality before October 1, 1979, at any such permanent duty station was not covered, by reason of that service, by the United States Civil Service Retirement system or any other Federal retirement system providing benefits similar to those retirement benefits provided by the Social Security System of the Republic of Panama; and

(D) who, on October 1, 1979, is under a Federal retirement system and, on or before that date, has accrued in one or more agencies or instrumentalities of the United States a total of 5 years or more of service which—

(i) is creditable toward any Federal retirement system as in effect on October 1, 1979;

(ii) would have been creditable toward any such retirement system if the retirement system were in effect at the time of the service accrued by the employee; or

(iii) consists of any combination of service described in clauses (i) and (ii) of this subparagraph.

(2) The retirement annuity referred to in paragraph (1) of this subsection with respect to any employee will cover retroactively, from October 1, 1979, all periods of service, described in subparagraph (D) of that paragraph, by that employee at any permanent duty station in the Republic of Panama (including the area known before that date as the Canal Zone) in agencies and instrumentalities of the Government of the United States during which that employee was not covered by the United States Civil Service Retirement System or any other Federal retirement system providing benefits similar to those retirement benefits provided by the Social Security System of the Republic of Panama.

(Pub. L. 96-70, title I, §1243, Sept. 27, 1979, 93 Stat. 473; Pub. L. 105-85, div. C, title XXXV, §3550(d)(6), Nov. 18, 1997, 111 Stat. 2074.)

Editorial Notes

AMENDMENTS

1997—Subsec. (c)(2). Pub. L. 105-85 substituted “retroactively” for “retroactivity”.

Executive Documents**DELEGATION OF FUNCTIONS**

Functions vested in President by subsec. (a)(1) delegated to Director of Office of Personnel Management and function vested in President by subsec. (c)(1) of this section delegated to Secretary of Defense, see sections 1-105 and 1-403 of Ex. Ord. No. 12215, May 27, 1980, 45 F.R. 36043, 36045, set out as a note under section 3601 of this title.

§ 3682. Administration of certain disability benefits**(a) Continuation of cash relief payments to employees under Act of July 8, 1937**

(1) The Commission, or any other United States Government agency or private entity acting pursuant to an agreement with the Commission, under the Act entitled "An Act authorizing cash relief for certain employees of the Panama Canal not coming within the provisions of the Canal Zone Retirement Act", approved July 8, 1937 (50 Stat. 478; 68 Stat. 17), may continue the payments of cash relief to those individual former employees of the Canal Zone Government or Panama Canal Company or their predecessor agencies not coming within the scope of the former Canal Zone Retirement Act whose services were terminated prior to October 5, 1958, because of unfitness for further useful service by reason of mental or physical disability resulting from age or disease.

(2) Subject to subsection (b), cash relief under this subsection may not exceed \$1.50 per month for each year of service of the employees so furnished relief, with a maximum of \$45 per month, plus the amount of any cost-of-living increases in such cash relief granted before October 1, 1979, pursuant to section 181 of title 2 of the Canal Zone Code (as in effect on September 30, 1979), nor be paid to any employee who, at the time of termination for disability prior to October 5, 1958, had less than 10 years' service with the Canal Zone Government, the Panama Canal Company, or their predecessor agencies on the Isthmus of Panama.

(b) Additional amounts for relief under subsection (a)

An additional amount of \$20 per month shall be paid to each person who receives payment of cash relief under subsection (a) of this section and shall be allowed without regard to the limitations contained therein.

(c) Increases in cash relief payments

Each cash relief payment made pursuant to this section shall be increased on the same effective date and by the same percent, adjusted to the nearest dollar, as civil service retirement annuities are increased under the cost-of-living adjustment provisions of section 8340(b) of title 5. Such increase shall apply only to cash relief payments made after October 1, 1979, as increased by annuity increases made after that date under such section 8340(b) of title 5.

(d) Cash relief payments to widows

The Commission may pay cash relief to the widow of any former employee of the Canal Zone Government or the Panama Canal Company who, until the time of his death, receives or has

received cash relief under subsection (a) of this section, under section 181 of title 2 of the Canal Zone Code (as in effect on September 30, 1979), or under the Act of July 8, 1937, referred to in such subsection (a). The term "widow" as used in this subsection includes only the following:

(1) a woman legally married to such employee at the time of his termination for disability and at his death;

(2) a woman who, although not legally married to such former employee at the time of his termination, had resided continuously with him for at least five years immediately preceding the employee's termination under such circumstances as would at common law make the relationship a valid marriage and who continued to reside with him until his death; and

(3) a woman who has not remarried or assumed a common-law relationship with any other person.

Cash relief granted to such a widow shall not at any time exceed 50 percent of the rate at which cash relief, inclusive of any additional payment under subsection (b) of this section, would be payable to the former employee were he then alive.

(e) Applicability of subchapter III of chapter 83 of title 5

Subchapter III of chapter 83 of title 5 applies with respect to those individuals who were in the service of the Canal Zone Government or the Panama Canal Company on October 5, 1958, and who, except for the operation of section 13(a)(1) of the Act entitled "An Act to implement item 1 of a Memorandum of Understanding attached to the treaty of January 25, 1955, entered into by the Government of the United States of America and the Government of the Republic of Panama with respect to wage and employment practices of the Government of the United States of America in the Canal Zone", approved July 25, 1958 (72 Stat. 405), would have been within the classes of individuals subject to the Act of July 8, 1937, referred to in subsection (a) of this section.

(Pub. L. 96-70, title I, §1245, Sept. 27, 1979, 93 Stat. 475; Pub. L. 104-201, div. C, title XXXV, §§ 3538, 3548(c)(2), Sept. 23, 1996, 110 Stat. 2864, 2869.)

Editorial Notes**REFERENCES IN TEXT**

The reference to the Act of July 8, 1937, in subsecs. (a)(1), (d), and (e), is act July 8, 1937, ch. 443, 50 Stat. 478, which was classified to section 1372 of Title 48, Territories and Insular Possessions, prior to repeal by Pub. L. 87-845, §26(b), Oct. 18, 1962, 76A Stat. 701.

The Canal Zone Code, referred to in subsec. (a)(2), was enacted by Pub. L. 87-845, §1, Oct. 18, 1962, 76A Stat. 1, redesignated the Panama Canal Code by Pub. L. 96-70, title III, §3303(b), Sept. 27, 1979, 93 Stat. 499, and repealed by Pub. L. 104-201, div. C, title XXXV, §3549, Sept. 23, 1996, 110 Stat. 2870.

Section 13(a)(1) of Act July 25, 1958, referred to in subsec. (e), probably means section 13(a) of Pub. L. 85-550, July 25, 1958, 72 Stat. 405, which is set out as a note under section 8331 of Title 5, Government Organization and Employees.