



# *West Virginia National Guard Human Resources Office Bulletin*



**Bulletin Number:** 12-06

**Date:** 14 December 2012

**Applicability:** National Guard (NG) Technicians

## **Federal Employees Retirement System Revised Annuity Employees – FERS RAE**

**Subject:** Implementation of the new FERS-RAE Retirement Component

**References:** P.L. 112-96 Middle Class Tax Relief and Job Creation Act of 2012

**Effective Date:** 1 January 2013

**Applicability:** FERS RAE coverage will generally apply to any individual who receives an appointment not excluded from FERS coverage on or after 1 January 2013, and who would normally be placed into FERS. This rule does not affect current on board FERS employees.

**Overview of Changes:** Beginning 1 January 2013, two significant changes will be made to the traditional Federal Employees Retirement System (FERS).

1. Newly hired employees who would otherwise be entitled to FERS coverage will pay significantly higher employee contributions to the plan, an increase of 2.3% of salary. Benefits under the program will remain the same.
2. New members of Congress, and Congressional employees, in addition to paying the higher retirement contribution, will accrue retirement benefits at the same rate as regular Federal Employees.

### **Employees Excluded from FERS-RAE Coverage:**

Employees will be excluded from FERS-RAE coverage if any of the following three exceptions apply:

1. On 31 December 2012, an employee is subject to an appointment covered by FERS.

2. On 31 December 2012, an employee is performing civilian service which is creditable or potentially creditable service under FERS (for example the individual may have been covered under another retirement system from which service credit may be transferred to FERS, such as CSRS, CSRS-Offset, Foreign Service, Federal Reserve, or CIARDS)

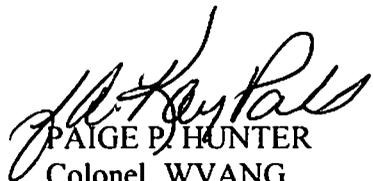
3. An employee is not covered under FERS and was not performing civilian service which is creditable or potentially creditable service under FERS, **but** as of December 31, 2012 has performed at least **five years** of civilian service creditable or potentially creditable under FERS, including service subject to CSRS or CSRS-Offset.

4. Employees who occupy a FERS covered position immediately prior to 31 December 2012 and who separate and return with a break in service of three days or less will be restored to FERS coverage.

5. Employees who are in receipt of benefits under the Federal Employees Compensation Act (FECA) on 31 December 2012 and later return to employment are considered covered under FERS. The period of compensation paid is considered leave without pay and is creditable under FERS.

6. Employees who separate from civilian service to enter military service before or on 31 December 2012 and who later exercise their reemployment rights under the Uniformed Services Employment and Reemployment Act (USERRA), must be restored to a FERS covered appointment and are excluded from FERS-RAE coverage.

**Points of contact are the Technician Retirements Specialist at (304) 561-6429, and the Technician Employee Relations Specialist at (304) 561-6431**

  
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