

(a) The employing agency exercised an explicit statutory authority to appoint an individual into the civil service by contract; or

(b) The head of the agency which was party to the contract, based on a timely-filed application, in accordance with section 110 of Public Law 100-238, and the regulations promulgated by OPM pursuant to that statute, certifies that the agency intended that an individual be considered as having been appointed to a position in which (s)he would have been subject to subchapter III of chapter 83 of title 5, United States Code, and deposit has been paid in accordance with OPM's regulations.

[55 FR 53136, Dec. 27, 1990]

**§ 842.310 Service not creditable because of an election under part 847 of this chapter.**

Any FERS service which becomes creditable under a retirement system established for nonappropriated fund employees due to an election made under part 847 of this chapter is not creditable for any purpose under FERS.

[61 FR 41721, Aug. 9, 1996]

### Subpart D—Computations

SOURCE: 52 FR 4475, Feb. 11, 1987, unless otherwise noted.

**§ 842.401 Purpose.**

This subpart regulates the basic annuity computation under the Federal Employees Retirement System (FERS).

**§ 842.402 Definitions.**

In this subpart—

*Full-time service* means any actual service in which the employee is scheduled to work the number of hours and days required by the administrative workweek for his or her grade or class (normally 40 hours).

*Part-time service* means any actual service performed on a less than full-time basis, by an individual whose appointment describes a regularly scheduled tour of duty, and any period of time credited as nonpay status time under 5 U.S.C 8411(d), that follows a period of part-time service without any

intervening period of actual service other than part-time service.

*Proration factor* means a fraction expressed as a percentage rounded to the nearest percent. The numerator is the sum of the number of hours the employee actually worked during part-time service; and the denominator is the sum of the number of hours that a full-time employee would be scheduled to work during the same period of service included in the numerator. If an employee has creditable service in addition to part-time service, such service must be included in the numerator and denominator of the fraction.

*Total service* means the full years and twelfth parts thereof of an employee's or Member's service creditable under subpart C of this part, excluding any fractional part of a month.

[52 FR 4475, Feb. 11, 1987, as amended at 52 FR 22436, June 12, 1987; 58 FR 43493, Aug. 17, 1993]

**§ 842.403 Computation of basic annuity.**

(a) Except as provided in paragraph (b) of this section and §§ 842.405 and 842.406, the annuity of an employee or Member is 1 percent of average pay multiplied by total service.

(b) The annuity of an employee is 1.1 percent of average pay multiplied by total service, provided the individual—

(1) Has completed 20 years of service; and

(2) At the time of separation on which entitlement to an annuity is based—

(i) Is at least age 62; and

(ii) Is not a Member, Congressional employee, military reserve technician, law enforcement officer, firefighter, or air traffic controller.

**§ 842.404 Reductions in basic annuity.**

The annuity of an employee or Member retiring under § 842.204(a)(1) or § 842.212(b) is reduced by five-twelfths of 1 percent for each full month by which the commencing date of annuity precedes the 62nd birthday of the employee or Member, unless the individual—

(a) Has completed 30 years of service; or

(b)(1) Has completed 20 years of service; and

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(2) Is at least age 60 on the commencing date of annuity; or

(c) Has completed 20 years of service as—

(1) An air traffic controller, except one separated by removal for cause on charges of misconduct or delinquency;

(2) A firefighter and/or law enforcement officer, except one separated by removal for cause on charges of misconduct of delinquency; or

(3) A Member, except one separated by resignation or expulsion.

### § 842.405 Air traffic controllers, firefighters, law enforcement officers, and nuclear materials couriers.

The annuity of an air traffic controller retiring under § 842.207 or a law enforcement officer, firefighter or nuclear materials courier retiring under § 842.208 is—

(a) One and seven-tenths percent of average pay multiplied by 20 years; plus

(b) One percent of average pay multiplied by the years of service exceeding 20 years.

[52 FR 4475, Feb. 11, 1987, as amended at 65 FR 2524, Jan. 18, 2000]

### § 842.406 Members of Congress and Congressional employees.

The annuity of an employee or Member who has had at least 5 years of service as a congressional employee, Member, or any combination thereof totaling 5 years is—

(a) One and seven-tenths percent of average pay multiplied by the total number of years of service as a Member and/or congressional employee not exceeding 20 years; plus

(b) One percent of average pay multiplied by the years of service other than that of a Member and/or congressional employee.

### § 842.407 Proration of annuity for part-time service.

The annuity of an employee whose service includes part-time service is computed in accordance with § 842.403, using the average pay based on the annual rate of basic pay for full-time service. This amount is then multiplied by the proration factor. The result is the annual rate of annuity before reductions for retirement before age 62,

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survivor benefits, or the reduction for an alternative form of annuity required by § 842.706.

[52 FR 22436, June 12, 1987]

### Subpart E—Annuity Supplement

SOURCE: 52 FR 4479, Feb. 11, 1987, unless otherwise noted.

#### § 842.501 Purpose.

This subpart regulates the annuity supplement payable to eligible employees under sections 8421 and 8421(a) of title 5, United State Code.

#### § 842.502 Definitions.

In this subpart—

*Age 62* means the day before an individual's sixty-second birthday.

*Annuity Supplement* means the monthly benefit described in § 842.504.

*Applicable exempt amount* and *earnings* have the same meanings as in section 203 of the Social Security Act.

*Excess earnings* means 50 percent of an individual's earnings which exceed the applicable exempt amount during a calendar year or, if less, an amount equal to the total annuity supplement paid to the individual in that year, but does not include earnings prior to an individual's attainment of the minimum retirement age.

*FERS* means chapter 84 of title 5, United States Code.

*Minimum retirement age* has the same meaning as in § 842.202.

*Test year* means the calendar year immediately before the one in which any reductions required by 5 U.S.C. 8421a and § 842.505 are applied.

#### § 842.503 Eligibility for annuity supplement.

(a) Except as provided in paragraph (b) of this section, an employee or Member receiving an annuity under any of the following sections is entitled to receive an annuity supplement:

(1) Section 842.204(a)(1) if the employee or Member has completed at least 30 years of service;

(2) Section 842.204(a)(2) governing retirement at age 60 with 20 years of service;

(3) Section 842.205 governing retirement at age 50 with 20 years of service