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OFFICE OF PERSONNEL MANAGEMENT

5 CFR Part 843

RIN 3206-AM99

**Federal Employees' Retirement System; Present Value Conversion Factors for Spouses
of Deceased Separated Employees**

AGENCY: Office of Personnel Management.

ACTION: Final Rule.

SUMMARY: The Office of Personnel Management (OPM) is adopting its proposed rule to revise the table of reduction factors for early commencing dates of survivor annuities for spouses of separated employees who die before the date on which they would be eligible for unreduced deferred annuities, and to revise the annuity factor for spouses of deceased employees who die in service when those spouses elect to receive the basic employee death benefit in 36 installments under the Federal Employees' Retirement System (FERS) Act of 1986. These rules are necessary to ensure that the tables conform to the economic and demographic assumptions adopted by the Board of Actuaries and published in the Federal Register on May 21, 2014, as required by 5 U.S.C. 8461(i).

DATES: This rule becomes effective on [insert date of publication in the Federal Register].

FOR FURTHER INFORMATION CONTACT: Roxann Johnson, (202) 606-0299.

SUPPLEMENTARY INFORMATION: On May 21, 2014, OPM published at 79 FR 29224, a notice in the Federal Register to revise the normal cost percentages under the Federal Employees' Retirement System (FERS) Act of 1986, Public Law 99-335, 100 Stat. 514, as amended, based on economic assumptions and demographic factors adopted by the Board of

Actuaries of the Civil Service Retirement System. Under 5 U.S.C. 8461(i), the demographic factors and economic assumptions require corresponding changes in factors used to produce actuarially equivalence when required by the FERS Act. As a result, on July 18, 2014, at 79 FR 41929 , OPM published a proposed rule in the Federal Register to revise the table of reduction factors in Appendix A to subpart C of part 843, Code of Federal Regulations, for early commencing dates of survivor annuities for spouses of separated employees who die before the date on which they would be eligible for unreduced deferred annuities, and to revise the annuity factor for spouses of deceased employees who die in service when those spouses elect to receive the basic employee death benefit in 36 installments under 5 CFR 843.309. OPM received no written comments on the proposed rule.

Executive Order 12866, Regulatory Review

This rule has been reviewed by the Office of Management and Budget in accordance with Executive Order (E.O.) 12866, as amended by E.O. 13258 and E.O. 13422.

Regulatory Flexibility Act

I certify that this regulation will not have a significant economic impact on a substantial number of small entities because the regulation will only affect retirement payments to surviving current and former spouses of former employees and Members who separated from Federal service with title to a deferred annuity.

List of Subjects in 5 CFR Part 843

Air traffic controllers, Disability benefits, Firefighters, Government employees, Law enforcement officers, Pensions, Retirement.

U.S. Office of Personnel Management.

For the reasons stated in the preamble, the Office of Personnel Management amends 5 CFR part 843 as follows:

PART 843—FEDERAL EMPLOYEES RETIREMENT SYSTEM—DEATH BENEFITS AND EMPLOYEE REFUNDS

1. The authority citation for part 843 continues to read as follows:

Authority: 5 U.S.C. 8461; §§ 843.205, 843.208, and 843.209 also issued under 5 U.S.C. 8424; § 843.309 also issued under 5 U.S.C. 8442; § 843.406 also issued under 5 U.S.C. 8441.

Subpart C—Current and Former Spouse Benefits

2. In §843.309, revise paragraph (b)(2) to read as follows:

§ 843.309 Basic employee death benefit.

* * * * *

(b) * * *

(2) For deaths occurring on or after October 1, 2014, 36 equal monthly installments of 2.99522 percent of the amount of the basic employee death benefit.

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3. Revise Appendix A to subpart C of part 843 to read as follows:

APPENDIX A TO SUBPART C OF PART 843—PRESENT VALUE CONVERSION FACTORS FOR EARLIER COMENCING DATE OF ANNUITIES OF CURRENT AND FORMER SPOUSES OF DISEASED SEPARATED EMPLOYEES

With at least 10 but less than 20 years of creditable service—

Age of separated employee at birthday before death	Multiplier
26.....	.0638
27.....	.0700
28.....	.0764
29.....	.0831
30.....	.0902
31.....	.0978
32.....	.1058
33.....	.1142
34.....	.1233
35.....	.1331
36.....	.1435
37.....	.1547
38.....	.1667
39.....	.1794
40.....	.1931
41.....	.2079
42.....	.2236
43.....	.2406
44.....	.2588

45.....	.2784
46.....	.2993
47.....	.3218
48.....	.3463
49.....	.3725
50.....	.4008
51.....	.4313
52.....	.4644
53.....	.5001
54.....	.5387
55.....	.5806
56.....	.6262
57.....	.6756
58.....	.7295
59.....	.7882
60.....	.8525
61.....	.9228

With at least 20, but less than 30 years of creditable service—

Age of separated employee at birthday before death	Multiplier
36.....	.1693
37.....	.1825

38.....	.1966
39.....	.2116
40.....	.2276
41.....	.2449
42.....	.2634
43.....	.2833
44.....	.3047
45.....	.3276
46.....	.3523
47.....	.3787
48.....	.4073
49.....	.4380
50.....	.4712
51.....	.5070
52.....	.5457
53.....	.5875
54.....	.6327
55.....	.6818
56.....	.7351
57.....	.7930
58.....	.8560
59.....	.9248

With at least 30 years of creditable service—

Age of separated employee at birthday before death	Multiplier by separated employee's year of birth	
	After 1966	From 1950 through 1966
46 .....	.4457	.4811
47 .....	.4790	.5170
48 .....	.5151	.5559
49 .....	.5538	.5976
50 .....	.5955	.6426
516405	.6911
526892	.7435
537417	.8001
547986	.8614
558603	.9279
569272	1.0000

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