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A BILL

To consolidate and revise certain provisions of law relating to additional compensation of civilian employees of the Federal Government stationed outside the continental United States and in Alaska, except as otherwise authorized herein, and to facilitate recruitment, reduce turnover, and compensate for extra costs and hardships due to overseas assignments.

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Overseas Allowances Act of 1945."

TITLE I - OBJECTIVES, DEFINITIONS, AND GENERAL PROVISIONS

PART A - OBJECTIVES

Sec. 101. The Congress hereby declares that the objectives of this Act are to improve and strengthen the administration of Federal Government activities overseas by -

- (1) codifying into one Act certain provisions of law compensating United States citizen employees of the United States Government stationed outside the continental United States and in Alaska for extra costs and hardships due to overseas assignments;
- (2) providing uniform treatment for personnel of all agencies of the Federal Government overseas to the extent justified by relative conditions of employment;
- (3) providing a basis for the more efficient and equitable administration of these provisions of law;
- (4) facilitating the recruitment and retention of the best qualified personnel for service in overseas areas.

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PART B - DEFINITIONS

Sec. 111. When used in this Act, the term -

- (1) "Government" means the Government of the United States of America;
- (2) "Government agency" means any executive department, board, bureau, office, agency, commission, or any other establishment of the Federal Government; or any corporation wholly owned (either directly or through one or more corporations) by the United States;
- (3) "Continental United States" means the existing 48 States and the District of Columbia;
- (4) "Overseas" means all areas not included in the continental United States as defined in paragraph (3) of this section;
- (5) "Foreign areas" means all areas, including for the purposes of this Act the Trust Territory of the Pacific Islands and bases leased by the United States in foreign areas, but exclusive of the continental United States, the Canal Zone and the Territories and possessions of the United States;
- (6) "Territories and possessions of the United States" means Alaska, Hawaii, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and all possessions of the United States;
- (7) "Employee" means a civilian <sup>in the service of the Dept. of Defense</sup> ~~who receives a salary or wage from a Government agency~~, including ambassadors, ministers, and officers of the Foreign Service, but excluding members of the Senate and House of Representatives.

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PART C - GENERAL PROVISIONS

Sec. 121. Allowances and differentials authorized by this Act shall be paid only in accordance with regulations prescribed by the President establishing rules governing payment and rates at which payment shall be made, and defining the area, groups of positions and categories of persons to which each rate applies.

Sec. 122. Notwithstanding the provisions of RS 1765 (5 USC 70), allowances and differentials provided by this Act are authorized for employees (a) whose rates of basic compensation are fixed by statute and (b) whose rates of basic compensation are fixed administratively in conformity with rates paid by the Government for comparable work in the continental United States, without taking into consideration allowances and differentials provided by this Act, *except as otherwise provided by this Act.*

Sec. 123. Section ~~116(j)~~<sup>116(j)</sup> of the Internal Revenue Code, <sup>as amended</sup> (26 U.S.C. 116(j)), ~~is~~ amended to read as follows:

"(j) In the case of an employee of the United States, amounts received as allowances (but not amounts received as post differentials) under the provisions of the Overseas Allowances Act of 1954."

TITLE II - ALLOWANCES AND DIFFERENTIALS IN FOREIGN AREAS

Sec. 201. The allowances and differentials authorized by this title may be granted to Government employees who are citizens or nationals of the United States stationed in foreign areas, except as authorized herein.

PART A - QUARTERS ALLOWANCES

Sec. 211. Whenever Government-owned or rented quarters are not provided without charge, one or more of the following quarters allowances may be

granted where applicable:

- (1) A temporary lodging allowance for the cost of temporary quarters incurred by the employee and his family upon first arrival at a new foreign post, for a period not in excess of three months after first arrival or until the occupation of residence quarters, whichever shall be shorter, and for a period not in excess of one month immediately preceding final departure from the post subsequent to the necessary evacuation of residence quarters;
- (2) A living quarters allowance for rent, heat, light, fuel, gas, electricity and water, without regard to the limitations of RS-3648, as amended, (31 U.S.C. 529);
- (3) Under unusual circumstances <sup>payment of reimb.</sup> ~~an allowance~~ for extraordinary, necessary and reasonable expenses, not otherwise compensated for, incurred in initial repairs, alterations and improvements to his residence at the foreign post of assignment.

*prov. that expenditure for living quarters are in fact reimbursed*

PART B - COST-OF-LIVING ALLOWANCES

Sec. 221. The following cost-of-living allowances may be granted where applicable:

- (1) A post allowance to offset the difference between the cost of living in Washington, D. C. and the foreign post;
- (2) A transfer allowance for extraordinary, necessary, and reasonable expenses, not otherwise compensated for, incurred by an employee incident to establishing himself at any foreign post of assignment or at a post of assignment in the continental United States between assignments to foreign posts;

(3) A separate maintenance allowance necessary to assist an employee who is compelled by reason of dangerous, notably unhealthful, or excessively adverse living conditions at his foreign post, or for the convenience of the Government, to meet the additional expense of maintaining his wife or minor dependents or both elsewhere than at the foreign post of assignment;

(4) An education allowance or grant as follows:

(i) An allowance to assist an employee

- (a) to provide for the elementary and secondary education of his minor dependents, including cost of tuition, board and room, correspondence courses, usual expenses, and transportation costs;
- (b) to transport his minor dependents, whenever adequate elementary and secondary educational facilities are not available at the post at which he is serving, to and from the nearest locality where such facilities are available.

(ii) Travel grants:

- (a) An employee who has served in foreign areas for more than five years may receive a grant for the travel expenses incurred in transporting his minor dependents to and from the nearest port of entry in the continental United States or in a Territory or possession of the United States, not to exceed one round trip, under

travel orders unrelated to home leave orders

*Allowance  
of For. Serv. Act -*

*Amount Admin.  
Expenses Act to cover  
travel grants for relatives,  
purposes -*

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for the parents, for the purpose of securing an American secondary-school education; Provided, that no allowance payment under (i)(a) and (b) above shall be made on behalf of a dependent who is in the United States, its Territories or possessions, under a travel grant authorized herein.

- (b) An employee may receive a grant for the travel expenses incurred in transporting his minor dependents to and from the nearest port of entry in the continental United States or in a Territory or possession of the United States, not to exceed one round trip, under travel orders unrelated to home leave orders for the parents, for the purpose of obtaining post-secondary or college education.

PART C - REPRESENTATION ALLOWANCE

Sec. 231. Representation allowances may be granted to employees assigned to foreign posts or to resident missions to international organizations in amounts determined to be necessary for the furtherance of the United States' interests.

PART D - STORAGE ALLOWANCE


Sec. 241. Payment or reimbursement may be authorized for the cost of transporting to and from a place of storage and storing an employee's furniture and household and personal effects for not to exceed three months after first arrival at a new post; or when an employee is assigned to a post to which he cannot take or at which he is unable to use his furniture

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and household and personal effects; or when such storage would avoid the cost of transporting such effects from one location to another.

PART E - OFFICIAL RESIDENCE ALLOWANCE

ILLEGIB  Sec. 251. An allotment of funds may be made to any foreign post to defray the unusual expenses incident to the operation and maintenance of official residences suitable for the chief representatives of the United States at that post.

PART F - POST DIFFERENTIAL

Sec. 261. A post differential may be granted on the basis of conditions of environment which differ substantially from conditions of environment in the continental United States and warrant additional compensation as a recruitment and retention incentive. Additional compensation paid as a post differential shall not in any instance exceed 25 percent of the rate of basic compensation.

TITLE III - ALLOWANCES AND DIFFERENTIALS IN TERRITORIAL AREAS

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Sec. 301. The allowances and differentials authorized by this title may be granted to Government employees who are citizens or nationals of the United States stationed in Territories and possessions of the United States.

PART A - COST-OF-LIVING ALLOWANCE

Sec. 311. A territorial cost-of-living allowance may be granted to offset the difference between the cost of living in Washington, D. C. and the Territorial post or area.

PART B - STORAGE ALLOWANCE

Sec. 321. Payment or reimbursement may be authorized for the cost of transporting to and from a place of storage and storing an employee's furniture and household and personal effects for not to exceed three months after first arrival at a new post; or when an employee is assigned to a

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post to which he cannot take or at which he is unable to use his furniture and household and personal effects; or when such storage would avoid the cost of transporting such effects from one location to another.

#### PART C - POST DIFFERENTIAL

Sec. 331. A territorial post differential may be granted on the basis of conditions of environment which differ substantially from conditions of environment in the continental United States and warrant additional compensation as a recruitment and retention incentive. Additional compensation paid as a post differential shall not in any instance exceed 25 percent of the rate of basic compensation.

#### TITLE IV - MISCELLANEOUS PROVISIONS

Sec. 401. Funds appropriated for the fiscal year 1954 to any Government agency, as defined in section 111(2) of this Act, are hereby made available for the purposes of this Act in accordance with authority granted herein and such regulations as the President may prescribe. Appropriations of additional funds as may be required to carry out the purposes of this Act are hereby authorized.

Sec. 411. The following statutes or parts of statutes and all amendments thereto are repealed:

- (1) That part of the Act of June 26, 1930 which reads "and, where such quarters are not available, may be granted an allowance for living quarters, including heat, fuel, and light, notwithstanding the provisions of section 1765 of the Revised Statutes (U.S.C., title 5, sec. 70)"; and the phrase "or allowances in lieu thereof" in the first proviso of said Act (ch. 622, 46 Stat. 818; 5 U.S.C. 118a).



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- (2) Sections 443, 853, 901, 902, 903, 911(4) and 911(5) of the Foreign Service Act of 1946 (ch. 957, 60 Stat. 999-1040).
- (3) Section 207 of the Act of April 20, 1948, as amended (62 Stat. 194; 62 Stat. 1205; 5 U.S.C. 118h).

Sec. 421. Any statute that is not repealed by section 411 but which is inconsistent with any of the provisions of this Act shall be considered as having been amended or superseded by such provisions.

Sec. 431. The repeal of the several statutes or parts of statutes accomplished by section 411 shall not affect any act done or right accruing or accrued, or any suit or proceeding had or commenced in any civil cause, before such repeal, but all rights and liabilities under the statutes or parts thereof so repealed shall continue, and may be enforced in the same manner as if such repeal had not been made; subject, however, to the provisions of section 441.

Sec. 441. The repeal of the several statutes or parts of statutes accomplished by section 411 shall not be construed as a revival, up to the effective date of this Act, of any statute or part of a statute that may have previously been repealed by implication.

Sec. 451. Notwithstanding the provisions of this Act, existing rules, regulations of or applicable to the Government agencies shall remain in effect until revoked or rescinded or until modified or superseded by regulations made in accordance with the provisions of this Act, unless clearly inconsistent with the provisions of this Act.

Sec. 461. The effective date of this Act shall be the first day of the first pay period which begins after three months following the date of enactment.