

ADMINISTRATIVE - INTERNAL USE ONLY

This Notice Expires 1 ^{June 1984} ~~December 1983~~

PERSONNEL

27 May 1983

CIA SPOUSES' RETIREMENT EQUITY ACT OF 1982

Rescission:

1. The "Central Intelligence Agency Spouses' Retirement Equity Act of 1982" requires the Agency to inform those spouses covered by the act of their new rights. Spouses who are affected by this legislation are those who are married to:

a. CIA Retirement and Disability System participants

or

b. Employees in the Civil Service Retirement System who have served with the Agency outside the United States for five years or more.

2. A notice dated 29 April 1983 was prepared for the information of spouses and distributed to all Agency employees. The information it contained was intended primarily for currently eligible spouses. It has been determined that it will not be necessary for all employees (or ineligible spouses) to sign and return the 29 April 1983 notice as originally required in

3. However, it is the responsibility of married employees who have a spouse affected by this legislation under the criteria stated in paragraph 1 above to bring this notice to the attention of their spouses and to ask them to read, complete, sign, and date the 29 April 1983 notice. This notice signed by the spouse or the employee's certification on the notice that the spouse has seen the notice should be returned to the respective administrative or personnel offices and then will be forwarded to the Office of Personnel for retention in the official personnel files.

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[Redacted]

27 May 1983

PERSONNEL

4. The questions most frequently asked on this subject have been answered in the attachment to this notice which is provided for the information of all employees.

[Redacted]

Harry E. Fitzwater
Deputy Director
for
Administration

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Attachment

DISTRIBUTION: ALL EMPLOYEES

CHANGES IN RIGHTS OF SPOUSES AND FORMER SPOUSES

There have been some changes in the retirement law which affect the rights of spouses and former spouses of employees and annuitants in the CIA Retirement and Disability System (CIARDS), and also of some CIA employees in the Civil Service Retirement System. The following questions and answers are designed to help explain some of these changes:

WHICH AGENCY EMPLOYEES ARE AFFECTED

Question 1. I recently received a notice entitled "Retirement Benefits for Qualified Former Spouses." Do I have to sign the notice?

Answer: It has been determined that, except as explained in Question 2, no Agency employee need sign this notice.

Question 2. Who should sign the notice?

Answer: If you are married AND you are in CIARDS or if you are under Civil Service Retirement and have served with the Agency outside the United States for 5 years, your current spouse should sign the notice. If your spouse does not sign, you should return the notice with your certification that your spouse has been shown the notice. This is to comply with the requirement in the law that affected spouses be informed of their rights.

Question 3. I am a CIARDS participant. Could these changes affect me?

Answer: Yes, if you have been married.

Question 4. I am not in CIARDS but am covered by the Civil Service Retirement System. Do any of these changes affect me?

Answer: Only if you have had 5 years of overseas service and, therefore, would be qualified to join CIARDS. The changes in the law were designed to prevent Agency employees from limiting the rights of spouses and former spouses by remaining in the Civil Service rather than joining CIARDS.

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Answer: Only if you have had 5 years of overseas service and, therefore, would be qualified to join CIARDS. The changes in the law were designed to prevent Agency employees from limiting the rights of spouses and former spouses by remaining in the Civil Service rather than joining CIARDS.

Whenever we say former spouse we mean someone who meets all the four criteria listed above.

If you have a former spouse, he or she need not be consulted before you withdraw your lump-sum contribution, but your former spouse is entitled to receive a proportional share of that lump-sum payment unless a court order or spousal agreement expressly provides otherwise. If your former spouse was married to you during the entire period of your Federal service, he or she would receive half of the lump-sum payment.

If the marriage lasted for only part of your period of Federal service, he or she would receive proportionately less. Thus, if you had 15 years' Federal service and were married for 10 of those years, your former spouse would only receive 2/3 of 50 percent of the lump-sum payment.

SURVIVOR ANNUITY

Question 7. If I retire from the Agency under CIARDS, do I have to provide a survivor annuity for my current spouse?

Answer: Yes. It is now mandatory that you receive a reduced annuity in order to provide the maximum survivor annuity for a current spouse (55 percent of your basic annuity). The only exception is if your spouse agrees in writing to accept a lesser survivor annuity or none at all.

Question 8. If I retire under Civil Service, do I have to provide a survivor annuity for my current spouse?

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If the marriage lasted for only part of your period of Federal service, he or she would receive proportionately less. Thus, if you had 15 years' Federal service and were married for 10 of those years, your former spouse would only receive 2/3 of 50 percent of the lump-sum payment.

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spouse(s) will be paid and whatever portion remains will go to your current spouse.

Example A: You have worked for the Federal Government for 30 years. During these 30 years you were married to your first spouse for 15 years, to your second spouse for 10 years, and to your current spouse for 5 years.

The survivor annuity, which is 55 percent of your annuity, would be divided as follows: your first spouse would receive $1/2$ (30 divided by 15); your second spouse would receive $1/3$ (30 divided by 10); and your current spouse would receive whatever remained ($1/6$).

Example B: You retire after 30 years of Federal service. During that period you were married to your first spouse for 10 years, you were divorced and remained unmarried for 15 years, and then were married to your current spouse for 5 years. The survivor annuity would be divided as follows: your former spouse would receive $1/3$ (30 divided by 10); and your current spouse would receive whatever portion remains ($2/3$ in this example).

Question 12. Is my retirement annuity reduced more if I have both a former spouse and a current spouse?

Answer: No. The reduction will be the same regardless of how many beneficiaries share the survivor annuity.

Question 13. If my former spouse remarries, is he or she still entitled to a survivor annuity?

Answer: If a former spouse remarries before reaching age 60 and before the survivor annuity commences, the right to an annuity is lost forever.

If your former spouse remarries before age 60 and was receiving a survivor annuity, this annuity ceases during the period of that marriage; but if that marriage is dissolved, the survivor annuity will be restored, subject to certain technical conditions.

If your former spouse remarries after age 60, the annuity will not cease.

Retirement Annuity

Question 14. If I retire from the Agency, will my current spouse receive a separate share of my retirement annuity?

Answer: No.

Question 15. If I have a former spouse when I retire, does that former spouse receive a separate share of my retirement annuity?

Answer: Yes, unless your former spouse has waived this entitlement or a divorce court has expressly ordered otherwise.

Question 16. How much of my annuity would my former spouse receive?

Answer: Unless the spousal agreement or the court provides a greater or lesser amount, the law specifies that up to 50 percent of your annuity will go to your former spouse or spouses. The exact amount that each former spouse will

receive depends upon the length of time that former spouse was married to you during your Federal Service.

Example A: Your former spouse was married to you for the entire period of your Federal service; that spouse would receive a full 50 percent of your retirement annuity.

Example B: Your former spouse was married to you for 10 of the 30 years of your Federal service; he or she would receive $1/3$ of 50 percent (30 divided by 10).

Divorce and Separation

Question 17. Can the rights provided by the law to a former spouse be allocated differently by a separation agreement or by a divorce decree?

Answer: Yes, under the law, a spouse or former spouse can agree to a change in the allocation of the benefits which are provided by law.

Question 18. If a former spouse seeks to obtain the annuity or survivor benefits provided by law, is there anything I can do to seek a reduction in such benefits?

Answer: Your attorney can make any appropriate arguments to the court as to what the divorce decree should include and the court may reduce the benefits provided by law.

Question 19. If a former spouse is not satisfied with the benefits provided by law, can he or she seek an increase?

Answer: In the same way that the employee can seek to have the court adjust benefits downward, a former spouse can make arguments to the court to adjust benefits upward.

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Question 20. If I have additional questions, where can I get more information?

Answer: Call the Retirement Affairs Division,

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FILE: RETIREMENT
CIA RETIREMENT
AND DISABILITY
SYSTEM

EMPLOYEE BULLETIN

EB No. 1137

13 July 1984

PROPOSED RETIREMENT AND HEALTH BENEFITS LEGISLATION

1. This is to advise employees of the introduction of spousal legislation by Congressman Romano L. Mazzoli which was referred to the House Permanent Select Committee on Intelligence (HPSCI). If enacted, this legislation would provide entitlements to certain former spouses of CIA employees who were not eligible for benefits under the CIA Spouses' Retirement Equity Act of 1982. The 1982 Act authorized qualified former spouses an annuity or lump sum benefits if they were divorced after 15 November 1982. (A qualified former spouse is a former wife or husband who was married to a CIA employee for not less than 10 years of creditable service, of which at least five years were spent jointly overseas by both the employee and the former spouse, and who has not remarried before becoming age 60.)

2. The legislation (H.R. 5805) introduced by Congressman Mazzoli would provide a prescribed lifetime annual benefit of approximately \$7,400 to any individual who was a former spouse of an employee or retiree on or before 15 November 1982 and who meets the above definition of a qualified former spouse. As currently proposed, payment of this benefit would be made from the U.S. Treasury and would not require a reduction in the basic annuity of an annuitant or involve any cost to an employee whose former spouse would be eligible for benefits under this legislation.

3. An annuity payable to a former spouse would commence 120 days from the date of enactment if the employee is retired or deceased. In the case of former spouses of employees currently on duty, the annuity would commence 120 days after the retirement or death of the employee, whichever comes first. If a former spouse remarries before age 60, the annuity would cease until that remarriage is terminated by death or divorce. A former spouse would not be eligible for benefits if a lump sum payment had been paid unless the former spouse returns such payment.

4. The proposed legislation also would make certain that former spouses of CIA employees would be eligible to participate in the Federal Employees Health Benefits Program (FEHBP). If qualified, such individuals would be given the opportunity to enroll in a health plan provided they pay to the FEHBP fund an amount equal to the sum of the employee and Government contributions. To be eligible, the individual must have been covered under the employee's health benefit plan immediately prior to the divorce and have been married to the employee for not less than 10 years during periods of service by such employee with the Agency, at least five years of which were spent overseas by both the employee and former spouse.

5. It now appears that hearings on this legislation will be scheduled by HPSCI in September. Specific dates will be provided when determined. If any employees desire to make their views on this matter known to HPSCI, they should forward their comments through the Director of Personnel to the Office of Legislative Liaison, which will present those views to HPSCI on behalf of the employees.

6. In a related matter, the House Committee on Post Office and Civil Service has been considering legislation (H.R. 2300) which would provide a former spouse of a Civil Service Retirement System participant with a survivor benefit. The major provisions of this legislation would:

a. Require the Office of Personnel Management to pay survivor annuities to former spouses to the extent specified in court orders pursuant to divorce or annulment. (Current law allows for the apportionment of a retired employee's annuity to a former spouse but there is no authority to pay a survivor benefit to a former spouse.)

b. Reduce the employee's annuity to provide the survivor annuity ordered by the court. The reduction would be eliminated if the former spouse remarried before age 60.

c. Terminate a former spouse's right to a survivor annuity if he or she remarried before age 60.

d. Prevent a married employee from waiving a survivor annuity at the time of retirement without the written and notarized approval of the current spouse.

Employees will be advised as events develop on this subject.

7. Any questions on the proposed retirement legislation should be directed to Retirement Affairs Division, Office of Personnel (OP), on [redacted] Questions on the proposed health benefits provision should be referred to the Insurance Branch, Benefits and Services Division, OP, on [redacted]

DISTRIBUTION: ALL EMPLOYEES

3 July 1984

TO: C/RCD

FROM: [REDACTED]

STAT 3 Jul 84

Proposed Employee Bulletin, Proposed Retirement and Health Benefits Legislation, is submitted for publication. It has already been coordinated with [REDACTED] OGC. We would very much appreciate expeditious action in publishing this bulletin. I would appreciate being called when it has been approved for publication in order that a WWSB telepouch may be released.

Thanks,

[REDACTED]

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On 10 July DD/SP asked the status of this EB as he had heard from [REDACTED] that it had gone up to the DDA for approval last Friday. I contacted RCD and was informed by the secretary in that office (after she checked with C/RCD) that the bulletin should go up to the DDA for approval tomorrow (the 11th). DD/SP's secretary was given this information to give to Mr. Owens.

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On 12 July DD/SP asked the status of this EB. I contacted RCD and spoke with Janet. She informed me that it would be hand-carried by DC/RCD up to the DDA for approval with a printing date of tomorrow. DD/SP advised.

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13 JUL 84 - [REDACTED] F.O., DDA, HAS AND WILL HAND FOR C. [REDACTED] RED, WILL HAVE BUTUSE CHARTERED TO SEPTEMBER (PER DD/SP REQUEST) IN PARIS, AND IT WILL GO TO [REDACTED]

ILLEGIB

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5. It now appears that hearings on this legislation will be scheduled by HPSCI for sometime in August and we will provide specific dates when they are determined. If any employees desire to make their views on this matter known to HPSCI, they should forward their comments through the Director of Personnel to the Office of Legislative Liaison which will present those views to HPSCI on behalf of the employees.

6. In a related matter, the House Committee on Post Office and Civil Service has been considering legislation (H.R. 2300) which would provide a former spouse of a Civil Service Retirement System participant with a survivor benefit. The major provisions of this legislation would do the following:

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- b. The employee's annuity would be reduced to provide the survivor annuity ordered by the court. The reduction would be eliminated if the former spouse remarried before age 60.
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We will keep employees advised as events develop on this subject.

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