TITLE XVI—BENEFITS FOR FEDERAL CIVILIAN EMPLOYEES IN ZONES OF ARMED CONFLICT

SEC. 1601. SHORT TITLE.

This title may be cited as the "Federal Civilian Employees in Zones of Armed Conflict Benefits Act of 2011".

SEC. 1602. DEFINITION OF DESIGNATED ZONE OF ARMED CONFLICT.

Section 102 of the Foreign Service Act of 1980 (22 U.S.C. 3902) is amended—

(1) by redesignating paragraphs (5) through (12) as paragraphs (6) through (13), respectively; and

(2) by inserting after paragraph (4) the following new paragraph:

"(5) 'designated zone of armed conflict' means a foreign country or other foreign geographic area outside of the United States (as that term is defined in section 202(7) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 4302(7)) that is designated by the Secretary of State, in coordination with the Secretary of Defense, as an area where there are exceptional levels of armed violence. Any such designation shall be communicated to affected civilian agencies. In making such a designation, the Secretary of State may consider—

"(A) whether the Armed Forces of the United States are involved in hostilities in the country or area;

"(B) whether the incidence of civil insurrection, civil war, terrorism, or wartime conditions threatens physical harm or imminent danger to the health or well-being of United States civilian employees in the country or area;

"(C) whether the country or area has been designated a combat zone by the President under section 112(c) of the Internal Revenue Code of 1986 (26 U.S.C. 112(c));

"(D) whether a contingency operation involving combat operations directly affects civilian employees in the country or area; or

"(E) any other relevant conditions and factors.".

SEC. 1603. BENEFITS FOR EMPLOYEES IN DESIGNATED ZONES OF ARMED CONFLICT.

(a) IN GENERAL.—Chapter 59 of title 5, United States Code, is amended—

(1) by amending the chapter heading to read as follows:

"**CHAPTER 59—ALLOWANCES, SPECIAL PAYMENTS, AND BENEFITS**";

(2) by adding at the end the following new subchapter:

"SUBCHAPTER V—BENEFITS FOR EMPLOYEES IN DESIGNATED ZONES OF ARMED CONFLICT

"§ 5951. Definitions

"For the purposes of this subchapter—

"(1) 'assigned to duty in' refers to an employee who is officially assigned to work or duty (including serving on temporary duty) in a designated zone of armed conflict, which may include short periods away from the zone to perform work in connection with the assignment, subject to any limitations or requirements established by regulation or official policy;

"(2) 'designated zone of armed conflict' has the meaning given that term in section 102 of the Foreign Service Act of 1980 (22 U.S.C. 3902(5));

"(3) 'Director' means the Director of the Office of Personnel Management;

"(4) 'Executive agency' has the meaning given that term in section 105 but does not include the Government Accountability Office;

"(5) 'healthcare provider' means—

"(A) a physician (including a mental health physician);

"(B) a physician's assistant, nurse practitioner, or advanced practice nurse;

"(C) a mental health practitioner;

"(D) a member of the Armed Forces who is an independent duty corpsman, an independent duty medical technician, or a Special Forces medical sergeant; and

"(E) any other person in a healthcare provider category designated by the Secretary of State or Secretary of Defense;

"(6) 'pre-deployment health assessment' means an evaluation by a healthcare provider to determine if an employee meets the requirements for deployment outside the United States and to identify any need for medical care;

"(7) 'post-deployment health assessment' means an evaluation by a healthcare provider to assess an employee's physical and mental health following a deployment outside the United States and to identify any need for medical care; and

"(8) 'United States' has the meaning given that term in section 202(7) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 4302(7)).

"§ 5952. Authority to grant allowances, benefits, and gratuities

"(a) The Secretary of State may require the head of an Executive agency to provide to an employee assigned to duty in a designated zone of armed conflict such allowances, benefits, and

gratuities under sections 413, 901, 902, and 906 of the Foreign Service Act of 1980 (22 U.S.C. 3973, 4081, 4082, and 4086) as are prescribed in regulation by the Secretary.

"(b) The authority in subsection (a) may not be used to provide benefits that are similar to those provided in sections 5955 and 5956.

"§ 5953. Pre- and post-deployment health assessments

"The head of an Executive agency shall establish a pre-deployment health assessment and post-deployment health assessment program for employees assigned to duty in designated zones of armed conflict. Programs implemented after the date of the enactment of this section pursuant to the preceding sentence or other comparable agency-level authority existing before that date shall be carried out consistent with any regulations prescribed by the Secretary of State or the Secretary of Defense, as determined appropriate by mission requirements.

"§ 5954. Special pay for certain employees

"(a) The Secretary of State may require the head of an Executive agency to provide, subject to regulations prescribed under subsection (d), special pay to Foreign Service officers and members of the Senior Foreign Service assigned to duty in a designated zone of armed conflict who perform additional work on a recurring basis in substantial excess of normal requirements.

"(b) The Director may require the head of an Executive agency to provide, subject to regulations prescribed under subsection (d), special pay to an employee (other than a member of the Foreign Service) assigned to duty in a designated zone of armed conflict when the employee—

"(1) is not covered by the overtime and other premium pay provisions of subchapter V of chapter 55 or similar premium pay authority; and

"(2) performs additional work on a recurring basis in substantial excess of normal requirements.

"(c) Special payments under this section are in addition to compensation otherwise authorized and are not considered to be basic pay for any purpose, nor shall they be used in computing lump-sum payments for accumulated and accrued annual leave under section 5551. No special payments may be authorized which, when added to an employee's basic pay, would result in a total amount payable for any calendar year in excess of the annual rate of salary payable to the Vice President under section 104 of title 3.

"(d) The Director and the Secretary of State shall each prescribe regulations to carry out this section, including regulations providing for any employee exclusions, eligibility requirements, criteria and certification for special payments, payment rates and methods, and effective dates.

"§ 5955. Rest and recuperation travel

"(a) Subject to any regulations the Secretary of State may prescribe, the Secretary may require the head of an Executive agency to pay the travel and related expenses for rest and recuperation travel for an employee who is a United States citizen assigned to duty in a designated zone of armed conflict and who is granted recuperation leave under section 6392 and, if applicable, for members of the employee's family accompanying the employee in the designated zone of armed conflict.

"(b) Rest and recuperation travel under subsection (a) shall be provided to the same extent and subject to the same conditions as such travel is provided to members of the Foreign Service under section 901(6) of the Foreign Service Act of 1980 (22 U.S.C. 4081(6)), except that, subject to any regulations the Secretary of State may prescribe, the head of an Executive

agency, in that agency head's sole discretion, may in extraordinary circumstances waive any or all conditions on rest and recuperation travel set forth in that section.

"§ 5956. Emergency visitation travel

"(a) Subject to regulations the Secretary of State shall prescribe, the Secretary may require the head of an Executive agency to pay the travel and related expenses for round-trip travel to or from an employee's duty location or temporary duty station for purposes of family visitation in an emergency situation involving personal hardship, including the serious illness, injury, or death of the employee or a family member, if the head of the agency determines that the criteria in those regulations are met.

"(b) Payments under subsection (a) may be provided only for the travel of an employee who is assigned to duty in a designated zone of armed conflict at the time the emergency situation arises or for the travel of the family members of such employee.

"§ 5957. Locality payments

"(a)(1) Notwithstanding section 5304, the head of an Executive agency shall pay, out of available resources, to an employee assigned to duty in a designated zone of armed conflict a locality payment as provided in this section and in any regulations the Director may prescribe. The Director may prescribe a minimum period during which an employee is required to remain in a designated zone of armed conflict in order to be eligible to receive such a locality payment.

"(2) For the purpose of this section, 'employee' means—

"(A) an employee in a General Schedule position to which subchapter III of chapter 53 applies;

"(B) a member of the Foreign Service who is designated class 1 or below for purposes of section 403 of the Foreign Service Act of 1980 (22 U.S.C. 3963); and

"(C) an employee in a position for which locality-based comparability payments under section 5304 have been approved under subsection (h) of that section or otherwise authorized by law.

"(b) The percentage amount used to compute the locality payment paid under this section shall be determined as follows:

"(1) The percentage amount shall equal the higher of—

"(A) the applicable locality-based comparability payment percentage authorized under section 5304 for the employee's official worksite; or

"(B) the locality-based comparability payment percentage authorized under section 5304 for Washington, DC.

"(2) If the employee's official worksite is not covered by a locality-based comparability payment authorized under section 5304, the locality payment percentage under this section shall equal the locality-based comparability payment percentage authorized under section 5304 for Washington, DC.

"(c) Except as otherwise provided in this section and any regulations the Director may prescribe, a locality payment under this section is subject to the provisions of section 5304, including the limitations under subsection (g) of that section. A locality payment under this section is paid in lieu of any locality-based comparability payment that would otherwise be payable under section 5304 or similar locality pay authority.

"(d) A locality payment under this section shall be considered to be part of basic pay for the same purposes that a locality-based comparability payment under section 5304 is considered to be part of basic pay, for the purpose of computing post differentials under section 5925(a) and

danger pay allowances under section 5928, and for such other purposes as the Director may prescribe by regulation.

"(e) Nothing in this section shall affect any authority of any agency to pay a locality-based comparability payment under section 5304, or a similar locality payment under any other provision of law, to an employee who is assigned to duty in a location outside a designated zone of armed conflict.

"§ 5958. Traumatic injury gratuity for qualifying injuries

"(a) The United States shall pay, out of available resources, a traumatic injury gratuity to each eligible employee who sustains a qualifying traumatic injury. Such payment shall be made promptly upon receiving official notification from the relevant agency that the employee has incurred that injury.

"(b) For purposes of this section—

"(1) an eligible employee is an employee who sustains a qualifying traumatic injury on or after the date of enactment of this section in the performance of duty in a designated zone of armed conflict; and

"(2) a qualifying traumatic injury is a traumatic injury that results in a loss that is a 'qualifying loss' under subsection (b) of section 1980A of title 38. The provisions of paragraph (3) of that subsection and of subsection (c)(2) of that section, including the regulations prescribed thereunder, shall apply for purposes of this section.

"(c) Notwithstanding subsections (a) and (b)(1), the head of an Executive agency, in that agency head's sole discretion, may grant a payment under subsection (a) to an employee who sustained a qualifying traumatic injury on or after November 30, 2005, and before the date specified in subsection (b)(1) in connection with the employee's service with an Armed Force in

the theater of operations of Operation Enduring Freedom, Operation Iraqi Freedom, or Operation New Dawn.

"(d)(1) The amount of a gratuity payment paid to an employee under this section shall be the applicable amount in effect under the schedule prescribed pursuant to subsection (d) of section 1980A of title 38 for the qualifying traumatic injury sustained by the employee. If an employee suffers more than one loss that is a 'qualifying loss' under section 1980A(b) of title 38 as a result of traumatic injury from the same traumatic event, payment shall be made under this section in accordance with the schedule prescribed pursuant to such subsection (d) for the single loss providing the highest payment.

"(2) Notwithstanding paragraph (1), the amount of a gratuity payment under this section paid to locally employed staff employed outside the United States may be less than the amount that would otherwise be paid under this section, consistent with prevailing compensation practices, as determined by the Secretary of State in coordination with the head of the employing agency and the administrator of the program under subsection (e)(1).

"(e)(1) The Secretary of Defense, or the head of such other Executive agency as the President designates, shall administer the program under this section.

"(2) When the administrator of the program under paragraph (1) makes a gratuity payment under this section to an employee of another agency, that employee's agency shall reimburse the administrator's agency for the amount of the payment and for administrative expenses incurred in connection with such payment.

"(f)(1) The administrator of the program under subsection (e)(1) may prescribe regulations to carry out this section.

"(2) Regulations under paragraph (1) shall be issued in consultation with the Director unless the Director is the administrator.

"(g) For the purposes of this section, 'employee' has the meaning given that term in section 2105, except that such term also includes—

"(1) an employee described in subsection (c) of that section;

"(2) an individual employed by personal services contract, including pursuant to section 2(c) of the State Department Basic Authorities Act of 1956 and section 636(a)(3) of the Foreign Assistance Act of 1961;

"(3) locally employed staff who are employed by an Executive agency outside the United States; and

"(4) any other individual employed by the Federal Government who meets conditions prescribed in regulations issued under subsection (f)(1)."; and

(3) in the table of sections by inserting the following after the item relating to section 5949:

"SUBCHAPTER V – BENEFITS FOR EMPLOYEES IN DESIGNATED ZONES OF ARMED CONFLICT

"5951. Definitions.
"5952. Authority to grant allowances, benefits, and gratuities.
"5953. Pre- and post-deployment health assessments.
"5954. Special pay for certain employees.
"5955. Rest and recuperation travel.
"5956. Emergency visitation travel.
"5957. Locality payments.
"5958. Traumatic injury gratuity for qualifying injuries.".

(b) CLERICAL AMENDMENT. —The table of chapters for part III of title 5, United States Code, is amended by amending the item relating to chapter 59 to read as follows:

"59. Allowances, Special Payments, and Benefits. . . . . 5901".

(c) TECHNICAL AMENDMENTS.—(1) Chapter 57 of title 5, United States Code, is amended—

(A) in section 5753(a)(2)(A) by inserting “, excluding members of the Foreign Service other than chiefs of mission, ambassadors at large, and other members of the Foreign Service covered by section 302(b) of the Foreign Service Act of 1980 (22 U.S.C. 3942)” before the semicolon at the end; and

(B) in section 5754(a)(2)(A) by inserting “, excluding members of the Foreign Service other than chiefs of mission, ambassadors at large, and other members of the Foreign Service covered by section 302(b) of the Foreign Service Act of 1980 (22 U.S.C. 3942)” before the semicolon at the end.

(2) Section 901(9) of the Foreign Service Act of 1980 (22 U.S.C. 4081(9)) is amended by striking “post of assignment” each place it appears and inserting “post of assignment or, in the case of an employee assigned to duty in a designated zone of armed conflict, temporary duty station”.

(d) TRANSITION PERIOD FOR LOCALITY PAYMENTS.—(1) This subsection applies to an employee who—

(A) is assigned to duty in a designated zone of armed conflict (as defined in section 5951(1) and (2) of title 5, United States Code) while maintaining an official worksite in a nonforeign area and an entitlement to a cost-of-living allowance under section 5941(a)(1) of that title; and

(B) is entitled to a transitional locality pay percentage equal to 1/3 or 2/3 of the applicable locality pay percentage under section 1914 of the Non-Foreign Area

Retirement Equity Assurance Act of 2009 (subtitle B of title XIX of Public Law 111-84; 123 Stat 2621; 5 U.S.C. 5304 note).

(2) In the case of an employee described in paragraph (1), notwithstanding section 5957 of title 5, United States Code—

(A) the locality pay percentage used in applying subparagraph (A) of section 5957(b)(1) of title 5, United States Code, shall be the transitional locality pay percentage referred to in paragraph (1)(B); and

(B) the locality pay percentage used in applying subparagraph (B) of section 5957(b)(1) of title 5, United States Code, shall be the percentage resulting from multiplying the locality pay percentage authorized under section 5304 of that title for Washington, DC, by the transitional fraction, 1/3 or 2/3, as applicable.

SEC. 1604. WAIVER OF CERTAIN PAY LIMITATIONS.

(a) WAIVER OF LIMITATION ON PREMIUM PAY.—Section 5547 of title 5, United States Code, is amended by adding at the end the following new subsection:

"(e)(1) Subsection (a) shall not apply to an employee who performs work while assigned to duty in a designated zone of armed conflict (as defined in section 5951(1) and (2)).

"(2) Notwithstanding paragraph (1), no employee referred to in such paragraph may be paid premium pay under the provisions of law cited in subsection (a) to the extent that the aggregate of the basic pay and premium pay under those provisions for such employee would, in any calendar year, exceed the annual rate of salary payable to the Vice President under section 104 of title 3.

"(3) To the extent that paragraph (1) results in payment of additional premium pay of a type that is normally creditable as basic pay for retirement or any other purpose, such additional

pay shall not be considered to be basic pay for any purpose, nor shall it be used in computing a lump-sum payment for accumulated and accrued annual leave under section 5551.".

(b) WAIVER OF LIMITATION ON AGGREGATE PAY.—Section 5307 of title 5, United States Code, is amended—

(1) in subsection (a)(1) by striking "or as otherwise provided under subsection (d)" and inserting "or as otherwise provided by this section"; and

(2) by adding at the end the following new subsection:

"(e) The preceding subsections of this section shall not apply to payments in addition to basic pay earned by an employee for performing work while assigned to duty in a designated zone of armed conflict (as defined in section 5951(1) and (2)). For the purpose of this subsection, the term 'basic pay' includes any applicable locality-based comparability payment under section 5304, any applicable special rate supplement under section 5305, and any similar payment under any other provision of law.".

(c) WAIVERS FOR CERTAIN DEPARTMENT OF DEFENSE EMPLOYEES.—

(1) AGGREGATE PAY LIMITATION.—Neither the limitation on aggregate pay in section 5307 of title 5, United States Code, nor any similar limitation on aggregate pay established by regulation, shall apply to payments in addition to basic pay earned by an NSPS employee for performing work while assigned to duty in a designated zone of armed conflict.

(2) PREMIUM PAY LIMITATION.—(A) Neither the limitation on premium pay in section 5547(a) of title 5, United States Code, nor any similar limitation on premium pay established by regulation, shall apply to an NSPS employee who performs work while assigned to duty in a designated zone of armed conflict.

(B) Notwithstanding subparagraph (A), no employee referred to in that subparagraph may be paid premium pay under the provisions of law cited in section 5547(a) of that title (or similar payments established for NSPS employees by regulation) to the extent that the aggregate of the basic pay and premium pay under those provisions (or such similar payments) for such employee would, in any calendar year, exceed the annual rate of salary payable to the Vice President under section 104 of title 3, United States Code.

(C) To the extent that subparagraph (A) results in payment of additional premium pay of a type that is normally creditable as basic pay for retirement or any other purpose, such additional pay shall not be considered to be basic pay for any purpose, nor shall it be used in computing a lump-sum payment for accumulated and accrued annual leave under section 5551 of such title.

(3) DEFINITIONS.—For purposes of this subsection—

(A) "NSPS employee" means an employee covered by a system established under section 9902 of title 5, United States Code, as in effect before October 28, 2009;

(B) "basic pay" includes any applicable locality-based comparability payment under section 5304 of that title, any applicable special rate supplement under section 5305 of that title, and any similar payment under any other provision of law; and

(C) "designated zone of armed conflict" has the meaning given that term in section 5951(2) of that title.

(d) DEPARTMENT OF DEFENSE HIGHLY QUALIFIED EXPERTS.—Section 9903(d) of title 5, United States Code, is amended—

(1) by amending paragraph (2) to read as follows:

"(2) An employee appointed under this section is not eligible for any bonus, monetary award, or other monetary incentive for service except for—

"(A) payments authorized under this section; and

"(B) in the case of such an employee who is assigned to duty in a designated zone of armed conflict (as defined in section 5951(1) and (2)), allowances, special payments, and benefits under chapter 59."; and

(2) in paragraph (3), by adding at the end the following new sentence: "In computing an employee's total annual compensation for purposes of the preceding sentence, any payment referred to in paragraph (2)(B) shall be excluded.".

SEC. 1605. LEAVE AUTHORITIES.

(a) IN GENERAL.—Chapter 63 of title 5, United States Code, is amended—

(1) by redesignating section 6391 as section 6341 and transferring that section to the end of subchapter III;

(2) by amending subchapter VI to read as follows:

"SUBCHAPTER VI—LEAVE AUTHORITIES FOR EMPLOYEES IN DESIGNATED ZONES OF ARMED CONFLICT

"§ 6391. Definitions

"For purposes of this subchapter—

"(1) 'assigned to duty in' has the meaning given that term in section 5951(1);

"(2) 'designated zone of armed conflict' has the meaning given that term in section 5951(2);

"(3) 'Director' means the Director of the Office of Personnel Management;

"(4) 'Executive agency' has the meaning given that term in section 5951(4); and

"(5) 'rest and recuperation travel' and 'rest and recuperation trip' mean travel or a trip authorized pursuant to section 5955, section 901(6) of the Foreign Service Act of 1980 (22 U.S.C. 4081(6)), or any other similar provision of law.

"§ 6392. Recuperation leave

"(a) Recuperation leave is intended to provide respite from the work environment in designated zones of armed conflict and to enable employees to carry out their duties more effectively for the remainder of their assignment.

"(b) The Director may require the head of an Executive agency to grant an employee assigned to duty in a designated zone of armed conflict recuperation leave, subject to the requirements of this section and any regulations the Director may prescribe in consultation with the Secretary of State.

"(c) Upon a determination to grant recuperation leave under subsection (b), an employee shall accrue three-fourths of a day of recuperation leave for each full biweekly pay period that the employee is assigned to duty in a designated zone of armed conflict.

"(d)(1) An employee may use recuperation leave under subsection (b) only if—

"(A) the employee has been assigned to duty in a designated zone of armed conflict for the minimum period established by the Director in consultation with the Secretary of State;

"(B) the recuperation leave is used in conjunction with authorized rest and recuperation travel under section 5955;

"(C) the employee is expected to return to a designated zone of armed conflict following the rest and recuperation travel; and

"(D) the recuperation leave is used while the employee is assigned to duty in a designated zone of armed conflict.

"(2) An employee may use no more than 10 workdays of recuperation leave for each rest and recuperation trip, not to exceed a total of 20 workdays for any 12 consecutive months in a designated zone of armed conflict.

"(3) An agency head may deny the use of accumulated and accrued recuperation leave only in exceptional circumstances that prevent the agency from releasing the employee from his or her duties.

"(4) An agency head may advance recuperation leave up to the number of hours the employee is expected to accrue and accumulate while assigned to duty in the designated zone of armed conflict based on the special needs of the employee.

"(e)(1) An employee who has unused accumulated and accrued recuperation leave under subsection (c) at the end of his or her assignment in a designated zone of armed conflict shall receive a lump-sum payment at the end of his or her assignment for the amount of recuperation leave the agency head denied for use by the employee under subsection (d)(3).

"(2) A lump-sum payment for recuperation leave under this subsection shall be computed using the employee's rate of basic pay (including any applicable locality payment under section 5957, special rate of pay under section 5305, or similar payment under other legal authority) in effect on the last day the employee is assigned to duty in the designated zone of armed conflict.

The lump-sum payment shall exclude overseas differentials and allowances under subchapter III of chapter 59.

“§ 6393. Readjustment leave

“(a) Readjustment leave is intended to provide employees a period of paid time off following duty in a designated zone of armed conflict to rest and attend to personal and family matters before returning to work.

“(b) Subject to any regulations the Director may prescribe in consultation with the Secretary of State, the Director may require the head of an Executive agency to grant an employee assigned to duty in a designated zone of armed conflict readjustment leave of up to 15 workdays for any 12 consecutive months in a designated zone of armed conflict, contingent upon the employee entering into a written service agreement for a period of employment of no less than 6 months.

“(c) Readjustment leave not used within the first 90 days after completion of an employee’s duty assignment in a designated zone of armed conflict shall be forfeited, subject to such exceptions as the Director may approve.

“(d) Readjustment leave shall not be converted to a cash payment or form a part of a lump-sum payment for accrued leave under any circumstances.

“**§ 6394. Regulations**

“The Director may prescribe regulations necessary for the administration of this subchapter.”; and

(3) in the table of sections—

(A) by adding after the item relating to section 6340 the following new item:

"6341. Authority for leave transfer program in disasters and emergencies."; and

(B) by amending the items relating to subchapter VI to read as follows:

"SUBCHAPTER VI – LEAVE AUTHORITIES FOR EMPLOYEES IN DESIGNATED ZONES OF ARMED CONFLICT

"6391. Definitions.
"6392. Recuperation leave.
"6393. Readjustment leave.
"6394. Regulations.".

(b) CONFORMING AMENDMENT.—Section 903 of the Foreign Service Act of 1980 (22 U.S.C. 4083) is amended by adding at the end the following new subsections:

"(d) The Secretary may, in exceptional circumstances, order a member of the Service to take leave under this section upon completion by that member of fewer than 12 months of continuous service abroad—

"(1) to meet the needs of the service; or

"(2) where the member has been assigned to duty in a designated zone of armed conflict.

"(e) The Secretary may order a member of the Service to take leave under subsection (d)(2) without regard to whether such member is expected to return to service abroad.".

SEC. 1606. OTHER BENEFITS FOR DEPLOYED EMPLOYEES IN A DESIGNATED ZONE OF ARMED CONFLICT.

(a) CONTINUATION OF PAY FOR OCCUPATIONAL DISEASES AND ILLNESS RELATED TO EMPLOYEES IN DESIGNATED ZONES OF ARMED CONFLICT.—Section 8118 of title 5, United States Code, is amended—

(1) in subsection (a) by striking "clause (B) or (E)" and inserting "subparagraph (B) or (E)"; and

(2) by adding at the end the following new subsection:

"(f) The United States shall authorize the continuation of pay of an employee as defined in section 8101(1) (other than those referred to in subparagraph (B) or (E)), who has filed a claim for a period of wage loss due to traumatic or occupational injury in performance of duty in a designated zone of armed conflict as defined in section 5951(2) as long as the employee files a claim for such wage loss benefit with his immediate superior no later than 45 days following termination of assignment to a zone of armed conflict or return to the United States, whichever occurs later. Continuation of pay under this subsection shall be furnished in accordance with subsections (c) and (d) for a period not to exceed 135 days without any break in time or waiting period unless controverted pursuant to regulations prescribed by the Secretary of Labor, which shall be issued after consultation with the Secretary of State and the Secretary of Defense.".

(b) DEATH GRATUITY FOR FOREIGN SERVICE EMPLOYEES ABROAD.—Section 413(a) of the Foreign Service Act of 1980 (22 U.S.C. 3973(a)) is amended in the first sentence by striking "at the time of death" and inserting "at level II of the Executive Schedule under section 5313 of title 5, United States Code, at the time of death, except that, for employees compensated under local compensation plans established under section 408, the amount shall be equal to the greater of either one year's basic salary at the time of death, or one year's basic salary at the highest step of the highest grade on the Local Compensation Plan from which the employee was being paid at the time of death".

Section-by-Section Analysis

Section 1601

This section provides a short title for the proposal, the "Federal Civilian Employees in Zones of Armed Conflict Benefits Act of 2011."

Section 1602

This section of the proposal would add a new definition of "designated zone of armed conflict" to section 102 of the Foreign Service Act of 1980 (22 U.S.C. 3902). The new definition will provide clarity and uniformity for agencies regarding the types of compensation and benefits employees are eligible to receive when deployed to areas where there are exceptional levels of armed violence. The Secretary of State, in coordination with the Secretary of Defense, will have the authority to determine whether an area is a designated zone of armed conflict. In making such a designation, the Secretary of State may consider whether the Armed Forces of the United States are involved in hostilities in the country or area; whether the incidence of civil insurrection, civil war, terrorism, or wartime conditions threatens physical harm or imminent danger to the health or well-being of United States civilian employees in the country or area; whether the country or area has been designated a combat zone by the President under section 112(c) of the Internal Revenue Code of 1986 (26 U.S.C. 112(c)); whether a contingency operation involving combat operations directly affects civilian employees in the country or area; or any other relevant conditions and factors.

Currently no uniform or efficient mechanism exists to quickly and consistently identify specific geographic foreign areas where exceptional levels of armed violence exist. Combat Zones, designated by an Executive Order (EO) from the President as areas in which the U.S. Armed Forces are engaging or have engaged in combat, often occur long after employees are exposed to exceptional levels of armed violence and are often in place long after the exceptional levels of armed violence ends. This proposal would make sure employees receive benefits promptly and for the periods of time when the conditions warrant the designation as a zone of armed conflict.

Section 1603

This section of the proposal would amend chapter 59 of title 5, United States Code, by adding a new subchapter V, entitled "Benefits for Employees in Designated Zones of Armed Conflict." DoD and the Department of State (DoS) rely heavily on civilian support to accomplish the United State's mission abroad. Civilians are becoming increasingly prominent in areas of armed conflict, leading reconstruction and stabilization operations that require a whole of government approach that unites uniformed and civilian personnel from DoD and other departments and agencies. This subchapter will facilitate equitable incentives and benefits for Foreign Service workers, DoD civilians, and all Federal civilian employees in a zone of armed conflict.

Section 1603 would add the new subchapter V, consisting of eight new sections as follows:

The new section 5951 of title 5, United States Code, provides definitions for the new subchapter. "Designated zone of armed conflict" would be defined by reference to the Foreign Service Act. "Executive agency" would be defined to exclude the Government Accountability Office. The section also includes definitions of "healthcare provider", "pre-deployment health assessment", "post-deployment health assessment", "assigned to duty in" and "United States".

The new 5 U.S.C. 5952 would authorize the Secretary of State to require the head of an Executive agency to grant the same benefits Foreign Service members receive under section 413 (22 U.S.C. 3973) and sections 901, 902, and 906 (22 U.S.C. 4081, 4082, and 4086) of title I of the Foreign Service Act of 1980 that the Secretary of State prescribes by regulation to employees assigned to duty in an area that meets the new definition of a zone of armed conflict. Similar benefits have been granted on a limited basis by section 1603 of the Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and Hurricane Recovery, 2006 (Public Law 109-234; 120 Stat. 418, 443) as amended by section 1102(a)(2) of the Duncan Hunter National Defense Authorization Act for Fiscal Year 2009 (Public Law 110-417; 122 Stat. 4356, 4616) and section 1107 of the National Defense Authorization Act for Fiscal Year 2010 (Public Law 111-84; 123 Stat. 2488). This authority expires on September 30, 2011. Foreign Service benefits under section 413 and sections 901, 902, and 906 include, among others, travel for home leave, and a death gratuity. The purpose of this section is to establish a framework that could provide for more uniform benefits for civilian employees in a zone of armed conflict. This authority could not be used, however, to provide any benefits or payments that are similar to those provided under new sections 5955 (rest and recuperation travel) and 5956 (emergency visitation travel) of title 5.

Budgetary Implication:
Since these services: Home Leave travel and the Foreign Service Death Gratuity are already being provided, no funding offset for this section is necessary because it has no effect on the baseline budget. The Department estimates that this section would cost $3.6 million per year from FY 2012 through FY 2016. This would be funded from the Component and Defense Activity operation and maintenance fund accounts.

NUMBER OF PERSONNEL AFFECTED					
	FY 2012	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**
Army	3,592	3,592	3,592	3,592	3,592
Navy	17	17	17	17	17
Air Force	89	89	89	89	89
Defense Agencies/ Field Activities	1,403	1,403	1,403	1,403	1,403
Total	5,101	5,101	5,101	5,101	5,101

TOTAL COSTS ($MILLIONS)					
	FY 2012	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**
Army	$2.45	$2.51	$2.55	$2.60	$2.66
Navy	$.011	$.012	$.012	$.012	$.013
Air Force	$.061	$.062	$.063	$.064	$.065

Defense Agencies/ Field Activities	$.959	$.978	$.998	$1.02	$1.03
Total	$3.49	$3.55	$3.63	$3.70	$3.77

RESOURCE REQUIREMENTS			
	Appropriation From	**Budget Activity**	**Dash-1 Line Item**
Army	O&M, Army	BA1	OCO-Civ Pay
Navy	O&M, Navy	BA1	OCO-Civ Pay
Air Force	O&M, Air Force	BA1	OCO-Civ Pay
Defense Wide	O&M, DW	BA3	OCO-Civ Pay

Cost Methodology: The cost of this section will be determined by the number of employees affected (Iraq and Afghanistan), the average salary of DoD civilians that deploy, approximately GS-12 Step 4 employee, Home Leave (15 days), and a composite travel cost of $3,000 per Home Leave for each employee. Based on available payroll data for eligible employees in 2009, the additional cost for providing Home Leave trips and the Foreign Service death gratuity through 2016 is approximately $18 million. Future year figures are based on 2 percent inflation per annum, and 10 percent of employees use home leave. The Foreign Service death gratuity is calculated as the difference in the current $100,000 death gratuity and the proposed death gratuity (Subsection (b) of section 1606) equal to Executive Level II ($179,700 in 2010) per employee, and an average of two deaths per year (70 percent of civilian deaths have been within Army and 30 percent have been within Air Force). The actual numbers of employees, their salaries, and tours of duty will vary, but the above scenario illustrates the potential impact.

The new section 5953 of title 5 requires pre- and post-deployment health assessments programs for employees in a designated zone of armed conflict. The programs would be carried out consistent with regulations prescribed by the Secretary of Defense or the Secretary of State, as determined by mission requirements. Since all employees would fall under the State Department's Chief of Mission authority or under the authority of the Combatant Commander, DoS and DoD will establish the requirements and regulations that reflect the nature of the work, pertinent health risks, and the operating environment of the specific zone of armed conflict. The types of environments and risks employees are exposed to can differ significantly by location. Federal employees deserve reassurance that they will receive the necessary vaccines, immunizations, and medical advice needed to perform their duty. Section 5953 follows the recommendation of the HASC report: "all federal departments and agencies should establish policies for pre- and post-deployment medical assessments and develop a mechanism to oversee the implementation of these policies." Further, it recommended, "developing robust programs to screen, survey, diagnose, and treat deployable civilian personnel for mental health conditions and Traumatic Brain Injury."

It is noted that the Central Intelligence Agency has previously established health assessment programs for its deploying and returning employees under its statutory authorities under section 104A of the National Security Act of 1947 and the Central Intelligence Agency Act of 1949. While there is no express intention to require changes to those programs by reason

of the enactment of section 5953 of title 5, it will be expected that those programs, like the programs of all agencies, will provide the health assessment protections for deploying and returning employees that are identified and specified in regulations under that section.

Budgetary Implication: Since these services: pre- and post-deployment health assessments are already being provided, no funding offset for this proposal is necessary because it has no effect on the baseline budget. The Department estimates that this section would cost $2.93 million per year from FY 2012 through FY 2016. This would be funded from the Component and Defense Activity operation and maintenance fund accounts.

NUMBER OF PERSONNEL AFFECTED					
	FY 2012	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**
Army	3,592	3,592	3,592	3,592	3,592
Navy	17	17	17	17	17
Air Force	89	89	89	89	89
Defense Agencies/ Field Activities	1,403	1,403	1,403	1,403	1,403
Total	5,101	5,101	5,101	5,101	5,101

PRE- & POST- DEPLOYMENT HA ($MILLIONS):					
	FY 2012	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**
Army	$1.98	$2.02	$2.07	$2.11	$2.15
Navy	$.0094	$.0095	$.0097	$.0099	$.010
Air Force	$.049	$.050	$.051	$.052	$.053
Defense Agencies/ Field Activities	$.775	$.791	$.807	$.823	$.839
Total	$2.82	$2.87	$2.93	$2.99	$3.05

RESOURCE REQUIREMENTS			
	Appropriation From	**Budget Activity**	**Dash-1 Line Item**
Army	O&M, Army	BA1	OCO-Civ Pay
Navy	O&M, Navy	BA1	OCO-Civ Pay
Air Force	O&M, Air Force	BA1	OCO-Civ Pay
Defense Wide	O&M, DW	BA3	OCO-Civ Pay

Cost Methodology: The cost of this section will be determined by the number of employees affected (Iraq and Afghanistan). Based on available cost data per person for both pre- and post-

deployment health assessments ($550), the additional cost for providing pre- and post-deployment health assessments through 2016 is approximately $14 million. Future year figures are based on 2 percent inflation per annum. The actual numbers of employees, per person cost, and tours of duty will vary, but the above scenario illustrates the potential impact.

The new section 5954 of title 5 establishes a special pay authority for certain employees, such as members of the Senior Executive Service, who are otherwise barred from receiving premium pay under chapter 55 of title 5, United States Code. Section 5954 would allow the Director of the Office of Personnel Management (OPM) to require the heads of Executive agencies to provide special pay to those employees (other than a member of the Foreign Service) assigned to duty in a designated zone of armed conflict who perform a substantial amount of overtime work on a recurring basis, subject to regulations prescribed by the Office of Personnel Management (OPM). The Secretary of State may provide special pay to Foreign Service officers and members of the Senior Foreign Service assigned to duty in a designated zone of armed conflict who perform additional work on a recurring basis in substantial excess of normal requirements. An employee's total compensation could not exceed the Vice President's salary ($230,700 in 2010). The Director of OPM and the Secretary of State will each prescribe regulations to carry out this section and implement this authority. Thus, no payments under section 5954 will be made until the regulations are published. The regulations could exclude certain categories of employees from eligibility for the special pay, specify other criteria and eligibility requirements for the payments, prescribe how the payment amounts will be determined and how they will be paid, and establish any other requirements deemed necessary for the effective implementation of this authority

Budgetary Implication: The Department estimates this section would cost an average of $833,000 per year from FY 2012 through FY 2016. This would be funded from the Component and Defense Activity operation and maintenance fund accounts. The funding is requested in the Military Departments' Operation and Maintenance OCO budgets by cost breakdown structure category.

NUMBER OF PERSONNEL AFFECTED			
	FY 2010	**Appropriation To**	**Civilian Personnel**
DoD Wide	26		
Total	26		

SPECIAL PAY COSTS ($MILLIONS)					
	FY 2012	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**
Army	$.184	$.188	$.192	$.196	$.200
Navy	$.092	$.094	$.096	$.980	$.100
Air Force	$.184	$.188	$.192	$.196	$.200
4th Estate	$.338	$.345	$.352	$.359	$.366
Total	$.801	$.817	$.833	$.850	$.867

RESOURCE REQUIREMENTS ($MILLIONS)			
	Appropriation From	**Budget Activity**	**Dash-1 Line Item**
Army	O&M, Army	BA1	OCO-Civ Pay
Navy	O&M, Navy	BA4	OCO-Civ Pay
USMC	O&M, MC	BA1	OCO-Civ Pay
Air Force	O&M, Air Force	BA1	OCO-Civ Pay
Defense Wide	O&M, DW	BA3	OCO-Civ Pay

Cost Methodology: The cost of this section will be determined by the number of employees affected, the basic pay of each employee (which is based on the average DoD executive pay) and the number of hours of overtime worked by each employee. Based on projected data for approximately 26 deployed executives (.5 percent of total deployed), the additional cost for overtime in excess of the annual premium pay limitation will be approximately $4 million through 2016. Future year figures are based on 2 percent inflation per annum. The actual numbers of employees, their salaries, and special pay based on mission needs are based on estimates, but the above scenario illustrates the potential impact.

The new 5 U.S.C. 5955 would authorize the Secretary of State to require the head of an Executive agency to pay the travel and related expenses for rest and recuperation travel for a U.S. citizen employee (and accompanying family members, where applicable) who is assigned to duty in a designated zone of armed conflict and who is granted recuperation leave under new 5 U.S.C. 6392. The new authority would cover travel expenses in the same manner as is authorized for members of the Foreign Service under section 901(6) of the Foreign Service Act of 1980 (22 U.S.C. 4081(6)). The Secretary of the State may prescribe implementing regulations for section 5955. The purpose of this section is to establish a framework that could provide for more uniform benefits for civilian employees in a zone of armed conflict. Civilians in zones of armed conflict are often exposed to highly stressful conditions and work long hours. R&R trips ensure personnel return re-energized and mentally prepared to carry out their duties for the remainder of their tour.

Currently, section 1603 of Public Law 109-234, as amended, gives the head of an Executive agency the discretionary authority to provide to an individual employed by, or assigned or detailed to, such agency allowances, benefits, and gratuities comparable to those provided by the Secretary of State to members of the Foreign Service under section 413 and chapter 9 of title I of the Foreign Service Act of 1980, if such individual is on official duty in a combat zone or Pakistan, including R&R travel. This discretionary authority will expire in 2011 and is based on official duty in a combat zone or Pakistan.

Budget Implication: The Department estimates that R&R trips would cost an average of $68 million per year from FY 2012 through FY 2016. This would be funded from the Component and Defense Activity operation and maintenance fund accounts. Since the cost of travel associated with Rest and Recuperation (R&R) trips is already being provided by the military departments' Operation and Maintenance OCO budgets by cost breakdown structure category, there is no funding offset for this proposal because it has no effect on the baseline budget.

NUMBER OF PERSONNEL AFFECTED					
	FY 2012	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**
Army	3,592	3,592	3,592	3,592	3,592
Navy	17	17	17	17	17
Air Force	89	89	89	89	89
Defense Agencies/ Field Activities	1,403	1,403	1,403	1,403	1,403
Total	5,101	5,101	5,101	5,101	5,101

R&R COSTS ($MILLIONS):					
	FY 2012	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**
Army	$46.38	$47.31	$48.25	$49.21	$50.20
Navy	$.219	$.223	$.228	$.232	$.237
Air Force	$1.15	$1.17	$1.19	$1.21	$1.24
Defense Agencies/ Field Activities	$18.11	$18.47	$18.84	$19.22	$19.60
Total	$65.86	$67.18	$68.52	$69.89	$71.29

RESOURCE REQUIREMENTS ($MILLIONS)			
	Appropriation From	**Budget Activity**	**Dash-1 Line Item**
Army	O&M, Army	BA1	OCO-Civ Pay
Navy	O&M, Navy	BA4	OCO-Civ Pay
USMC	O&M, MC	BA1	OCO-Civ Pay
Air Force	O&M, Air Force	BA1	OCO-Civ Pay
Defense Wide	O&M, DW	BA3	OCO-Civ Pay

Cost Methodology: The cost of this section will be determined by the number of employees affected (Iraq and Afghanistan), the average salary of DoD civilians that deploy, approximately GS-12 Step 4 employee (with 35 percent hardship post differential received during 2 R&Rs trips (20 days) and a composite travel cost of $3,000 per trip for each employee. Figures are based on 100 percent of employees taking an average of 2 R&Rs. The additional cost to provide R&R travel through 2016 is approximately $342 million. Future year figures are based on 2 percent inflation per annum. The actual numbers of employees and tours of duty will vary, but the above scenario illustrates the potential impact.

The new section 5956 would authorize the Secretary of State to require the head of an Executive agency to pay the travel and related expenses for round-trip travel to or from the employee's duty location (or temporary duty locations) to employees in a designated zone of armed conflict and their family members in cases of family emergency, including the serious

illness, injury, or death of the employee or a family member. The purpose of this section is to establish a framework that could provide for more uniform benefits for civilian employees in a zone of armed conflict. The Secretary of the State will prescribe implementing regulations for section 5956 and the agency's obligation to pay travel expenses under this section would be contingent upon a finding by the agency head that the criteria set forth in those regulations have been met.

Budget Implication: The Department estimates this section would cost an average of $1.7 million per year from FY 2012 through FY 2016. Since the cost of travel associated with this section largely already being provided, there is no funding offset for this proposal because it has no significant effect on the baseline budget. The incremental difference in civilian funding is requested in the military departments' Operation and Maintenance OCO budgets by cost breakdown structure category.

NUMBER OF PERSONNEL AFFECTED					
	FY 2012	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**
Army	3,592	3,592	3,592	3,592	3,592
Navy	17	17	17	17	17
Air Force	89	89	89	89	89
Defense Agencies/ Field Activities	1,403	1,403	1,403	1,403	1,403
Total	5,101	5,101	5,101	5,101	5,101

EMERGENCY VISITATION TRAVEL COSTS ($MILLIONS)					
	FY 2012	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**
Army	$1.10	$1.14	$1.17	$1.21	$1.24
Navy	$.0052	$.0054	$.0055	$.0057	$.0059
Air Force	$.027	$.028	$.029	$.030	$.031
Defense Agencies/ Field Activities	$.433	$.446	$.459	$.473	$.487
Total	$1.57	$1.62	$1.67	$1.72	$1.77

RESOURCE REQUIREMENTS ($MILLIONS)			
	Appropriation From	**Budget Activity**	**Dash-1 Line Item**
Army	O&M, Army	BA1	OCO-Civ Pay
Navy	O&M, Navy	BA4	OCO-Civ Pay
USMC	O&M, MC	BA1	OCO-Civ Pay
Air Force	O&M, Air Force	BA1	OCO-Civ Pay
Defense Wide	O&M, DW	BA3	OCO-Civ Pay

Cost Methodology**:** The cost of this section will be determined by the number of employees affected (Iraq and Afghanistan) and a composite travel cost for each employee of $3000 for one round-trip ticket, and assumes 10 percent of employees use this benefit. The additional cost for emergency visitation travel through 2016 is approximately $8.6 million. Future year figures are based on 2 percent inflation per annum. The actual numbers of employees, family members, and tours of duty will vary, but the above scenario illustrates the potential impact.

The new section 5957 of title 5 would require agencies to pay a locality payment to eligible employees serving in a designated zone of armed conflict (as the term is defined in new section 5951). The Director of OPM could specify a minimum period of service in a designated zone of armed conflict that an employee would have to have completed in order to be eligible for a locality payment under this section. An eligible employee would receive the higher of (1) any applicable locality pay percentage for the employee's official worksite (if that worksite is in a locality pay area, because the employee is serving in a designated zone while on detail or in travel status) or (2) the locality pay percentage in effect for Washington, DC, for General Schedule employees. In other words, the locality pay percentage will not be less than the locality pay percentage applicable in Washington, DC. Locality pay under section 5957 would be in lieu of any locality-based comparability payment under 5 U.S.C. 5304 or similar authority. This new locality pay authority would not impair or affect in any way an agency's authority to pay an employee outside a designated zone of armed conflict a comparability adjustment under section 5304 or any similar payment under any other provision of law.

Budget Implication: The Department estimates this section would cost on average $50 million per year from FY 2012 through FY 2016. This would be funded from the Component and Defense Activity operation and maintenance fund accounts. Funding is requested in the military departments' Operation and Maintenance OCO budgets by cost breakdown structure category.

NUMBER OF PERSONNEL AFFECTED					
	FY 2012	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**
Army	3,592	3,592	3,592	3,592	3,592
Navy	17	17	17	17	17
Air Force	89	89	89	89	89
Defense Agencies/ Field Activities	1,403	1,403	1,403	1,403	1,403
Total	5,101	5,101	5,101	5,101	5,101

LOCALITY PAY COSTS ($MILLIONS)					
	FY 2012	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**
Army	$17.46	$17.81	$18.16	$18.53	$18.90
Navy	$.082	$.084	$.085	$.087	$.089

Air Force	$.432	$.441	$.450	$.459	$.468
Defense Agencies/ Field Activities	$6.82	$6.95	$7.09	$7.23	$7.38
Total	$24.80	$25.29	$25.80	$26.31	$26.84

LOCALITY PAY COSTS ($MILLIONS) (Contributions for benefits (retirement, etc.))					
	FY 2012	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**
Army	$3.87	$3.95	$4.02	$4.11	$4.19
Navy	$.018	$.018	$.019	$.019	$.019
Air Force	$.095	$.097	$.099	$.101	$.103
Defense Agencies/ Field Activities	$1.51	$1.54	$1.57	$1.61	$1.63
Total	$5.50	$5.61	$5.72	$5.83	$5.95

LOCALITY PAY COSTS ($MILLIONS) (Higher post differentials & danger pay allowances)					
	FY12	FY13	FY14	FY15	FY16
Army	$12.25	$12.49	$12.75	$13.00	$13.26
Navy	$.057	$.059	$.060	$.061	$.062
Air Force	$.303	$.309	$.315	$.322	$.328
Defense Agencies/ Field Activities	$4.79	$4.88	$4.97	$5.07	$5.18
Total	$17.40	$17.74	$18.10	$18.46	$18.83

RESOURCE REQUIREMENTS ($MILLIONS)			
	Appropriation From	**Budget Activity**	**Dash-1 Line Item**
Army	O&M, Army	BA1	OCO-Civ Pay
Navy	O&M, Navy	BA4	OCO-Civ Pay
USMC	O&M, MC	BA1	OCO-Civ Pay
Air Force	O&M, Air Force	BA1	OCO-Civ Pay
Defense Wide	O&M, DW	BA3	OCO-Civ Pay

Cost Methodology**:** The cost of this section will be determined by the number of employees affected (Iraq and Afghanistan), the average salary of DoD civilians that deploy, approximately

GS-12 Step 4, an average increase from the nationwide average locality rate of 20.02 percent to the Washington D.C. rate of 24.22 percent and assumed these employees on average would receive about 4.2 percent in additional locality payments. There is also an associated cost with retirement and life insurance, as well as the increase due to 35 percent danger pay and post differential. The additional cost for this section through 2016 is approximately $248 million. The actual numbers of employees and tours of duty will vary, but the above scenario illustrates the potential impact.

The new section 5 U.S.C. 5958 would require agencies to pay a gratuity to an eligible employee who sustains a qualifying traumatic injury on or after the date of enactment in a designated zone of armed conflict. A qualifying traumatic injury is one that results in a loss that is a "qualifying loss" under subsection (b) of section 1980A of title 38. The amount of the gratuity would be the applicable amount in effect under the schedule prescribed under subsection (d) of section 1980A of title 38. The head of an agency could also pay a traumatic injury benefit under the new section 5958 to an employee who sustained a qualifying traumatic injury between November 30, 2005, and the date of enactment of section 5958 in connection with the employee's service with an Armed Force in the theater of operations of Operation Enduring Freedom, Operation Iraqi Freedom, or Operation New Dawn, even though the area in which the injury was incurred was not a designated zone of armed conflict at the time of the injury. This new benefit would be administered by the Secretary of Defense, with reimbursement for the administration of such services pursuant to the Economy Act. Regulations to implement this new program would have to be prescribed in consultation with the Director of OPM, unless the President designated the Director as the administrator of the program. This provision would include civilian nonappropriated fund (NAF) employees, foreign nationals, and any other individual employed by the Federal Government who meets conditions prescribed in regulations. The Secretary of State will determine the amount of a gratuity payment under this section paid to locally employed staff employed outside the United States, which may be less than the amount that would otherwise be paid under this section, consistent with prevailing compensation practices. DoD has not established a foreign national program in Iraq or Afghanistan.

Budget Implication: The Department estimates this particular section would cost $.624 million per year from FY 2012 through FY 2016. This would be funded from the Component and Defense Activity operation and maintenance fund accounts. The funding is requested in the military departments' Operation and Maintenance OCO budgets by cost breakdown structure category.

NUMBER OF PERSONNEL AFFECTED					
	FY 2012	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**
Army	3,612	3,612	3,612	3,612	3,612
Navy	73	73	73	73	73
Air Force	89	89	89	89	89
Defense Agencies/ Field Activities	1,403	1,403	1,403	1,403	1,403

AAFEES	389	389	389	389	389
Total	5,101	5,101	5,101	5,101	5,101

TRAUMATIC INJURY GRATUITY COSTS ($MILLIONS)					
	FY 2012	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**
Army	$.500	$.510	$.520	$.530	$.541
Navy	$0	$0	$0	$0	$0
Air Force	$.100	$.102	$.104	$.106	$.108
Defense Agencies/ Field Activities	$0	$0	$0	$0	$0
Total	$.600	$.612	$.624	$.636	$.649

RESOURCE REQUIREMENTS ($MILLIONS)			
	Appropriation From	**Budget Activity**	**Dash-1 Line Item**
Army	O&M, Army	BA1	OCO-CIV Pay
Navy	O&M, Navy	BA1	OCO-CIV Pay
Air Force	O&M, Air Force	BA1	OCO-CIV Pay
Defense Wide	O&M, DW	BA3	OCO-CIV Pay

Cost Methodology: The cost of this section will be determined by the average number of employees in Iraq and Afghanistan who would qualify for traumatic injury protection. There is an average of 2 dismemberment claims per year that would qualify as traumatic injuries under this section. Four DoD civilians have suffered from loss of sight and burns since 2004. The maximum payout of $100,000 is assumed for all 6 cases that would qualify for traumatic injury protection under this section.

Paragraph (3) of section 1603(a) of would amend the table of sections for chapter 59 of title 5 to reflect the amendments described above.

Subsection (b) of section 1603 would amend the table of chapters for part III of title 5, U.S. Code, to reflect the amended title of chapter 59.

Subsection (c) of section 1603, in paragraph (1)(A), would amend 5 U.S.C. 5753(a)(2)(A) to ensure that members of the Foreign Service are not excluded from the recruitment and relocation bonus authority under 5 U.S.C. 5753.

Paragraph (1)(B) of subsection (c) would make a similar amendment to 5 U.S.C. 5754(a)(2)(A) with respect to retention bonus authority under 5 U.S.C. 5754.

Paragraph (2) of subsection (c) would make technical conforming amendments to section

901(9) of the Foreign Service Act of 1980 (22 U.S.C. 4081(9)).

Subsection (d) of section 1603 would establish a transition period for the payment of locality pay for an employee serving in a designated zone of armed conflict whose official worksite is located in a nonforeign area and who is entitled to a cost-of-living allowance (COLA) under section 5941(a)(1) of title 5. This is necessary to reflect the provisions of the National Defense Authorization Act for Fiscal Year 2010 (Pub. L. 111-84) that provided for the termination of the nonforeign COLA program and a transition period from paying a nonforeign COLA under 5 U.S.C. 5941 to paying locality payments under 5 U.S.C. 5304 to employees in nonforeign areas. The nonforeign areas are Alaska, Hawaii, Puerto Rico, United States Virgin Islands, Guam, and the Commonwealth of the Northern Marianas. The COLA rates will gradually be reduced as locality pay increases.

Section 1604 would provide agencies the permanent authority to waive certain pay limitations for employees performing duties in a designated zone of armed conflict. Currently, under section 1101 of Public Law 110-417, as amended by section 1106 of Public Law 111-84, agencies have temporary authority to waive certain pay limitations in calendar years 2009 and 2010. This authority will expire on December 31, 2010. Because of the temporary nature of this authority, legislative provisions must be introduced each year to ensure agencies may continue to use this authority for employees who perform work in an overseas location that (1) is in the area of responsibility of the Commander of the United States Central Command (CENTCOM) or (2) was formerly in the CENTCOM area of responsibility but has been moved to the area of responsibility of the Commander of the United States Africa Command (AFRICOM). Currently, the overseas work must continue to meet one of two additional qualifying conditions: (1) performance of work in direct support of or directly related to a military operation (including a contingency operation as defined in 10 U.S.C. 101(a)(13)); or (2) performance of work in direct support of or directly related to an operation in response to an emergency declared by the President.

Subsection (a) of section 1604 would amend 5 U.S.C. 5547 by adding at the end a new subsection (e) relating to the waiver of the annual limitation on premium pay. Currently, agencies have the discretionary authority to waive the normal annual premium pay limitation (the greater of the locality rate for GS-15, step 10, or EX level V = $145,700 in 2010) and apply a higher annual premium pay limitation equal to the Vice President's salary ($230,700 in 2010). This discretionary authority to waive the premium pay limitation has been granted on a yearly basis for the last several years.

Subsection (b) of section 1604 would amend 5 U.S.C. 5307 by inserting a new subsection (e) relating to the waiver of the aggregate limitation on pay. Currently, section 1106 of Public Law 111-84 provides that the aggregate limitation in 5 U.S.C. 5307 does not apply in any calendar year in which an employee is granted a premium pay waiver under section 1101(a) of Public Law 110-417.

Subsections (a) and (b) of section 1604 eliminate the need to extend these temporary authorities annually.

Subsection (c) of section 1604 would extend the same waiver authorities with regard to employees who are deployed to a designated zone of armed conflict and who are covered by the Department of Defense's National Security Personnel System during the transition period while that System is being phased out.

Budget Implication: The Department estimates this section would cost $7.4 million per year from FY 2012 through FY 2016. No funding offset for this section is necessary because it has no effect on the baseline budget. There are no funding offset for this proposal because it is already being funded by the military departments' Operation and Maintenance OCO budgets by cost breakdown structure category.

NUMBER OF PERSONNEL AFFECTED					
	FY 2012	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**
Army	3,592	3,592	3,592	3,592	3,592
Navy	17	17	17	17	17
Air Force	89	89	89	89	89
Defense Agencies/ Field Activities	1,403	1,403	1,403	1,403	1,403
Total	5,101	5,101	5,101	5,101	5,101

WAIVER OF LIMITATION ON PREMIUM PAY ($MILLIONS)					
	FY 2012	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**
Army	$3.70	$3.81	$3.92	$4.04	$4.16
Navy	$1.70	$1.75	$1.80	$1.85	$1.91
Air Force	$1.06	$1.09	$1.12	$1.16	$1.19
Defense Agencies/ Field Activities	$.535	$.551	$.568	$.585	$.602
Total	$7.00	$7.21	$7.40	$7.64	$7.87

RESOURCE REQUIREMENTS ($MILLIONS)			
	Appropriation From	**Budget Activity**	**Dash-1 Line Item**
Army	O&M, Army	BA1	OCO-Civ Pay
Navy	O&M, Navy	BA4	OCO-Civ Pay
USMC	O&M, MC	BA1	OCO-Civ Pay
Air Force	O&M, Air Force	BA1	OCO-Civ Pay
Defense Wide	O&M, DW	BA3	OCO-Civ Pay

Cost Methodology: The cost of this section will be determined by the number of employees affected (Iraq and Afghanistan), the average salary of DoD civilians that deploy, approximately GS-12 Step 4 employee. Based on available payroll data for eligible employees in 2009, the additional cost for providing a waiver of the normal premium pay cap (up to the vice presidents salary) through 2016 is approximately $37 million. Future year figures are based on 2 percent inflation per annum. The actual numbers of employees, their salaries, and tours of duty will vary, but the above scenario illustrates the potential impact.

Subsection (d) of section 1604 would amend 5 U.S.C. 9903(d) to provide similar compensation authorities as prescribed under subchapter V of chapter 59 of title 5 for employees who are highly qualified experts within the Department of Defense.

Budget Implication: The Department estimates this particular section would cost on average $.874 million per year from FY 2012 through FY 2016. This would be funded from the Component and Defense Activity operation and maintenance fund accounts. The funding is requested in the military departments' Operation and Maintenance OCO budgets by cost breakdown structure category.

NUMBER OF PERSONNEL AFFECTED					
	FY 2012	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**
Army	3,592	3,592	3,592	3,592	3,592
Navy	17	17	17	17	17
Air Force	89	89	89	89	89
Defense Agencies/ Field Activities	1,403	1,403	1,403	1,403	1,403
Total	5,101	5,101	5,101	5,101	5,101

DANGER AND POST DIFF FOR HQES COSTS ($MILLIONS)					
	FY 2012	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**
Army	$.315	$.321	$.327	$.334	$.340
Navy	$0	$0	$0	$0	$0
Air Force	$.210	$.214	$.218	$.222	$.227
Defense Agencies/ Field Activities	$.315	$.321	$.327	$.334	$.340
Total	$.840	$.856	$.873	$.891	$.909

RESOURCE REQUIREMENTS ($MILLIONS)			
	Appropriation	**Budget Activity**	**Dash-1**

	From		Line Item
Army	O&M, Army	BA1	OCO-Civ Pay
Navy	O&M, Navy	BA4	OCO-Civ Pay
USMC	O&M, MC	BA1	OCO-Civ Pay
Air Force	O&M, Air Force	BA1	OCO-Civ Pay
Defense Wide	O&M, DW	BA3	OCO-Civ Pay

Cost Methodology: The cost of this section will be determined by the number of employees affected, the basic pay of the average HQE employee ($150,000) and 35 percent danger pay and hardship post differential. Based on projected data for approximately 8 deployed HQEs, the additional cost through 2016 will be approximately $4.3 million. Future year figures are based on 2 percent inflation per annum. The actual numbers of employees and their salaries are based on mission needs, but the above scenario illustrates the potential impact.

Section 1605 of the proposal, in subsection (a)(1), would amend chapter 63 of title 5, United States Code, by redesignating current section 6391 as section 6341and moving it to the end of subchapter III, making room for a new subchapter VI to be added at the end of chapter 63.

Paragraph (2) of subsection (a) establishes a new subchapter VI in chapter 63, entitled "Leave Authorities for Employees in Designated Zones of Armed Conflict." The new subchapter consists of four sections.

Section 6391, the first of these new sections, provides definitions for terms used in the subchapter, including "designated zone of armed conflict" and "rest and recuperation travel".

The new section 6392 would permit the Director of OPM to require the heads of Executive agencies to grant an employee assigned to duty in a designated zone of armed conflict up to 10 workdays of recuperation leave for each rest and recuperation trip, not to exceed a total of 20 workdays for any 12 consecutive months in a designated zone of armed conflict. Employees would earn 6 hours of recuperation leave for each full biweekly pay period spent in a designated zone of armed conflict. The Director, in consultation with the Secretary of State, could prescribe regulations governing the implementation of this section. Recuperation leave under this section is to be used in conjunction with rest and recuperation travel under section 5955 of title 5. Section 6392 includes authority for agency heads to deny the use of recuperation leave only under exceptional circumstances preventing the agency from releasing the employee from duty, as well as authority for advancing recuperation leave. Section 6392 also provides for a lump-sum payment based on the amount of any unused accrued recuperation leave an employee was not permitted to use.

Budget Implication: The cost of this section has already been incorporated in the total cost of R&R trips above.

The new 5 U.S.C. 6393 would permit the Director of OPM to require heads of Executive agencies to grant employees up to 15 workdays of readjustment time off when they return home from a designated zone of armed conflict after 12 consecutive months of working in such a zone. The purpose of the time off is to provide the employee with the opportunity to rest and attend to

personal and family matters before returning to his or her normal duties. This new leave category will be known as "readjustment leave." The leave will not convert to a cash payment or form a part of a lump-sum payment for accrued leave under any circumstance. It is expected that OPM regulations will provide that employees who use readjustment leave will not be entitled to use home leave in connection with the same period of service. If an employee does not use the leave within the first 90 days after completing his or her assignment, the leave will be forfeited. The Director of OPM may prescribe implementing regulations in consultation with the Secretary of State for this new leave authority.

Budget Implication: The Department estimates this particular section would cost on average $18 million per year from FY 2012 through FY 2016. This would be funded from the Component and Defense Activity operation and maintenance fund accounts. The funding is requested in the military departments' Operation and Maintenance OCO budgets by cost breakdown structure category.

NUMBER OF PERSONNEL AFFECTED					
	FY 2012	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**
Army	3,592	3,592	3,592	3,592	3,592
Navy	17	17	17	17	17
Air Force	89	89	89	89	89
Defense Agencies/ Field Activities	1,403	1,403	1,403	1,403	1,403
Total	5,101	5,101	5,101	5,101	5,101

READJUSTMENT TIME-OFF COSTS ($MILLIONS)					
Component	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**
Army	$12.41	$12.66	$12.91	$13.17	$13.34
Navy	$.058	$059	$061	$.062	$.063
Air Force	$.307	$.313	$.320	$.326	$.332
Defense Agencies/ Field Activities	$4.84	$4.94	$5.04	$5.14	$5.28
Total	$17.62	$17.98	$18.34	$18.70	$19.01

RESOURCE REQUIREMENTS ($MILLIONS)			
	Appropriation From	**Budget Activity**	**Dash-1 Line Item**
Army	O&M, Army	BA1	OCO-CIV Pay
Navy	O&M, Navy	BA1	OCO-CIV Pay
Air Force	O&M, Air Force	BA1	OCO-CIV Pay
Defense Wide	O&M, DW	BA3	OCO-CIV Pay

Cost Methodology**:** The cost of this section will be determined by the number of employees affected the average salary of a GS-12 Step 4 employee, assuming 90 percent of employee take advantage of the benefit, and a one year tour of duty allowing employees to receive 15 paid workdays of leave. Based on available payroll data for eligible employees in 2009, the additional cost for providing Readjustment Time Off through 2016 is approximately $91 million. Future year figures are based on 2 percent inflation per annum. The actual numbers of employees, their salaries, and tours of duty will vary, but the above scenario illustrates the potential impact.

The new section 6394 of title 5 would explicitly authorize the Director of OPM to prescribe any regulations needed for the administration of the new subchapter VI of chapter 63

Paragraph (3) of subsection (a) of section 1605 would amend the table of sections for chapter 63 to reflect the amendments described above.

Subsection (b) of section 1605 would make technical conforming amendments to section 903 of the Foreign Service Act of 1980 (22 U.S.C. 4083).

Section 1606 of the proposal would establish two new benefits; and amendment to the Federal Employees' Compensation Act related to an employee's injury in performance of duty while in a zone of armed conflict as well as an amendment to the Foreign Service Act of 1980 relating to the benefits paid in the case of death while in a designated zone of armed conflict.

Subsection (a) of section 1606 would amend 5 U.S.C. 8118, relating to injury compensation, to provide for continuation of pay for up to 135 days in the event of traumatic or occupational injury in the performance of duty in a designated zone of armed conflict. The employee would have to file a claim within 45 days after the later of the end of his or her assignment to a zone of armed conflict or his or her return to the United States.

Budget Implication: No funding offset for this section is necessary because it has no effect on the baseline budget. The extended period of continuation of pay, convenient and reassuring for the injured employee, amounts to roughly the same monetary outlay as FECA disability benefits that would be otherwise payable for the same time period.

Subsection (b) of section 1606 would make technical conforming amendments to section 413(a) of the Foreign Service Act of 1980 (22 U.S.C. 3973) to provide a death gratuity at level II of the Executive Schedule ($179,700 in 2010) for Foreign Service officers who die as a result of injuries sustained in performance of duty abroad. Foreign Service Nationals and other locally employed staff compensated under section 408 of the Foreign Service Act would receive a death gratuity benefit in an amount equal to the greater of either 1 year's basic salary at the time of death or 1 year's basic salary at the highest step of the highest grade on the Local Compensation Plan from which the employee was being paid. The benefits under this section of the Foreign Service Act have been granted on a limited basis to DoD Federal civilians by section 1603 of the Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and Hurricane Recovery, 2006 (Public Law 109-234; 120 Stat. 418, 443) as amended by section

1102(a)(2) of the Duncan Hunter National Defense Authorization Act for Fiscal Year 2009 (Public Law 110-417; 122 Stat. 4356, 4616).

Budget Implication: The Department estimates this particular section would cost $.141 million per year from FY 2012 through FY 2016. The current death gratuity is already funded from the Component and Defense Activity operation and maintenance fund accounts. The incremental funding for this section is requested in the military departments' Operation and Maintenance OCO budgets by cost breakdown structure category.

NUMBER OF PERSONNEL AFFECTED					
	FY 2012	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**
Army	3,592	3,592	3,592	3,592	3,592
Navy	17	17	17	17	17
Air Force	89	89	89	89	89
Defense Agencies/ Field Activities	1,403	1,403	1,403	1,403	1,403
Total	5,101	5,101	5,101	5,101	5,101

DEATH GRATUITY COSTS ($MILLIONS)					
	FY 2012	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**
Army	$.093	$.095	$.098	$.101	$.104
Navy	$0	$0	$0	$0	$0
Air Force	$.040	$.041	$.042	$.043	$.045
Defense Agencies/ Field Activities	$0	$0	$0	$0	$0
Total	$.133	$.137	$.140	$.145	$.149

RESOURCE REQUIREMENTS ($MILLIONS)			
	Appropriation From	**Budget Activity**	**Dash-1 Line Item**
Army	O&M, Army	BA1	OCO-CIV Pay
Navy	O&M, Navy	BA1	OCO-CIV Pay
Air Force	O&M, Air Force	BA1	OCO-CIV Pay
Defense Wide	O&M, DW	BA3	OCO-CIV Pay

Cost Methodology: The cost of this section will be determined by the number of employees affected (Iraq and Afghanistan), the difference in the current $100,000 death gratuity and the proposed death gratuity equal to Executive Level II ($179,700 in 2010) per employee, and an average of two deaths per year (70 percent of civilian deaths have been within Army and 30

percent have been within Air Force). The incremental cost of this death gratuity through 2016 is approximately $.700 million. Future year figures are based on 2 percent inflation per annum.

Changes to Existing Law: This proposal would change existing law as follows:

FOREIGN SERVICE ACT OF 1980

SEC. 102. [22 USC 3902] As used in this Act, the term—

(1) ***

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[NOTE: current paragraphs (5)-(12) are redesignated as paragraphs (6)-(13)]

(5) "designated zone of armed conflict" means a foreign country or other foreign geographic area outside of the United States (as that term is defined in section 202(7) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 4302(7)) that is designated by the Secretary of State, in coordination with the Secretary of Defense, as an area where there are exceptional levels of armed violence. Any such designation shall be communicated to affected civilian agencies. In making such a designation, the Secretary of State may consider—

(A) whether the Armed Forces of the United States are involved in hostilities in the country or area;

(B) whether the incidence of civil insurrection, civil war, terrorism, or wartime conditions threatens physical harm or imminent danger to the health or well-being of United States civilian employees in the country or area;

(C) whether the country or area has been designated a combat zone by the President under section 112(c) of the Internal Revenue Code of 1986 (26 U.S.C. 112(c));

(D) whether a contingency operation involving combat operations directly affects civilian employees in the country or area; or

(E) any other relevant conditions and factors.

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SEC. 413. [22 U.S.C. 3973] (a) The Secretary may provide for payment of a gratuity to the surviving dependents of any Foreign Service employee who dies as a result of injuries sustained in the performance of duty abroad, in an amount equal to one year's salary ~~at the time of death~~ at level II of the Executive Schedule under section 5313 of title 5, United States Code, at the time of death, except that, for employees compensated under local compensation plans established under section 408, the amount shall be equal to the greater of either one year's basic salary at the time of death, or one year's basic salary at the highest step of the highest grade on the Local Compensation Plan from which the employee was being paid at the time of death. Any death gratuity payment made under this section shall be held to have been a gift and shall be in addition to any other benefit payable from any source.

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SEC. 901. [22 U.S.C. 4081] The Secretary may pay the travel and related expenses of members of the Service and their families, including costs or expenses incurred for—

(1) ***

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(9) roundtrip travel to or from an employee's ~~post of assignment~~ post of assignment or, in the case of an employee assigned to duty in a designated zone of armed conflict, temporary duty station for purposes of family visitation in emergency situations involving personal hardship, except that payment for travel by family members to an employee's ~~post of assignment~~ post of assignment or, in the case of an employee assigned to duty in a designated zone of armed conflict, temporary duty station may be authorized under this paragraph only where the family of the member is prevented by official order from residing at such post.

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SEC. 903. [22 U.S.C. 4083] (a) ***

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(d) The Secretary may, in exceptional circumstances, order a member of the Service to take leave under this section upon completion by that member of fewer than 12 months of continuous service abroad—

(1) to meet the needs of the service; or

(2) where the member has been assigned to duty in a designated zone of armed conflict.

(e) The Secretary may order a member of the Service to take leave under subsection (d)(2) without regard to whether such member is expected to return to service abroad.

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TITLE 5, UNITED STATES CODE

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CHAPTER 53—PAY RATES AND SYSTEMS

****

§ 5307. Limitations on certain payments

(a)(1) Except as otherwise permitted by or under law, ~~or as otherwise provided under subsection (d)~~ or as otherwise provided by this section, no allowance, differential, bonus, award, or other similar cash payment under this title may be paid to an employee in a calendar year if, or to the extent that, when added to the total basic pay paid or payable to such employee for service performed in such calendar year as an employee in the executive branch (or as an employee outside the executive branch to whom chapter 51 applies), such payment would cause the total to exceed the annual rate of basic pay payable for level I of the Executive Schedule, as of the end of such calendar year.

(2) This section shall not apply to any payment under—

(A) subchapter III or VII of chapter 55 or section 5596;

(B) chapter 57 (other than section 5753, 5754, 5755, or 5757); or

(C) chapter 59 (other than section 5925, 5928, 5941(a)(2), or 5948).

(b)(1) Any amount which is not paid to an employee in a calendar year because of the limitation under subsection (a) shall be paid to such employee in a lump sum at the beginning of the following calendar year.

(2) Any amount paid under this subsection in a calendar year shall be taken into account for purposes of applying the limitations under subsection (a) with respect to such calendar year.

(c) The Office of Personnel Management shall prescribe such regulations as may be necessary to carry out this section (subject to subsection (d)), including regulations (consistent with section 5582) concerning how a lump-sum payment under subsection (b) shall be made with respect to any employee who dies before an amount payable to such employee under subsection (b) is made.

(d)(1) Notwithstanding any other provision of this section, subsection (a)(1) shall be applied by substituting ”the total annual compensation payable to the Vice President under section 104 of title 3” for “the annual rate of basic pay payable for level I of the Executive Schedule” in the case of any employee who—

(A) is paid under section 5376 or 5383 of this title or section 332(f), 603, or 604 of title 28; and

(B) holds a position in or under an agency which is described in paragraph (2).

(e) The preceding subsections of this section shall not apply to payments in addition to basic pay earned by an employee for performing work while on duty in a designated zone of armed conflict (as defined in section 5951(1)). For the purpose of this subsection, the term “basic pay” includes any applicable locality-based comparability payment under section 5304, any applicable special rate supplement under section 5305, and any similar payment under any other provision of law.

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CHAPTER 55—PAY ADMINISTRATION

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§ 5547. Limitations on premium pay

(a) ***

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(e)(1) Subsection (a) shall not apply to an employee who performs work while on duty in a designated zone of armed conflict (as defined in section 5951(1)).

(2) Notwithstanding paragraph (1), no employee referred to in such paragraph may be paid premium pay under the provisions of law cited in subsection (a) to the extent that the aggregate of the basic pay and premium pay under those provisions for such employee would, in any calendar year, exceed the annual rate of salary payable to the Vice President under section 104 of title 3.

(3) To the extent that paragraph (1) results in payment of additional premium pay of a type that is normally creditable as basic pay for retirement or any other purpose, such additional pay shall not be considered to be basic pay for any purpose, nor shall it be used in computing a

lump-sum payment for accumulated and accrued annual leave under section 5551.

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CHAPTER 57—TRAVEL, TRANSPPORTATION, AND SUBSISTENCE

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§ 5753. Recruitment and relocation bonuses

(a)(1) ***

(2) A bonus may not be paid under this section to an individual who is appointed to or who holds—

(A) a position to which an individual is appointed by the President, by and with the advice and consent of the Senate, excluding members of the Foreign Service other than chiefs of mission, ambassadors at large, and other members of the Foreign Service covered by section 302(b) of the Foreign Service Act of 1980 (22 U.S.C. 3942);

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§ 5754. Retention bonuses

(a)(1) ***

(2) A bonus may not be paid under this section to an individual who is appointed to or who holds—

(A) a position to which an individual is appointed by the President, by and with the advice and consent of the Senate, excluding members of the Foreign Service other than chiefs of mission, ambassadors at large, and other members of the Foreign Service covered by section 302(b) of the Foreign Service Act of 1980 (22 U.S.C. 3942);

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CHAPTER 59—ALLOWANCES, SPECIAL PAYMENTS, AND BENEFITS

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[The proposal would add to chapter 59 a new subchapter V, relating to benefits for employees in designated zones of armed conflict. The text of the new subchapter appears in the body of the legislative proposal.]

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CHAPTER 63—LEAVE

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[The proposal would amend chapter 63 by transferring the existing section 6391 to become section 6341 and enacting a new subchapter VI, relating to leave authorities for

employees in designated zones of armed conflict. The text of the new subchapter appears in the body of the legislative proposal.]

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CHAPTER 81—COMPENSATION FOR WORK INJURIES

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§ 8118. Continuation of pay; election to use annual or sick leave

(a) The United States shall authorize the continuation of pay of an employee, as defined in section 8101(1) of this title (other than those referred to in ~~clause (B) or (E)~~ subparagraph (B) or (E), who has filed a claim for a period of wage loss due to a traumatic injury with his immediate superior on a form approved by the Secretary of Labor within the time specified in section 8122(a)(2) of this title.

(b) Continuation of pay under this subchapter shall be furnished—

(1) without a break in time, except as provided under section 8117(b), unless controverted under regulations of the Secretary;

(2) for a period not to exceed 45 days; and

(3) under accounting procedures and such other regulations as the Secretary may require.

(c) An employee may use annual or sick leave to his credit at the time the disability begins, but his compensation for disability does not begin, and the time periods specified by section 8117 of this title do not begin to run, until termination of pay as set forth in subsections (a) and (b) or the use of annual or sick leave ends.

(d) If a claim under subsection (a) is denied by the Secretary, payments under this section shall, at the option of the employee, be charged to sick or annual leave or shall be deemed overpayments of pay within the meaning of section 5584 of title 5, United States Code.

(e) Payments under this section shall not be considered as compensation as defined by section 8101(12) of this title.

(f) The United States shall authorize the continuation of pay of an employee as defined in section 8101(1) (other than those referred to in subparagraph (B) or (E)), who has filed a claim for a period of wage loss due to traumatic or occupational injury in performance of duty in a designated zone of armed conflict as defined in section 5951(2) as long as the employee files a claim for such wage loss benefit with his immediate superior no later than 45 days following termination of assignment to a zone of armed conflict or return to the United States, whichever occurs later. Continuation of pay under this subsection shall be furnished in accordance with subsections (c) and (d) for a period not to exceed 135 days without any break in time or waiting period unless controverted pursuant to regulations prescribed by the Secretary of Labor, which shall be issued after consultation with the Secretary of State and the Secretary of Defense.

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CHAPTER 99—DEPARTMENT OF DEFENSE NATIONAL SECURITY PERSONNEL SYSTEM

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§ 9903. Attracting highly qualified experts

(a) ***

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(d) LIMITATIONS ON ADDITIONAL PAYMENTS.—(1) The total amount of the additional payments paid to an employee under this section for any 12-month period may not exceed the lesser of the following amounts:

(A) $50,000 in fiscal year 2004, which may be adjusted annually thereafter by the Secretary, with a percentage increase equal to one-half of 1 percentage point less than the percentage by which the Employment Cost Index, published quarterly by the Bureau of Labor Statistics, for the base quarter of the year before the preceding calendar year exceeds the Employment Cost Index for the base quarter of the second year before the preceding calendar year.

(B) The amount equal to 50 percent of the employee's annual rate of basic pay. For purposes of this paragraph, the term "base quarter" has the meaning given such term by section 5302(3).

(2) An employee appointed under this section is not eligible for any bonus, monetary award, or other monetary incentive for service except ~~for payments authorized under this section.~~ for—

(A) payments authorized under this section; and

(B) in the case of such an employee who is assigned to duty in a designated zone of armed conflict (as defined in section 5951(1) and (2)), allowances, special payments, and benefits under chapter 59.

(3) Notwithstanding any other provision of this subsection or of section 5307, no additional payments may be paid to an employee under this section in any calendar year if, or to the extent that, the employee's total annual compensation will exceed the maximum amount of total annual compensation payable at the salary set in accordance with section 104 of title 3. In computing an employee's total annual compensation for purposes of the preceding sentence, any payment referred to in paragraph (2)(B) shall be excluded.

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