

## **H.R. 1739 Federal Employee Retirement System Redeposit Act**

Representative Jim Moran (D-VA) introduced retooled legislation that could entice private sector employees to rejoin the Federal workforce by allowing individuals to reinvest their federal retirement without losing credit for previous service.

The Federal Employee Retirement System (FERS) Redeposit Act would allow individuals who left the Federal workforce and received a refund from their FERS contribution to redeposit that money back into FERS before being re-employed. Currently, only returning Federal employees who are under the Civil Service Retirement System receive this benefit. All other returning workers lose their accrued annuity.

Many people in the Northern Virginia/Metropolitan region change jobs with relative frequency. They need the flexibility of retirement plans that allow them to shift their investments as they shift their employment. Having a reinvestment option for FERS, which is the plan most government employees now fall under, would make government service a more attractive option by incorporating the mobility of retirement plans available in the private sector.

FERS contains the Thrift Savings Plan, which functions much like the private-sector 401(k) plan, but without a redeposit plan.

There is a demand for a redeposit option for Federal government employees under the FERS plan. More and more former Federal employees who leave the Federal government but want to come back at a later date will find a redeposit option a great incentive to rejoin the federal service.

The bill was originally co-sponsored by Representatives Frank Wolf (R-VA), Steny Hoyer (D-MD), Jim Kolbe (R-AZ), Eleanor Holmes Norton (D-DC), Danny Davis (D-IL), and Chris Van Hollen (D-MD).

To support HR 1739, go to [www.house.gov](http://www.house.gov). At the top left of the screen, type your zip code. This will let you contact your representative directly by e-mail.

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