

§ 841.707

(3) Making any applicable FERS reductions for age and/or survivor benefits to the amounts computed under paragraphs (b)(1) and (b)(2) of this section; then

(4) Dividing the sum of the reduced amounts computed under paragraph (b)(3) of this section by 12; then

(5) Dropping any cents.

(c) The initial monthly CSRS component is computed by—

(1) Applying CSRS rules to CSRS service to obtain the annual rate of the self-only annuity (as defined in § 831.603 of this chapter) based on the CSRS service; then

(2) Making any applicable FERS reductions for age and/or survivor benefits; then

(3) Dividing the annual amount by 12; then

(4) Dropping any cents.

(d) The initial monthly FERS component is computed by subtracting the initial monthly CSRS component from the initial monthly rate.

(e) A retiree who was covered under FERS for at least one month has a FERS component. If the amount of the FERS component as computed under paragraph (d) of this section is zero (because the CSRS component is equal to the monthly rate, leaving no balance for the FERS component), the FERS component is \$1 per month. The retiree is due a full dollar increase on the FERS component with the next COLA. An employee with less than a month of FERS service has no FERS component and is not due any FERS COLA's.

(f) COLA's are determined by applying the appropriate increase to each component and rounding to the next lower dollar (each component must increase by at least one dollar if a COLA applies to each component) before adding them together for the new monthly amount payable.

§ 841.707 COLA's affecting computation of survivor supplements.

For purposes of computing the assumed CSRS annuity under § 843.308 of this chapter, the assumed CSRS annuity includes COLA's computed under CSRS rules.

5 CFR Ch. I (1-1-01 Edition)

§ 841.708 Special provisions affecting retired military reserve technicians.

(a) Military reserve technicians who retire as a result of a medical disability are excepted from the bar against COLA increases for retirees under age 62.

(b) Military reserve technicians have retired as a result of a medical disability if they retire under—

(1) Section 8451(a)(1)(B) of title 5, United States Code (allowing retirement by military reserve technicians who are medically disabled for their positions); or

(2) Section 8456 of title 5, United States Code (allowing retirement by military reserve technicians who are not disabled for their positions and who are not eligible under the special military technician discontinued service provisions (section 8414(c)) but who are medically disqualified for military service or the rank required to hold their positions).

(c)(1) Military reserve technicians have not retired as a result of a medical disability if they retire under section 8414(c) of title 5, United States Code (allowing retirement by military reserve technicians who may not be disabled for their positions, but are medically or nonmedically disqualified for military service or the rank required to hold the position, and who are at least age 50 with 25 years of service), unless they provide OPM official documentation showing that their disqualification was for medical reasons.

(2) When OPM receives no information about the reason for the disqualification of a military reserve technician retiring under section 8414(c) of title 5, United States Code, OPM will process the case assuming that the disqualification was for nonmedical reasons. OPM will inform these retirees that they will not receive COLA's until they reach age 62 unless they provide an official certification from the military showing that their disqualification was for medical reasons.

Subpart H—Waiver of Benefits

SOURCE: 52 FR 2058, Jan. 16, 1987, unless otherwise noted.