United States
Office of Personnel Management
Retirement and Insurance Service

Benefits Administration Letter

Number: 97-112   Date: October 20, 1997

SUBJECT: Line-Item Veto of FERS Open Enrollment Period

On October 3, 1997, we issued Benefits Administration Letter 97-108, advising benefits officers that Congress had passed the Federal Employees' Retirement System Open Enrollment Act of 1997, section 642 of H.R. 2378. Section 642 would have given employees covered by the Civil Service Retirement System a new opportunity to move into the Federal Employees Retirement System.
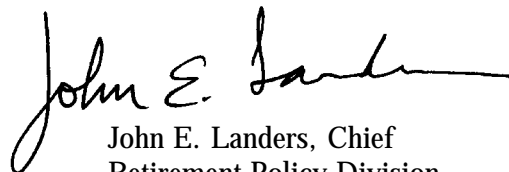
On October 16, the President exercised his authority under the Line Item Veto Act to cancel section 642. The President issued the following statement --

> "This line-item veto will save $854 million over five years by preventing a hastily-conceived, undebated provision from becoming law. In addition, my action will keep agencies from having to reallocate another $1.3 billion in limited discretionary resources to pay higher retirement benefits, rather than spend it on other priorities, such as pay increases, or essential agency needs.

> I did not propose this provision in my 1998 budget, it was not the subject of public hearings, and it was not considered by either the House or the Senate. Instead, it was added at the end of the legislative process, in a House-Senate conference committee. I believe that by canceling this provision, I am using my line-item veto authority in an appropriate manner.

> I am committed to ensuring that the Federal Government can recruit and retain the quality individuals we need to administer Federal programs. I will work with Congress to ensure that our Federal civil servants are compensated fairly for the essential work they do for the American people."

Please contact your liaison in the Agency Services Division if you have any questions.

John E. Landers, Chief
Retirement Policy Division

Civil Service Retirement System	Federal Employees Group Life Insurance	Federal Employees Health Benefits Program	Federal Employees Retirement System