UNITED STATES OFFICE OF PERSONNEL MANAGEMENT
Washington, DC 20415

The Director

JAN 8 2010

MEMORANDUM FOR HEADS OF EXECUTIVE DEPARTMENTS AND AGENCIES

FROM: JOHN BERRY
DIRECTOR

Subject: Reemployment of civilian retirees under the National Defense Authorization Act for Fiscal Year 2010

On October 28, 2009, the President signed the National Defense Authorization Act for Fiscal Year 2010 (NDAA). The NDAA allows the head of an agency to grant their own dual compensation (salary off-set) waivers on a temporary basis under certain specified circumstances. Agencies may begin using these waivers now, but, by statute, must adhere to the following conditions:

- Agencies must report to OPM on their use of this authority no later than February 1, 2010, and no later than February 1 of each year through 2015;
- Appointments are limited to one-year or less;
- Hours worked by any annuitant reemployed under these provisions are limited to 520 during the first 6 months of retirement, 1,040 during any 12-month period, and 3,120 for total hours worked during any period;
- Reemployment may not exceed 2.5 percent of the full-time workforce at any time, and if 1 percent is exceeded agencies are required to provide an explanation and justification to the Congress and OPM; and
- This authority expires on October 27, 2014.

The statute confers authority upon OPM to promulgate regulations providing for the administration of this provision, including regulations setting standards for the maintenance and form of necessary records of employment. OPM plans to publish for notice and comment regulations that would impose an obligation to maintain the following:

- The name of the individual for whom the waiver is being requested;
- The appointing authority the agency intends to use to reemploy the annuitant;
- The position to which the agency intends to reemploy the annuitant;

OPM would require that agencies report to OPM on their use of this authority no later than February 1 of each year through 2015.

In order to assist in the orderly administration of this provision and establish accurate and complete data, OPM requests that agencies begin maintaining their case files immediately, and report to OPM on February 1, 2010 on use of this authority through December 31, 2009.

If you have questions or need additional information, please contact Michelle T. Glynn at (202) 606-1571.

cc: Chief Human Capital Officers
Human Resources Directors