

sections 5518 and 8331—8348, E.O. 10996, and title 32 U.S.C. 709 for employer and employee contributions to State-sponsored retirement programs for National Guard technicians who have elected participation.

§ 79.2 Applicability and scope.

(a) This part applies to the Office of the Secretary of Defense and the Departments of the Army and the Air Force.

(b) Its provisions establish terms and conditions governing Federal and employee contributions for National Guard technicians who have elected participation in a State-sponsored employee retirement program not later than January 1, 1969. An eligible State employee retirement program may extend to disability and survivor benefits.

§ 79.3 Definitions.

(a) *National Guard.* The Army and Air National Guard of a State.

(b) *State.* A State or territory of the United States, including the Commonwealth of Puerto Rico.

(c) *Technician.* A Federal employee of the National Guard, consistent with title 26, U.S.C. section 3111, exclusive of National Guard Bureau employees.

§ 79.4 Policy.

It is the policy of the Department of Defense to: (a) Negotiate agreements with States for Federal employees' contributions to a State or State-sponsored contributory retirement program; and (b) cooperate and process agreements with each State requesting a withholding agreement covering technicians of the National Guard for a State-sponsored retirement program.

§ 79.5 Procedures.

(a) Section 6(a) of Public Law 90-486 requires technicians who elected to continue coverage under a State retirement plan to make such an election by January 1, 1969. If a technician filed a valid election to remain covered by an employee retirement system sponsored by a State, the U.S. Government may pay the amount of the employer's contribution and withhold the employee's designated share for deposit to the State program that becomes due for

the period beginning on or after January 1, 1969.

(b) The Federal share of payments, including employer's taxes imposed by 26 U.S.C. 3111, may not exceed the amount that the employing agency otherwise would contribute on behalf of the technician to the Civil Service Retirement and Disability Fund under 5 U.S.C. 8334.

(c) A person covered under a State-sponsored program shall not concurrently earn credits toward retirement or receive an annuity under 5 U.S.C. 8334.

(d) A person who retires under a State retirement program shall not be eligible for any rights, benefits, or privileges to which retired civilian employees of the United States may be entitled.

(e) Agreements with States shall comply with the standards contained in § 79.7.

§ 79.6 Responsibilities.

(a) The *Assistant Secretary of Defense (Comptroller)* shall establish policy and procedures regarding State retirement programs for National Guard technicians and shall update agreements with authorized State officials for the Secretary of Defense.

(b) The *Secretary of the Army* shall (1) implement the provisions of this Directive; (2) coordinate actions with the Secretary of the Air Force; and (3) designate the National Guard Bureau as the responsible agent for maintaining existing agreements with States and for coordinating administrative actions, to include preparing updated agreements.

§ 79.7 Standards for contribution agreements with State retirement programs for National Guard technicians.

Each agreement between the Secretary of Defense and the Governor, or other authorized State official, for employer and employee contributions to a State retirement program for National Guard technicians shall be completed within 120 days of receipt of a State request. Provided, that—

(a) State law provides for payment of employee contributions to a State-sponsored employee retirement system