To amend title 5, United States Code, to provide that annual leave lost by a
Federal employee because of an unjustified or unwarranted personnel action
shall be restored to the employee, and for other purposes.

Be it enacted by the Senate and House of Representatives of the
United States of America in Congress assembled, That (a) section
5596(b)(2) of title 5, United States Code, relating to unjustified per­
sonnel actions, is amended to read as follows:

"(2) for all purposes, is deemed to have performed service for
the agency during that period except that—

"(A) annual leave restored under this paragraph which is
in excess of the maximum leave accumulation permitted by
law shall be credited to a separate leave account for the
employee and shall be available for use by the employee
within the time limits prescribed by regulations of the Civil
Service Commission, and

"(B) annual leave credited under subparagraph (A) of
this paragraph but unused and still available to the employee
under regulations prescribed by the Commission shall be
included in the lump-sum payment under section 5551 or
5552(1) of this title but may not be retained to the credit of
the employee under section 5552(2) of this title.".

(b) The amendment made by subsection (a) shall apply to any
employee found, on or after March 30, 1966, to have undergone an
unjustified or unwarranted personnel action the correction of which
entitled or entitles such employee to the benefits provided under section
5596 of title 5, United States Code.

SEC. 2. With respect to former employee (except a former employee
referred to in section 3 of this Act) who is not on the rolls on the date
of the enactment of this Act, annual leave which was not credited
under section 5596 of title 5, United States Code, because it was in an
amount that would have caused the amount of leave to the employee's
credit to exceed the maximum amount of the leave authorized for the
employee by law or regulation, is subject to credit and liquidation by
lump-sum payment only if a claim therefor is filed within three years
immediately following the date of the enactment of this Act with
the agency by which the employee was employed when the lump-sum
payment provisions of section 5551 of title 5, United States Code,
last became applicable to such employee. Payment shall be by that
agency at the salary rate in effect on the date the lump-sum payment
provisions became applicable.

SEC. 3. (a) With respect to a former employee of the Post Office
Department or a former employee of the United States Postal Service
who had prior civilian service with the Post Office Department or other
Federal agency, who is not on the rolls on the date of the enactment
of this Act, annual leave which was accrued before July 1, 1971, but
was not credited under section 5596 of title 5, United States Code,
because it was in an amount that would have caused the amount of
leave to his credit to exceed the maximum amount of the leave author­
ized for the employee by law or regulation, is subject to credit and
liquidation by lump-sum payment only if a claim therefor is filed within 3 years immediately following the date of enactment of this Act with the Postal Service. Payment shall be by the Postal Service at the salary rate in effect on the date the lump-sum payment provisions of section 5551 of title 5, United States Code, or comparable provisions of regulations of the Postal Service, as appropriate, last became applicable to the former employee.

(b) With respect to a present employee of the Postal Service who had prior Federal civilian service with the Post Office Department or other Federal agency, annual leave which was accrued before July 1, 1971, but was not credited under section 5596 of title 5, United States Code, because it was in an amount that would have caused the amount of leave to the employee's credit to exceed the maximum amount of the leave authorized for the employee by law or regulation, is subject to credit and liquidation by lump-sum payment only if a claim therefor is filed with the Postal Service within three years immediately following the date of the enactment of this Act. Payment shall be by the Postal Service at the salary rate in effect on the date of the enactment of this Act.

Approved December 23, 1975.

LEGISLATIVE HISTORY:

HOUSE REPORT No. 94-447 (Comm. on Post Office and Civil Service).
SENATE REPORT No. 94-536 (Comm. on Post Office and Civil Service).
CONGRESSIONAL RECORD, Vol. 121 (1975):
Oct. 6, considered and passed House.
Dec. 15, considered and passed Senate.