

RETIREMENT COVERAGE ELECTION OPPORTUNITY

Retirement Coverage for Customs and Border Protection Officers (CBPOs) Onboard as of December 26, 2007

Section 535 of Division E, Public Law 110-161, which was enacted on December 26, 2007, established special retirement provisions for Customs and Border Protection Officers (CBPOs) which will become effective as of the pay period beginning July 6, 2008. The CBPO retirement coverage is similar to that applicable to law enforcement officers and firefighters. It changes retirement deductions and accrual of benefits and also provides CBPOs employed in a covered position on December 26, 2007, with an opportunity to "opt out" of the CBPO retirement coverage by making an election.

You are receiving this notice because your service history identifies you as a CBPO who was onboard on December 26, 2007. **Unless you make an election to opt out of the CBPO retirement coverage by June 22, 2008, you will be covered under the new retirement provisions.**

The new law defines a CBP Officer as an employee:

- a. Who holds a position within the GS-1895 job series, or any future reclassifications of this position; **and**
- b. Whose duties include activities relating to the arrival and departure of persons, conveyances, and merchandise at Ports of Entry.

Also included in this definition are employees within the Department of Homeland Security who transfer directly to secondary supervisory or administrative positions after performing the above CBPO duties for a period of at least 3 years.

Election Decision Information

The following material highlights key provisions of this new legislation, and is designed to assist you in making an informed decision concerning your retirement coverage.

- a. **Electing Coverage.** If after reviewing the following information, **you wish to become covered** by the CBPO retirement coverage, you do not need to take any further action. Your new CBPO retirement coverage will be effective with the pay period beginning July 6, 2008.
- b. **Opting Out of the CBPO Retirement Coverage.** If after reviewing the following information you **elect to opt out** of the CBPO retirement coverage, you must sign and date the enclosed "Election to Opt Out of CBPO Retirement Coverage" Form and return it to **HRM BMW Retirement Operations no later than June 22, 2008. Your opt-out election is irrevocable after that date.**

Please note: If you intend to opt out of the CBPO retirement coverage and you do not return the attached form, the new law requires that you be covered beginning on the statute's July 6, 2008, effective date.

Impact of Election	If You Choose Not to Respond to this Retirement Coverage Notice and Become Subject to the New CBPO Retirement Coverage	If You Choose to Opt Out of the CBPO Retirement Coverage and You Complete and Return the Attached Form By June 22, 2008
Effective Date	Your CBPO special retirement coverage will become effective on July 6, 2008.	There will be no change to your retirement coverage.
Contribution Rate	Your employee retirement contribution rate will increase by ½ of 1% (.5%).	Your retirement contribution will remain the same.
Retirement Benefit	Your retirement benefit for all service up to 20 years performed as a CBPO beginning July 6, 2008, will be calculated based upon the special provisions rate for CBPO retirement coverage.	The calculation of your retirement benefit will be based on your current retirement coverage.
Basic Pay	Your basic rate of pay will not be affected.	Your basic rate of pay will not be affected.
Maximum Entry Age	Maximum entry ages does not apply to CBPO's who are onboard on or before July 5, 2008.	Not applicable
Mandatory Retirement	Mandatory retirement does not apply to CBPO's who are onboard on or before July 5, 2008.	Not applicable
Early Optional Retirement Eligibility	<p>Under CSRS, CBPOs may retire at age 50 with a minimum of 20 years of service in a covered position after July 6, 2008; and under FERS, a CBPO may retire at age 50 with a minimum of 20 years or at any age with 25 years of service in a covered position after July 6, 2008.</p> <p>Also, under both CSRS or FERS, covered CBPO service after July 6, 2008, may be combined with service performed in other special retirement categories, including law enforcement officer, fire fighter, nuclear material courier; and, under FERS only, may also be combined with service as member of the Capitol or Supreme Court Police in order to qualify for early optional retirement.</p>	Not applicable
Other Benefits	The new CBPO retirement coverage has no effect on your other benefits.	No effect
Overtime and Premium Pay	No effect	No effect