

OPTION #1

Approved For Release 2011/01/11 : CIA-RDP89-00066R000900040001-1

BASIC PRIMARY PROVISIONS

3/84
Handwritten signature

Course of Action	Structure of Plan	Voluntary Retirement Eligibility	Mandatory Retirement	Annuity Accrual Rate	COLA	Employee Cost	Social Security Coverage	Type of Plan	Capital Accumulation Plan
°Seek Legislation to Put All CIA Employees Under a Separate Agency Managed Retirement System (Include All Pre 1984 Civil Service and CIARDS as Well as Post-1983 Civil Service and Future CIARDS)	°Sets of Basic Provisions Common For All Employees								
	°Sets of Special Provisions Covering:								
	--Current CS Employees	55 W 30 YRS	None	2%	As Current	At Current Rate at Time	N/A	Defined Benefit	Optional
°Combine Funds For Total System	--Current CIARDS Employees	50 W 20 YRS	60*	2 1/2%	As Current	At Current Rate at Time	N/A	Defined Benefit	Optional
	--Post-1983 CS Employees	55 W 30 YRS	None	2%	As Current	Combined Total= Current**	Yes	Defined Benefit	Optional
	--Post-1983 CIARDS Employees	50 W 20 YRS	60*	2 1/2%	As Current	Combined Total= Current**	Yes	Defined Benefit	Optional

*Also retain current CIARDS provisions for extension and involuntary retirement authority of DCI

**Combined Social Security & supplemental plan equal to costs to Pre-1984 employees

COMMENTS

PRO

- °Independent DCI Managed Plan Covering All CIA Personnel Would Provide a System Fully Supportive to Special Needs of CIA
- °Place Oversight with Congressional Intelligence Committees
- °Increase Security Protection of Identities, etc.
- °Combined Funding Ensures Financial Integrity of Existing Retirement Systems

CON

- °Anticipate Negative Congressional Attitudes Toward Separate Legislation For Any Special Groups in Current Environment
- °Will Require Strong Arguments to Overcome Opposition and Gain Needed Administration and Congressional Support
- °Increases Cost to Government in Face of Administration and Congressional Efforts to Reduce Costs
- °Would Require Increased Staffing to Administer

Course of Action	Structure of Plan	Voluntary Retirement Eligibility	Mandatory Retirement	Annuity Accrual Rate	COLA	Employee Cost	Social Security Coverage	Type of Plan	Capital Accumulation Plan
Seek Legislation to Establish a Separate Supplemental Retirement Plan Covering All Post-1983 Employees (Both Civil Service and CIARDS)	°Sets of Basic Provisions Common for All Employees								
	°Sets of Provisions Covering:								
	--Post-1983 CS Employees	55 W 30 YRS	None	2%	As Current	Combined Total= Emp. Rate**	Yes	Defined Benefit	Optional
Amend Current CIARDS Law as Vehicle for Change	--Post-1983 CIARDS Employees	50 W 20 YRS	60*	2 1/2%	As Current	Combined Total= Pre-1984 Emp. Rate**	Yes	Defined Benefit	Optional

*Also retain current CIARDS provisions for extension and involuntary retirement authority of DCI
 **Combined Social Security & supplemental plan equal to costs to Pre-1984 employees

COMMENTS

PRO

°Independent DCI Managed Supplemental Plan Covering All CIA Personnel Would Provide System Fully Supportive to Special Needs of CIA

°Place Oversight With Congressional Intelligence Committees

°Increase Security Protection of Identities, etc.

CON

°Anticipate Negative Congressional Attitudes Toward Separate Legislation For Any Special Groups in Current Environment

°Will Require Strong Arguments to Overcome Opposition and Gain Needed Administration and Congressional Support

°Increases Cost to Government in Face of Administration and Congressional Efforts to Reduce Costs

°Would Require Increased Staffing to Administer

ALTERNATIVE POSSIBILITIES
SUPPLEMENTAL RETIREMENT COVERAGE FOR CIA PERSONNEL

ALTERNATIVE 1

Course of Action

Seek amendment to CIARDS Act adding a supplemental retirement plan to cover CIARDS types; seek special provisions for CIA Civil Service types in government wide retirement plan.

PRO

RE: CIARDS TYPES

°Place CIARDS employees in same system and under same legislative jurisdiction as current CIARDS since circumstances of employment are the same.

°Legislative oversight would remain with the Senate and House Intelligence Committees.

RE: CSR TYPES

°All new CIA employees (including future CIARDS members) will be covered under a civil-service type supplemental plan.

°If passed, arguments would have been accepted that Agency Civil Service employees work under impositions and conditions quite different from regular government Civil Service.

CON

RE: CIARDS TYPES

°Since future CIARDS members will only be eligible for CIARDS after approximately six to eight years after EOD, some reluctance can be expected from Congress to sponsor special CIARDS legislation they see as not really needed for several years.

RE: CSR TYPES

°Run risk of Congressional rejection of special provisions for CIA Civil Service types and inclusion in as yet unknown general provisions applicable to government employees at large.

COMMENTS

General: May prove to be most practical approach if no support for preferred options.

RE: CIARDS TYPES

°Timing may be good to get support for a CIARDS amendment to establish system.

°If turned down now, can still try again in future since all new people will be in Civil Service type system until eligible (six to ten years from now)

RE: CSR TYPES

°Strong arguments can be made supporting some special consideration for CIA Civil Service types by emphasizing that future CIARDS eligibles among them are serving abroad under hazardous conditions under cover, etc., while getting qualifying service for CIARDS.

ALTERNATIVE POSSIBILITIES
SUPPLEMENTAL RETIREMENT COVERAGE FOR CIA PERSONNEL

ALTERNATIVE 2

Course of Action

Inclusion of all CIA employees into the government-wide supplemental retirement plan with no special provisions for future CIARDS participation.

PRO

- °Probably would be supported by Congress.
- °Lack of special provisions for CIARDS would provide time for Agency to seek special legislation at a future date since no harm for several years to CIARDS types.
- °No change of Congressional oversight jurisdiction for CIARDS.

CON

- °No special consideration for CIA Civil Service types.
- °Risk of imposed provisions that are not compatible with Agency interests.
- °Likely need for Agency to seek exemptions from incompatible features.
- °Need to seek special provisions for CIARDS in future years with no assurance of Congressional environment at that time.

COMMENTS

- °Because we may not obtain support for our preferred positions, protection of existing CIARDS may ultimately require this approach.
- °Eliminate chance for special consideration for CIA Civil Service types.
- °Would not immediately affect CIARDS if enacted and would permit Agency to go for special legislation or special provisions in future.

ALTERNATIVE POSSIBILITIES
SUPPLEMENTAL RETIREMENT COVERAGE FOR CIA PERSONNEL

ALTERNATIVE 3

<u>Course of Action</u>	<u>PRO</u>	<u>CON</u>	<u>COMMENTS</u>
Acceptance of inclusion of all CIA employees into the government-wide supplemental retirement plan with special provisions for future CIARDS employees.	°Probably would be supported by Congress.	°Whatever is enacted for CIARDS Supplemental sets stage for existing CIARDS. If inadequate TOTAL CIARDS PROGRAM COULD BE IN JEOPARDY. °No special consideration of CIA Civil Service types. °Risk that inadequate special provisions would be installed for CIARDS. °Removes CIARDS jurisdiction from Intelligence Committee jurisdiction to general retirement oversight committees.	°Not acceptable since could place CIARDS interests in extreme jeopardy. °Senate and House Intelligence Committees could be expected to oppose change of jurisdiction.