

have the option at any time to receive credit in CSRS Offset or FERS for all of their TVA service in accordance with applicable procedures. Any deposits necessary to receive credit for such service shall be considered transfers to a qualified plan for purposes of favorable tax treatment of such amount under title 26.

**(ii) Funding shortfall**

**(I) In general**

For all eligible employees that are not part of the Civil Service Retirement System, the Tennessee Valley Authority shall meet any funding shortfall resulting from the transfer of retirement benefits.

**(II) Notification**

The Secretary shall notify the Tennessee Valley Authority Board of the cost associated with the transfer of retirement benefits.

**(III) Payment**

The Tennessee Valley Authority shall fully compensate the Secretary for the costs associated with the transfer of retirement benefits.

**(IV) No interruption**

An eligible employee that is hired by the Forest Service and is eligible for Civil Service Retirement shall not experience any interruption in retirement benefits.

**(C) No interruption**

An eligible employee that is hired by the Secretary—

(i) shall experience no interruption in coverage for any health, leave, or other employee benefit; and

(ii) shall be entitled to carry over any leave time accumulated during employment by the Tennessee Valley Authority.

**(D) Period of service**

Notwithstanding section 8411(b)(3) of title 5, except to the extent that an eligible employee may be otherwise compensated (including the provision of retirement benefits in accordance with the memorandum of understanding) for the period of service as an employee of the Tennessee Valley Authority, that period of service shall be treated as a period of service as an employee of the U.S. Department of Agriculture for all purposes relating to the Federal employment of the eligible employee.

**(4) Eligible employees that are discharged not for cause**

**(A) Level of benefits**

The parties to the memorandum of understanding shall have authority to deem any applicable requirement to be met, to make payments to an employee, or take any other action necessary to provide to an eligible employee that is discharged as being excess to the needs of the Tennessee Valley Authority or the Secretary and not for cause and that does not accept an offer of employment

from the Secretary, an optimum level of retirement and health benefits that is equivalent to the level that has been afforded employees discharged in previous reductions in force by the Tennessee Valley Authority.

**(B) Minimum benefits**

An eligible employee that is discharged as being excess to the needs of the Tennessee Valley Authority or the Secretary and not for cause shall, at a minimum be entitled to—

(i) at the option of the eligible employee—

(I) a lump-sum equal to \$1,000, multiplied by the number of years of service of the eligible employee (but not less than \$15,000 nor more than \$25,000);

(II) a lump-sum payment equal to the amount of pay earned by the eligible employee for the last 26 weeks of the eligible employee's service; or

(III) the deemed addition of 5 years to the age and the years of service of an eligible employee;

(ii) 15 months of health benefits for employees and dependents at the same level provided as of the date of transfer pursuant to section 460III-41 of this title;

(iii) 1 week of pay per year of service as provided by the Tennessee Valley Authority Retirement System;

(iv) a lump-sum payment of all accumulated annual leave;

(v) unemployment compensation in accordance with State law;

(vi) eligible pension benefits as provided by the Tennessee Valley Authority Retirement System; and

(vii) retraining assistance provided by the Tennessee Valley Authority.

**(C) Shortfall**

If the board of directors of the Tennessee Valley Authority Retirement System determines that the cost of providing the benefits described in subparagraphs (A) and (B) would have a negative impact on the overall retirement system, the Tennessee Valley Authority shall be required to meet any funding shortfalls.

(Pub. L. 105-277, div. A, §101(e) [title V, §547], Oct. 21, 1998, 112 Stat. 2681-231, 2681-321.)

**§ 460III-48. Tennessee Valley Authority transfer costs**

Any costs incurred by Tennessee Valley Authority associated with the transfer under this part shall be derived from funding described in section 460III-49 of this title.

(Pub. L. 105-277, div. A, §101(e) [title V, §548], Oct. 21, 1998, 112 Stat. 2681-231, 2681-325.)

**§ 460III-49. Tennessee Valley Authority transfer funding**

**(a) In general**

The funding described in this section is funding derived from only 1 or more of the following sources: