

### § 8146a. Cost-of-living adjustment of compensation

(a) Compensation payable on account of disability or death which occurred more than one year before March 1 of each year shall be annually increased on that date by the amount determined by the Secretary of Labor to represent the percent change in the price index published for December of the preceding year over the price index published for the December of the year prior to the preceding year, adjusted to the nearest one-tenth of 1 percent.

(b) The regular periodic compensation payments after adjustment under this section shall be fixed at the nearest dollar. However, the regular periodic compensation after adjustment shall reflect an increase of at least \$1.

(c) This section shall be applicable to persons excluded by section 15 of the Federal Employees' Compensation Act Amendments of 1966 (Public Law 89-488) under the following statutes: Act of February 15, 1934 (48 Stat. 351); Act of June 26, 1936 (49 Stat. 2035); Act of April 8, 1935 (49 Stat. 115); Act of July 25, 1942 (56 Stat. 710); Public Law 84-955 (August 3, 1956); Public Law 77-784 (December 2, 1942); Public Law 84-879 (August 1, 1956); Public Law 80-896 (July 3, 1948); Act of September 8, 1959 (73 Stat. 469). Benefit payments to these persons shall initially be increased by the total percentage of the increases in the price index from the base month of July 1966, to the next most recent base month following the effective date of this subsection.

(Added Pub. L. 90-83, §1(67)(A), Sept. 11, 1967, 81 Stat. 212; amended Pub. L. 93-416, §§21, 24, Sept. 7, 1974, 88 Stat. 1149, 1150; Pub. L. 96-499, title IV, §421(a), Dec. 5, 1980, 94 Stat. 2608.)

#### HISTORICAL AND REVISION NOTES

<i>Section of title 5</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
8146a(a) .....	5 App.: 793a(a).	July 4, 1966, Pub. L. 89-488, §14 "Sec. 43(a), (b)", 80 Stat. 256.
8146a(b) .....	5 App.: 793a(b).	

In subsection (a), the words "After the month during which this section becomes effective," following "Each month," are omitted as executed and unnecessary. The words "Secretary of Labor" are substituted for "Secretary" on authority of section 40(i) of the Federal Employees' Compensation Act. In the second sentence, the words "latest base month" are substituted for "most recent base month."

So much of section 14 of Public Law 89-488 as redesignated section 43 of the Federal Employees' Compensation Act as section 44 is omitted as unnecessary in view of the codification of that act in title 5, United States Code.

#### Editorial Notes

##### REFERENCES IN TEXT

"Persons excluded by section 15 of the Federal Employees' Compensation Act Amendments of 1966", referred to in subsec. (c), means persons excluded by section 15 of Pub. L. 89-488, July 4, 1966, 80 Stat. 256, which was set out as a note under section 756 of former Title 5, Executive Departments and Government Officers and Employees, prior to the 1966 revision of Title 5 by Pub. L. 89-554. Such section 15 of the Federal Employees' Compensation Act Amendments of 1966 directed that benefit increases mandated by the Federal Employees' Compensation Act Amendments of 1966 not apply to

employees unless such employees fell within the definition of "employees" in section 40(b) (1) or (2) of the Federal Employees' Compensation Act [section 790(b)(1) or (2) of former Title 5]. As a result section 15 of the Federal Employees' Compensation Act Amendments of 1966 served to prohibit increases to persons to whom the benefits of the Federal Employees' Compensation Act had been extended over the years by Acts described in subsec. (c) as follows:

Act of February 15, 1934 (48 Stat. 351) which extended coverage to employees of the Federal Civil Works Administration and was classified to section 796 of former Title 5.

Act of June 26, 1936 (49 Stat. 2035) probably means Act of June 29, 1936 which extended coverage to certain W.W. I veterans and was set out as a note under section 134 of former Title 38, Pensions, Bonuses, and Veterans' Relief.

Act of April 8, 1935 (49 Stat. 115) which extended coverage to certain emergency relief personnel, is act April 8, 1935, ch. 48, 49 Stat. 115, which was enacted as legislation supplementary to the Federal Emergency Relief Act of 1933, was classified to sections 721 and 728 of Title 15, Commerce and Trade, and was omitted from the Code as temporary.

Act of July 25, 1942 (56 Stat. 710) which extended coverage to certain personnel of the War Relocation Authority, was set out as a note under section 796 of former Title 5, Executive Departments and Government Officers and Employees.

Public Law 84-955 (Aug. 3, 1956) which extended coverage to certain Civil Air Patrol personnel was set out as a note under section 760 of former Title 5.

Public Law 77-784 (December 2, 1942), which extended coverage to war risk hazards of certain employees of federal contractors, is act Dec. 2, 1942, ch. 668, 56 Stat. 1028, as amended, titles I and II of which are popularly known as the War Hazards Compensation Act, and is classified principally to chapter 12 (§1701 et seq.) of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see Tables.

Public Law 84-879 (August 1, 1956), which extended coverage to certain members of the Reserve Officers Training Corps of the Army, Navy, and Air Force, was classified to section 802 of former Title 5, Executive Departments and Government Officers and Employees.

Public Law 80-896 (July 3, 1948), which extended coverage to certain persons entitled to war claims, is act July 3, 1948, ch. 826, 62 Stat. 1240, popularly known as the War Claims Act of 1948, which is classified generally to chapter 51 (§4101 et seq.) of Title 50, War and National Defense. For complete classification of this Act to the Code, see Tables.

Act of September 8, 1959 (73 Stat. 469) which transferred from the Department of Commerce to the Department of Labor certain functions in respect to insurance benefits and disability payments to seamen for W.W. II service-connected injuries, death, or disability, was not classified to the Code.

#### AMENDMENTS

1980—Subsec. (a). Pub. L. 96-499 substituted "Compensation" for "Each month the Secretary of Labor shall determine the percent change in the price index. Effective the first day of the month which begins after the price index change equals a rise of at least 3 percent for 3 consecutive months over the price index for the latest base month, compensation", "March 1 of each year shall be annually increased" for "that first day shall be increased" and "amount determined by the Secretary of Labor to represent the percent change in the price index published for December of the preceding year over the price index published for the December of the year prior to the preceding year," for "percent rise in the price index (calculated on the highest level of the price index during the 3 consecutive months)".

1974—Subsec. (a). Pub. L. 93-416, §21, substituted "Effective the first day of the month" for "Effective the first day of the third month".

Subsec. (b). Pub. L. 93-416, §21, substituted "regular periodic compensation payments" for "monthly compensation".

Subsec. (c). Pub. L. 93-416, §24, added subsec. (c).

**Statutory Notes and Related Subsidiaries**

**EFFECTIVE DATE OF 1980 AMENDMENT**

For effective date of amendment by Pub. L. 96-499, see section 422 of Pub. L. 96-499, set out as a note under section 8101 of this title.

**EFFECTIVE DATE OF 1974 AMENDMENT**

Amendment by Pub. L. 93-416 applicable to cases where injury or death occurred prior to Sept. 7, 1974, but only to the period beginning on or after Sept. 7, 1974, see section 28(a) of Pub. L. 93-416, set out as a note under section 8101 of this title.

**PERSONNEL NOT AFFECTED BY COST-OF-LIVING ADJUSTMENT**

Increases authorized by this section not applicable to employees and individuals not within the definition of "employee" in section 8101(1)(A), (B), or (D) of this title, members of the Metropolitan Police or the Fire Department of the District of Columbia who are pensioned or pensionable under sections 521 to 535 of title 4, District of Columbia Code, or members of a uniformed service, see section 7 of Pub. L. 90-83, set out as a note under section 8103 of this title.

**§ 8147. Employees' Compensation Fund**

(a) There is in the Treasury of the United States the Employees' Compensation Fund which consists of sums that Congress, from time to time, may appropriate for or transfer to it, and amounts that otherwise accrue to it under this subchapter or other statute. The Fund is available without time limit for the payment of compensation and other benefits and expenses, except administrative expenses, authorized by this subchapter or any extension or application thereof, except as otherwise provided by this subchapter or other statute. The Secretary of Labor shall submit annually to the Office of Management and Budget estimates of appropriations necessary for the maintenance of the Fund. For the purpose of this subsection, "administrative expenses" does not include expenses for legal services performed by or for the Secretary under sections 8131 and 8132 of this title.

(b) Before August 15 of each year, the Secretary shall furnish to each agency and instrumentality of the United States having an employee who is or may be entitled to compensation benefits under this subchapter or any extension or application thereof a statement showing the total cost of benefits and other payments made from the Employees' Compensation Fund during the preceding July 1 through June 30 expense period on account of the injury or death of employees or individuals under the jurisdiction of the agency or instrumentality. Each agency and instrumentality shall include in its annual budget estimates for the fiscal year beginning in the next calendar year a request for an appropriation in an amount equal to the costs. Sums appropriated pursuant to the request shall be deposited in the Treasury to the credit of the Fund within 30 days after they are available. An agency or instrumentality not dependent on an annual appropriation shall make the deposit required by this subsection from funds under its control during the first fifteen days of October following the furnishing of the

statement. If an agency or instrumentality (or part or function thereof) is transferred to another agency or instrumentality, the cost of compensation benefits and other expenses paid from the Fund on account of the injury or death of employees of the transferred agency or instrumentality (or part or function) shall be included in costs of the receiving agency or instrumentality.

(c) In addition to the contributions for the maintenance of the Employees' Compensation Fund required by this section, the United States Postal Service, or a mixed ownership corporation as defined by section 9101(2) of title 31, or any other corporation or agency or instrumentality (or activity thereof) which is required by statute to submit an annual budget pursuant to or as provided by chapter 91 of title 31, shall pay an additional amount for its fair share of the cost of administration of this subchapter as determined by the Secretary. With respect to these corporations, agencies, and instrumentalities, the charges billed by the Secretary under this section shall include an additional amount for these costs, which shall be paid into the Treasury as miscellaneous receipts from the sources authorized and in the manner otherwise provided by this section.

(Pub. L. 89-554, Sept. 6, 1966, 80 Stat. 554; Pub. L. 90-83, §1(68), Sept. 11, 1967, 81 Stat. 213; Pub. L. 93-416, §§25, 26, Sept. 7, 1974, 88 Stat. 1150; Pub. L. 94-273, §42, Apr. 21, 1976, 90 Stat. 381; Pub. L. 97-258, §3(a)(17), Sept. 13, 1982, 96 Stat. 1063.)

**HISTORICAL AND REVISION NOTES  
1966 ACT**

<i>Derivation</i>	<i>U.S. Code</i>	<i>Revised Statutes and Statutes at Large</i>
.....	5 U.S.C. 785.	Sept. 7, 1916, ch. 458, §35, 39 Stat. 749. Sept. 12, 1950, ch. 946, §301(92), 64 Stat. 844. Sept. 13, 1960, Pub. L. 86-767, §209, 74 Stat. 909.

In subsection (b), the words "each agency and instrumentality of the United States" are substituted for "each executive department and each agency or instrumentality of the United States or other establishment". The words "(hereinafter called 'agency')" are omitted as unnecessary because "agency or instrumentality" is substituted for "agency" in the remainder of this subsection and in subsection (c). The words "occurring after December 1, 1960" are omitted as executed.

Standard changes are made to conform with the definitions applicable and the style of this title as outlined in the preface to the report.

**1967 ACT**

<i>Section of title 5</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
8147(a) .....	5 App.: 785(d).	July 4, 1966, Pub. L. 89-488, §10(c), 80 Stat. 255.

The word "performed" is substituted for "rendered" to conform to the style of title 5. The words "sections 8131 and 8132 of this title" are substituted for "sections 26 and 27" to reflect the codification of those sections in title 5.