

TITLE 5 - GOVERNMENT ORGANIZATION AND EMPLOYEES**PART III - EMPLOYEES****Subpart G - Insurance and Annuities****CHAPTER 87 - LIFE INSURANCE****§ 8714. Employees' Life Insurance Fund**

(a) The amounts withheld from employees under section 8707 of this title and the sums contributed from appropriations and funds under section 8708 of this title shall be deposited in the Treasury of the United States to the credit of the Employees' Life Insurance Fund. The Fund is available without fiscal year limitation for—

- (1) premium payments under an insurance policy purchased under this chapter; and
- (2) expenses incurred by the Office of Personnel Management in the administration of this chapter within the limitations that may be specified annually by appropriation acts.

(b) The Secretary of the Treasury may invest and reinvest any of the money in the Fund in interest-bearing obligations of the United States, and may sell these obligations for the purposes of the Fund. The interest on and the proceeds from the sale of these obligations, and the income derived from dividend or premium rate adjustments from insurers, become a part of the Fund.

(c) (1) No tax, fee, or other monetary payment may be imposed or collected by any State, the District of Columbia, or the Commonwealth of Puerto Rico, or by any political subdivision or other governmental authority thereof, on, or with respect to, any premium paid under an insurance policy purchased under this chapter.

- (2) Paragraph (1) of this subsection shall not be construed to exempt any company issuing a policy of insurance under this chapter from the imposition, payment, or collection of a tax, fee, or other monetary payment on the net income or profit accruing to or realized by that company from business conducted under this chapter, if that tax, fee, or payment is applicable to a broad range of business activity.

(Pub. L. 89–554, Sept. 6, 1966, 80 Stat. 598; Pub. L. 95–454, title IX, § 906(a)(2), Oct. 13, 1978, 92 Stat. 1224; Pub. L. 96–499, title IV, § 405(a), Dec. 5, 1980, 94 Stat. 2606.)

Historical and Revision Notes

| Derivation | U.S. Code | Revised Statutes and Statutes at Large |
|---|-----------|---|
| 5 U.S.C. 2094(c) (less applicability to 5 U.S.C. 2099), (d). | | Aug. 17, 1954, ch. 752, § 5(c) (less applicability to § 10), 68 Stat. 739. |
| Aug. 11, 1955, ch. 794, § 1(a) “(c) (less applicability to § 10)”, (b), 69 Stat. 676. | | Apr. 11, 1958, Pub. L. 85–377, § 1 (less applicability to § 10), 72 Stat. 87. |

In subsection (a), the words “of the Employees' Life Insurance Fund” are substituted for “of a fund which is hereby created”. The proviso which made appropriations available to the Commission for salaries and expenses for the fiscal year 1955 available on a reimbursable basis for necessary administrative expenses for carrying out the purposes of this chapter is 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.

Amendments

1980—Subsec. (c). Pub. L. 96–499 added subsec. (c).

NB: This unofficial compilation of the U.S. Code is current as of Jan. 5, 2009 (see <http://www.law.cornell.edu/uscode/uscpri.html>).

1978—Subsec. (a)(2). Pub. L. 95–454 substituted “Office of Personnel Management” for “Civil Service Commission”.

Effective Date of 1980 Amendment

Section 405(b) of Pub. L. 96–499 provided that: “The amendment made by subsection (a) [amending this section] shall take effect on the date of the enactment of this Act [Dec. 5, 1980], and shall apply with respect to premiums paid on or after such date.”

Effective Date of 1978 Amendment

Amendment by Pub. L. 95–454 effective 90 days after Oct. 13, 1978, see section 907 of Pub. L. 95–454, set out as a note under section 1101 of this title.

Funding

Pub. L. 103–409, § 4, Oct. 25, 1994, 108 Stat. 4232, provided that: “Notwithstanding section 8714 (a)(1) of title 5, United States Code, the Office of Personnel Management shall retain in the Employees’ Life Insurance Fund such portion of premium payments otherwise due as will, no later than September 30, 1995, permanently reduce the contingency reserve established under the third sentence of section 8712 of such title 5 by an amount equal to the amount by which payments from the Employees’ Life Insurance Fund during the fiscal year ending September 30, 1995, exceed the payments that would have been paid had the amendments made by this Act [enacting section 8714d of this title] not been enacted.”