

road Retirement Act were passed, the railroad retirement system showed an actuarial deficiency of 1.69 percent of payroll on a level-cost basis, according to the eighth actuarial valuation of the railroad retirement system. This deficiency has developed primarily because of the rapid decline in railroad payrolls. The level cost of the amendments is estimated at 0.04 percent of payroll—partly because men may now retire at earlier ages and receive sufficient additional earnings to qualify for separate old-age, survivors, and disability insurance benefits. The result is a loss to the railroad retirement system under the financial interchange provisions. It will be recalled that the railroad retirement employee annuity is payable even if the annuitant has substantial employment, so long as it is not for a railroad or for the current employer at the time the annuity is claimed.

1961 Amendments Affecting the Civil Service Retirement Act*

Public Law 87-350, approved October 4, 1961, contains several provisions of interest to civil-service employees and annuitants:

(1) A discontinued disability annuity may now be restored, if the disability recurs or if earning capacity is lost.

(2) Employees mandatorily retired for age and then immediately reemployed before July 12, 1960, are allowed special credit toward additional benefits or refunds for retirement contributions made after earning the maximum 80-percent annuity entitlement.

(3) Employees involuntarily separated with immediate annuities who are reemployed for 5 years or more may have their annuity benefits recomputed under the law in effect at the time of their final retirement.

(4) A new formula provides for interest on special public debt obligations issued to the retirement fund at a rate equal to the current

* Prepared by John P. Jones, Division of the Actuary.

average market yield on all outstanding U.S. marketable obligations not due or callable until after 4 years from such issuance; the fund's entire special issue portfolio is to be converted to the new rates in 10 years, beginning in 1962.

(5) Prior service credit is provided for agricultural stabilization and conservation county committee employees (first covered under the civil-service retirement program on July 1, 1960) on the same basis as that used for all other employees.

(6) The special congressional employee retirement formula is to apply to any congressional service of an employee retired from a general civil-service position.

Two other laws enacted in 1961 affect the civil-service retirement program. Public Law 87-114 makes permanent the temporary cost-of-living increases provided earlier for employees retiring before October 1, 1956. Public Law 87-299 restores certain Federal retirement benefits that had been denied under earlier law to employees who had been convicted of comparatively minor offenses having no relation to national security.

Recent Publications*

SOCIAL SECURITY ADMINISTRATION

CHILDREN'S BUREAU. *Research in Child Welfare*. (Bureau Publication No. 389-1961.) Washington: U.S. Govt. Print. Off., 1961. 50 pp. 25 cents.

Conference on the 1960 amendment to the Social Security Act providing grants for research in child welfare.

OFFICE OF THE COMMISSIONER. DIVISION OF THE ACTUARY. *Actuarial Cost Estimates for Health Insurance Benefits Bill*, by Robert J. Myers. (Actuarial Study No. 52.) Washington: The Division, 1961. 22 pp. Processed.

Data and methods used to develop estimates for H. R. 4222 (87th Cong., 1st sess.). Limited free distribution; apply to the Division of the Actuary, Social Security Administration, Washington 25, D.C.

* Prepared in the Library, Department of Health, Education, and Welfare. Orders for items listed should be directed to publishers and booksellers. Federal publications for which prices are listed should be ordered from the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C.