33rd National Convention
Legislative Update

Jessica Klement
Legislative Director
Agenda

• 113th Congress Recap
• Looking ahead
  • Rest of 2014
  • 114th Congress
• NARFE in the News
• Protect America’s Heartbeat
• Legislative Training Conference
• NARFE-PAC
The good:

- Budget deal for FY14 and FY15 spared current feds and retirees
- Prevents sequestration-related furloughs
113th Congress (2013-2014) Recap
The good, the bad, the ugly

The good:
• Chained CPI hasn’t moved forward
First NARFE press conference huge success
  – 20 reporters
  – 7 articles
  – 40 shoeboxes of coupons
  – Interviews with NARFE members
113\textsuperscript{th} Congress (2013-2014) Recap

The good, the bad, the ugly

The good:

- FEHBP self-plus-one option available in 2016
- Back pay provided to feds furloughed during the government shutdown
- Phased retirement now available
- Senate postal bill remains stalled
- Working on reemployed annuitants extension
- Flags for the Fallen
- Written and oral testimony before Congress
113th Congress (2013-2014) Recap
The good, the bad, the ugly

The bad:
• 3-year federal employee pay freeze
• Two increases in retirement contributions for future feds (hired in 2013 and 2014)
• Very small federal pay raise in 2014, same likely for 2015
113th Congress (2013-2014) Recap
The good, the bad, the ugly

The ugly:
• 16-day government shutdown in October
• 1-10 furlough days for 750,000 feds as a result of sequestration
  – Loss of $1 billion in take home pay
113th Congress (2013-2014) Recap
The good, the bad, the ugly

Contributions from the federal community to date.

$120 Billion!
Looking Ahead - Rest of 2014

Congress in session through Sept. 23ish, then in recess until Nov. 12th

CR or omnibus appropriations bill must be passed by Sept. 30. Expect little drama.

Lame duck activity will be decided by Senate elections.
Environment on Capitol Hill

- Budget fights will begin in February with release of President’s budget, followed by House and Senate budgets (and possibly reconciliation).
- 7 years of sequestration remaining
- Budget fights loom for FY16 and beyond
Looking Ahead – 114th Congress

What does the budget fight mean for NARFE?

Federal community has a target on its back

• Chained CPI
• Increased retirement contributions for current feds
• Pay freezes
• Elimination of FERS annuity supplement
• High-3 to High-5
• Changing retirement multiplier
• Changes to FEHBP
• Arbitrary workforce reductions
Looking Ahead – 114th Congress

NARFE Legislative Priorities

• Fighting attacks to federal pay and benefits, including FEHBP
• Crafting a USPS reform bill that provides actual reform
• Preventing Chained CPI from becoming reality
What is the Chained CPI?

• A change in the way annual COLAs are computed to account for “behavioral adjustments”

• Not an accurate measure of seniors’ spending habits
  – Seniors are already typically buying the lowest priced goods
  – Can’t substitute medicine/health care costs

• Amounts to a loss of .3% in COLAs each year
  – Over a 9% COLA reduction after 25 years, totaling $50,000 for the average CSRS annuitant

  – ALWAYS ON THE TABLE. Where do your Members of Congress stand?
Looking Ahead – 114th Congress

USPS Reform – Where does NARFE stand?

• Current Senate bill most likely vehicle for postal reform
• NARFE opposes the bill because:
  • Sharply reduces benefits for ALL injured workers (FECA)
  • Allows for the elimination of FERS pension
  • Requires enrollment in Medicare Parts A & B

Passed Committee in February. Floor action is unlikely this year. Uncertain what 2015 will bring.
NARFE in the News

570 total press clips (2013 & 2014) including 408 articles in top tier national media
172 letters to the editor
NARFE in the News

Rep. Edwards proposes restoring lower retirement contributions for feds

Friday, 12/15/17, 2:00pm EST

By Stephanie Visioso
Special to Federal News Radio

Rep. Donna Edwards (D-Md.) introduced a bill Thursday reducing the amount new federal employees would have to pay toward their government retirement funds.

The National Treasury Employees Union (NTEU), the largest independent federal union, as well as the National Active and Retired Federal Employees (NARFE) Association announced their support for the legislation, which would reverse the changes made in retirement contributions.

"Let's stop unfairly burdening our federal workers and start asking wealthy corporations to pay their fair share," Edwards said in a press release.

Under the bill, all employees' pension contributions would revert back to the 0.8 percent that employees hired before 2013 are paying now. Edwards also wants to close corporate tax loopholes for companies that are incorporated overseas but managed and controlled in the United States, as a way to offset the increased contributions by the government.

The Federal Employees Retirement System (FERS) covers most of the federal workforce and offers a fixed pension formula, according to NTEU. Currently, employees hired in 2013 pay 2.3 percent more than those hired before them, while new employees hired in 2014 pay 3.5 percent more than pre-2013 employees, according to NARFE's press release. NARFE said the increased contributions would result in $21 billion less in take-home pay for new employees over 10 years.

Social Security benefits get tiny increase

By Victoria Aschbacher
August 1, 2014

Social Security benefits for nearly 57 million Americans will increase by 1.7 percent next year, the Bureau of Labor Statistics announced Wednesday.

The increases in one of the smallest government has made since the mid-1970s. Stagnant consumer prices pushed the cost-of-living adjustment (COLA) from being raised more.

COLA is an annual check based on the Consumer Price Index to return that Social Security and Supplemental Security Income (SSI) benefits are raised by inflation. Americans who receive SSI will also receive higher payments, beginning Dec. 31. SSI is the disability program for the poor.

In addition to those who receive Social Security, the COLA increase will also apply to disabled veterans and federal retirees.

"The cost-of-living adjustment (COLA) for next year is welcome news for countless Americans who rely on the increase to keep up with the rising price of food, housing, transportation and medical care," said Joseph Beaudoin, president of the National Active and Retired Federal Employees Association.

The government was expected to issue the new COLA two weeks ago, but it was delayed because the 16-day shutdown forced the government to first release a delayed jobs report.

Since 1972, Social Security increases have averaged about 4 percent. The last increase will mark the seventh time the COLA rate has been less than 2 percent.

These New Programs Help Workers Retire at Their Own Pace

By John Brecher
Published: August 13, 2014

OPM releases rules for phased retirement

CBO expects 1,000 per year to take advantage; Archuleta sees 'win-win' for agencies, employees
Protect America’s Heartbeat

WHAT is PAH?
• An ongoing grassroots campaign designed to get NARFE members more engaged in legislation that affects them

WHO?
• You!

WHY?
• Because Congress can change your benefits AT ANY TIME

WHERE?
• In your home states and districts, at NARFE chapter meetings

WHEN?
• NOW!
Protect America’s Heartbeat

www.protectamericasheartbeat.org

NEW TOOLKITS AVAILABLE!

6 INDIVIDUAL TOOLKITS

EASIER TO FIND INFORMATION AND PRINT ONLY WHAT YOU NEED.
Protect America’s Heartbeat

• Constantly rethinking how NARFE carries out grassroots activities based on individual factors:
  – Specific MOCs, chapter abilities, upcoming votes, etc...
• Including legislative information at chapter meetings, federation events and in newsletters
• Taking steps towards a larger, functioning grassroots program within NARFE
• Building personal relationships with your members of Congress is key!
• You are in a unique position to share your experiences as a federal worker
• All politics is local. Drive it home!
Legislative Training Conference

March 14 – 17, 2015

• Trainings, national speakers, networking and a visit to Capitol Hill to meet with your legislators!
• Same hotel we were in last year (Renaissance Arlington Capital View)
• Same room rate - $175/night (plus tax/fees)
• $175 registration fee includes six meals, training materials and buses to Capitol Hill
• New this year – orientation for new participants.
  - Ask the Staff reception
• Registration opens October 1
• More information in September issue of magazine and registration form will be available in magazine in October
What is NARFE-PAC?

• The “Federal Employee and Retiree Defense Fund”
• Separate, segregated fund dedicated to supporting candidates who support NARFE issues and agenda
  – Can only be funded through your specific contributions – NOT your dues
• Substantial tool in our legislative arsenal
Why does NARFE have a PAC?

• Makes us politically relevant
  – Members of Congress know NARFE, in many cases, due to NARFE-PAC

• Allows direct contact with lawmakers

• Support those who support us

• Builds Leaders - helps our strongest proponents gain more influence.
NARFE-PAC by the numbers

Last election cycle (2011-2012)

• 31,636 NARFE members contributed $991,434 to NARFE-PAC.

• Average contribution: $31.34

• Contributed over $600,000 to 171 candidates and 4 party committees
NARFE-PAC by the numbers

So far this cycle (2013-2014), through June

• 20,141 NARFE members have contributed $601,819
• Average contribution: $29.88
• 76 candidates and 4 committees received contributions totaling $402,500
NARFE-PAC
NARFE-PAC vs. Coalition Partners
2011-2012

PAC Receipts (Contributions from Members)

- IAFF
- NALC
- NATCA
- APWU
- AFGE
- NRLCA
- NTEU
- NAPS
- NARFE
- NPMHU
- NAPUS
- FAAMA
- NLP
- NWSEO
- FMA

$0 - $8,000,000
NARFE-PAC vs. Coalition Partners
2011-2012

PAC Disbursements (Money to Candidates)

- IAFF
- NALC
- NATCA
- APWU
- AFGE
- NRLCA
- NTEU
- NAPS
- NARFE
- NPMHU
- NAPUS
- FAAMA
- NLP
- NWSEO
- FMA

$0 $500,000 $1,000,000 $1,500,000 $2,000,000
QUESTIONS???