



# NARFE Advocacy Amid Continued Threats and Historic Success

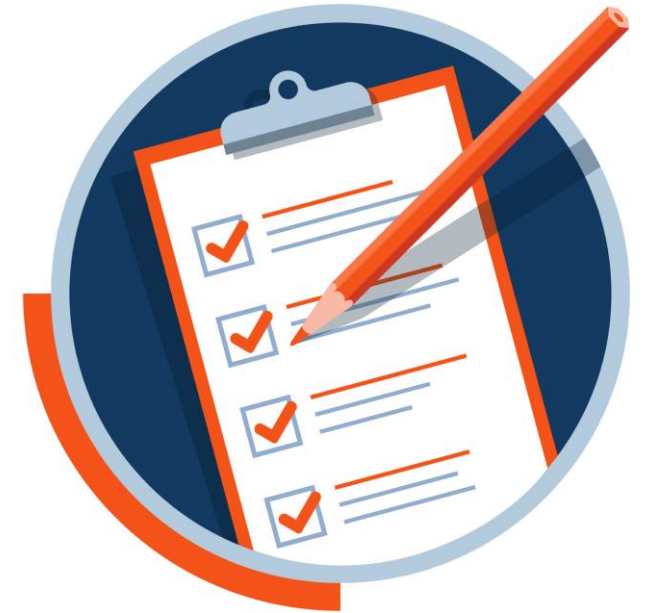
2025 Illinois Federation Conference  
September 16, 2025

**Presented by John Hatton, SVP, Policy and Programs, NARFE**

# Agenda



- **Recap of 2024 Efforts**
- **Advocacy Priorities**
- **Advocacy Actions Summary**
- **Questions & Answers**
- **NARFE-PAC**



# Recap of 2024 Efforts



## Social Security Fairness Act, H.R.82/S.597

- **Repeals Windfall Elimination Provision (WEP) and Government Pension Offset (GPO)**
  - WEP reduces primary Social Security benefit for individuals with noncovered pension (Civil Service Retirement System annuity)
  - GPO reduces or eliminates spousal/survivor benefits for individuals with noncovered pension (CSRS annuity)
- **NARFE Priority for More Than 40 years**



## Social Security Fairness Act, H.R.82/S.597

- **Advocacy Efforts Built Support for Bill**
  - Momentum from previous Congress
    - Committee advanced bill for first time ever in 2022
  - Most cosponsored bill in Congress
    - 330 House cosponsors
    - 62 Senate cosponsors
  - 3 Congressional Hearings (2 House, 1 Senate)





## Social Security Fairness Act, H.R. 82

- **Limited Reform Offer from House Ways and Means**
  - Relief from 2028 through 2032
  - About \$50 per month increase in benefits for WEP
  - Phased in relief for GPO if combined monthly income \$3,000 or less
  - Pays for via administrative changes (but not bipartisan)
- **Push for Committee Markup Shifted to Discharge Petition in House; Floor Vote in Senate**



## Social Security Fairness Act, H.R. 82

- **Graves & Spanberger filed Discharge Petition on September 10**
  - Hit 218 signatures on September 19!!!
    - Achieved in a little more than one week
  - Forced House Floor Vote
- **House Passed Bill on November 12 by a vote of 327-75**



## Social Security Fairness Act, H.R. 82

- **Push for Senate Vote**
  - Capitol Hill Rally on December 11 – Schumer commits to floor vote
- **Senate Consideration**
  - Invoked Cloture on Motion to Proceed by 73-27 vote on December 18
  - Passed Bill on December 21, 76-20 vote
- **President Biden Signed into Law on January 5, 2025**





## Additional Priorities

- **No Cuts to Earned Federal Benefits**
  - No vote on Republican Study Committee budget
    - RSC budget included proposed cuts to benefits
  - No cuts included in budget deal to extend debt limit
  - No “Fiscal Commission” created
- **Increased Cosponsors for Equal COLA Act**
  - From 34 to 95 cosponsors in House, 6 to 11 in Senate
  - Would provide full cost-of-living adjustments





## Additional Priorities

- **Improving OPM Retirement Services**
  - Oversight from appropriations
  - Reduced backlogs
  - Modernization occurring, needs acceleration



- **Advocating for Choice for Postal Health Benefits**
  - Argued for choice regarding Medicare Part D
  - Exception provided for those living overseas
  - Enrollment flexibility

# Advocacy Priorities



## Social Security Fairness Act, P.L. 118-273

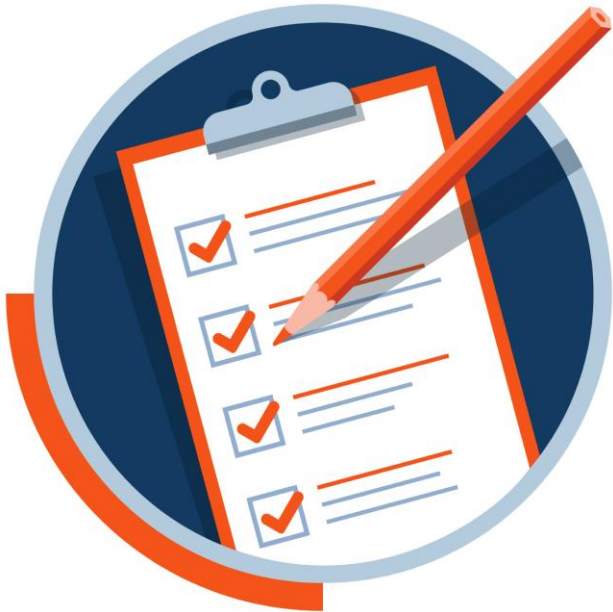
- **Passed January 5, 2025**
- **Effective Date**
  - Applies to benefits payable after December 2023
- **Implementation**
  - Social Security Administration began providing backpay in March, increased monthly benefits in April, announced completion of implementation
  - Retroactive payment limited to benefits payable 6 months prior to application
    - NARFE Letter to SSA Requested Extension
      - No Response.
      - Next Steps: Follow-Up, Discuss with Relevant Congressional Committee Staff





## Overview

- **Oppose** Cuts to Earned Federal Retirement and Health Benefits
- **Protect** the Integrity of Government Operations and the Merit-Based Civil Service
- **Support** Full COLAs for FERS Retirees
- **Support** Policies to Improve Choice, Lower Cost for FEHB/PSHB
- **Improve** OPM Customer Service from Retirement Services





## Oppose Cuts to Earned Retirement and Health Benefits

- **Budget Reconciliation Posed Major Threat**
  - Avoids filibuster, allowing partisan passage in the Senate, with 50 votes
- **Plan to Use Potentially Trillions in Spending Cuts to Offset Cost of Tax Cuts, Other Spending**
- **Cuts to Federal Benefits Among Offsets**



## Oppose Cuts to Earned Retirement and Health Benefits

- **House- and Senate-Passed Budget Resolution, H.Con.Res.14, required \$50 billion in cuts from spending under jurisdiction of House Oversight and Government Reform Committee (OGR)**
  - OGR has jurisdiction over federal retirement and health benefit programs; and not much additional mandatory spending programs
  - Senate committees retain greater flexibility
- **OGR passed “Committee Print” with about \$51 billion in cuts to federal employee/retiree benefits**



## Oppose Cuts to Earned Retirement and Health Benefits

- **“Committee Print” Did NOT Include:**



- Voucher Model for FEHB/PSHB
  - You Pay More Than 50% of Premiums After 10 Years
  - \$20k to \$50k cost over 10 years
  - Proposal was under serious consideration, but excluded due to political opposition



- Reducing rate of return on Thrift Savings Plan G fund
  - Below market rate of return for similar asset (F fund, e.g.)
  - Would recommend moving assets out of TSP



- Reductions to/Elimination of COLAs
  - Previously supported by Trump budget proposals (during 1<sup>st</sup> administration)
  - No indication this was under serious consideration by Congress



## Oppose Cuts to Earned Retirement and Health Benefits

- **“Committee Print” Included:**



- Increased contributions (increase of 3.6% of pay) toward retirement
  - Would not apply to those subject to mandatory early retirement
  - Phases in over two years (1.8% in 2026, 2027)



- Elimination of Federal Employee Retirement System (FERS) annuity supplement
  - Applicable as of date of enactment
  - Would not apply to those forced to retire early (but does apply to those potentially subject to mandatory early retirement)



- High-3 to High-5
  - Applicable for retirements after 1/1/27
  - Would not apply to those subject to mandatory early retirement



## Oppose Cuts to Earned Retirement and Health Benefits

- **“Committee Print” Included:**



- Choose between at-will employment or additional 5% increase in retirement contributions (permanent 5% tax/pay cut)
  - Would undermine merit-based civil service

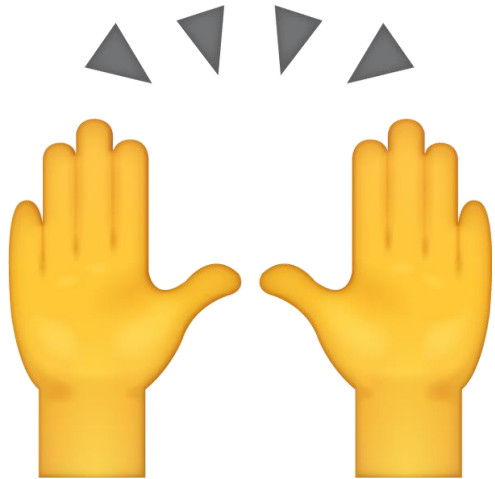


- Fee for Merit Systems Protection Board Appeals
  - Would undermine merit-based civil service
- Audit of FEHB to Ensure Covered Family Members are Eligible for Coverage
  - NARFE did NOT oppose



## Oppose Cuts to Earned Retirement and Health Benefits

- **Amendments Included in House Rules Committee Print**



- Removed provision to increase contributions toward retirement for current federal employees
- Applicable date for elimination of the FERS annuity supplement shifted to 1/1/28 (as opposed to date of enactment)
- Applicable date for High-3 to High-5 shifted to retirements on or after 1/1/28 (from 1/1/27)
- Individuals subject to mandatory early retirement maintain FERS annuity supplement (previously only those forced to retire early exempt)
- Individuals subject to mandatory early retirement exempted from choice of at-will employment or 5% pay cut



## Oppose Cuts to Earned Retirement and Health Benefits



- **Manager's Amendment**

- Removed provision to shift from High-3 to High-5 for future retirements from FERS and CSRS



- **House Passage**

- House Passed bill 215-214-1 on May 22



## Oppose Cuts to Earned Retirement and Health Benefits

- **Senate Draft**



- Removed elimination of FERS annuity supplement



- 5% across the board increase in retirement contributions for new hires, plus choice between additional 5% or at-will employment
  - **Choice between at-will or 5% penalty subject to Byrd Rule point of order!**
  - **Across-the-board increase for new hires removed!**



- Fee for MSPB appeals
  - **Subject to Byrd Rule point of order!**



- Broad authority to president to reorganize government
  - **Subject to Byrd Rule point of order!**



## Oppose Cuts to Earned Retirement and Health Benefits

- **Senate Draft**
  - 10% Administrative Fee / Tax on Payroll Deductions (for membership association dues, e.g.) from Federal Employees
    - Not applicable to annuities
    - **Removed!**
  - Charge Unions Fee for Time & Use of Agency Resources
    - **Removed.**
  - Bonuses for federal employees identifying savings.
    - **Removed.**



## Protect the Integrity of Government Operations and Protecting the Merit System



**1. Oppose Efforts to Politicize the Merit-Based Civil Service**



**2. Oppose Across-the-Board Reductions in the Size of the Federal Workforce (and Policies Intended to Facilitate Such)**



**3. Support Market Rate Increases to Federal Pay Rates/Oppose Federal Compensation Cuts**

- Expected Military Raise (2026) – 4.3 percent
- FAIR Act (H.R. 493/S.126)
  - 3.8 percent across-the-board + 1.0 percent average increase in locality pay



## Oppose Efforts to Politicize the Merit-Based Civil Service




### • **Schedule Policy/Career (P/C), formerly Schedule F**

- Directs reclassification of employees identified as holding positions of a “confidential, policy-determining, policy-making, or policy-advocating” character
- New Schedule P/C classification in the excepted service would not have competitive service protections to ensure merit-based hiring and firing
- Interpreted broadly, could apply to 50,000 or more federal employees



## Oppose Efforts to Politicize the Merit-Based Civil Service

- **Schedule Policy/Career (P/C), formerly Schedule F**
  - Lawsuit Challenging Action
  - NARFE Comment on Proposed Rule (and incorporated comments from legal counsel / Protect Democracy)
-  **Support the Saving the Civil Service Act, H.R. 492/S.134**
  - Would prohibit return of Schedule F, protect merit based civil service



## Oppose Efforts to Politicize the Civil Service

- **“Restoring Accountability” to Senior Executive Service**
  - Asserts the president has Article II power to terminate senior executives, despite statutory law to the contrary
- **Schedule G**
  - New excepted service schedule for noncareer appointments (expanding beyond normal, Schedule C political appointments)





## Oppose Across-the-Board Reductions in the Size of the Federal Workforce

- **Return to Office Mandate**
- **Hiring Freeze**
  - 90 Days Initially, Extended to mid-October
- **Agency- and Program-Wide Use of Administrative Leave**
  - USAID, ED, DEIA



## Oppose Across-the-Board Reductions in the Size of the Federal Workforce

- **“Deferred Resignation” Offer**
  - Type “Resign,” Hit “Send”
  - 77,000 accepted
- **Firing 25,000+ Probationary Employees**
  - Many probationary because promoted, in new position
  - Courts initially reversed due to being directed by OPM, which does not have authority to do so
  - Employees may still be separated via RIFs



## Oppose Across-the-Board Reductions in the Size of the Federal Workforce

- **Agency RIF (Reduction-in-Force) and Reorganization Plans**
  - Two Phase Plans Submitted to Administration (April 14 deadline), But Not Publicly Released
  - Agencies Engaged in RIFs on Rolling Basis
    - Some, like VA, relied on DRP & Attrition
  - Expected Completion by September 30, 2025
  - Total Reduction in Force Estimates
    - OPM: 154,000 resignations or early retirements
    - Partnership for Public Service: 148,000 voluntary resignations, early retirements or firings
    - CNN: 51,000+ involuntary separations



## Protecting the Integrity of Government Operations

- **Eliminate federal jobs in disfavored federal agencies, overall**
  - Stop carrying out function?
  - Contract out jobs?
  - Replace humans with Artificial Intelligence?
- **Assumption of executive power over congressional spending directives**
  - Eliminating agencies
  - Canceling Spending / Impoundment
- **Data privacy concerns via DOGE activities**





## Protecting the Integrity of Government Operations – Requests to Congress

- **Highlight the Impact of Workforce Reductions on Constituents**
- **Use Oversight Authority to Demand Transparency**
- **Exercise Power of the Purse to Prohibit Funds to Carry Out Large-Scale RIFs without Prior Congressional Authorization**



## Support Full COLAs for FERS Retirees



- **Support of the Equal COLA Act, H.R. 491 / S.624, ensuring FERS COLAs match the change in consumer prices (and the CSRS COLA)**
- **If CPI increases above 2%, FERS retirees do not receive full COLA**
  - If between 2% and 3%, FERS COLA = 2%
  - If above 3%, FERS COLA = CPI minus 1%





## Support Improved Choice/Lower Costs for FEHB/PSHB



- **Maintain Choice for Part B**



- **Allow Part D Opt-Out**



- **Reimbursement for Part B Premiums**



## Improve OPM Customer Service from Retirement Services



- **Support Improvements to OPM Customer Service**

- Congressional oversight of OPM RS
- Support IT modernization and proper funding



- **NARFE Continues to Receive Complaints From Members**

- Inability to connect to OPM
- Delays processing transactions (e.g., changes to health benefits)
- Delays starting survivor annuities

# Advocacy Actions Summary

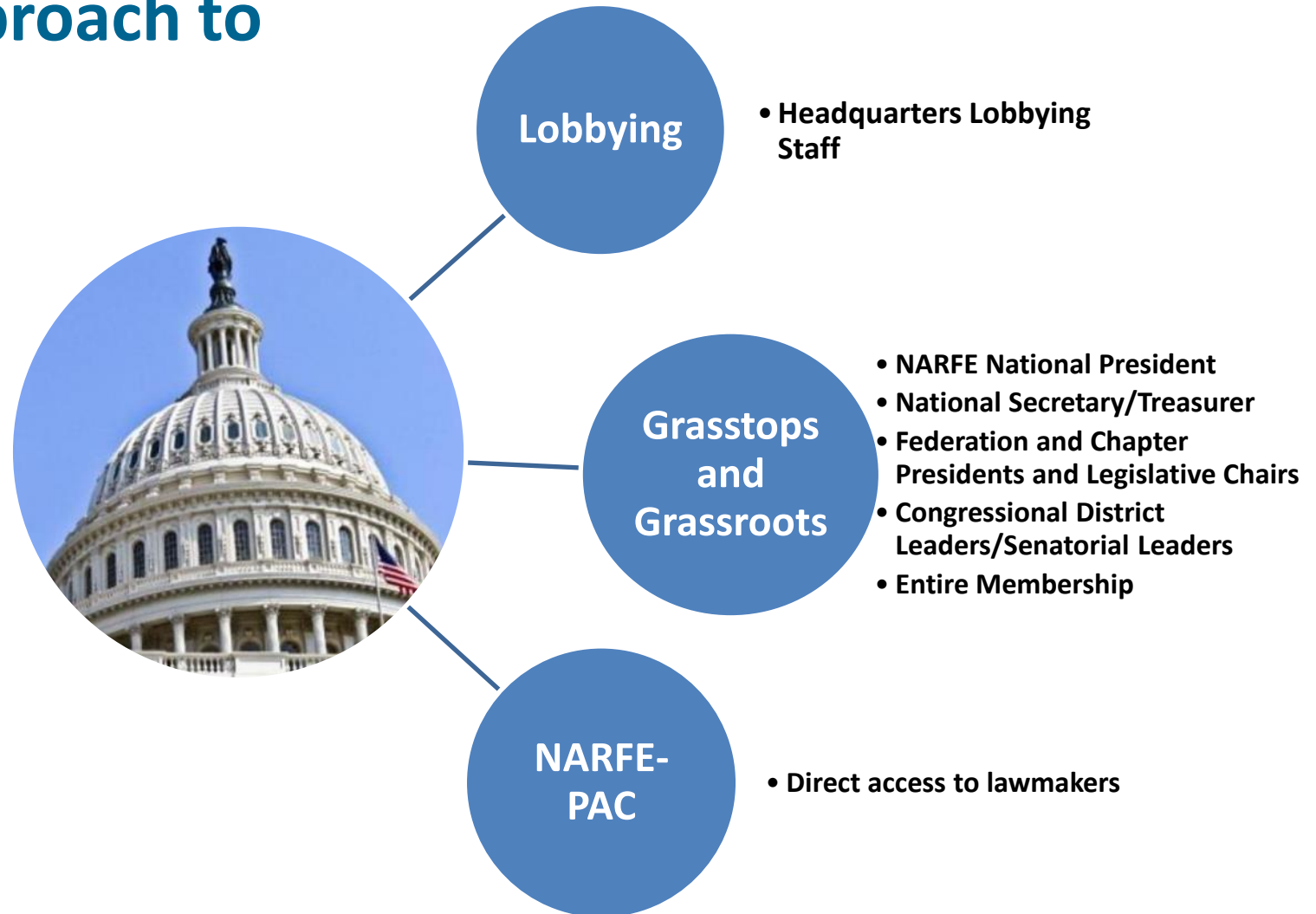
# Advocacy Actions Summary



## A Three-Legged Approach to Advocacy

+ Legal Action

+ Public Relations





## Lobbying / Political Activity

- **Official Letters on Key Issues**
- **Meetings / Contacts with Targeted Republican Lawmakers**
  - Mainly Focused on H.Con.Res.14 & H.R.1
  - Also Highlighted Opposition to Administrative Actions
- **Coordinating with Democratic Allies**
  - Roundtable Discussions, Coalition Meetings
    - NARFE Hosted Senator Kaine at NARFE HQ
  - Coordinate Challenges Based on Byrd Rule in Senate



## Grassroots Activity

- **Year-Round Grassroots Content Creation and Activity Promotion**
  - Grassroots Advocacy Month ongoing – weekly posts, e-mails, actions
- **Benchmarks to Promote Actions**
- **LEGcon25**
  - 228 registrants
  - 227 meetings



## NARFE-PAC Update

- **Total Contributions for 2025 (End of Q2): \$586,785.63**
  - Up from \$481,597 at end of Q2, 2023
  - Goal: \$1.5 million for 2025-26 Cycle
    - Likely on pace
- **Total Disbursements: \$374,000 (End of Q2)**
  - Up from \$258,500 at end of Q2, 2023
  - Goal: \$1.2 million for 2025-26 Cycle
    - On Pace



## Lawsuits Challenging Administration Actions

- Schedule P/C
  - Executive order violates Administrative Procedures Act
  - Interpretation violates statute
- Privacy Act Violations
  - Unauthorized disclosure of personal information
  - Without applicable exception or consent
  - Poses danger of abuse of power
  - Secured preliminary injunction against DOGE affiliate access to OPM, ED, Treasury; injunction stayed pending appeal



**Thank You!**

[jhatton@narfe.org](mailto:jhatton@narfe.org)

**Questions?**

# NARFE-PAC

# What is NARFE-PAC?



**NARFE-PAC is a separate, segregated fund of NARFE that raises and disburses funds to assist the campaigns of Fed-friendly candidates, grow relationships with lawmakers, and raise awareness of NARFE's top concerns.**

# What NARFE-PAC is Not



**NARFE-PAC  
is not:**

**Partisan**

**Used in presidential  
elections**

**General fundraising**

**A “connected fund”  
of NARFE**

**A quid pro quo**

# Why is NARFE-PAC Important



Helps elect Fed-  
friendly members  
of Congress

Builds strong  
relationships with  
lawmakers

Ensures federal  
community is  
political force

Pools individual  
contributions to  
maximize impact

Empowers  
strongest  
supporters



## How do we choose our candidates?

1. Set Preliminary Budget
2. Consider Proactive Candidate Contribution / Receive Request for Contribution
3. Get Federation Recommendation
4. NARFE-PAC Board then makes the final decision



## Putting together a federation recommendation.

1. Federation PAC Coordinator and President receive a request
2. Request is relayed to further leaders for their thoughts
  - Chapter PAC Chairs
  - Chapter Presidents
  - CDLs/SLs
  - Other Chapter Officers
3. Chapter level leaders discuss with their membership



## Factors to consider

- Stance on NARFE issues
- Interactions with NARFE members
- Voting Record
- Candidate Questionnaire

## Factors NOT to consider

- Personal Political views
- Issues not relevant to NARFE

# Factors Considered



Support of NARFE issues

Relationship with NARFE and its members

Federation recommendation

Influence of legislator

Competitiveness of race

Overall NARFE-PAC budget

# What is the process for new candidates?



1. Candidate Questionnaire
2. Candidate Interview
3. Assessment of Chances of Winning / Comparison with Opponent's Record/Views
4. Federation Recommendation
5. Budget & Disbursement Approval by NARFE-PAC Board

**NARFE**  
FEDERAL BENEFITS EXPERTS

**NARFE QUESTIONNAIRE FOR CONGRESSIONAL CANDIDATES**

The National Active and Retired Federal Employees Association (NARFE) represents the interests of the 5 million federal workers and retirees, and their spouses and survivors. NARFE has more than 135,000 dues-paying members who live in every congressional district across the country. The organization has been safeguarding the earned rights and benefits of America's active and retired federal employees since 1921. For more information, go to [www.narfe.org](http://www.narfe.org) or call our advocacy department at 1-800-456-8410, option 3.

Please return this questionnaire to NARFE's advocacy department at [advocacy@narfe.org](mailto:advocacy@narfe.org), with subject line "CQ 2024".

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**CANDIDATE INFORMATION**

Name: \_\_\_\_\_ Congressional District: \_\_\_\_\_

Today's Date: \_\_\_\_\_ Primary Date: \_\_\_\_\_

Please attach a biography. Space for additional comments or explanations is provided at the end of this document.

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**BACKGROUND ON THE FEDERAL WORKFORCE**

Federal workers have dedicated their careers to serving the country and the American people. Some 85% work outside of the Washington, DC, area. More than two-thirds defend our homeland, enforce our laws, support our military and care for our veterans. Nearly one-third of federal employees are veterans themselves.

**HONORING COMMITMENTS**

1. In exchange for years of hard work, federal employees and retirees were promised retirement annuities and retiree health benefits. These benefits were earned fairly by retirees during their service and are essential to federal employees' and retirees' financial and health security. Yet proposals from recent congresses have taken aim at already earned benefits for those in and approaching retirement. These include:

- Eliminating or reducing cost-of-living adjustments (COLAs) for current and future federal retirees.
- Changing the calculation of retirement benefits—or eliminating portions of the retirement benefits—for those approaching retirement.
- Increasing the amount federal retirees must contribute toward their federal retiree health insurance premiums.

**If elected, you would (please check one)**

- Support such proposals or others that reduce the value of earned benefits for those in or approaching retirement
- Oppose such proposals or others that reduce the value of earned benefits for those in or approaching retirement
- Don't know

# Where we're involved



**NARFE-PAC has spoken to candidates and members of congress across all fifty states.**



**Because of you we have a budget for 228 members of congress.**



**Because of you we're able to donate to Leadership committees that put people that are Fed Friendly into positions of power within Congressional Committees. Increasing YOUR influence.**



## NARFE-PAC Update

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# What is NARFE-PAC?



## How do we raise the funds to do this work?

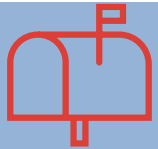
- Donations from you!



Visit [www.narfe.org/narfe-pac](http://www.narfe.org/narfe-pac) to contribute



***NARFE-PAC*** Magazine Article in the March Issue



**NARFE-PAC's** Letter Campaign



**Calling Headquarters**

- **1-800-456-8410, option 3**



**Thank You!**

[jhatton@narfe.org](mailto:jhatton@narfe.org)

**Questions?**