



Shutdown: Get Answers – Take Action

Ken Thomas
National President

Jessica Klement
Staff Vice President, Advocacy



Agenda

- **Impact of Shutdown**
- **Political and Legislative Landscape**
- **NARFE Shutdown Resources**
- **Fighting Back**



Impact of Shutdown

- **Which Agencies are NOT Affected?**
 - Defense
 - Education
 - Health and Human Services
 - Veterans Affairs
 - Labor
 - Energy
 - Legislative Branch
 - Social Security and Medicare



Impact of Shutdown

- **Who and What is Affected?**
 - Nine departments and numerous agencies
 - Roughly 800,000 employees
 - 420,000 working without pay
 - Most will miss next paycheck
 - 380,000 furloughed
 - Back pay not guaranteed
 - Untold number of contractors



Impact of Shutdown

- **Agencies Impacted by Shutdown**

- Homeland Security
 - FEMA
 - eVerify
- Agriculture
 - Food Stamps
 - Food Safety
- Commerce
- Housing and Urban Development
- Interior
 - National Parks
- Justice
 - Immigration Courts



Impact of Shutdown

- **Agencies Impacted by Shutdown**
 - Office of Personnel Management
 - Office of Management & Budget
 - Food and Drug Administration
 - State
 - Transportation
 - Treasury
 - IRS
 - State
 - Environmental Protection Agency
 - National Weather Service



Impact of Shutdown

- **Impact on Federal Employees**
 - No guarantee of back pay for those furloughed
 - Real economic costs of delayed pay
 - Interest charges
 - Mortgage and rent payments delayed
 - Damaged credit
 - Like many Americans, some Feds live paycheck to paycheck



Impact of Shutdown

- **Disruption of Government Activity**
 - Delayed tax refunds likely
 - Potential loss of financial aid, missed semester
 - Delayed home sales due to delayed loan approval
 - Delay in immigration hearings



Impact of Shutdown

- **Disruption of Government Activity**
 - No food inspections
 - Environmental inspections stopped
 - Endless examples
 - Cannot magically recreate weeks of lost time



Impact of Shutdown

- **Impact on Economy**
 - Economic cost: **Billions of dollars**
 - 2013 16-day Shutdown Costs
 - \$3.1 billion in lost government services
 - \$152 million per day in lost travel spending
 - \$76 million per day lost due to National Parks closures



Impact of Shutdown

- **Impact on Economy**
 - Federal contractors not paid. No back pay.
 - Cumulative effect on the economy grows daily
 - Snowball effect on the rest of the economy



Political and Legislative Landscape

- **How did we get here?**
 - Disagreement over border security funding
- NARFE takes no position on border security
- Remaining FY19 appropriations bills are leverage in this disagreement



Political and Legislative Landscape

- **Where are negotiations now?**
 - House passed legislation funding most agencies through FY19
 - Homeland Security funded through a CR
 - NARFE supports House legislation
 - Includes 1.9% 2019 pay raise
 - Senate will not take up House legislation without President's blessing



Political and Legislative Landscape

- **Will furloughed Feds receive back pay?**
 - In the past, legislation to reopen the government included back pay
 - No guarantee
 - Stand-alone legislation introduced in House and Senate



Political and Legislative Landscape

- **Will Feds receive a pay raise once this is over?**
 - President used authority to freeze pay
 - Congress can override and all signs point to this
 - President must sign the bill



NARFE Shutdown Resources

- www.narfe.org/shutdown
- **Your one-stop shop for all things government shutdown**
 - 10 Things You Need to Know as a Furloughed Fed
 - FAQs
 - Contact Your Legislators
 - Tell Your Story
 - Links to OPM and OMB resources



NARFE Shutdown Resources

- **10 Things You Need to Know**
 - Back pay is not guaranteed
 - You cannot volunteer to work
 - You cannot use leave
 - Your health insurance coverage will continue
 - Payments to the Thrift Savings Plan cease



NARFE Shutdown Resources

- **10 Things You Need to Know**
 - Your years of service will not be affected*
 - You cannot use any government technology
 - You may be entitled to unemployment insurance
 - Rules regarding a second job still apply
 - You CAN contact your members of Congress and ask them to end the shutdown



NARFE Shutdown Resources

Frequently Asked Questions

Q: How is it determined who's excepted and who's not?

A: It's up to the individual agencies, but the federal government is required to maintain functions that:

- provide for national security
- provide for benefit payments
- protect life and property



NARFE Shutdown Resources

Frequently Asked Questions

Q: Will I be paid?

A: By law, excepted employees working during the shutdown must be paid once the lapse in appropriations ends.

It takes an act of Congress to provide back pay for Feds furloughed during a shutdown. Back pay is not guaranteed.



NARFE Shutdown Resources

Frequently Asked Questions

Q: If I'm furloughed, why can't I take leave?

A: This would violate the Antideficiency Act. Employees cannot substitute paid leave for furlough time because the requirement to furlough supersedes leave and other paid time off rights.



NARFE Shutdown Resources

Frequently Asked Questions

Q: What about services provided to federal retirees, such as issues with missed payments or questions?

A: OPM's Retirement Services division is not funded by appropriations and is therefore available to answer your questions.



NARFE Shutdown Resources

Frequently Asked Questions

Q: Will I continue to receive health insurance coverage?

A: Enrollment in the Federal Employees Health Benefits Program continues for up to a year in a nonpay status.

The government continues to pay its share of the contribution.

The effective date of new enrollments was still the first day of the first full pay period in January for employees.



NARFE Shutdown Resources

Frequently Asked Questions

Q: What about other federal benefits?

A: Federal Employees Group Life Insurance program coverage continues for a year.

Flexible spending account costs will not be reimbursed.

Coverage under the Federal Long Term Care Insurance Program continues as long as premiums are paid.



NARFE Shutdown Resources

Frequently Asked Questions

Q: I retired during the shutdown. Am I actually retired?

A: If the retirement application was submitted to the agency with a retirement date that has passed, then YES, you are retired.

Q: Has my paperwork been processed?

A: That depends. There's no one answer. If your payroll department is furloughed, processing may be delayed.



NARFE Shutdown Resources

Frequently Asked Questions

Q: How does a shutdown affect my TSP account?

A: If you are in nonpay status for one or more full pay periods, you will not be contributing to your TSP account during that time.

You may make inter-fund transfers.

You can make an in-service withdrawal.



Fighting Back

- NARFE is working tirelessly to end this shutdown
- Now is the time for action
 - Tell NARFE your story
 - How is the shutdown affecting you?
 - What's not getting done while you're furloughed?
 - Use the link on NARFE's Shutdown Central webpage



Fighting Back

- Contact your Members of Congress
 - Call
 - Write
 - Engage them on social media
- Send a letter to the editor of your local paper
- Join NARFE to join the fight!

www.narfe.org/shutdown



Questions about the webinar?

Advocacy@narfe.org

Questions about how the Shutdown Impacts You?

FedBenefits@narfe.org

www.narfe.org/shutdown