

117TH CONGRESS LEGISLATIVE PRIORITIES

Oppose Any Cuts to Earned Federal Retirement and Health Benefits

In exchange for years of hard work, federal employees and retirees were promised retirement annuities and retiree health care. These benefits were earned fairly, paid for and should not be altered in retirement. Doing so would deprive federal retirees of the security of their health and finances. Past proposals have sought to reduce or eliminate cost-of-living adjustments, reduce the initial retirement benefit for those approaching retirement, and reduce the rate of return on federal civilian and military retiree savings in the Thrift Savings Plan G Fund. NARFE strongly opposes these proposals and urges that they be non-starters in budget negotiations.

Support Market Rate Increases to Federal Pay Rates / Oppose Federal Employee Compensation Cuts

Federal pay rates must be competitive to recruit and retain a well-qualified and high-performing workforce. To maintain competitive pay rates, NARFE supports an average increase of at least 2.7 percent for calendar year 2022 through the appropriations process. This would provide parity with the expected 2022 military pay raise and is based on increases in private-sector wages, as measured by the BLS. As such, we also support the FAIR Act, [H.R. 392](#), which would provide an additional 0.5 percent increase in locality pay to keep wages competitive.

Furthermore, the competitiveness of federal compensation should not be undermined by benefits cuts. NARFE opposes proposals that would effectively decrease the pay of federal employees by reducing benefits, such as increasing contributions towards retirement, which has been considered in the past. This amounts to nothing more than an immediate across-the-board pay cut.

Support Reform or Repeal of the WEP and GPO

The Windfall Elimination Provision (WEP) unfairly reduces earned Social Security benefits based on government employment. The Government Pension Offset (GPO) unfairly reduces or eliminates the Social Security benefits government retirees could collect based on their spouse's work record by two-thirds of their own government pension. NARFE supports the Social Security Fairness Act, [H.R. 82](#), which provides full repeal of the WEP and the GPO.

We also support efforts to reform the WEP and GPO, as we recognize that even partial relief would represent a substantial improvement over the status quo. Notably, we support recent WEP reform proposals from the 116th Congress: the Equal Treatment of Public Servants Act, H.R. 3934/S. 3401, and the Public Servants Protection and Fairness Act, H.R. 4540. These bills represent solutions that would bring significant relief to retirees who have been penalized by this inequitable provision for decades. NARFE supported both bills and encourages Congress to advance the language of either one or find a compromise between the two in the 117th Congress.

Revitalize the Federal Workforce

The last major reform to personnel and performance management laws was more than 40 years ago. It's unsurprising that there's widespread recognition that federal human capital management is in need of modernization. Our nation's federal workers take pride in their service to their country. We

ought to honor their dedication and patriotism by empowering them with the 21st century technology and organizational practices necessary to leverage their efforts to the greatest extent possible.

In order to revitalize the federal workforce, we support: (i) development of a human capital scorecard to assess the state of federal human capital management, and measure progress on human capital investments and goals; (ii) forming a U.S. Talent Service (USTS) to develop and implement innovative solutions to our most pressing human capital challenges; (iii) placing appointees with human capital experience within the Office of Personnel Management, and elevate the director to a cabinet-level position; and (iv) developing a modern telework policy to reduce costs and increase flexibility. These are good first steps as Congress engages in a larger debate regarding modernization of the government's human capital management systems.

Support More Accurate COLAs for Federal Retirees

NARFE supports the Fair COLA for Seniors Act, H.R. 1553 (116th Congress), a bill that would require the use of the Consumer Price Index for the Elderly (CPI-E), which calculates a price index for Americans age 62 and older, to determine annual COLAs for Social Security beneficiaries, federal annuitants, military retirees and certain veterans' benefits instead of the current Consumer Price Index for Urban Wage Earners (CPI-W). The CPI-W fails to account for seniors' spending habits, notably that of medical care. When measuring costs experienced by Americans age 62 and older, as the BLS does when calculating the CPI-E, inflation is actually greater—by an estimated 0.27 percent per year—than what the CPI-W shows. Any changes to COLAs for one group should apply to all others. NARFE also supports the Equal COLA Act, [H.R. 304](#), which would ensure Federal Employees Retirement System (FERS) retirees receive the same COLA as Civil Service Retirement System (CSRS) retirees and Social Security beneficiaries.

Ensure Postal Reform Bills Protect Postal Retiree Health Benefits

Past efforts to reform the U.S. Postal Service (USPS) would have required current and future postal retirees to enroll in Medicare Part B or lose their federal health insurance benefits altogether. Postal retirees should retain the choice as to whether to add Medicare to their existing retiree health benefit coverage. Eliminating that choice, as proposed in previous postal bills, breaks a basic promise to avoid altering retiree benefits for those in retirement and heaps significant additional costs on aging retirees. NARFE's primary goal is to ensure that postal reform bills in the 117th Congress include protections for current postal retirees. We also support eliminating USPS' requirement to prefund future retiree's health benefits through passage of the USPS Fairness Act, H.R. 2382 (116th Congress). The unnecessary and unusual burden the mandate imposes on the Postal Service's balance sheet has paved the way for legislative proposals threatening benefits, cost-cutting strategies, and limited capital investments.

Support Improved Integration of Medicare With the FEHB Program

While NARFE opposes forced enrollment in Medicare Part B, increasing Medicare Part B enrollment among Federal Employees Health Benefits (FEHB) program participants would help reduce costs—to the government and enrollees—because FEHB becomes the secondary payer to Medicare. Two examples of incentivizing enrollment are expanding reimbursement for Part B premiums, as some FEHB plans currently do, and waiving Part B late enrollment fees for individuals covered by FEHB—similar to the policy for individuals who work past age 65 and are covered by an employer plan.

Support COVID-19 Relief Provisions for the Federal Community

First, NARFE supports ensuring that any COVID-19 relief bills provide equitable treatment to federal employees and retirees. For example, any expansion of health care coverage or flexibility should apply to the FEHB plans. Second, NARFE supports the renewal of the leave provisions provided by the Families First Coronavirus Response Act (FFCRA) and expanded to all federal workers. Those provisions ensure workers are able to isolate or quarantine in response to COVID-19 infection or exposure without loss of pay or personal leave. It also allows workers to care for loved ones infected by COVID-19 without substantial financial loss. Third, NARFE supports expanding eligibility for the Paycheck Protection Program to 501(c)(5) nonprofit organizations, such as NARFE. 501(c)(5)s provide valuable information to their members. Notably, NARFE provides both federal workers and retirees with the clear, reliable and accessible counsel to navigate the unique and complex issues related to their benefits. 501(c)(5)s like NARFE are no more immune to the challenges posed by the COVID-19 pandemic than other nonprofits, are ought to receive equitable relief.