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 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 and S. 1302, which would fully repeal 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 the Public Servants Protection and Fairness Act, H.R. 2337, which would reform the WEP by providing WEP-affected Social Security beneficiaries turning 62 before 2023 with a monthly rebate of $150 to offset the penalty. For those turning 62 in 2023 or later, the WEP penalty would be subject to a new formula or the current one, whichever provides a lower penalty. NARFE also supports a substantially similar bill, the Equal Treatment of Public servants Act, H.R. 5834.

Support More Accurate COLAs for Federal Retirees

NARFE supports the Fair COLA for Seniors Act, H.R. 4315. This bill 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.

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 4.6 percent, on average, for calendar year 2023 through the appropriations process. This would provide parity with the expected 2023 military pay raise and is based on increases in private-
sector wages, as measured by the Bureau of Labor Statistics. As such, we also support the FAIR Act, H.R. 6398, which would provide a 4.1 percent across-the-board increase, plus a 1 percent average 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 Postal Reform That Protects Retiree Health Benefits and Strengthens the Postal Service’s Finances

NARFE supports the newly enacted Postal Service Reform Act of 2022, H.R. 3076, as it addresses NARFE’s previously held concerns and provides substantial financial relief to the U.S. Postal Service (USPS) while simultaneously protecting the interests of postal retires and non-postal federal employees and retirees. Read more about postal reform and find answers to frequently asked questions here.

Strengthen the Office of Personnel Management’s (OPM) Retirement Services (RS) division.

NARFE is concerned about significant retirement processing delays and the inability of annuitants and their families to connect with OPM to receive needed assistance. To ascertain the degree of the problem and create solutions, NARFE supports robust reporting to Congress on OPM’s efforts and progress toward reducing these delays, including monthly reports indicating the length of time it takes to process initial retirement claims, applications for survivor benefits, annuitant health benefit adjustments, and other FEHB and FEGLI adjustments. NARFE also supports reporting on the measures OPM is taking to decrease the processing delays and improve customer service levels, including the average time it takes a caller to reach an OPM operator, and the number and percentage of unanswered calls.

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.

Revitalize the Federal Workforce

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.

For more information, please contact NARFE’s advocacy department at advocacy@narfe.org.