



NARFE'S LEGISLATIVE ACCOMPLISHMENTS **113th CONGRESS**

The federal community continued to face unprecedented assaults during the 113th Congress (2013-2014). Accordingly, NARFE's legislative efforts focused on defeating misguided proposals attacking federal employees and retirees. Here are NARFE's accomplishments in the 113th Congress.

✓ **Prevented any damaging alterations to current retirees' annuities.**

- **Successfully opposed a switch to the Chained CPI to calculate annual cost-of-living adjustments (COLAs), as proposed in the President's fiscal year (FY) 2014 budget.** Switching to the Chained CPI would cost the average federal retiree \$48,000 over 25 years by slowing the growth of COLA increases. The Chained CPI has not been adopted due, in part, to strong opposition by NARFE and other groups. In October 2013, NARFE hosted a successful press conference at the Capitol against the Chained CPI, with the participation of members of Congress and coalition partners representing other constituents who would be affected by the change. NARFE also participated in a rally against the Chained CPI at the White House, hosted by a coalition partner.

✓ **Prevented passage of legislation adverse to the federal workforce.**

- **Prevented increased retirement contributions for current employees.** As part of a budget compromise, Congress increased the percentage of salary paid by new hires (starting in 2014) by 1.3 percent. However, just days before the deal was announced, it was reported that budget negotiators agreed to increase contributions for *current* employees by 1.2 percent. Strong opposition by NARFE and its allies in Congress helped limit the increase to new hires. In fact, NARFE's work garnered it one of the "Top 10 Lobbying Victories in 2013," as compiled by *The Hill* newspaper.
- **Prevented reduction or elimination of federal retirement annuities.** NARFE has been successful in ensuring legislation to eliminate the defined-benefit pension of the Federal Employees Retirement System

(FERS) for new hires is not enacted into law. Attempts to eliminate the FERS Annuity Supplement also have not been enacted, due to NARFE's advocacy.

- **Prevented arbitrary reductions in federal workers' compensation benefits.** The Senate postal reform bill, S. 1486, included provisions that would have substantially reduced retirement-age benefits for federal employees disabled by work-related injury or illness, and eliminated any augmented compensation for those with dependents. The bill stalled, in part, due to opposition to these provisions.

✓ **Prevented damaging alterations to, and worked to improve, federal employees' and retirees' health benefits.**

- **Successfully opposed a proposal to dismantle the Federal Employees Health Benefits Program (FEHBP).** H.R. 1780 would have removed active employees from FEHBP and placed them in the exchanges created by the Affordable Care Act (ACA). By removing traditionally younger and healthier active employees from the pool of participants, retirees would be left in the program and face significantly higher costs. Eventually, the FEHBP would cease to exist, as participating as an active employee is a requirement for receiving coverage in retirement. NARFE was successful in ensuring this proposal did not move through the legislative process.
- **Successfully opposed provisions of the Senate postal reform bill that would have increased premiums for federal employees and retirees across the board and threatened the loss of FEHBP coverage for postal employees.** The original version of S. 1486 allowed for the creation of a separate postal employees health benefits plan, removing them from FEHBP. It also would have created separate plans for postal retirees with Medicare coverage, but not for

those without. The combined effect of these changes would have been an increase in FEHBP premiums across the board.

- **Successfully opposed revised provisions of the Senate postal reform bill that would have mandated Medicare coverage for postal retirees.** An amended version of S. 1486, while an improvement from the original, would have forced all postal retirees to enroll in and maintain Medicare coverage as a condition of continued enrollment in their FEHBP plans. This would have resulted in significantly higher monthly health insurance premium costs for those forced to enroll.
 - **Successfully supported addition of self plus one coverage to the FEHBP.** Pursuant to the FY14 and FY15 budget deal, the Office of Personnel Management (OPM) will begin offering a self plus one option in the FEHBP in 2016. This option should result in lower premiums for two-person families.
- ✓ **Worked to improve pay and benefits for active and retired federal employees.**
- **Successfully supported an end to the three-year federal employee pay freeze.** The three-year pay freeze for current employees ended with an Executive Order issued in December 2013. Employees received a 1 percent raise in 2014, along with another 1 percent raise in 2015.
 - **Successfully fought for back pay to furloughed federal employees.** In a rare act of solidarity, the House voted unanimously to provide back pay to federal employees furloughed as a result of the government shutdown. NARFE sent a letter to all members of Congress advocating for passage of the bill (H.R. 3223). Ultimately, back pay was provided in the bill that reopened the government.
 - **Helped draft pension-advance legislation.** A bill to help protect federal retirees from "pension advance" scams (H.R. 3310) was introduced in the House. NARFE worked with Rep. Matt Cartwright, D-PA, to draft this legislation.
 - **Spoke out in congressional testimony.** NARFE testified before Congress twice and submitted testimony on a variety of issues affecting the federal community including reducing the retirement claims backlog, the value of FEHBP, proposed reforms to workers' compensation, and legislation reforming the U.S. Postal Service.
- ✓ **Worked for enactment of Civil Service and Thrift Savings Plan (TSP) improvements.**
- **Successfully supported reemployed annuitant authority extension.** NARFE worked to extend, for another five years, the authority of agencies to rehire federal annuitants on a limited, part-time basis without offsetting their salary with their annuity. This option is now available through 2019.
 - **Successfully supported changing the TSP default investment.** NARFE supported, and the President signed into law, legislation (H.R. 4193) that changes the default investment for new TSP participants to the appropriate Lifecycle Fund (L Fund), instead of the G Fund, which provides lower returns over the long term. TSP participants retain complete authority to allocate their investments among the various options as they see fit – this only applies if no choice is made.
- ✓ **Helped ensure Capitol Hill staffers maintained benefits in the Health Insurance Marketplace.**
- **Successfully argued for the availability of the FEHBP in retirement.** A provision of the Affordable Care Act moved members of Congress and their staff out of the FEHBP and into the health care exchanges the law created. NARFE submitted comments on OPM's proposed regulations, arguing that traditional FEHBP plans should remain available to them in retirement, among other recommendations.
 - **Successfully worked to maintain Hill staffers' employer contribution.** Additionally, NARFE helped craft the framework to ensure Hill staffers would retain their employer contribution toward premiums for their new health plan options. Ultimately, OPM adopted several of NARFE's suggestions when it issued final regulations on how these provisions were implemented.