



NARFE's LEGISLATIVE ACCOMPLISHMENTS

IN THE 112th CONGRESS

The federal community faced unprecedented assaults in the 112th Congress. Accordingly, NARFE's legislative efforts focused on defeating misguided proposals attacking federal employees and retirees. Here are some of the accomplishments NARFE counts for the 112th Congress (2011-2012).

✓ Prevented any damaging alterations to current retirees' annuities or health benefits

- **Successfully opposed a switch to the Chained CPI to calculate cost-of-living adjustments (COLAs), as proposed by the Simpson-Bowles Fiscal Commission.** Switching to the Chained CPI would reduce federal annuities by over 3 percent in 10 years, and by over 9 percent in 30 years. The proposal was receiving serious consideration as a part of year-end fiscal cliff negotiations, but strong opposition by NARFE and other groups helped keep it out of the final deal.
- **Successfully opposed a proposal to limit the government's contribution for health insurance premiums.** Currently, the government contribution is based on a formula that ensures the government pays a minimum percentage (72 percent) of total premiums. But the Simpson-Bowles Fiscal Commission proposed setting the government contribution as a set lump-sum figure, e.g. \$7,000 per year, and indexing that figure to inflation. With health care costs outpacing inflation, federal employees and retirees would be forced to pay a greater share of their health insurance premiums.
- **Successfully opposed proposals to place postal retirees and/or employees into a separate health insurance plan.** Removing some or all postal employees/retirees from the Federal Employees Health Benefits Program (FEHBP) would have led to an increase in premiums for FEHBP participants, as well as an added cost to the government. NARFE opposed these proposals, and they were ultimately removed from postal reform legislation, S. 1789, prior to Senate passage.

✓ Prevented passage of legislation adverse to the federal workforce

- **Prevented increased retirement contributions for current employees.** All federal employees hired before 2013 saw no change in their retirement contributions. As part of a compromise not to punish current federal workers, Congress increased the percentage paid by new hires (starting in 2013) by 2.3 percent, a figure less than the 5 percent increase sought in other House-passed bills.
- **Prevented reduction or elimination of federal retirement annuities.** Several pieces of legislation in the 112th Congress (H.R. 3630, H.R. 3813, S. 644) sought to substantially decrease

current federal employees' retirement compensation, or increase the amount employees paid towards retirement with no corresponding benefit increases. NARFE was successful in ensuring these proposals were not enacted into law.

- **Prevented reduction in federal workers' compensation benefits.** Senate-passed postal reform legislation, S. 1789, included unfair reductions in federal workers' compensation benefits for disabled workers with dependents and when they would reach retirement age. These reductions did not take into account the disadvantages faced by employees unable to work because of a job-related injury or illness. NARFE pushed strongly with its allies in Congress to ensure that any final bill would adequately protect injured federal workers. Congress was ultimately unable to reach a compromise on postal reform.

✓ Providing the option of phased retirement for federal employees

With agency approval, federal employees eligible for retirement will have the option to begin working part-time while receiving a partial annuity payment. This new option, authorized by P.L. 112-141, will provide added flexibility to employees wishing to reduce their work hours but not fully retire. It also will allow agencies to better manage transitions to newly hired and newly promoted employees, especially given the current retirement wave. The law includes a requirement that phased retirees spend a portion of their part-time schedule mentoring junior employees.

✓ Easing unnecessary restrictions on political activity

NARFE supported common-sense legislation enacted into law (P.L. 112-230) that eliminates the restriction on state and local government employees from seeking federal partisan political office and allows for less severe penalties than termination for minor Hatch Act violations.

✓ Providing honorary flags to federal employees who have died serving their country

Pursuant to P.L. 112-73, agencies now are allowed to present honorary flags to the families of federal employees who lose their lives in service to our country. Previously, such an honor was limited to deceased military members.

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National Active and Retired Federal Employees Association