Legislative Update

Maryland Federation Board Meeting
October 3, 2017

Jessica Klement
Legislative Director
Agenda

• NARFE’s Legislative Accomplishments
• The 115th Congress (2017-18)
• NARFE’s Legislative Priorities
• Grassroots Engagement
• NARFE-PAC
• Questions
Recent Legislative Accomplishments

- Federal retirees have not paid for deficit reduction
- Prevention of 52% increase in Medicare Part B premiums in 2016
- Two-year budget deal did not impact Feds
Recent Legislative Accomplishments

- Flawed postal bills have not passed
- Extended identity theft protection for those impacted by OPM data breaches
- Provided substantive reforms to FLTCIP
The 115<sup>th</sup> Congress

- Administration proposed reorg and downsizing of workforce
- Administration proposed severe cuts to federal benefits
- Stakes are higher
- Maintaining current benefits should be considered a victory!
The 115th Congress – Threats

• Trump FY18 Budget - $149 Billion

  – Eliminate COLAs for FERS retirees

  – Reduce COLAs by 0.5 percent for CSRS retirees
The 115th Congress – Threats

• Trump FY18 Budget - $149 Billion

  – Increase retirement contributions for FERS by 1% per year for 6 years

  – Eliminate the FERS annuity supplement

  – High-3 to high-5 for future retirees
The 115th Congress – Threats

• Other Threats

– Turning FEHBP into a voucher program

– Decreasing the rate of return on the TSP’s G Fund
The 115th Congress – Threats

• Other Threats

  – FEHBP premiums in retirement based on years of service
  – Elimination of FERS for new hires
  – A 10% reduction of the workforce
115th Congress – FY18 Budget

• Short-term funding measure signed into law
  – Funds government with a CR until December 8
  – $15.25 billion in Hurricane Harvey aid
  – Extends the debt ceiling deadline
The 115th Congress – FY18 Budget

• Budget process will be key driver of threats to federal benefits

• Dual track budget process
  – FY18 Reconciliation tied to tax reform
  – Bipartisan agreement setting spending levels
NARFE’s Legislative Priorities

• How Serious are the Threats?
  – Proposals are not new
  – NARFE has been successful in preventing previous attacks
  – Top congressional priorities:
    • Increase in retirement contributions
    • TSP G Fund change

NARFE is fighting for you!
NARFE Legislative Priorities

• Postal Reform Act of 2017, H.R. 756
  – NARFE opposes
  – Mandatory Medicare enrollment for *current* and future postal retirees
    • Precedent setting:
      – Breaks a promise
      – Changes benefits in retirement
      – Removes choice previously enjoyed
    – Stalled, for now
NARFE Legislative Priorities

• TSP Modernization Act of 2017
  – Expands and creates more flexible withdrawal options
  – Should reduce full transfers out of the TSP
  – Creates more options for participants
  – Approved by Committees, awaiting floor action
Grassroots Engagement

• Why is Grassroots Important?
  – NARFE members are their own best advocates
  – Grassroots efforts are critical to the success of NARFE
  – Constituent voices resonate with Congress
  – Congress can change your benefits AT ANY TIME
Grassroots Engagement

• Make Your Voice Heard
  – Call and write your members of Congress!

• Stay Informed
  – Keep up-to-date with NARFE legislative communications

• Coordinate Action
  – With your fellow NARFE members

• Silence = Acceptance
Grassroots Engagement

• NARFE’s Legislative Action Center
  – Send messages to Congress
  – Review & track legislation
  – Report your meetings & events
Grassroots Engagement

• NARFE’s Legislative Action Center
  – Send messages to Congress
    • Read explanation of the bill
    • Customize your message
    • Press send!
NARFE-PAC

• What is NARFE-PAC?
  – NARFE’s political action committee (PAC), the political arm of NARFE

• Why does NARFE have a PAC?
  – Access to information
  – 3rd leg of advocacy stool
  – Keeps NARFE relevant
  – Builds and strengthens relationships
  – Supports those who support us
• What is NARFE-PAC not?
  – NOT partisan
  – NOT used to elect president
  – NOT a connected fund of NARFE
NARFE-PAC

• What is NARFE-PAC not?
  – General funds
  – Membership dues
  – Notecard campaigns
  – Calendar campaigns
• Factors Considered
  – Support of NARFE issues
  – Federation recommendation
  – Influence of legislator
  – Competitiveness of race
  – Overall NARFE-PAC budget
## NARFE-PAC 2015-16 Election Cycle

<table>
<thead>
<tr>
<th>Goals</th>
<th>Results</th>
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<tbody>
<tr>
<td>• Raise $1 million</td>
<td>• $1.45 million raised!</td>
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<tr>
<td>• Disburse $525,000 to candidates</td>
<td>• $671,500 to candidates ($811,500 for political purposes)!</td>
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<tr>
<td>• Send NARFE members to 30 local fundraisers</td>
<td>• 65 local fundraisers attended!</td>
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<tr>
<td>• Increase monthly giving program (sustainers) by 25%, 50%, 100%</td>
<td>• 126% increase in sustainers!</td>
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• 2017-2018 Goals

– Raise $1.5 million

– Disburse $1 million for political purposes

– Send NARFE members to 100 local fundraisers

– Increase Sustainers by 50%
NARFE-PAC

- Sustainer: monthly credit card contribution of $10+
  - Gold: $250+
  - Silver: $100-249
  - Bronze: $50-99
  - Basic: $25-49
Maryland NARFE-PAC

• 2015-2016
  – $95,502 in contributions
  – 1,513 members
  – Top 5 states in NARFE!

• 2017-2018
  – $49,792 in contributions
  – 947 members
Questions?

NARFE Legislative Department
703-838-7760, ext. 201
leg@narfe.org