



Retirement and you

Most people are so busy working that they fail to consider their retirement options as they advance through their work years toward that actual “retirement event.” While NALC members are only faced with two retirement systems at this time, the decisions and/or options possible in both are numerous.

While this entire publication would be insufficient room to document or discuss each retirement option, it does become necessary, from time to time, to prepare for what happens when we leave the USPS. The NALC has prepared and has available through our Supply Department publications that cover questions and answers for both the Civil Service Retirement System and the Federal Employees Retirement System. The booklet covering retirement should be read by each current employee. Check with your local branch to see if they have it available, and if not, have them contact Headquarters for some copies.

One issue that has come up of late concerns the rights of a survivor of an employee who has left the USPS prior to their eligibility and is awaiting a future “deferred annuity.” What happens if that person should die prior to becoming eligible for that annuity? What entitlement does a surviving spouse have in regard to a “surviving spouse annuity”? The sad answer is that the entitlement ends with the former employee’s death. The estate would be entitled to a lump-sum payment of the assets of the former employee’s retirement account. So, you can see that when a person is considering leaving and awaiting a deferred annuity, he or she puts any surviving spousal annuity at risk. Additionally, a CSRS deferred annuitant would lose all rights to health benefits and life insurance coverage when he or she reaches retirement age. Those covered under the FERS blanket have the luxury of re-implementing their health benefits and life insurance when they start their retirement.

Retirement and the new contract

With the recent negotiation of a new National Agreement, we have received numerous inquiries regarding any money due to those letter carriers who have retired since the expiration of the 2001 National Agreement. Carriers who have retired since November 21, 2006 will receive back pay for the hours they worked up to their retirement dates. While those who have retired will get the back pay, in order to be eligible for the lump-sum payment, a carrier must be on the USPS rolls and in a pay status during pay period 20, which runs from

September 15-28, 2007. Of course, this information is based on the expected acceptance of the National Agreement during the just-concluded referendum.

Windfall Elimination, Government Pension Offset and Premium Conversion

We continue to seek support for passage of Senate Bill 206 and House Resolution 82, both of which would eliminate the WEP and the GPO for federal retirees. Additionally, we support S. 773 and H.R. 1110, which would allow retirees to purchase health benefits with pre-tax dollars, thereby reducing their taxes. All of these measures would bring federal and postal retirees in line with workers’ and non-federal retirees’ allowances. If your senator or representative has not signed on to these bills, write, phone or visit their offices to ask for their support. For those who are already signed on, a word of thanks for their continued support should be given.

In closing, I once again want to thank those who have contributed to COLCPE and joined with the other e-Activists this year. President Young has stated that the support and action of these members was what made the USPS return and negotiate an agreement that met our requirements. To those who are still waiting to see why they should contribute, look at the new agreement.

A sad truth is that even though retirees are not directly affected by this agreement, they are sharp enough to know that the support of the NALC’s goals is in the best interest of all members, active and retired. Continue to plan for retirement and continue to enjoy it when it arrives. The NALC has been and continues to be here to help make both possible. ☒

NALC Retirement Department Toll-free number: 800-424-5186

Available Monday, Wednesday and Thursday only
from 10 a.m. to noon and from 2 to 4 p.m. (Eastern time)
*This toll-free number is answered ONLY during these hours
on the days indicated.*

If your question concerns hospitalization and you are a member of the NALC Health Benefit Plan, call 888-636-6252.