Postal reform bills voted on by committee

On March 16, the Oversight and Government Reform Committee—the House of Representatives committee responsible for the Postal Service—held a "mark-up" session for both the Postal Reform Act of 2017 (H.R. 756) and the Postal Service Financial Improvement Act of 2017 (H.R. 760). Mark-up sessions allow committee members to debate and vote on amendments before deciding to vote the bill out of committee.

As reported in the last issue of *The Postal Record,* H.R. 756 would address the financial sustainability of the Postal Service by dramatically reducing the cost of future postal retiree health benefits and lowering the Federal Employees Health Benefits Program (FEHBP) premiums for the Postal Service, its employees and retirees. The bill also fully integrates with Medicare and takes advantage of subsidies and low-cost prescription drugs provided by the Medicare program. And the bill also would raise postage revenues by hundreds of millions of dollars annually by restoring half of the 4.3 percent exigent increase that expired in April 2016.

H.R. 760 would further strengthen the Postal Service's finances by raising the long-term rate of return on the assets of the Postal Service Retiree Health Benefits Fund. It would allow the assets of the fund, which are now restricted to low-yielding Treasury bonds, to be invested more wisely.

Both bills were the subject of a February House hearing, where NALC President Fredric Rolando testified on behalf of the four postal unions.

"These bills have what the Postal Service needs for financial stability—and to fend off misguided attacks on our networks and our employees," Rolando said. "As such, we have urged the House to keep the ball moving forward on this legislation so we can continue using the process to improve the bill. Our top priorities going forward are protections for current seniors with regard to Medicare integration and the language on door delivery."

In the run up to the mark-up session in March, NALC identified six concerns with the legislation on which the union would like to make improvements. During the mark-up, two of these issues were successfully addressed. Of course, the mark-up process also can make the bills worse, as evidenced when Rep. Darrell Issa (R-CA) introduced four drastic amendments aimed at eliminating Saturday delivery and sharply reducing door delivery. All four of Issa's amendments were soundly rejected by the committee.

Ultimately, both bills were adopted by the committee on voice votes and will move to one of two other committees having jurisdiction, the Committee on Ways and Means or the Energy and Commerce Committee.

With the proposed legislation now moved out of the Oversight Committee, it has taken the latest of many steps in the process of getting through the House and the Senate. Much work remains in the weeks and months ahead.

"This is just the beginning of the process," President Rolando said. "As the legislation moves through Congress, we will continue to fight to ensure that our interests and concerns are not compromised even as we use the process to advance the core elements of the two bills."

NALC will continue to actively engage with House members as the process continues.

WEP, GPO repeal bill reintroduced

In March, Reps. Rodney Davis (R-IL) and Adam Schiff (D-CA) reintroduced the Social Security Fairness Act (H.R. 1205), which would repeal the Government Pension Offset (GPO) and the Windfall Elimination Provision (WEP) titles of the Social Security Act. Repeal of these two unfair cuts in Social Security benefits long has been one of NALC's legislative priorities, and since

On Feb. 28, NALC President Fredric Rolando led a rap session for members from 20 states from across the South and West (opposite page), who visited Washington, DC, Feb. 27 through March 3 to lobby their representatives on issues of importance to active and retired letter carriers.

2005 there have been many attempts to get legislation passed to address this.

The WEP rule, enacted in 1983, reduces the Social Security benefits of federal employees, including postal employees, who receive an annuity under the Civil Service Retirement System (CSRS) and who also earned Social Security benefits from other employment. WEP applies to anyone who turned 62 (or became disabled) after 1985 and who became eligible for a government annuity after 1985.

Under WEP, a less-favorable formula to calculate Social Security benefits is used for CSRS retirees. In some cases, this provision can reduce an employee's earned Social Security benefit by as much as 55.6 percent.

CSRS-covered federal employees who retired in December of 1982 or later are affected by the GPO rule. Enacted in 1977, GPO reduces or eliminates the Social Security spouse or survivor benefits for which a federal retiree may be eligible based on the Social Security record of his or her spouse. GPO cuts the retiree's Social Security spousal benefit by an amount equal to two-thirds of the retiree's CSRS annuity, effectively eliminating spousal benefits under Social Security altogether.

GPO also affects any federal employee who retires under the Federal Employees Retirement System (FERS) with less than five years of FERS employment. Any Social Security spousal benefit received by the retired federal employee on the basis of his or her spouse's Social Security work record will be reduced by $2 for every $3 in annuity received for service under FERS.

Federal employee activity heats up on Capitol Hill

Since the beginning of the 115th Congress, members of the House and Senate have focused on federal employees, both in negative and positive ways:

- With the Trump administration announcing its federal hiring freeze in January, members of Congress have scrambled to introduce follow-up bills aimed at exempting agencies from the freeze or calling for additional freezes at various agencies.
- In February, numerous bills introduced in the House took direct aim at federal workers' pay and benefits. For example, the Modern Employment Reform and Transformation Act (H.R. 559) would make it easier to fire federal employees without cause while limiting the due-process rights of employees to appeal such decisions. "Although it does not appear to apply to postal employees or the Postal Service, H.R. 559 is totally unacceptable in principle," President Rolando said.
- In March, a lot of the talk in the federal community was about new attempts to reduce or eliminate official time, a policy that allows agencies to pay for the work hours of union officials who handle workplace grievances or who engage in collective bargaining with federal agencies. While it is unclear which agencies would be affected, NALC opposes these attempts in solidarity with fellow federal employee unions. "Banning official time is union-busting, pure and simple," Rolando said. Two official time bills have been considered by the House Oversight Committee. The first, offered by Rep. Dennis Ross (R-FL), sailed through committee. It would require every non-postal agency to submit burdensome reports about the use of official time. The second bill, the Official Time Reform Act (H.R. 1364) was introduced by Rep. Jody Hice (R-GA), who has offered various official time bills and amendments in previous sessions. Unlike his previous bills, Hice's new bill would retroactively strip employees working on official time of their creditable service for such time under CSRS and FERS. This unfair attack on federal unions generated heated debate in the Oversight Committee, which ultimately delayed consideration of the bill in large part because of strong opposition from the minority.
- House and Senate lawmakers also have reintroduced the Federal Employee Paid Parental Leave Act (H.R. 1022 and S. 362), which would provide federal employees up to six weeks of paid leave following the birth, adoption or fostering of a new child. The issue is one that could gain traction since the Trump administration has signaled its general support for paid leave.

These are just a few of the dozens of bills that have been introduced relating to federal employees so far. To get the latest updates, be sure to install the NALC Member App on your smartphone to receive push notifications about postal and federal employee legislation.

In the news media

After *USA Today* ran a doom-and-gloom piece about postal finances


Sen. Mazie Hirono (D-HI)


Rep. Jerry McNerney (D-CA)


Rep. Julia Brownley (D-CA)


Rep. Colleen Hanabusa (D-HI)


Rep. Raul Ruiz (D-CA)

Legislative visits

More than 200 NALC members representing 20 states from across the South and West visited Washington, DC, Feb. 27 through March 3 to lobby their representatives (at right and below). On March 2, activists attending a congressional breakfast in the Russell Senate Office Building heard from five elected officials (above).


Rep. Billy Long (R-MO)


Rep. Lamar Smith (R-TX)


Rep. David Young (R-IA)


Rep. Norma Torres (D-CA)


Rep. Rod Blum (R-IA)


Rep. Brian Babin (R-TX)


Rep. Betty McCollum (D-MN)


Rep. Paul Cook (R-CA)


Rep. Filemon Vela (D-TX)


Rep. Pete Aguilar (D-CA)


Rep. Joaquin Castro (D-TX)


Rep. Scott Perry (R-PA)


Rep. Henry Cuellar (D-TX)

that failed to distinguish between regular benefits and the requirement to pre-fund the benefits of future retired letter carriers—a failure that made it seem as if retired letter carriers weren't receiving their health care benefits—NALC President Fredric Rolando wrote a letter to the editor that ran on March 8 and rebutted the largely negative news story.

A somewhat positive article in *The Guardian*—suggesting that the Postal Service might be well suited to serve as a food distribution network for the country's hungry citizens—was unfortunately offset by a derogatory description of USPS. Rolando's Sunday, Feb. 26, letter to the editor of *The Guardian* explained to readers how the piece had misrepresented the agency. (For more about the article's more favorable ideas, see page 9.)

The Hill ran a think-tank piece that criticized postal reform efforts; on Feb. 23, the paper published a response from President Rolando that presented "some easily verifiable information and context so all of us...can approach the matter on a shared factual basis."

Elsewhere, NALC Executive Vice President Brian Renfroe was interviewed for a piece on HowStuffWorks.com about letter carriers' delivery routes. Central Florida Branch 1091 member Dawn Sylvester—a second-generation letter carrier—was featured in a Feb. 24 story on WKMG-TV. And letters to the editor by Buffalo-Western New York Branch 3's Robert McLennan and Idaho State Association President John Paige ran in their local newspapers.

Links to these and many more items can be found at nalc.org under Postal Facts. **PR**