STAYING FOCUSED

NALC continues work on its ongoing legislative priorities

In April, NALC members saw their hard work pay off when President Biden signed the Postal Service Reform Act (H.R. 3076) into law (see page 4). After 12 years of a tough fight for meaningful postal reform, this law finally eliminates the pre-funding mandate, secures six-day mail and package delivery, and better positions the Postal Service to provide Americans with the quality service they depend on. The bipartisan law, crafted and led by House Committee on Oversight and Reform (COR) Chairwoman Carolyn Maloney (D-NY), Ranking Member James Comer (R-KY), Senate Homeland Security and Governmental Affairs Committee (HSGAC) Chairman Gary Peters (D-MI) and Ranking Member Rob Portman (R-OH), is a monumental win for letter carriers and everyone who relies on the Postal Service for affordable universal service.

"While we celebrate this victory and applaud every NALC member who lobbied his or her member of Congress to help win passage of H.R. 3076, our work is not finished," NALC President Fredric Rolando said. "Let's take the time to thank every member of Congress who supported this important legislation as we continue to pursue our other postal priorities. With the support and solidarity of NALC members, we will continue advocating for legislation that strengthens the Postal Service and improves the work and lives of letter carriers."

Here is a look at what NALC continues to work on as our top legislative/reform priorities in Washington, DC.

Implementation of 'Segal' pension valuation method for CSRS

Many of NALC's issues are legislative in nature, meaning that letter carriers must go straight to Congress to pursue action. However, in this case, NALC has asked the president for his help, as it relates to Civil Service Retirement System (CSRS) pensions.

In 2010, the Postal Regulatory Commission (PRC) issued a report calling for the use of private-sector accounting practices to accurately calculate the Postal Service's CSRS liabilities and to fairly allocate CSRS liabilities between

the postal and federal accounts within the Civil Service Retirement and Disability Fund, a trust fund managed by the Office of Personnel Management (OPM). The PRC found that the Postal Service was being forced to pay an unfair and disproportionate share of CSRS pension liabilities in the combined federal-postal pension fund. The Postal Accountability and Enhancement Act of 2006 (PAEA) gave the OPM the authority to correct these actuarial/accounting practices, which would add $92 billion to the Postal Service's CSRS account and directed that the resulting surplus in the postal CSRS account be used to fund future retiree health benefits.

This change in practice can be accomplished by an executive order. Directing the OPM to implement the recommendations of the 2010 PRC report would save USPS several billion dollars in annual amortization payments for the CSRS and the Postal Service Retirement Health Benefits Funds.

To complement the Postal Service Reform Act (Public Law 117-108), NALC, along with the other unions and HSGAC Chairman Peters and COR Chairwoman Maloney, have asked the president to take executive action to correct the accounting and actuarial practices associated with CSRS.

Federal Retirement Fairness Act

As federal employees, it is a nice change of pace to play offense instead of defense. This is especially true as we look at the White House's Fiscal Year 2023 budget proposals, which do not seek to undermine pay, health and retirement benefits, investments in the federal workforce, cost-of-living adjustments or our ability to bargain collectively—as was common with budgets in the previous administration.

Instead, with financial stabilization legislation in our rearview mirror, we can refocus our efforts to promote pocketbook issues.

The Federal Retirement Fairness Act (H.R. 4268) remains a top legislative priority for NALC. This bill was introduced by Reps. Derek Kilmer (D-WA) and Tom Cole (R-OK) in June 2021. It would allow certain federal employees the opportunity to make catch-up retirement contributions for time spent as temporary employees after Dec. 31, 1988, making such time creditable service under FERS.

Specifically, this bill would cover letter carriers who began their careers as non-career employees, such as casuals, transitional employees (TEs), or city carrier assistants (CCAs), making it easier to prepare and save for their retirement. The bill has bipartisan support in the House, with 22 Democratic co-sponsors and 13 Republican co-sponsors. No companion legislation has been introduced in the Senate.

"With many letter carriers having worked in non-career positions over the last 35 years, this bill would make a huge difference in their retirement planning," President Rolando said. "NALC strongly supports this legislation and urges the House to pass it."

Social Security Fairness Act

Another key legislative priority for NALC is the Social Security Fairness Act (H.R. 82/S. 1302). This bipartisan bill, introduced by Reps. Rodney Davis (R-IL) and Abigail Spanberger (D-VA) in the House and Sens. Sherrod Brown (D-OH) and Susan Collins (R-ME) in the Senate, would repeal the Government Pension Offset (GPO) and the Windfall Elimination Provision (WEP) titles of the Social Security Act for months payable after December 2021.

The inclusion of the WEP and the GPO in Social Security law has resulted in benefits formulas that significantly disadvantage some categories of federal employees who have a government pension, resulting in decreased or eliminated Social Security benefits.

These two provisions were adopted by Congress in the late 1970s and early 1980s, respectively, to address the false perception that federal retirees were somehow "double dipping." In fact, these provisions are grossly unfair.

For example, many retired letter carriers worked both for the Postal Service and for private-sector employers over their working years, paying into both the federal pension programs, CSRS or Federal Employees Retirement System (FERS) for their federal service, and into Social Security for their private-sector employment.

FERS retirees receive full benefits from both their federal pension plan and Social Security for their federal service since they paid into both systems while employed by the Postal Service. Although retired CSRS letter carriers naturally do not expect to receive Social Security benefits for their service for the Postal Service because they did not pay into the Social Security system during their tenure there, most are shocked to find out that their Social Security benefits for their private-sector work—or for the private-sector work of their spouses—are usually reduced by the WEP and GPO provisions in Social Security law.

Specifically, WEP affects CSRS employees by reducing their earned Social Security benefits. WEP also reduces the Social Security benefits of FERS employees who also receive a public pension from another job not covered by Social Security. In addition, WEP affects employees who move from a job in which they earn Social Security to a job where they do not earn the Social Security benefit. Nearly 2 million Americans have been affected by WEP, and the number will continue to grow as more CSRS employees retire.

GPO affects CSRS employees and spousal benefits of people who work as federal, state or local government employees if the job is not covered by Social Security. Normally, survivors and spouses of Social Security benefits qualify for spousal and survivor benefits based on the earnings and benefits of their spouses—unless they qualify for greater benefits based on their own Social Security earnings history. For CSRS letter carriers with little or no private-sector work experience, such spousal and survivor benefits from Social Security could be significant. However, the GPO typically eliminates most, if not all, of the otherwise payable spousal and survivor benefits for retirees who receive a government annuity for non-Social Security work. Currently, the GPO reduces by two-thirds the benefit received by surviving spouses who also collect a government pension.

H.R. 82/S. 1302 would prospectively eliminate both WEP and GPO from the Social Security Act, something NALC has been working for decades to accomplish. The legislation has broad bipartisan support, with 196 Democratic co-sponsors and 72 Republican co-sponsors in the House as well as 33 Democratic co-sponsors, two Independent co-sponsors and four Republican co-sponsors in the Senate. Despite consistent bipartisan support for this legislation, efforts to pass it into law have been unsuccessful due to the high price tag—it would raise the Social Security benefits of millions of retired public employees.

"For far too long, many letter carriers have been disadvantaged by WEP and GPO provisions," President Rolando said. "Employees deserve to receive the full retirement benefits that they have earned. NALC supports the legislation and urges Congress to pass it."

For more information on NALC's legislative priorities and actions, visit the Government Affairs section of nalc.org.

Building a Better America (formerly Build Back Better)

Since taking office 15 months ago, with the country facing a pandemic that put letter carriers and the Postal Service at the center of our economy, the administration has prioritized COVID-19 relief and recovery. Congress was able to pass four relief bills aimed at helping Americans, businesses, schools, the health care industry and others struggling as lockdowns crippled our economy. Now, as we seem to be recovering from the crisis, investment in the nation's infrastructure has become a major priority.

Investment in the nation's postal infrastructure also has been elevated to a national issue, including the conversation over electric vehicles and energy efficiency. The Biden administration, along with Congress, has continued to propose providing $6.9 billion in direct funding to help the Postal Service maximize electrification of its new vehicle fleet. While a deal has not been ironed out at this time, NALC will continue to actively engage Congress and the administration to secure this additional funding.

Biden's agenda is an ambitious one when it comes to economic security and families. He is urging Congress to enact legislation that would guarantee paid sick and family leave, and to restore monthly child care tax credits that expired earlier this year. As always, NALC actively tracks and promotes any proposals that would bolster the standard of living of letter carriers and their families.

Hazard pay for letter carriers

Since the beginning of the pandemic in early 2020, Congress has passed several COVID-19 relief packages that have been signed into law. These packages have included varying assistance for the Postal Service and letter carriers, including paid sick and family medi-

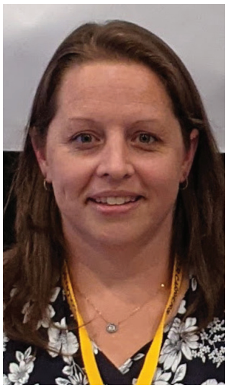
cal leave, stimulus checks, funding to stabilize pension plans, grants for USPS and more. However, hazard pay for letter carriers and other essential frontline workers was notably excluded from the final versions of these relief packages.

While Congress has been unsuccessful in addressing hazard pay for letter carriers in the COVID-19 relief packages, NALC has advocated and will continue to advocate for hazard pay for our members—now and in preparation for future events that would put our members on the front lines of a public health emergency.

"Throughout the pandemic, letter carriers' work has kept our nation connected," President Rolando said. "We were disappointed that hazard pay for our members, who are essential front-line workers, was excluded from previous relief packages, but we haven't given up. We will continue advocating for the compensation that our members deserve in any future reconciliation legislation." PR

James Perryman of Tri-Valley Branch 2902 was accidentally reported to have contributed $125 to the Letter Carrier Political Fund in 2021 in the February edition of *The Postal Record*. He actually contributed $130.

Vice President Lew Drass to step down; two appointed to Headquarters staff


Danielle Fake-Moorman


Stephen Stewart

NALC Vice President Lew Drass has announced that he will step down from the office of vice president effective April 30.

A member of Huntsville, AL Branch 462, Drass first came to NALC Headquarters in December 2010 to serve as director of city delivery. He has served as vice president since March 2014.

Drass has agreed to remain with NALC as a staff assistant for a few months to ensure a smooth transition. President Fredric Rolando will soon appoint a new vice president to finish the term.

President Rolando announced the appointment of **Danielle Fake-Moorman** as assistant to the president for the Contract Administration Unit, effective June 11.

A member of Fort Collins, CO Branch 849 since she began her letter carrier career in 2005, Fake-Moorman was elected president of her branch in 2008. She also has served on the NALC/USPS Joint Safety Task Force for the Colorado/Wyoming District, as well as an arbitration advocate, a backup Step B representative and as director of education and vice president for the Colorado State Association, which she currently serves as president. Fake-Moorman graduated from the NALC Leadership Academy in 2018.

Rolando also appointed **Stephen Stewart** as assistant to the president for city delivery. Stewart's appointment will take effect on May 28.

A member of Chicago Branch 11, Stewart has carried the mail since 2000. He served as chief steward for his station and was named Branch 11 steward of the year in 2015. Stewart currently serves as branch auditor, Step A designee, backup Step B representative and arbitration advocate. He graduated from the NALC Leadership Academy in 2017. PR