



Capitol to Coast NARFE News

CHAPTER 236

OLYMPIA –TIMBERLAND

Thurston, Mason, Lewis & Grays Harbor Counties, Washington

August/September 2008

President's Message:

Need your input on National resolutions, and your name on 2009 officer/committee list

You're probably asking, "Why am I getting my NARFE newsletter so early?" We want to let you know in plenty of time about the change in date and time of the next chapter meeting. Because of National Convention, all of our board members will be at convention or other destinations and we will have no one left in town to run the meeting!!! Then to complicate matters, the Forest Service is not available another day during our regular meeting week.

So, we are going to try something different and maybe improve our attendance by having our meeting on **September 23 at 10:00 a.m. (yes, a morning meeting!!)**. So put that date and time on your calendar for next NARFE meeting. Come for coffee and donuts, and hear our speaker, **June Moore, Information and Assistance Specialist, from the Area Agency on Aging who will tell us about "The Available Senior Housing Facilities", from caregivers in the home to nursing homes.** Also, we will be reporting on the happenings from the National Convention.

Speaking of convention, there are several critical issues up for a vote this year. We have received nearly forty (40) Bylaws, Standing Rules and General Resolution proposals that will be considered. A list of the primary issues can be found in this newsletter. Since we will not have a chapter meeting prior to the convention to discuss these, I would urge you to go to the NARFE web site and review the proposed changes. If you do not

have access to the web site, Ida Sevier or I have copies to share. Sandy and Sam Cagle, Ida and Sam Sevier and John and Lorita Cornette will be representing our chapter. So contact any of us to let us know your position on those proposals.

The chapter nominating committee, chaired by Ida Sevier, is seeking members interested in being a candidate for President, 1st VP (Programs), Secretary or Treasurer for the November election. She is also looking for people to chair the different committees. Many of the current officers and chairs, me included, have served on the board for many years. The chapter is past due for new leadership to take on the responsibility of keeping our chapter going as well as bring new ideas. Please consider placing your name in nomination by contacting Ida at (360) 432-9201 or by email - idasvr@yahoo.com. Remember these positions are elected for one year terms, not a lifetime commitment.

We all like to get a little extra money. The Washington Federation of Chapters has an incentive program that can reward you, the member, with retaining members. **Find more information in this newsletter about this program.**

See you on September 23 for a morning cup of coffee and fellowship.

Sandy Cagle
Chapter 236 President



Chapter Meeting
Tuesday
September 23
10:00 a.m
National Forest HQ
1835 Black Lake Rd
Olympia
Speaker:
June Moore
Area Agency on Aging
discussing
Available Senior Housing

Chapter Officers for 2008

President:

Sandy Cagle
456-8509

1st VP

Al Driemeier
456-3718

Secretary:

Ida Sevier
432-9201

Treasurer:

Betty Fugazi
491-4970

Committee Chairs

Legislative:

Sam Sevier—National
432-9201

Al Driemeier—State
456-3718

Membership

John Cornette
456-8558

Alzheimers:

Charlotte Hopper
438-5296

Service Officer

Loretia Cornette
456-8558

NARFE-PAC

Sam Sevier
432-9201

Newsletter Editor

Sam Cagle
456-8509

National Issues up for vote at the National Convention—need your thoughts!

We have received the Bylaws, Standing Rules and General Resolutions from National. These are the proposals your delegates will tackle at the national convention in September.

There are nearly 40 submissions so far. Here is a general list of the primary subjects:

- One Member, one vote – everyone gets a ballot
- Having a single dues structure (several proposals)
- Free spousal membership or family membership
- Discontinue honorary membership
- Having no Vice President, or a Vice President as a non-resident officer
- Creating a chief operating officer paid position and volunteer inspector general
- Combining the offices of Secretary and Treasurer
- Allowing the National Executive Board to choose our convention sites.

There are several other subjects and several resolutions. On many, there are several submissions. The exact wording we will be voting on will be determined by the bylaws and resolutions committees.

What do you think. Six of us, Sandy and Sam Cagle, John and Loretia Cornette and Ida and Sam Sevier will carry the chapter votes to the convention. Let us know how you want us to vote.

Sandy

National NEB Meeting Items

Region IX VP Lanny Ross passed on some of his notes from the recent National Executive Board meeting, with these items of interest to NARFE members:

NARFE was deeply involved in getting Congress to pass and overturn the presidential veto that would have reduced Medicare Physician Reimbursement.

The latest CPI is now 5.7% which is good, but there is another side of the coin we need to look at. If the COLA remains high, and most believe it will, then the 111th Congress will probably be looking at this huge increase next year and we may see Congress (or the President) propose legislation to limit our COLAs in the future. [You do remember the Diet COLAs, don't you?] We may have a COLA battle on our hands and we need to be ready to respond to any proposed adverse legislation.

OPM Director Linda Springer has submitted her resignation. She has been very cooperative with NARFE and we only hope the new director will be as receptive.

Lanny's full set of notes will be on the www.narfewa.net web site, on the Region IX VP page and the formal NEB minutes will be posted shortly on the www.narfe.org national web site.

Membership Notes

The State organization has re-opened the rebate incentive program, effective through May 2009. Recently dropped members **Kenneth Bisson , Charles Enkerud, Harold Henderson, Lauren Main, Althea Oakes and Elizabeth Yates** all qualify for a \$10 rebate for reinstating and possibly another \$10 for signing up for dues withholding. And another \$10 if their spouse joins as well. NARFE needs you -- call me at 456-8558 to reinstate. Welcome to new member **Olav Osterhus** -- how can NARFE help you in Ocean Shores? Let me hear from you. johncornette@hotmail.com.

.....

More from Congress

Saturday Mail

The House Appropriations Committee has approved unanimously a measure that would direct the Postal Service to study the elimination of Saturday mail deliveries.

This is a cost-effectiveness and fuel savings measure that will save 400,000 gallons of gas (about \$87 million) per day

The National Association of Letter Carriers has stated it will fight any effort to eliminate Saturday deliveries.

Pay for Performance

The Senate Subcommittee on the Federal Workforce conducted a hearing on improving performance. NARFE believes this action will result in arbitrary salary increases and favoritism.

OPM released a statement of Director Linda M. Springer's testimony wherein she stated the 300,000 employees were already under the system, that it is successful based upon numerous evaluations and systems are better able to recruit and retain a high-quality workforce.

You can find the full statement at www.opm.gov/

Legislative Report

Status of NARFE-supported legislation in Washington State as of August 2008

HR82 – Repeal GPO/WEP. 345 Co-Sponsors. Yes: Inslee, Larsen, Baird

S206 – Repeal GPO/WEP. 37 Co-Sponsors, Yes, Murray, Cantwell.

HR1110 – Premium Conversion, 332 Co-Sponsors. Inslee, Larsen, Hastings, Dicks, McDermott, Smith.

S773 – Premium Conversion. 62 Co-Sponsors. Yes, Murray, Cantwell.

HR 1110 and S773, as introduced in March, both amend the Internal Revenue Code to permit: (1) federal civilian and military retirees to pay Federal Employees Health Benefits Program (FEHBP) and TRICARE supplemental premiums on a pretax basis (i.e., exclude premiums from gross income); and (2) a tax deduction (available to itemizers and nonitemizers) for TRICARE supplemental premiums or enrollment fees.

House passes FERS Sick Leave legislation

From NARFE Legislative Department

The House of Representatives passed legislation on Wednesday, July 30, that would allow Federal Employees Retirement System (FERS) employees to credit their unused sick leave toward their retirement.

The FERS sick leave provisions were added to an unrelated bill to regulate tobacco products, H.R. 1108, that passed the House by a margin of 326 to 102.

Civil Service Retirement System (CSRS) workers are allowed to credit their unused sick leave toward their retirement, but their FERS counterparts are not. When FERS was created by Congress in 1986, the cost of the old CSRS was weighed against the new FERS. As a result, allowing workers to apply their unused sick leave toward retirement was traded off for other FERS benefits not available under CSRS.

The House-passed bill would allow FERS employees who retire in the next three years to credit 75 percent of their sick leave hours towards retirement. FERS employees retiring later would have all of their unused sick leave credited to retirement. Years of service is one part of the formula used to calculate annuities. Crediting unused sick leave toward years of service would increase annuities of current FERS workers, but it would also result in an additional cost to the Civil Service Retirement and Disability Fund. The House-passed bill is unclear on whether it finances this new obligation.

While NARFE supports enhancing the earned compensation of federal employees and retirees, the Association wants to ensure that the legislation makes whole the retirement trust fund for the added cost of crediting unused sick leave to FERS retirement. One of the principal tenets of the FERS law is a requirement that the system's benefits be pre-funded according to their full actuarial costs. Following House approval, NARFE will ask key Senators to address the bill's impact on the trust fund.

In addition, the bill would improve the 401(k)-style Thrift Savings Plan (TSP) by automatically enrolling employees when they are first hired and beginning immediate employer matching contributions. The measure would also add a "Roth" option to TSP that would allow participants to make after-tax contributions to the plan and withdraw their earnings upon retirement tax free. Current contributions are tax deferred, which means they are made with pre-tax wages, but withdrawn earnings are taxable.

Moreover, the bill would give authority to the Federal Retirement Thrift Investment Board, the independent federal agency and fiduciary that administers the TSP, to allow participants to invest their account in mutual funds outside the investment funds currently offered by the plan. NARFE is working with key Members of Congress and the Thrift Board to ensure such a "self-directed" option does not result in participants taking on too much risk.



Local contacts for Senators and Congressmen

Senator Patty Murray

<http://murray.senate.gov/>
950 Pacific Avenue, Suite 650
Tacoma WA 98402
Phone: 253-572-3636

Senator Maria Cantwell

<http://cantwell.senate.gov/>
915 Second Avenue
Suite 3206
Seattle, WA 98174
Phone: 206-220-6400

Brian Baird (3rd Congressional District – Thurston & Lewis)

U.S. House of Representatives
www.house.gov/baird/contact.htm
120 Union Avenue, Suite 105
Olympia, WA 98501
Phone: (360) 352-9768

Norm Dicks (6th Congressional Dis- trict—Mason)

U. S. House of Representatives
www.house.gov/dicks
500 Pacific Ave, Suite 301
Bremerton, WA 98337
(360)479-4011

Adam Smith (9th Congressional District – Thurston)

U.S. House of Representatives
<http://www.house.gov/adamsmith/>
3600 Port of Tacoma Rd, St 106
Tacoma, Washington 98424
1-888-764-8409

National Active & Retired Federal Employees Assn
Olympia-Timberland Chapter No. 236
C/O Earl V. Peterson
6049 Cotton Dr. SE
Olympia, WA 98513-5040

NON PROFIT
US POSTAGE PAID
Olympia, WA
Permit No. 48

Return Service Requested



NARFE Chapter 236 Meeting information

Tuesday, September 23, 10:00 a.m., National Forest HQ, Black Lake Blvd, Olympia
Tuesday, October 21, 1:00 p.m. National Forest HQ, Black Lake Blvd, Olympia

Do you wonder why NARFE works so hard to maintain our current pension plans? Here is a recent Associated Press article that might give you an idea of what's "out there" in the private sector:

Associated Press, July 22, 2008

Report: (Private) Pension plans being frozen, Retirement income of millions at risk, government says

About half of employers with defined-benefit pension plans have frozen one or more of those plans, putting the retirement incomes of millions at risk, according to a government report made public Tuesday.

The Government Accountability Office said more than 3 million people covered by its study, which represented about one-fifth of all participants in single-employer defined-benefit plans, are affected by freezes.

Most sponsors with frozen plans have set up retirement savings alternatives, such as 401(k) plans that might offset some losses, but "a freeze generally implies a reduction in anticipated future retirement benefits" the GAO said.

"When companies freeze plans, older employees often experience huge benefit losses and younger workers are left to save for themselves," said Karen Friedman, policy director for the Pension Rights Center. "Congress needs to step up to the plate to develop solutions that encourage companies to preserve their employer-paid, guaranteed pension plans, not freeze them."

Employers often freeze pension plans as a step toward terminating those plans and replacing them with defined-contribution plans such as 401(k) plans. The GAO survey of 471 single-employer defined-benefit plan sponsors found that nearly one-third ultimately expect to terminate their largest frozen plan.

A defined-benefit plan promises a benefit based on a formula that usually includes an employee's salary and years of service. Under defined-contribution plans, employees have individual accounts to which employers and employees may contribute and benefits are based on contributions along with investment returns.

Employers have steadily been moving away from more costly defined-benefit plans in recent decades. The GAO said that from 1990 to 2006, plan sponsors have voluntarily terminated more than 61,000 sufficiently funded single employer defined-benefit plans. The Pension Benefit Guaranty Corp., the federal agency that insures private pension plans, currently covers 28,800 plans, down 65 percent from 15 years ago.

The survey said that very few sponsors envision "thawing" or unfreezing plans. About one-third said they eventually will terminate their largest frozen plans, while nearly half said they will keep the plan frozen indefinitely.

Published monthly, September through June, by NARFE Chapter 236, Olympia, WA