

NARFE'S PLEDGE TO YOU

The National Active and Retired Federal Employees Association (NARFE) is the ONLY organization dedicated to protecting the earned retirement benefits of federal employees, retirees, and their survivors. Founded by 14 federal workers in 1921, NARFE has become an effective and highly respected legislative voice for federal workers and retirees. Membership has grown to nearly 350,000 federal employees, retirees, spouses and survivors united to preserve the economic security and well-being of federal employees on the job and in retirement.

EARLY HISTORY

1883 - The U.S. Congress established the Federal Civil Service with the "Pendleton Act."

1920 - The Civil Service Retirement Act was passed by Congress to provide a maximum retirement annuity of \$720 per year!

1921 - The National Association of Retired Civil Employees, renamed the National Association of Retired Federal Employees (NARFE) in 1971, was organized by 14 federal workers to seek improved retirement benefits.

1926 - Congress increased annuities to a maximum of \$1,000 per year.

1942 - Congress established age and years-of-service requirements allowing employees with 30 years of service to retire at the age of 55.

1943 to 1961 - Retirement eligibility requirements and benefits were liberalized, and Congress approved periodic increases in annuities.

1959 - Congress enacted FEHBP to provide health insurance for federal workers and their families.

1962 - Automatic cost-of-living adjustments (COLA) based on the Consumer Price Index went into effect.

NARFE'S ACCOMPLISHMENTS

Obtained legislation that allowed survivor benefits;

Restored full annuity to retirees following the death of the designated survivor;

Supported a change from "High-5" to "High-3" years of service as the basis for computing annuities;

Achieved passage of the Second Spouse Bill to allow benefits for a second spouse or a spouse in a post-retirement marriage;

Succeeded in having annuitants included in the annual Open Season to allow changes in their FEHBP coverage;

Initiated legislation to allow survivor annuitants to remarry after age 55 without loss of their federal survivor annuity or FEHBP coverage;

Achieved liberalization of the 1983 Windfall Elimination Provision (WEP) and Government Pension Offset (GPO) amendments to the Social Security Act, lessening the adverse economic affect of these two provisions;

Formulated the policy and coordinated the support for enactment of the Federal Employees Retirement System (FERS) in 1986;

Spearheaded efforts which led to enactment of an amendment to the Gramm-Rudman-Hollings Budget Enforcement Act of 1985, giving federal and military retiree COLAs the same protection from automatic sequestration that the original bill gave Social Security COLAs;

Protected COLAs against numerous proposals to withhold, delay or eliminate this annual boost in the annuities of federal retirees and survivors; with this protection, the annuity of the federal worker, who retired 20 years ago, increased by about 70%;

Supported legislation in 1989 that substituted a "phantom premium" in the FEHBP premium-sharing formula so that withdrawal of the large Aetna plan did not result in major premium hikes for enrollees;

Authored a statutory guarantee requiring the Secretary of the Treasury to reinvest and make whole any interest lost to the Civil Service Retirement Trust Fund as a result of any debt suspension;

Supported the 1989 Davis v. Michigan case before the U.S. Supreme Court which ruled that states could not tax federal annuities unless they applied the same tax laws to their respective state and local government pensions; that decision set off a round of legal and legislative challenges in states across the nation. In some 23 states, these NARFE-lead efforts eventually resulted in thousands of annuitants receiving considerable tax refunds and thousands more benefiting each year from savings in state taxes;

Led a successful national campaign to repeal the Medicare Catastrophic Act and its accompanying surtax on millions of older Americans;

Won a long battle to enact federal legislation prohibiting states from source-taxing the retirement income of former residents;

In 1993, saved survivors from an ill-conceived budget proposal that would have reduced future survivor annuities by some 10 percent.

In 1998 played a strategic role in developing a new "Fair Share" premium-sharing formula, for FEHBP that has saved enrollees hundreds of dollars each year;

Deleted a proposal from the FY 1999 House budget resolution that would have shifted new FEHBP premium (\$3.1 billion in additional costs) to employees and annuitants;

Fought efforts to introduce controversial Medical Savings Accounts (MSAs) into the FEHBP, saving enrollees from even higher health care costs.

MORE RECENTLY NARFE ...

Won recognition at a White House bill signing ceremony as the lead organization in drafting, promoting and shepherding the first new, government-wide federal benefit program enacted in 40 years, the Long-Term Care Security Act of 2000. The new law offers affordable long-term care to over 13 million active and retired civilian and military personnel;

Supported a retirement corrections amendment to the Long-Term Care Act, so that the federal employees who were unknowingly placed in the wrong retirement system could be financially made whole;

Endorsed a new law to strengthen the Federal Thrift Savings Plan (TSP), by allowing immediate employee participation and the option for transferring monies from other qualified retirement savings accounts.

With the support of our good friends, Representative Tom Davis (Virginia), Senator Susan Collins (Maine) and Senator Joseph Lieberman (Connecticut), dodged a 38 Billion Dollar cut proposed by the House Budget Committee for fiscal year 2004 of the Congressional Budget Resolution. If this resolution had passed, it would have frozen the COLA, reduced what the government pays for it's share of the FEHBP, annuities would have been calculated using the "High 5" versus the "High 3" and it would have implied that employees would have to pay much larger contributions to the Civil Service Retirement and Disability Fund.

WHAT IS NARFE DOING FOR YOU?

NARFE'S objectives are to:

Sponsor and support legislation to protect the benefits and general welfare of its members on issues such as health benefits, retirement, etc.;

Inform members about legislative issues, primarily retirement income and health care benefits, taxation and COLAs

Strengthen the political influence of current and future federal retirees through NARFE-PAC, a political action committee;

Cooperate with other organizations seeking to accomplish similar legislative goals;

Work in partnership with other organizations seeking to accomplish similar legislative goals;

Foster public recognition and appreciation of government service; and

Contribute to the well-being of local communities through volunteer service.

NARFE IS NOW...

Pressing Congress to act on legislation to repeal or modify the Government Pension Offset and Windfall Elimination Provision that drastically cut the Social Security benefits of retired federal employees;

Leading the Premium Conversion effort, to allow federal retirees and survivors to pay their FEHBP premium with pre-tax dollars, as federal workers can.

FOR MORE INFORMATION

CALL

1-800-627-3394

www.narfe.org

A HISTORY OF NARFE



NATIONAL ACTIVE AND RETIRED FEDERAL EMPLOYEES ASSOCIATION

***NARFE
IMPROVING AND DEFENDING
FEDERAL RETIREMENT BENEFITS
SINCE 1921***