



# *eNAPUS Legislative & Political Bulletin*

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## NAPUS to Submit Testimony at Senate GPO/WEP Hearing



Sen. John Kerry  
Chairman, Senate  
Subcommittee on Social  
Security

On Tuesday, November 6, the Senate Finance Subcommittee on Social Security, Pensions and Family Policy will conduct a hearing entitled, "GPO and WEP: Policies Affecting Pensions from Work Not Covered by Social Security." Sen. John Kerry (D-MA) chairs the subcommittee and Sen. John Ensign (R-NV) is the Ranking Republican.

As retired Postmasters know all too well, the Social Security Government Pension Offset (GPO) and Windfall Elimination Provision (WEP) can have a devastating financial impact on Postmasters who participate in the Civil Service Retirement System (CSRS). Individuals, who would ordinarily be eligible for a Social Security survivor benefit or a Social Security annuity from non-governmental employment, receive a paltry benefit or none at all, simply because they are CSRS participants. NAPUS President Dale Goff desired that a retired Postmaster from Sen. Kerry's home state, and who has been impacted by the GPO and/or the WEP to offer testimony on behalf of NAPUS. Consequently, President Goff asked outgoing Massachusetts NAPUS-Retired Chapter Secretary-Treasurer Greta Cofield to offer testimony on behalf of Postmasters. Greta is the retired Postmaster of Framingham, Massachusetts, and was stripped of her Social Security survivor's benefit as the result of her participation in the CSRS.

It is unclear what plans the Finance Committee, chaired by Sen. Max Baucus (D-MT), has for GPO and WEP. Three bills are currently pending before the Committee. Senators Diane Feinstein (D-CA) and Susan Collins (R-ME) introduced S. 206, which calls for repeal of both GPO and WEP. Presently, S. 206 has 34 cosponsors. Senators Barbara Mikulski (D-MD) and George Voinovich (R-OH) introduced S. 1254, and Senator Kay Bailey Hutchinson (R-TX) introduced S. 1647. These two bills, in different ways, modify the WEP formula.

As reported in the July 27, 2007, edition of the *eNAPUS Legislative & Political Bulletin*, House Ways and Means Chairman Charles Rangel (D-NY) requested Social Security Subcommittee Chairman Michael McNulty (D-NY) to conduct a GPO and WEP hearing during the 110<sup>th</sup> Congress. Although Chairman McNulty has yet to schedule the hearing, NAPUS anticipates that the hearing will take place in early 2008. During the summer, President Goff asked retired Postmaster Frances Rosenfeld of Albany, NY, to be the NAPUS liaison to Rep. McNulty on GPO and WEP. Frances was Postmaster of Great Neck, NY, and is a constituent of Rep. McNulty. She has known the Congressman since he was first elected, in 1988.

## House Postal Subcommittee Holds Hearing on 2007 Rate Increase

On Wednesday afternoon, the House Oversight and Government Reform Subcommittee on the Federal Workforce, the Postal Service and the District of Columbia held a hearing on the postage increase that went into effect earlier this year. In part, Subcommittee Chairman Danny Davis (D-IL) conducted the hearing at the request of Subcommittee member Dennis Kucinich (D-OH). At the April 17, 2007 Subcommittee postal hearing, Rep. Kucinich asked Chairman Davis for a forum to examine the rate disparity between large volume periodicals and low volume ones.

This week's hearing consisted of three panels. The first panel included USPS Chairman Jim Miller, PMG Jack Potter and PRC Chairman Dan Blair. Generally, they explained that large periodical mailers, due to volume, are able to prepare mailings efficiently, thereby saving the USPS money. Small volume periodicals cannot match those efficiencies, so they pay more. If the postage disparities were leveled-off, large mailers would be subsidizing the small mailers. The second panel included representatives of small volume periodicals. They argued that it is the historic mission of the USPS to promote the free exchange of ideas and that "discriminatory" postage is driving small volume periodicals out of business. While large volume periodicals sell advertising space to help them financially, small volume ones are "content rich." Consequently, revenue is generated through subscribers, not by the sale of ad space. The third panel included representatives of large volume periodicals. They argued that they should benefit from efficient mail preparation, and that it would be unfair for them to pay more in order to cover the costs of their small volume counterparts.

While the Congressional panel was sympathetic to the small volume publications, it was not clear that Committee will be able to address their complaint about the rate increase. Reps. Elijah Cummings (D-MD) and John Sarbanes (D-MD) raised the possibility of a Congressional appropriation to help cushion the blow of a postage increase. However, there was no discussion of who would pay for that subsidy.

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## Leave Equity Being Considered

This week, Reps. Jim Moran (R-VA) and Frank Wolf (R-VA) announced that they are developing legislation to enable retiring employees, who participate in the Federal Employees Retirement System (FERS), to receive a lump-sum payment for unused sick leave. Civil Service Retirement System (CSRS) retirees earn CSRS retirement credit for their unused sick leave.

A recent Congressional Research Service (CRS) report found that FERS employees tend to use sick leave more often than their CSRS colleagues, as they approach retirement. The presumptive reason is that while CSRS retirees receive a benefit for unused sick leave, FERS employee must either use it, or lose it. There are two reasons that Rep. Moran and Wolf are contemplating a fix. First, they want to address the inequity the sick leave inequity, between FERS and CSRS. Second, the CRS identified productivity issues when a FERS employee approaches retirement – sick leave utilization increases. Moran and Wolf expect to introduce a bill after Thanksgiving.

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