



BUDGET

Staying engaged over

Traditionally, members of Congress take a break in August, a chance for them to meet directly with constituents back in their home states and districts and hold town hall-style meetings and other events.

“It’s important for letter carriers to stay involved with what’s going on in government all year round,” NALC President Fredric Rolando said, “but Congress’ summer recess gives NALC members a unique opportunity to engage directly with our members of Congress at home.”

As this *Postal Record* was being prepared, the House of Representatives was still on track to take its planned summer recess—officially known as a “district work period”—from the end of July through Labor Day. The Senate typically follows a similar schedule; however, Senate Majority Leader Mitch McConnell (R-KY) announced on July 11 that he was delaying his chamber’s recess plans for a couple of weeks.

“Recess provides us the chance to speak with our House and Senate representatives about the topics that matter most to letter carriers,” Rolando said, “and about what they will be focusing on when they return to Washington in September.”

Expected issues on Congress’ agenda after Labor Day include the proposed Fiscal Year 2018 budget’s cuts in letter carrier pay and benefits, the federal government’s “debt ceiling” and health care—to name just a few.

Budget deadline looms

Budget talks in the House and Senate are continuing, but the clock is ticking: The new fiscal year begins Oct. 1.

The talks began when President Donald Trump released his budget

blueprint in June, a plan that called for a number of unacceptable hits on the retirement benefits of all federal employees—letter carriers included—as well as cuts to the Postal Service. For example, Trump’s budget calls for:

- Raising federal employees’ pension contributions by up to 6.45 percent of pay over the next seven years, costing active letter carriers up to \$3,600 per year.
- Eliminating cost-of-living adjustments (COLAs) for current and future retired letter carriers under the Federal Employees Retirement System (FERS).
- Reducing COLAs for letter carriers under the Civil Service Retirement System (CSRS) by one-half of 1 percent (i.e., 0.5 percent) each year.
- Reducing CSRS and FERS pension benefits for new retirees by basing annuities on workers’ highest average pay over five years (high-5) instead of the current three-year average (high-3).
- Eliminating the so-called “Social Security supplement” that covers the gap for workers who retire under FERS before they qualify for Social Security benefits at age 62.
- Calling for \$46 billion in vaguely defined Postal Service cuts and revenue changes through reducing the frequency of delivery—presumably, by eliminating Saturday delivery—and through scaling back door delivery.

“These proposed cuts are outrageous and totally unjustifiable,” Rolando said, “particularly since they are being made to pave the way for huge tax cuts for corporations and wealthy households.”

But letter carriers can do something about it by using the summer recess

to visit the district field offices of your House and Senate representatives and to attend town hall meetings and other public events, and by calling and sending letters to your legislators.

To start, visit nalc.org and click on “Budget Battle 2017.” You’ll find links to articles outlining NALC’s legislative concerns. There’s also a link to a listing of scheduled town hall meetings, tips for calling your legislators offices in Washington, DC, and for scheduling visits to the district offices nearest you, as well as links to fact sheets related to NALC’s legislative priorities.

You also can access that information on the free NALC Member App for Apple and Android smartphones. After you download the app, simply enter your home ZIP code when asked, then tap “Gov’t Affairs” at the bottom of the screen. Under “My congressional directory” you’ll find links to your House and Senate representatives’ contact information—including a “Learn More” link that takes you to your member of Congress’ official web page, where you can locate district office addresses and phone numbers. Visit nalc.org/app to find the appropriate download links.

Across the country on July 18, letter carriers, along with members of other unions and associations that represent postal and federal employees, participated in a national call-in day to educate their congressional representatives on how President Trump’s proposed cuts to federal employees would affect working families.

‘Better’ care?

In June, Senate Majority Leader Mitch McConnell (R-KY) introduced a measure to repeal and replace President Barack Obama’s Affordable Care Act (ACA). McConnell had planned to force a vote on his Better Care Reconciliation Act of 2017

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Congress' summer recess

(BCRA) before the Fourth of July recess—until crumbling support for it forced him to pull the bill and rework it. That reworking process is one of the reasons behind the majority leader's two-week delay of the start of the Senate's summer recess. So the bill remains in flux, though the core provisions of the BCRA are likely to include:

- massive cuts in premium subsidies and Medicaid funding, which would result in tens of millions losing coverage;
- ending of the employer and individual mandates to obtain health coverage;
- the renewed deregulation of health insurers, opening the way for discriminatory practices against older and sicker patients and for the return of annual and lifetime caps on benefits; and
- massive tax cuts for insurers and the wealthy.

Although BCRA would certainly negatively affect our friends and families, it would not directly affect the Federal Employees Health Benefits Program (FEHBP). However, here's how it would still end up hurting active and retired letter carriers:

- If tens of millions of American's lose their health insurance, hospitals and doctors will seek to recover the cost of providing uncompensated health care, mostly in emergency rooms, by raising prices for those who are insured—including those insured under FEHBP.
- If states are allowed to waive the ACA's insurance regulations, permitting health plans to exclude essential health benefits and to reimpose annual and lifetime limits in both individual and employer

health plans, there will be legislative efforts to spread the same bad practices to the FEHBP.

- If the Senate health bill eventually retains the ACA's least fair tax—the so-called “Cadillac tax” on high-value health plans—it will eventually apply to *all* health plans (including FEHBP plans) covering middle-class workers because of poor rules for indexing health premiums to inflation.
- If the Affordable Care Act's employer mandate is repealed, the Postal Service will still have a contractual duty to maintain the USPS Non-Career health plan for CCAs, but it could lead to the Postal Service's efforts to drop the plan in future rounds of bargaining.
- If the BCRA is enacted, the federal budget deficit will explode in 2018 and 2019 because the tax cuts would take place immediately,

Why you should *call* your legislators

Even in today's world of instant communication, if you want to make an impression on your elected representatives, the mailed letter still rules supreme. In fact, in 2016, more than 6.2 million letters were mailed to the Senate alone.

Phone calls come in a close second, and several lawmakers, along with those who work for them, say that calls from constituents can, indeed, hold more weight than e-mailed messages—and that phoning far outweighs Facebook posts or Twitter tweets. And even if you don't speak directly to the lawmaker, staff members often pass the message along.

In November, *The New York Times* spoke with Emily Ellsworth, a congressional staffer who has answered phones in the district offices of Rep. Chris Stewart (R-UT) and former Rep. Jason Chaffetz (R-UT). Ellsworth said that the process of calling a legislator's office can be simple: In her experience, when a caller offered an opinion, staff members would write down the comments, compile them each month and send them up the office's chain of command.

A large volume of calls on an issue, though, could bring an office to a halt, Ellsworth said, sometimes spurring the legislator to put out a statement clarifying their position. “It brings a legislative issue right to the top of the mind of a member,” she said. “It makes it impossible to ignore for the whole staff. You don't get a whole lot else done.”

When her district office in Utah received a lot of calls, she would contact the Washington, DC, office to help coordinate messaging.

“What representatives and staffers want to hear is the individual impact of your individual story,” Ellsworth said. “I couldn't listen to people's stories for six to eight hours a day and not be profoundly impacted by them.”

The Times also spoke with Kara Waite, a Massachusetts English teacher and political activist. Waite said that those calling congressional offices for the first time often fear they will be grilled, when in fact they generally need only offer their opinion and some basic personal information, such as name and city.

Since staff members might be taking a lot of calls, Waite encouraged callers to be courteous but to “[c]ommunicate in a way that someone can't ignore.”



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with most of the spending cuts cynically delayed until after the 2020 election. Such a result would open up our health and pension benefits to the kinds of cuts proposed in the Trump administration's 2018 budget.

Get involved

Here are some examples of ways you can engage with your House and Senate representatives during the

summer recess:

- Speak with them in person by attending events such as town hall meetings, community celebrations, parades and infrastructure groundbreakings.
- Visit their local district offices to advocate on behalf of letter carriers.
- Call their Washington and local district offices to voice your opinions on the issues discussed above.

- Write letters to your legislators to express your thoughts and to share your personal stories.
- Encourage your friends, neighbors and family members to do all of the above.

“Letter carriers have a lot on the line and we are fighting on multiple fronts,” President Rolando said, “so it’s never been more crucial to do your part and find ways to let Congress know what’s important to you.

“All of our representatives, regardless of party affiliation, need to hear from us, their constituents,” he said: “letter carriers and their family members who vote.”

Overtime rule update

The Department of Labor is inching closer to killing off a proposed overtime regulation that could have allowed 4 million more Americans to claim additional pay.

For more than 10 years, employers have been required to pay employees who make less than \$23,600 a year time-and-a-half once they work more than 40 hours in a week—unless, like letter carriers, they have a collective-bargaining agreement that makes some other arrangement.

In May of 2016, President’s Obama’s Labor Department rolled out a plan to raise that figure to \$47,600 a year starting last December. But a number of business groups and 21 states sued, calling such as raise burdensome. A federal judge halted the new rule before it could take effect, on the grounds that only Congress could make such a change.

During a Senate subcommittee hearing on June 27, Sen. Lamar Alexander (R-TN) sided with big business and urged Labor Secretary Alexander Acosta to rewrite the overtime regulation.



Activism on parade

Sometimes, it’s really easy to get in touch with your elected representatives. For example, when she was back home during the Senate’s Fourth of July recess, Sen. Susan Collins (R-ME) took part in an Independence Day parade in Eastport (above). There, *The Washington Post* reported that Collins’ constituents simultaneously cheered for her and asked whether she would vote against repealing the Affordable Care Act.

“There was only one issue. That’s unusual. It’s usually a wide range of issues,” Collins said in an interview after the parade. “I heard, over and over again, encouragement for my stand against the current version of the Senate and House health care bills.” Collins announced that she would not be voting for the Better Health Reconciliation Act.

Collins, however, is something of a rarity among members of both houses of Congress—a sizable number have taken to canceling public events and appearances rather than facing constituents who are unhappy with a variety of measures under legislative consideration.

Utah law allows state to provide services through post offices

In response, the Labor Department sent the Office of Management and Budget a formal request for information on the current rule. If the request is approved, the public would then be invited to comment on what an updated overtime regulation should look like.

President Rolando criticized the move to rewrite the rule. “The Obama administration’s rule came after years of debate and careful study,” he said. “The increase in the salary threshold was both fair and long overdue.” He also noted that in 1975, 65 percent of American workers earned overtime when they worked more than 40 hours a week; today, only 11 percent do.

In the news media

President Rolando’s guest column on the Townhall website ran on July 7, rebutting a commentary that the site—one of the country’s most prominent conservative sites—ran a couple of weeks earlier. Rolando’s piece made a strong case both for USPS and for the legislative reform effort.

Rolando’s letter to the editor of the *Wisconsin State Journal* ran on June 12. Prompted by an earlier letter to the editor, the president provided facts about postal finances and urged Wisconsin’s congressional representatives to support constructive reform.

Idaho State Association President John Paige’s letter to the editor of *Twin Falls’ Times-News* ran on July 2. The same letter ran in the *Idaho Press-Tribune* on June 30.

Links to these and other stories can be found under “Postal Facts” at nalc.org. **PR**

Thanks to the efforts of the Utah State Association of Letter Carriers and other postal unions, Utah Gov. Gary Herbert (R) signed into law in March the Postal Facilities and Government Services bill, which authorized state agencies to provide select services through rural post offices. The law was sponsored by state Sen. Karen Mayne (D).

The new law allows Utah, in partnership with the U.S. Postal Service, to provide state services such as high-speed internet access; fishing, hunting and trapping permits; food stamp applications and online access to the Department of Workforce Services and Department of Motor Vehicles. Under the law, postal employees can be trained to assist people who wish to access these services, and the state can reimburse the Postal Service for providing them.

Along with signing the bill into law, Gov. Herbert committed \$100,000 toward marketing the services once they are ready.

Though the concept seems like common sense, it required lots of convincing by the NALC activists. Passing a law that involved federal and state cooperation required working with postal allies, including the American Postal Workers Union (APWU), and talking with legislators and government officials on the national and state levels, Utah State Association President Phillip Rodriguez said.

“There were so many different entities that had their say,” Rodriguez

said. The Utah legislature was only the start: “We had to get them on board, and then the Postal Service on board, and all these government agencies.”

Fortunately, the concept had two high-profile backers in then-House Government Oversight Committee Chairman Jason Chaffetz (R-UT) and the committee’s senior Democrat, Rep. Elijah Cummings of Maryland.

“That gave us a slingshot for passage of the bill,” Rodriguez said.

The state still must form a partnership with the Postal Service before the law can be implemented. At present, the Postal Service’s authorization from Congress to form permanent partnerships such as this is limited, Rodriguez said. NALC is working with USPS to create pilot programs to begin testing the partnership in Utah, but Congress would need to give the nod for a permanent arrangement. NALC is lobbying to include authorization for such partnerships in postal reform bills Congress is now considering.

Many states use agency offices such as their motor vehicle departments to provide access to other state government services, and using postal facilities is a new twist on the idea—one that could be a model for other states, NALC President Fredric Rolando said.

“I encourage other state associations to look at this idea,” Rolando said. “Providing more services at post offices leverages the importance of postal facilities in rural areas and gives citizens more reasons to value the Postal Service.” **PR**

Voting on the proposed contract continues

As this issue of *The Postal Record* was being prepared, letter carriers were still returning their ballots for the proposed national agreement. Results of the balloting will be in the next issue of *The Postal Record*, as well as in the *NALC Bulletin*, on nalc.org, and on the NALC Member App for your Apple or Android smartphone. **PR**