



NARFE NEWSLETTER

National Active and Retired Federal Employees Association

Chapter 192- Raleigh, North Carolina

May, 2009

2009 Is Well Underway

By Duane Neuman, President

Five months and four chapter meetings have passed since the new set of officers assumed their positions last December. Fortunately, only three of us were new to the position. As one of them, I have had substantial learning to do, much of it on the job. The other "first-timers" are 2nd VP/ Membership Chair Betty Smith and Chaplain Carol Lea. Both are doing exceptionally well.

AREA IV MEETING: Nine members of Chapter 192 took advantage of the opportunity to attend the Area IV Meeting in January. Sessions of the meeting were conducted by NC Federation officers and covered such topics as the future of NARFE, officer training, the NC Federation's website, current legislation and membership. It was a day well spent.

2009 DIRECTORIES: Also in January, the chapter directories for 2009 were compiled and mailed out, thanks to the efforts of Bruce Cheatham. Miraculously, only one copy was returned as undeliverable out of nearly 550 sent. The second sending of this copy (with a corrected address) was successful. Besides the membership list, these directories contain a good bit of useful information on NARFE and our chapter. We hope you find them useful and handy.

STATE CONVENTION: As of this writing, eight chapter members are preparing to attend this year's state convention the last week of April in Hickory. They are: John Allis, Tom Hobgood, Merrill Jackson, Linda Pratt, Charlie Pratt, Betty Smith, Ernestine Soller and me. Charlie and Tom are going as federation officers, the rest of us as chapter delegates. We look forward to this experience.

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Future Programs

From Kathleen Townsend, 1st Vice President

May 5-Investing in North Carolina's Future

Paul Sams, Exec. VP, NC Federation

June 2-Hospice of Wake County

Pat Hudson

July 7-NC Alzheimer's Association

Peggy Smith

August 4-Exciting Educational Tours for Seniors

Elderhostel Representative

Please join us at the University Club and bring a guest. Don't forget to make reservations by calling Lottie Rowe (786-6059) or Ernestine Soller (467-0230) by Thursday preceding the meeting.

Alzheimer' Report

Congratulations to members of the Raleigh Chapter for their contributions to Alzheimer's research in 2008. Margaret Malley, State Alzheimer's Chair, reported that North Carolina ranked #3 in giving out of the 50 states. She also stated that "you will be thanked everyday by the people that have already been helped and the people that will get help in the future."

Alzheimer's Research is a top priority of NARFE. Under an agreement with the Alzheimer's Association, every dollar we give goes directly for research. Everyone receives requests directly from Alzheimer's for their fund drives. However, we urge that contributions be made to **Alzheimer's/NARFE** and sent to Lorene Phillips, Chapter Alzheimer's Chair, so that our chapter receives credit for your contribution.

NARFE members have given more than \$8 million since Alzheimer's research was made a national project in 1985. Congratulations, again!

DUES REFERENDUM IN FALL: A decision was made at the National Executive Board meeting in March to amend the Bylaws to provide for a single NARFE dues structure by referendum to chapters. After full consideration of all the facts, the Board decided a single dues structure was in the best interest of NARFE.

Actually, resolutions for a single NARFE dues structure were submitted at the last two National conventions. Both failed to receive the two-thirds vote needed to change the Bylaws. Both times, however, nearly two-thirds of the delegates voted for the resolution. Also, not all chapters were represented at the conventions. Leadership feels that it is time to give all members the opportunity to discuss the matter in detail at the chapter level.

A single dues structure is expected to eliminate the confusion caused by the present combination of national dues and chapter dues with the latter varying among chapters. It would also eliminate the increase in dues from the first to second year for most members. Replacing these various dues with one NARFE dues is expected to enhance the recruitment and, especially, retention of members.

The proposed NARFE annual dues for Regular Members in the referendum are \$40. From this amount, \$9 will be sent to chapters and 10 % (\$4) to federations. Dues-withholding will receive a 10% reduction, resulting in dues of \$36 from which \$8 will be provided to chapters and \$3.60 to federations.

The current dues for Regular Members in Chapter 192 are \$33 for the first year and \$44 for the following years. From each, Chapter 192 receives \$15 and pays NC Federation \$4.25, thereby, netting \$11.75. Our chapter receives proportionally less from the amount paid by members with dues-withholding. Under the referendum Chapter 192 will receive less from the dues of Regular Members and members' dues will be less after the first year.

More information on the referendum will be coming in the NARFE magazine and federation newspaper. Be sure to watch for it.

Extending the Bailey Settlement

By Tom Hobgood, Legislative Chair

Legislation has been introduced in the NC General Assembly that would extend the Bailey Settlement to all government employees. Currently, North Carolina, under a court ruling, exempts certain military, federal, state and local government retirees from paying state income taxes on government pensions and annuities. The court ruling, called the Bailey Settlement, exempted retirees with 5-plus years of creditable service as of Aug 13, 1989. Those retiring on or after Aug 13, 1989 were excluded. The General Assembly is being asked to correct this inequity with the introduction of House Bill 345 and Senate Bill 233. Both bills are entitled, "Equal Tax Treatment of Government Retiree Benefits."

Obviously the legislature is reluctant to support a bill that could reduce revenue. However, the lost in state tax revenue is only part of the picture. Exempting government retiree annuities from state income taxes also has a positive side. It would be, for example, an incentive for those retirees to remain in North Carolina or move here rather than to other states. Living in the state, the retiree would pay property and sales taxes and make little demand on community services and school systems. Furthermore, many would continue in second careers and pay state taxes on that income.

Studies of the economic impact of retirees in general have been done in several states. To our knowledge, however, none had focused specifically on military and government retirees. To fill this void of information in support of the positive economic effects of government retirees, a study was commissioned by the 4th Branch and the Federal Retiree Task Force. Results of the study are published in a booklet entitled, "Investing in North Carolina's Future: The Positive Economic Impact of Extending the Bailey Settlement to All Government Employees." These results consist of summarized data from a large-scale survey of retirees, a major literature review and an economic multiplier analysis that combine to support the study findings.

The multiplier analysis found that for every dollar in cost to the state in lost tax revenue there would be 2.5 dollars in return benefits. Government retirees, as pointed out in the study, contribute to their communities and the state in many tangible ways, and continuing efforts should be made to retain and/or attract them to live in North Carolina.

(John Allis, PAC-Coordinator, attended the NARFE Legislative Training Conference in March and contributed the following three articles.)

Stimulus Payment Nearly Lost

You almost lost out on your Stimulus Program payment! Federal and state retirees were forgotten when the stimulus program was drafted in the U. S. House. Thanks to the vigilance of the NARFE legislative department, this oversight was noticed, and they took action to contact friendly Senators. Principally through their efforts and contacts with Sen. John Kerry (MA) and Finance Committee Chairman Sen. Max Baucus (MT), federal and state retirees will receive the same \$250 payment that Social Security recipients will get. The method of payment is not yet known.

What else has NARFE done for us lately? Under instructions from OPM, Blue Cross was going to make their FEHB subscribers liable for the first \$7500 for surgery conducted in out-of-network facilities. NARFE was a leader in the efforts to get this provision changed, which were ultimately successful. For 2009, BC subscribers will be responsible for 30% of expenses for out-of-network surgery, rather than the first \$7500. The FEHB open season was extended well into Jan 2009 because of these negotiations and ultimate change.

NARFE-PAC WORKS FOR YOU

What good is NARFE-PAC? Do you even know what it is? Well, NARFE-PAC is our organization's political action committee, the only mechanism NARFE has to give financial support to candidates for Congress. The PAC is funded solely from contributions from

NARFE members and their families. The NARFE HQ legislative staff considers the PAC funds useful, even essential, in maintaining good working relationships with members of Congress who are friendly to the interests of federal employees and retirees.

The elected NARFE national officers decide to whom and how much support to be given after receiving recommendations from local chapters and the legislative staff. The track record for choosing candidates is excellent. In the 2008 election, about 270 candidates were supported nationally and 93% of them were winners. That includes 80% of candidates for open seats and more than 50% of challengers of sitting congressmen. In North Carolina, four candidates were supported: Reps. Etheridge and Price, both representing the Raleigh area; newly elected Sen. Kay Hagan; and newly elected Rep. Larry Kissel. The latter two defeated incumbents.

Contributions to NARFE-PAC have declined from previous years, resulting in lower levels of support and fewer candidates supported. Contributions can be made through the chapter PAC Coordinator, or directly using the form in the NARFE magazine. Please contribute; it is in our joint interest.

Current Legislative Objectives

NARFE has three legislative objectives for 2009: equitable treatment of federal retirees with military and Social Security retirees; support for Premium Conversion (PC); and support for Gov't Pension Offset/Windfall Elimination Provision (GPO/WEP) repeal. After the NARFE legislative training conference in DC, representatives of the three Triangle NARFE chapters visited with Reps. Etheridge and Miller. Rep. Price was in a committee meeting, so we met with a legislative aid. Bills have been introduced for PC and for GPO/WEP. Rep. Price has cosponsored both bills. Rep. Etheridge has cosponsored neither so far this session, but promised to do so in our meeting. Rep. Miller is a cosponsor of GPO/WEP, but did not commit to support PC. NC Federation officers visited the Senators' offices.

NARFE

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The NARFE HQ legislative staff does an excellent job for us, but they stress that they need support from the members by contacting our congressmen and senators, and by contributing to NARFE-PAC. Please contact your congressmen and senators to encourage them to support federal retirees and NARFE goals.

When contacting your member of Congress, remember these points. BE POLITE! Limit your contact to one or two points. Give the bill number if you are supporting a specific one. Give the reasons for your position. Use your own words; rephrase a form letter if you are using one. BE CONCISE! Your representatives keep track of all contacts.

Your representatives' information for contacting is readily available at the NARFE web site (www.narfe.org). Simply enter the site as a member (last name and member number). Look for the Legislative Dept., the Legislative Action Center. Type in your Zip Code to find your representatives and click on the one(s) you want to contact.

MEMBERSHIP INFORMATION

Considerable time and expense goes into producing and keeping the information in the chapter directory correct and up-to-date. If you see any misinformation in the directory, or if any of your information has changed since the directory was issued, **please let Bruce Cheatham know**. Contact him either by phone (919-876-1850) or by email (Lcheat3605@aol.com). Keeping member information up-to-date is a real problem, especially the email addresses which seem to change with greater frequency than the other information. Be assured that we really need and appreciate your help on this.

While you are in the "Up-dating Mood," you might also check in the NC Federation's web site (www.ncnarfe.info) to make sure that your information is currently correct there, too.

Thanks, again!!

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