

The National Council of Social Security Management Associations, Inc.

**THE WASHINGTON REPORT
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- **Federal Overview**

The second session of the 106th Congress convened on January 24th. It will be a short legislative session (see chart below) as Congress intends to adjourn for the year on October 6th and will take numerous recesses in the interim. As Senate Majority Leader Trent Lott said last week, “We were out of town two months and our approval rating went up eleven points. I think I’ve got this thing figured out.”

Members of Congress will be spending more time in their home states and districts, which offers an opportunity to meet with your elected officials. With the Social Security system high on the Congressional agenda and 2000 being an election year, Members will be interested in hearing about SSA matters relating to constituent services. Most Members of Congress now have websites which are an invaluable source of information about the Member, his or her staff, committee assignments, phone numbers and addresses.

The combination of 2000 being an election year and a booming economy will likely produce an intensely partisan legislative session. As this is written, the budget projections show an on-budget surplus of \$23 million for this year. Generally, we can expect discussions to center around the Republicans’ interest in cutting taxes and the Democrats’ penchant toward an increase in domestic spending.

If the budget caps that were agreed to in 1997 are not modified for the Fiscal Year 2001 budget, it would mean a 6.5% cut in federal discretionary spending. Since such a reduction would not make a great deal of sense politically, given the budget surplus, most pundits think that the caps will be changed or even possibly eliminated. This, of course, could be great news for the Limitation on Administrative Expenses which is now limited by the budget caps.

FYI – According to the Federal Times, the new staff director of the House Government Reform Civil Service Subcommittee, Garry Ewing, has indicated the Subcommittee’s priorities for this session of Congress. They are: correcting the placement of employees in the wrong retirement system; proposed changes to the Thrift Savings Plan; and expanding the Federal Employees Group Life Insurance Program to include long-term care.

2000

***DATES WHEN MEMBERS OF CONGRESS ARE
LIKELY TO BE IN HOME DISTRICTS/STATES**

Month	House Members	Senators
January	1 - 26	1 - 24
February	18 - 28	14 - 21
March	3 - 7; 17 - 20	13 - 17
April	17 - May 1	17 - 24
May	29 - June 5	29 - June 2
June	See May	See May
July	3 - 10; 31	3 - 7; 31
August	1 - September 5	1 - September 5
September	See August	See August
October	6 -- Target Adjournment Date	6 -- Target Adjournment Date
November		
December		

Republican National Convention: July 31 – August 4

Democratic National Convention: August 14 – 18

***Schedules are always subject to change**

- **Limitation on Administrative Expenses**

The President’s Fiscal Year 2000 budget was sent to Capitol Hill on February 7th. The President’s budget request includes \$7,356,000,000 for the Limitation on Administrative Expenses Account, which is \$784 million more than what was enacted in Fiscal Year 2000. We will have more detailed information in the next newsletter.

Sara Garland has had several meetings with the Congressional Research Service and Budget Committee staff regarding Congressional interest in removing the LAE from the budget caps. She is working closely with Congressman Pomeroy of North Dakota who has become the principal advocate for removing the LAE from the caps. Congressman Pomeroy has had discussions with both the Director of the Office of Management and Budget, Jack Lew, and with Social Security Commissioner Apfel about various administrative and legislative strategies. The possible modification or even elimination of the caps as mentioned previously may also offer some interesting options.

- **Highlights from the President’s Fiscal Year 2001 Budget Request**

The following is a first-glance of the provisions of the President’s budget request (with attribution to the Washington Post) that will affect federal employees:

- Seeks Congressional approval to offer cash bonuses to employees willing to quit or retire early if they hold jobs an agency needs to abolish or if they work in geographic areas where agencies must reorganize offices;
- Requests an extra \$300,000 to allow the Office of Personnel Management to complete a computer model that would give government managers the ability to analyze their work forces and prepare “what if” scenarios for hiring and reassigning employees;
- Calls for providing federal employees with a 3.7 percent pay raise in 2001;
- Would allow government workers to use pretax dollars to pay their health insurance premiums;
- Would repeal a 1997 balanced-budget agreement that required federal employees to pay more toward their retirement. Contribution rates would be rolled back to pre-1999 levels;
- Compensation and benefits in the budget would give the average federal employee an additional \$2,658 per year.

- **Supervisory Overtime Pay**

Bills have been introduced in the both the House (H.R. 2696) and Senate (S. 1885) to provide overtime equity in the federal workplace. Both bills would increase the overtime cap for managers and supervisors to GS-12, step 1 and ensure that no one is paid less for overtime work than their regular rate of pay. Last week President Steve Korn visited three House of Representative offices to brief staff about the effects of the bill on SSA employees, and Ron Niesing also met with several House offices. Congressional staff have indicated that if there is significant support for the legislation in the form of cosponsors, the legislation has a chance of passage later this year.

- **Social Security Advisory Board**

The House Ways and Means Subcommittee on Social Security will hold a hearing on February 10th to review Social Security Readiness. The Subcommittee had also announced a second hearing on February 15th to specifically address the findings of the Social Security Advisory Board’s Report on “How the Social Security Administration Can Improve Its Service to the Public.” Steve Korn was invited to testify on February 15th, but that hearing has now been postponed until later this spring. If NCSSMA members have anecdotal information that relates to the Advisory Board’s report, please let either Sara or Steve know so that it could be included in the NCSSMA testimony.

- **Merit Systems Protection Board (MSPB) Report Regarding “Outstanding Scholar” and “Bilingual/Bicultural” Hiring Programs**

As many of you know, the MSPB recently issued a report saying that these two hiring programs are obsolete and should be abolished. The report states that African-Americans and Hispanics

are now better represented in the government than in the private sector, and that most of these workers are hired through competitive hiring rather than through the special programs.

MSPB has concluded that the U.S. Attorney General should petition the court that wrote the original decree to terminate it and include a mandate abolishing the two programs -- which were originally designed as “temporary measures.”

MSPB recommends that OPM should change its hiring guidelines to focus attention on “bilingual or bicultural job requirements as selective factors or quality ranking factors whenever appropriate.” The Board also says that department and agency heads should ensure that their managers use the “best and most practicable tools” to fill jobs and “hold managers accountable for the appropriateness and fairness of their hiring practices and decisions.”

According to the Federal Employees New Digest, OPM director Janice R. Lachance describes the MSPB recommendations as “wrong” and says that she “strongly disagree[s] with its conclusion that these programs are not needed,” and that the programs are “important tools to help agencies recruit and achieve a diverse workforce,” and they “certainly do not undermine the merit system.”

The National Association of Hispanic Federal Executives also responded by pointing out that while Hispanics now make up 10.5 percent of the U.S. civilian labor force, they hold only about 6 percent of total federal jobs – and that Hispanics hold only 3.4 percent of the GS-13 to GS-15 jobs, and only 2.4 percent of all Senior Executive Service jobs. Blacks in Government has also spoken out in favor of retaining the two programs.

- **National Partnership for Reinventing Government (NPR)**

1. A recent report from the PriceWaterhouseCoopers (PWC) Endowment for the Business of Government credited Vice President Gore’s NPR with a “culture change” in federal agencies that is reflected in improving performance and customer service. The report states that while NPR is sometimes perceived as being only about downsizing it has also reduced government spending from 22 percent of the gross domestic product in 1992 to just over 19 percent in 1999. The report also credited NPR with eliminating “outdated regulations government-wide – including more than 16,000 pages of the Code of Federal Regulations and over 640,000 pages of internal regulations in individual agencies.”
2. NPR commissioned a \$867,000 survey project (The American Customer Satisfaction Index) which was completed by Arthur Andersen LLP of Chicago and the University of Michigan School of Business. The recently released study rated citizens’ satisfaction with the federal government. On a 100-point scale, government agencies scored an aggregate 68.6 compared with 73 for private firms. The federal Head Start program achieved the highest ranking (87), while the IRS and other regulatory agencies scored in the 50s and 60s. The Social Security Administration received one of the best scores in government, but Commissioner Apfel said the results showed some customers want agents to be more accessible. He said the agency plans to address those concerns. The scores are the result of 7,500 telephone interviews.

3. John Kamensky and Donna Fell were guest speakers at the January CEC meeting. They had requested the meeting in order to brief us on new activities at NPR. They are pursuing the following “series of outcomes” which they intend to achieve by January 1, 2001:
- Best customer service;
 - Dramatically increase E-Gov;
 - Outcomes no one agency can achieve alone;
 - Embed reinvention in government’s culture.
- (NPR is defining “best customer service” as: by January 2001, the American Customer Satisfaction Index score for the federal government will be equal to or better than the business services sector score.)

• **Legislative Director Leaves Federal Managers Association (FMA)**

On February 4th, Mark Gable left his position as legislative director for FMA. He had been with FMA for six years. He will be focusing on finishing law school in 2001 and working as an intern with the FCC. We have been working with both Mark and his successor, Didier Trinh, and anticipate a continued and successful relationship with FMA on our overlapping issues.

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