

The National Council of Social Security Management Associations, Inc.

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

Both the House and Senate will be back in session the week of March 20th after a series of Congressional recesses. They will be working primarily on budget and appropriations issues until the two-week Easter recess begins on April 14. Other issues that will be getting Congressional attention are: trade relations with China, ways in which to lower gasoline prices, and the 2000 elections. One bill of particular interest is the Social Security earnings test which has passed the House and is expected to pass the Senate as early as next week.

- **Testimony before the House Labor, Health and Human Services, and Education Appropriations Subcommittee**

Steve Korn presented testimony (attached) to the House Appropriations Subcommittee on Labor-HHS on March 8th and was the first of 20 witnesses to appear before Chairman John Porter (R-IL). Steve's testimony focused on the effects of SSA staff reductions on the ability of the field offices to deliver agency services. He also stressed the need for an infusion of funding for staff resources in Fiscal Year 2001, at least at the level recommended by Commissioner Apfel. Chairman Porter expressed surprise that the Commissioner had submitted a budget separate from the President's and said he would have a conversation with Commissioner Apfel about his recommendations. Porter also added that it was unacceptable that essential services were being affected by inadequate staffing and that he would do his best to address the matter in the FY2001 SSA budget.

- **Supervisory Overtime Pay**

Sara Garland has had a series of meetings with the staff of Congressman Tom Davis (R-VA) about his Supervisory Overtime Pay legislation. The Congressman is currently circulating a "Dear Colleague" letter (available from the Greystone Group office) asking for co-sponsors. In addition, the Congressional Research Service has prepared a briefing paper about the issue which is available from either Ron Niesing or the Greystone Group office.

- **Senior Citizens' Freedom to Work Act of 1999**

The Senate is expected to vote next week on legislation that repeals the “earnings test” for Social Security beneficiaries ages 65 through 69. The bill allows full Social Security benefits for people who keep working beyond the normal retirement age. It has strong bipartisan support and President Clinton has said he will sign it if it remains a “clean” bill and doesn’t become bogged down with additional issues. The bill was approved by the House (422-0) on March 1.

- **FY2001 Budget Resolution**

The House Budget Committee passed its FY2001 Budget Resolution on March 15, voting along partisan lines. The Resolution will be considered by the entire House on March 22. It would provide \$596.5 billion in discretionary funding, which exceeds the budget cap set in the 1997 Budget Agreement by \$54.5 billion. Democrats charged that the plan would mean a 10% across the board reduction of all major health and human services programs, including the SSA. The Senate Budget committee will consider its version of the Budget Resolution the week of March 20.

The Budget Resolution is intended to provide general budget guidelines to the Appropriations Committees who specify spending levels for federal programs.

- **Coalition for Effective Change (CEC) Activities**

We continue to meet with the CEC on a monthly basis. The following are some of our recent and upcoming activities:

- CEC now has a live website at: <http://www.effective-change.org>. Current CEC Committee Reports will be posted on the site. The site is still in its early stages and will become more sophisticated with time.
- Jennifer Hemingway (Deputy Staff Director for the House Civil Service Subcommittee and also a member of Rep. Joe Scarborough’s (R-FL) staff), was the speaker at the February 16th meeting. She briefed the CEC on the Subcommittee’s activities:
 1. Garry Ewing has replaced George Nesterchuk as Staff Director and Ned Lynch has left the staff.
 2. The subcommittee is working on: reconciling different House and Senate versions of a 4-year reauthorization bill for the Office of Government Ethics; reconciling different House and Senate versions of the Retirement Errors Correction legislation; and completing work on Long-Term Care legislation for Federal employees and possibly retirees. A key issue on the LTC legislation is whether to let OPM select a carrier, or to let employees choose from several carriers.
 3. Stated that Rep. Scarborough wants to find ways to make civil service jobs more attractive for recruiting and retaining Federal employees. In particular,

the pay system needs to be looked at since it hasn't been possible to achieve pay parity with the private sector under the current Federal Employees Compensation Act.

- The speaker for our March 21st meeting is Jeffrey Sumberg (Director, Office of Labor and Employee Relations, OPM). He will be discussing his report, "Guidance for Implementing the President's Memorandum Reaffirming Executive Order 12871." This discussion will include addressing how management rights and partnerships are being handled in various agencies. NPR is also scheduled to present an update on their activities.
- Paul Light of the Brookings Institution is the scheduled speaker for the April meeting.
- CEC is in the process of putting together a "transition package" highlighting CEC principles and current committee reports that can be handed to the incoming Administration. The CEC brochure is also updating its background brochure.

- **Social Security Reform**

Although there is still a great deal of talk about Social Security reform, it is unlikely anything will happen this election year or even in 2001 as a new president takes over. As you know, the Social Security program has a large surplus at this time. But current projections are that by 2034 the program will be unable to pay full benefits. With this in mind, the White House and many members of Congress are still calling for the "big fix" to restore future solvency. Because of major ideological differences and fears by both Republicans and Democrats that the other side will use the issue against them in the elections, there is little hope of bipartisan agreement on a major reform plan.

- **Final Thought from Capitol Hill**

"When I reach 65, I'd kind of like to be a Wal-Mart greeter."
--Sen. Tim Hutchinson, R-Ark., talking about his potential retirement plans with his home state retailing giant during a recent news conference regarding the "Senior Citizens' Freedom to Work Act of 1999."

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