

INDIANA HOOSIER

SPECIAL EDITION - LEGISLATIVE HAPPENINGS





HR 1: The “Big Beautiful Bill” and It’s Implications for Federal Employees

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EXECUTIVE VICE PRESIDENT, ELECT



PAST VP CONVENTIONS, PAST VP LEGISLATIVE/PAC

HR 1, informally referred to as the “Big Beautiful Bill,” has been a significant focus of discussion due to the potential implications it holds for United States Postal Service employees and other federal employees under the Federal Employees Retirement System (FERS). While some concerning provisions were successfully removed during its journey through the legislative process in the House of Representatives, one major proposal remains as the bill progresses to the Senate.

Initially, HR 1 included provisions that would have altered federal retirement calculations by replacing the current High 3 system with a High 5 system. This change would have reduced annuity calculations for federal employees by spreading their average high salary over five years instead of three. Furthermore, it included a requirement for FERS employees to make additional retirement contributions, effectively resulting in a 1.1% pay decrease. These measures would have posed significant financial burdens on federal employees, who have long dedicated their careers to public service.

Due to concerted advocacy and pressure from Postal employees and other constituents, these provisions were ultimately removed from the bill before it left the House of Representatives. As a result, the annuity calculations remain based on High 3, and there is no longer an obligation for FERS employees to make supplemental contributions.

Despite these successes, HR 1 still contains a critical provision within Title IX Section 90001 that threatens the FERS supplement. The supplement serves as a bridge payment for USPS and other federal employees under FERS who retire at the age of 57, allowing them to receive additional financial support until the age of 62 when Social Security benefits typically begin. This supplement has been an essential mechanism enabling USPS employees to transition into retirement without undue financial strain.

If this provision remains intact, the elimination of the FERS supplement would go into effect on January 1, 2028. Employees eligible to retire and doing so before that date would not be impacted, their supplement would remain intact. However, for USPS and other federal employees who are not eligible to retire until after January 1, 2028, the supplement would be completely eliminated. This means that employees retiring at 57 would no longer receive the bridge payment until they reach the age of 62, resulting in a significant gap in retirement income.

Postal employees have devoted their careers to serving the public, often working under challenging conditions and sacrificing personal time for the greater good. Removing the FERS supplement after employees have worked for years is an unjust alteration of retirement benefits that were promised to them. These individuals entered their careers with clear expectations of retirement support, and to change these terms midstream or toward the end of their careers undermines the trust and commitment they have placed in public service.



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It is imperative that Postal employees, advocacy groups, and concerned citizens continue to pressure lawmakers to remove the provision eliminating the FERS supplement from HR 1. Preserving the supplement is crucial for supporting Postal employees who have earned the benefits promised to them, ensuring they can transition into retirement with dignity and financial security.

The elimination of the FERS supplement would have widespread implications for all federal employees covered under FERS, creating uncertainty and hardship for those planning their retirements beyond January 1, 2028. By acting now, we can work to ensure this provision is struck from the bill and protect the retirement futures of those who have spent decades serving the nation.

The journey of HR 1 has been marked by both triumphs and challenges. While the removal of burdensome provisions like the High 5 system and additional FERS contributions has been a significant win, the battle to preserve the FERS supplement remains critical. Postal employees have earned these benefits through years of dedication and service, and it is only fair to uphold the retirement promises made to them. As the bill moves through the Senate, continued advocacy is essential to secure a just outcome for our federal workforce.

Time is of the essence in this fight to preserve the FERS supplement. The Senate is aiming to vote on HR 1 by July 4, 2025, leaving limited time to make our voices heard. It is crucial that Postal as well as other federal employees, their families, and all concerned citizens reach out to their senators without delay. Share your stories, express your concerns, and emphasize the profound impact this provision would have on the lives of those who have dedicated their careers to public service. Direct and immediate advocacy can influence the outcome, just as it did with the House of Representatives, ensuring that the retirement security of federal employees remains intact.

OUR COLLECTIVE ACTION CAN MAKE A DECISIVE DIFFERENCE.
Contact your Senators today!

Our Senators can be reached at the following phone numbers:

Call the switchboard, (202) 224-3121 and voice your concerns. Simply give them your zip code and they will connect you with our Senators. Using this method will require two phone calls as they will only connect you to one senator at a time.

OR

Todd Young (R) in DC at 202-224-5623, Indianapolis Office at 371-226-6700, New Albany Office at 812-542-4820

Jim Banks (R) in DC at 202-224-4814, Fort Wayne Office at 260-321-7130

Do not delay, make these calls today, and every day until this FERS Supplement is preserved!

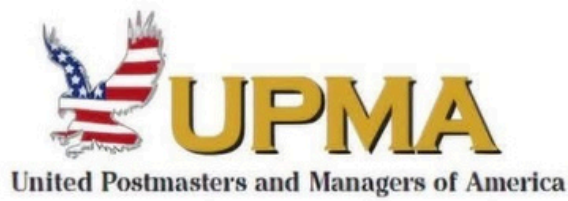
CALL TO ACTION

Use the script below to contact your Senator's today!

"Hello, my name is [Your Name]. I am your constituent and a member of the United Postmasters and Managers of America (UPMA).

I am calling to urge [Senator's Name] to oppose any cuts in H.R. 1, the "One Big Beautiful Bill" Act, that would negatively target and threaten the future retirement of federal employees. Specifically, the proposal that would end the annuity supplement payments for FERS retirees who retire before age 62, including for individuals vested in the system and eligible for retirement. Federal employees have devoted their careers to public service and to end these supplements after already working for years and many times in the middle and towards the end of their careers is flat out wrong!

I am requesting that (Senator's name) stand with federal workers to protect earned benefits by opposing any cuts in H.R. 1 that would negatively target the federal community. Thank you for your time and service."



June 13, 2025

Good Afternoon Membership:

The Senate is making significant progress on President Trump's "One Big Beautiful Bill Act" (OBBA), following its passage in the House.

Today, two new legislative texts were released, one from Senator Rand Paul (R-KY), Chairman of the Senate Homeland Security and Governmental Affairs Committee (HSGAC), and another from Senator Lindsey Graham (R-SC), Chairman of the Senate Budget Committee.

Notably, both versions **remove** the proposed elimination of the FERS Annuity Supplement. This is an important signal from the Senate and a very positive development for UPMA members.

Senate proposals we continue to engage on include:

- New hires would have to choose to be hired as "at-will" and contribute an additional 5% to FERS, or choose merit-based civil service protections and contribute an additional 10%.
- A new 10% service fee on all payroll deductions to 501(c)3, 501(c)4, and 501(C)5 organizations, likely including UPMA, E-PAC, United Way, Red Cross, and other membership-based groups.
- Requires the mandatory sale or auction of the entire USPS electric vehicle fleet, with all proceeds directed to the U.S. Treasury rather than reinvested in new vehicle purchases.

What the Senate ultimately decides on the FERS supplement and new hire provisions remains uncertain, they could adopt the Budget Committee version, the HSGAC version, or even revert to the House-passed language. A final vote in the Senate is expected during the last week of June.

Please continue contacting your Senators, your calls are making a difference!

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OUR LEGISLATIVE TRIPS TO WASHINGTON D.C. AND THE PASSING OF HR82 INTO LAW

– JIM TEMPLE, VP LEGISLATIVE/PAC

Our legislative trips to Washington D.C. have always been a cornerstone of our commitment to advocacy and governance. These excursions are not just about visiting the nation's capital; they are an integral part of our efforts to influence policy and represent the interests of our members. A recent highlight of our legislative endeavors has been the passing of HR82 (Social Security Fairness Act) into law. This milestone underscores the importance of our trips and the collaborative efforts of our Indiana representatives.

Each year, our delegation travels to Washington DC with a clear mission: to engage with lawmakers, advocate for key issues, and ensure that our voices are heard at the highest levels of government. These trips provide an invaluable opportunity to meet face-to-face with members of Congress and the Senate and participate in discussions that help shape the legislative landscape.

HR82 has been a focus of our advocacy efforts since the passing of Postal Reform. This legislation repeals provisions that reduce Social Security benefits for individuals who receive other benefits, such as a pension from a state or local government. HR82 eliminates the government pension offset (GPO), which in various instances reduces Social Security benefits for spouses, widows, and widowers who also receive government pensions of their own. This bill also eliminates the windfall elimination provision (WEP), which in some instances reduces Social Security benefits for individuals who also receive a pension or disability benefit from an employer that did not withhold Social Security taxes. Our delegation worked tirelessly to garner support for HR82, recognizing its potential impact on our members and fellow Postal employees.



2025 UPMA Retiree Fall Meeting

October 6-8, 2025

**Holiday Inn Express & Suites
12225 North Executive Dr.
Edinburgh, IN 46124**

Daily breakfast & Happy Hour provided by the Holiday Inn

Reserve your room for \$126/night by September 5, 2025!

Use Group Code "Retired Postmasters Group"@ (812) 526-4919

MONDAY OCT 6

Afternoon check-in
Hospitality Room and pitch-in/pizza dinner

TUESDAY OCT 7

Hospitality room
SHOPPING
Group dinner

WEDNESDAY OCT 8

Hospitality room
Business Meetings
Luncheon

Registration

*Includes luncheon & all the Polish Poker you can play!

Name _____ Email _____

Number Attending X \$15 = Total

Send Registration to:

Janice Boettcher

52357 Crimson Maple Drive

Make checks payable to: UPMA Indiana RETIRED

Granger IN, 46530

We look forward to seeing you!