

REMARKS OF SENATOR BOB DOLE
KANSAS CHAPTER --NATIONAL ASSOCIATION OF RETIRED FEDERAL EMPLOYEES
REGAL INN
WICHITA, KANSAS
APRIL 22, 1974

IT IS A PLEASURE TO BE WITH YOU THIS EVENING AT YOUR CONVENTION.
THROUGHOUT MY YEARS IN THE HOUSE AND SENATE I HAVE WORKED WITH MANY OF YOU
AND COME TO KNOW MANY OF YOU THROUGH NARFE'S ACTIVITIES.

THIS YEAR WE HAVE MORE IN COMMON THAN EVER. NOT ONLY DO WE SHARE A
MUTUAL INTEREST IN OUR FEDERAL GOVERNMENT AND ITS POLICIES, BUT IN JANUARY
I BECAME A MEMBER OF THE SENATE POST OFFICE AND CIVIL SERVICE COMMITTEE AND
ITS SUBCOMMITTEE ON CIVIL SERVICE POLICIES AND PRACTICES.

LET ME SAY TOO THAT I APPRECIATED THE FACT THAT ONE OF THE FIRST TO
OFFER OFFICIAL CONGRATULATIONS ON MY JOINING THE COMMITTEE WAS HOWARD STONER.
HOWARD DOES A FINE JOB AS NARFE'S FIELD VICE PRESIDENT, AND OF COURSE WE HAVE
WORKED TOGETHER IN THIS AREA FOR MANY YEARS.

CHALLENGING OPPORTUNITY

I SOUGHT THIS ASSIGNMENT AS A CHALLENGING OPPORTUNITY TO BECOME MORE DEEPLY INVOLVED IN SOME OF THE MOST IMPORTANT ASPECTS OF OUR GOVERNMENT'S BUSINESS. IN THE FIRST PLACE THE MAIL, OF COURSE, AFFECTS MORE PEOPLE MORE DIRECTLY THAN ALMOST ANY OTHER ASPECT OF GOVERNMENT -- EXCEPT PERHAPS FOR TAXES. AND SECONDLY, I RECOGNIZE THE VITAL IMPORTANCE OF THE WELL-BEING AND WELFARE OF THE MILLIONS OF MEN AND WOMEN WHO ARE CONTRIBUTING AND WHO HAVE DEVOTED THEIR LIVES TO MAKING EVERY FEDERAL AGENCY AND PROGRAM MORE EFFECTIVE AND RESPONSIVE.

THIS IS MORE THAN MERELY A MATTER OF PACIFYING THE BUREAUCRACY OR KEEPING THE PAPERS MOVING. MORE IMPORTANTLY , IT IS SEEING TO IT THAT GOVERNMENT CAREERS ARE SUFFICIENTLY CHALLENGING AND REWARDING TO ATTRACT AND HOLD CAPABLE AND HIGHLY MOTIVATED PEOPLE AND THEN PROVIDING ADEQUATE SECURITY FOR THEIR YEARS OF

RETIREMENT. IT MEANS STANDING UP FOR THEIR RIGHTS WHEN NECESSARY, EXPRESSING CONSTRUCTIVE CRITICISM WHERE APPROPRIATE, AND WORKING IN PARTNERSHIP WITH THEM TO MAKE THIS GOVERNMENT OF OURS AS GOOD AND STRONG AS HUMAN EFFORT CAN GUARANTEE.

SO I AM LOOKING FORWARD WITH REAL ENTHUSIASM TO SERVICE ON THE POST OFFICE AND CIVIL SERVICE COMMITTEE. AND I AM ALSO PLEASED THAT THE STATE OF KANSAS IS ONCE AGAIN REPRESENTED THERE. FOR AS MANY OF YOU REMEMBER, MY PREDECESSOR, SENATOR FRANK CARLSON, SERVED FOR MANY YEARS AS ONE OF ITS MOST DISTINGUISHED AND EFFECTIVE LEADERS.

CONTROL OF INFLATION AND GOVERNMENT SPENDING

LOOKING, FOR A MOMENT, BEYOND THE JURISDICTION OF THE POST OFFICE AND CIVIL SERVICE COMMITTEE I WOULD WANT TO MENTION A SUBJECT OF THE UTMOST IMPORTANCE TO YOU AND THE MILLIONS OF OTHER RETIRED AND OLDER AMERICANS. ON THE ECONOMIC FRONT, BELIEVE YOU WOULD AGREE, THE CONTROL OF INFLATION IS THE NUMBER ONE

MOST CRITICAL AND SERIOUS PROBLEM FACING THE COUNTRY TODAY. INFLATION, OF COURSE HITS EVERYONE, BUT THOSE WHO LIVE ON FIXED INCOMES --WHICH ARE MODEST TO BEGIN WITH--ARE ALWAYS THE ONES WHO SUFFER FIRST AND MOST SERIOUS. AND I BELIEVE THAT THE MOST IMPORTANT FACTOR IN ACHIEVING REAL LIMITATIONS ON INFLATION IS TO CONTROL UNNECESSARY AND WASTEFUL GOVERNMENT SPENDING.

FOR FISCAL YEAR 1975, WE FACE AN ALL TIME RECORD FEDERAL BUDGET OF \$304.4 BILLION. IT IS UP SOME \$30 BILLION OVER LAST YEAR'S. AND MOST DISTURBING OF ALL, SOME 73 PERCENT OF IT IS DEEMED "UNCONTROLLABLE" FOR ONE REASON OR ANOTHER.

THIS POSES AN IMMENSELY DIFFICULT PROBLEM FOR THOSE OF US WHO KNOW THAT THE ECONOMIC REALITIES OF CONTINUAL DEFICIT SPENDING CAN ONLY BE IGNORED AT THE RISK OF THE MOST SERIOUS CONSEQUENCES IN THE FUTURE.

SENATE BUDGET REFORM BILL

FORTUNATELY, I BELIEVE ONE IMPORTANT FIRST STEP TOWARD CONGRESSIONAL RESPONSIBILITY IN CONTROLLING GOVERNMENT SPENDING WAS TAKEN WHEN THE SENATE PASSED ITS BUDGET REFORM BILL LAST MONTH. BY FORCING THE HELTER-SKELTER LEGISLATIVE PROCESS TO COME TO GRIPS WITH OVERALL SPENDING LIMITATIONS AND THE REQUIREMENT FOR MATCHING REVENUES AND OUTLAYS, I AM HOPEFUL THAT WE ARE NOW FINALLY ON THE ROAD TO APPROACHING BUDGET MATTERS IN A BUSINESSLIKE AND ORDERLY WAY.

WE CANNOT BEGIN TO CONTROL INFLATION WITHOUT CONTROLLING GOVERNMENT SPENDING, SO I AM HOPEFUL THAT THIS REFORM OF CONGRESSIONAL PROCEDURES WILL BE THE FIRST, BUT NOT THE LAST, STEP IN THIS DIRECTION. AND I BELIEVE THAT RETIRED AND OLDER AMERICANS HAVE BY FAR THE GREATEST STAKE IN SEEING THIS EFFORT SUCCESSFULLY PUSHED UNTIL WE AT LAST DO HAVE A RATIONAL AND EFFECTIVE HOLD ON THE FEDERAL POCKETBOOK.

I WOULD POINT OUT THAT THERE IS ONE BRIGHT SPOT IN THE INFLATION PICTURE FOR FEDERAL RETIREES.

BECAUSE OF THE AUTOMATIC COST OF LIVING ADJUSTMENT NOW A FEATURE OF THE FEDERAL RETIREMENTS BENEFITS SYSTEM, IT NOW APPEARS THAT THERE WILL BE A PENSION INCREASE OF AT LEAST 4.6 PERCENT EFFECTIVE JULY 1.

THE EXACT FIGURE WILL DEPEND ON THE CONSUMER PRICE INDEX FIGURES FOR MARCH AND APRIL, BUT THE APPARENT TREND INDICATES THAT THIS INCREASE WILL BE FORTHCOMING. AND I AM SURE THIS IS WELCOME NEWS TO THOSE WHO KNOW HOW DIFFICULT IT USED TO BE TO STRETCH THEIR PENSION CHECKS WHEN ADJUSTMENTS HAD TO BE HAMMERED OUT THROUGH THE LONG AND INVOLVED LEGISLATIVE PROCESS.

ANNUITY INCREASE

ANOTHER ITEM OF GOOD NEWS CONCERNING THE SIZE OF THOSE MONTHLY BENEFIT CHECKS CONCERNS S. 1866. IT HAS PASSED THE HOUSE AND SENATE AND BEEN CLEARED FOR THE WHITE HOUSE. THIS BILL PROVIDES THE MUCH-NEEDED \$20 MONTHLY ANNUITY INCREASE FOR PRE-OCTOBER 1969 RETIREES, AN \$11 INCREASE FOR THEIR SURVIVORS,

AND IT ESTABLISHES A GUARANTEED MINIMUM CIVIL SERVICE ANNUITY OF \$90 PER MONTH NOW -- GOING TO \$95 PER MONTH IN JUNE.

I KNOW THIS BILL HAS BEEN A MAJOR LEGISLATIVE GOAL OF MARFE AND I SHARE YOUR ENTHUSIASM FOR IT. THIS SMALL INCREASE MEANS SO MUCH TO SO MANY RETIREES AS A CUSHION AGAINST THE HEAVY BURDEN OF INFLATION. AND IT ALSO PROVIDES A MOST APPROPRIATE LEVEL OF PARITY WITH THE MINIMUM BENEFITS OF THE SOCIAL SECURITY SYSTEM, FOR THOSE WHO DO NOT PARTICIPATE IN OTHER FEDERAL PENSIONS.

SO I AM VERY PLEASED TO REPORT THIS PROGRESS AND AM RELIEVED THAT WE WERE FINALLY ABLE TO MOVE THE BILL AFTER A VERY FRUSTRATING DELAY.

HEALTH BENEFITS

YOU MIGHT BE AWARE THAT SHORTLY BEFORE ADJOURNMENT OF THE 1ST SESSION OF THE 93RD CONGRESS LAST YEAR WE COMPLETED ACTION ON H.R. 9256, A BILL TO INCREASE THE COST OF THE GOVERNMENT'S CONTRIBUTION FROM 40 PERCENT TO 50 PERCENT, EFFECTIVE JANUARY 1, 1974; AND TO 60 PERCENT, EFFECTIVE JANUARY 1, 1975.

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OF PARTICULAR IMPORTANCE TO NARFE IT ALSO ALLOWED PERSONS WHO RETIRED BEFORE JULY 1, 1960, NOW ELIGIBLE FOR THE RETIRED FEDERAL EMPLOYEES HEALTH BENEFITS PROGRAM UNDER WHICH THE GOVERNMENT CONTRIBUTES \$3.50 PER PERSON PER MONTH TOWARD INSURANCE COVERAGE, TO ELECT COVERAGE UNDER THE BROADER BENEFITS OF THE FEHB PROGRAM. THESE BENEFITS WERE FORMERLY AVAILABLE ONLY TO ACTIVE WORKERS AND THOSE WHO HAD RETIRED SINCE 1960.

SINCE THE GOVERNMENT'S PREMIUM CONTRIBUTION INCREASE WAS EFFECTIVE RETROACTIVELY TO JANUARY 1, 1974, ANNUITANTS SAW A SLIGHT INCREASE IN YOUR ANNUITY CHECKS RECEIVED APRIL 1. THIS INCREASE REFLECTED YOUR PREMIUM DECREASE BACK TO THE FIRST OF THIS YEAR.

JULY 31, 1974, OFFER OF ASSISTANCE

JULY 31, 1974 IS THE EFFECTIVE DATE FOR THE PROVISION ALLOWING PRE-1960 RETIREES TO ELECT COVERAGE UNDER THE FEHB PROGRAM. ANNUITANTS SHOULD BE RECEIVING FULL INFORMATION ON THE CHANGES AVAILABLE TO THEM WITHIN THE NEXT SEVERAL WEEKS FROM THE CIVIL SERVICE COMMISSION. THIS INFORMATION WILL BE

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BENEFICIAL IN ASSISTING RETIREES IN MAKING THE RIGHT CHOICE OF PLANS.

HOWEVER, I WANT TO MAKE A SPECIAL POINT HERE. IF FOR SOME REASON, YOU DO NOT RECEIVE THIS INFORMATION IN THE NEAR FUTURE, OR IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT ME IMMEDIATELY. I WILL BE MORE THAN HAPPY TO TRY TO ANSWER YOUR QUESTIONS OR RESOLVE ANY PROBLEMS WITH THIS OR ANY OTHER PROGRAM.

NEW LAW FOR SURVIVING SPOUSES

ON APRIL 10, 1974, PRESIDENT NIXON SIGNED INTO LAW, S. 2174, A BILL WHICH REDUCES FROM 2 YEARS TO ONE YEAR THE TIME NECESSARY FOR A MARRIAGE TO BE IN EFFECT IN ORDER TO QUALIFY THE SPOUSE FOR SURVIVOR BENEFITS ELECTED BY THE RETIREE. THIS TIME PERIOD HAS NOW BEEN REDUCED TO ONE YEAR. THIS BILL HAD THE BROADEST SUPPORT AND SECURED EASY PASSAGE IN BOTH THE HOUSE AND SENATE.

RETIREMENT INCOME CREDIT

FINALLY, I WOULD LIKE TO MENTION ACTION ON AN ITEM OF LEGISLATION I HAVE BEEN INVOLVED WITH AS A MEMBER OF THE FINANCE COMMITTEE. AND I AM PLEASED TO REPORT THAT THE COMMITTEE BEFORE THE EASTER RECESS FAVORABLY REPORTED H.R. 8217, A BILL CONTAINING AN EXPANSION OF THE RETIREMENT INCOME TAX CREDIT. UNDER THIS PROVISION THE BASE AMOUNT OF THE CREDIT WOULD RISE FROM \$1524 TO \$2500 FOR SINGLE AGED PERSONS AND FROM \$2286 TO \$3750 FOR ELDERLY COUPLES. I KNOW NARFE HAS A GOAL OF SEEING THE CREDIT EVENTUALLY REACH \$5,000, BUT I BELIEVE THIS IS AN EXTREMELY IMPORTANT FIRST STEP.

THIS MEASURE HOLDS GREAT IMPORTANCE FOR GOVERNMENT PENSIONERS AND OTHERS WHOSE RETIREMENT BENEFITS DO NOT COME FROM TAX-EXEMPT PENSIONS SUCH AS SOCIAL SECURITY AND RAILROAD RETIREMENT. THE RETIREMENT INCOME CREDIT, WHICH WAS INTENDED TO COMPENSATE FOR THIS DIFFERENCE HAS NOT BEEN UP-DATED IN 12 YEARS FOR THE SINGLE, ELDERLY AND IN 10 YEARS FOR AGED COUPLES. BY COMPARISON,

SOCIAL SECURITY BENEFITS HAVE BEEN ADJUSTED 6 TIMES FOR A TOTAL INCREASE OF 104 PERCENT OVER THE SAME PERIOD. SO CLEARLY, THEN THE RETIREMENT INCOME CREDIT IS LONG OVERDUE FOR REVISION. THIS PROVISION -- ALONG WITH AN ADDITIONAL INCREASE IN THE EXEMPT EARNINGS LIMITATIONS -- IS THE SAME ONE WHICH RECEIVED FULL SENATE APPROVAL AS PART OF H.R.1 IN 1972. IT WAS DELETED IN CONFERENCE WITH THE HOUSE, BUT I AM CONFIDENT THAT THIS EARLIER LEGISLATIVE HISTORY, IN ADDITION TO THE STRONG VOTE IT RECEIVED ON THE SENATE FLOOR IN JANUARY AND THE FINANCE COMMITTEE'S RENEWED SUPPORT, WILL PROVIDE A MOST VALUABLE SOURCE OF MOMENTUM THIS YEAR.

THIS IS A CLEAR CASE FOR PROVIDING THIS MUCH-NEEDED TAX EQUITY ON BEHALF OF OUR RETIRED CITIZENS, AND I WAS PLEASED THAT THE FINANCE COMMITTEE DEMONSTRATED ITS FIRM SUPPORT FOR THIS PROVISION.

FLOOR ACTION SHOULD COME SOON AFTER WE RETURN FROM THE EASTER RECESS.

CONCLUSION

THESE ARE ONLY A FEW OF THE MANY CURRENT ISSUES AFFECTING THE FEDERAL GOVERNMENT AND ITS EMPLOYEES. BUT I BELIEVE THEY GIVE AN ACCURATE INDICATION OF EXACTLY HOW MANY COMPLEX AND IMPORTANT MATTERS ARE INVOLVED. I BELIEVE MY POSITIONS ON THE FINANCE AND POST OFFICE AND CIVIL SERVICE COMMITTEE PROVIDE AN EXCELLENT OPPORTUNITY TO CONTRIBUTE TO PROGRESS AND SOLVE SOME OF THE PROBLEMS WHICH EXIST. AND I LOOK FORWARD TO WORKING CLOSELY WITH THE KANSAS CHAPTER OF THE NFFE AS THIS MOST IMPORTANT JOB PROCEEDS.