

November 3, 2010

To: NRLN Grassroots Network Members
From: NRLN President Bill Kadereit
Subject: Election Day Changes Congressional Landscape

Voters on Election Day changed the Congressional landscape giving Republicans a commanding majority in the U.S. House of Representatives and reducing the Democrats' majority in the U.S. Senate. As you know from news reports, Republicans gained at least 60 seats in the House while the party picked up a definite six seats in the Senate, with two contests still undetermined. This is the biggest shift in Congress since the 1948 election.

What does this shift in the balance of power in the new Congressional session in January mean to the National Retiree Legislative Network? It means that the NRLN's Washington, DC team and our Grassroots Network members across the nation will need to educate the new members of Congress and their staffs about the issues negatively affecting retirement security and why laws need to be enacted to protect retirees' interests. Also, it means there will be new chairs of House committees and many new committee staff members will need to understand why their constituents demand that the new leadership protect Social Security, Medicare, and the pensions and benefits that retirees have earned.

Congratulate the Winners

An appropriate first step toward educating the new members of Congress and the re-elected incumbents is to congratulate them on their victory with a letter or a phone call. A proposed sample letter is at the end of this message and some of the words can also be used for a phone call to a local/state office. The Election Guide on the NRLN website at <http://abtr.capwiz.com/election/home> will show you the election results in terms of the vote percentages and will provide you access to contact information when you click on the name of the winner. Or, go to www.nrln.org and click on the "Contacts" link and select "Election."

Congratulating Representatives and Senators on their election is just the initial step toward establishing communications with members of Congress. Your support is needed to go to the offices of the lawmakers to meet with them and/or their staff members. Attend their Town Hall meetings and speak up for retirees.

Advancing the NRLN's Top Priorities

The NRLN's top legislative priorities will be taken forward with the new Congress in 2011. While the details of our top priorities are posted on www.nrln.org under the Legislative Agenda link, briefly our top priorities are:

- Pension asset protection to prevent companies from using pension fund dollars for non-pension expenses.
- Corporate bankruptcy law reforms to gain fairer treatment of retirees in bankruptcy court proceedings.
- Pension Benefit Guaranty Corporation rule changes to benefit retirees whose pension plans are taken over by the PBGC, plus the protection of pensions in mergers and acquisitions.
- Initiatives to generate savings on prescription drugs.
- Advocate the NRLN's Maintenance of Cost Protection (MCP) proposal that would establish a fixed monthly payment to retirees equivalent to the value an employer provided prior to the reduction or cancellation of retirement benefits. Companies would be entitled to tax credits as an offset to MCP payments.
- Immediately address the access and affordability of health care coverage for retirees ages 55 to 64 by allowing them to buy into Medicare at a cost that does not burden the Medicare system. A larger health care pool with younger retirees would actually drive down the per capita cost.
- Congress should extend protection against catastrophic medical costs to the Medicare population by setting a reasonable maximum limit on out-of-pocket costs.

Keeping an Eye on Deficit Commission

Before the new members of Congress take their seats in the Capitol in January, the NRLN is keeping a watchful eye on the 18-member National Commission on Fiscal Responsibility and Reform that was created eight months ago. The Commission has a Dec. 1 deadline for recommending how to reduce the annual deficits swelling the federal debt. The Commission has stated that all three major federal budget parts are on the table: taxes, annual spending for domestic and military programs, and the benefit programs Social Security, Medicare and Medicaid.

Recommendations that come out of the Commission's deliberations will have to be presented to Congress for any action. The NRLN will be your voice for any recommendations that help retirees and against any proposals detrimental to retirees. Your NRLN agenda and mandates are clear and unchanged. A new Congress does not mean a new beginning for the NRLN.

In closing, I urge you to begin your communications with members of the new Congress with the message below. Also, consider attending the NRLN's Annual Leadership Conference in Washington, DC on January 17-19. The agenda will include a day to meet with members of Congress in their Capitol Hill offices. Coordinate your interest in attending with your Retiree Association.

Bill Kadereit, President, National Retiree Legislative Network

Sample Letter or Phone Message:

Congratulations on your victory in the election on November 2nd. I want to take this opportunity to urge you to make financial security for America's retirees a priority as you assess your goals in representing your constituents. Social Security, Medicare and the company-sponsored pensions and benefits, such as health care and life insurance that retirees have earned over decades of service, need to be protected for retirees' well-being and financial security.

Congress needs to take several steps to make this happen. Legislation is needed to prevent companies from using pension plan assets for non-pension expenses. Corporate bankruptcy laws need to be reformed to gain fairer treatment of retirees in bankruptcy court proceedings. The rules used by the Pension Benefit Guaranty Corporation need to be changed to fairly benefit retirees whose pension plans are taken over by the PBGC, plus the protection of pensions in mergers and acquisitions.

Congress should extend Medicare protection against catastrophic medical costs to the 65 and over population by setting a reasonable maximum limit on out-of-pocket costs. Congress should immediately address the access and affordability of health care coverage for retirees ages 55 to 64 by allowing them to buy into Medicare at a cost that does not burden the Medicare system. A larger health care pool with younger retirees would actually drive down the per capita cost and would serve to protect a population that is often left uninsured and will remain so for at least several years to come.

Because companies are continuing to break their promises to provide retirees with retirement benefits such as health care and life insurance, legislation should be enacted along the line of the National Retiree Legislative Network's (NRLN) Maintenance of Cost Protection (MCP) proposal that would establish a fixed monthly payment to retirees equivalent to the value an employer provided prior to the reduction or cancellation of retirement benefits. The legislation could entitle companies to tax credits as an offset to MCP payments.

Congress must take action on the ever-increasing cost of prescription drugs. I urge you to endorse the NRLN's proposals for legislation that: (1) Enables re-importation and importation of safe prescription drugs approved by the FDA; (2) Enables Medicare to develop formularies and take competitive bids for prescription drugs; (3) Staffs and funds the FDA to reduce the generic drug approval backlog; (4) Prevents drug companies from colluding to control pricing or subvert free market practices.

After you receive your committee appointments in the new Congress, I encourage you to provide a voice for retirees when hearings are conducted by inviting the NRLN to provide testimony. Even if you serve on a committee that does not have jurisdiction over these issues, you have every right as a member of Congress to contact the Chairman of the relevant committee and request that a hearing be convened to explore the issue. You are also free to work with members on the relevant committees to introduce legislation to address the needs of your constituents. Marta Bascom, the NRLN's Executive Director in Washington, DC, can be contacted at 703-863-9611 or at marta.bascom@linkspace.net and stands ready to help you in any way necessary to make this happen.

I hope to hear from you that you will make the interests of America's retirees one of your top priorities when the new Congress convenes in January.

Sincerely,