

National Active & Retired Federal Employees Association

President's Message

By Pat Meyers

I hope all of you are enjoying the lovely fall weather. It was so good to see many of you at our first in-person meeting at Lubber Run Community Center. Not only did you express your liking for the amenities of the Beech Room, but the presentation on the Virginia Ombudsman Program was very well-received. If anyone would like a copy of the Power Point slides used by Camden Duran, please contact me and I'll be happy to e-mail it or bring to the October meeting.

I hope too that you voted in the NARFE national elections this past summer. We, in northern Virginia, are delighted and fortunate to have William (Bill) Shackelford elected as the new President of NARFE, effective 1 January 2023. He is a member of the Fairfax Chapter. Congratulations to President-elect Shackelford as well as Katherine Hensley who was re-elected to another term as Secretary/Treasurer and to Robert Allen of North Carolina who will be our Region X Vice President.

Please plan to vote in the mid-term congressional elections (if you haven't already done so in early voting). NARFE-PAC reminded us again of the importance of PAC contributions to Fed-friendly candidates. Only NARFE members may contribute to NARFE-PAC. There will be forms available at the October meeting for members we may wish to make a contribution.

We look forward to seeing you in October at Lubber Run. Please see the program information below. It sounds like another great program.

October 12 Meeting – Confronting Mild Cognitive Impairment – Advice from Jessica Fredericksen

By Norbert Erickson

The Mayo Clinic defines mild cognitive impairment (MCI) as “the stage between the expected cognitive decline of normal aging and the more serious decline of dementia.” The Alzheimer’s Association reports those already MCI diagnosed at age 65, numbering significantly in the millions, develop dementia after five years. Drugs for some, but not for all, temporarily improve or stabilize symptoms – confusion, loss of memory and thinking skills. Globally researchers have discovered no drug cure in standard treatment slowing the insidious progression of disease.

Recent studies of the brain, however, lead to novel non-drug therapies with promise. Advanced dementia patients, who engage regularly in simple activities, like reading aloud, cursive writing and arithmetic, have greater brain activity in the prefrontal cortex lobe, researchers confirmed. Along these lines a certain curriculum focused on older adults with MCI has been developed – a new program has emerged – Stronger Memory. *(continued on page 2)*

Our presenter, Brain Health Program Manager, Goodwin Living, Goodwin House, Inc., holds a Bachelor of Science (BS) Social Work, from Concordia College, New York and a Master of Social Work (MSW), Gerontology from Brown School at Washington University in St. Louis. Her work experience even overlaps her time during formal studies.

Election of Chapter Officers for 2023

By Pat Meyers

Terms of office for the currently elected Board expire at the end of December 2022. Members willing to be nominated for the following elected officer positions for 2023 should contact Nancy Palmerino (703-243-6546) or at nancyolive0110@yahoo.com NOT LATER THAN 1 November 2022: (1) President; (2) 1st VP for Legislation; (3) 2nd VP for Membership; (4) Secretary; and (5) Treasurer. Questions regarding these offices may be directed to Nancy or President Pat. Officers will be elected at the November general meeting. All nominations submitted in advance to Nancy, plus any nominations from the floor during that meeting, will be voted upon by those in attendance at the meeting. Please consider joining the Executive Board next year. As Legislative chair, Ed Weiler, put it last year, "Running a chapter requires people. If enough members step up to the plate, Chapter 7 remains a going concern."

Legislative Corner

By Ed Weiler

Virginia Federation of NARFE's (VFN's) 2023 State Legislative Plan Renews Call for Tax Fairness for CSRS Annuitants and for Minimum Standards in Nursing Homes

Tax Fairness for CSRS Annuitants

Don't look now, but tax-filing season is just around the corner; and if you are a CSRS annuitant, you will be reminded of the curious fact that a significant portion of a FERS annuity (based as it is, primarily on Social Security) is sheltered from Virginia's income tax, while your pension is fully taxable. Why such disparate treatment? Read on below as we take a deep dive into the history of Virginia's tax treatment of pensions from before 1989 until the present.

As recently as 1988, Virginia allowed its own civil service retirees to subtract the **FULL** amount of their pension from Federal Adjusted Gross Income (FAGI), thereby effectively exempting their total pension from Virginia's state income tax. The State of Michigan followed this practice as well, until a 1989 Supreme Court decision (*Davis v. Michigan Dept. of the Treasury*, 489 U.S. 803) ruled that it violated US law (4 USC &111), which prohibits discrimination by state/local tax authorities against Federal employees, based upon their source of income.

In response to *Davis v. Michigan*, the General Assembly (GA) amended Virginia tax law to provide a phased approach to allow **ALL** pensioners to subtract a portion of their annuity in 1989, and then, by 1991, subtract the **FULL** amount. Wow---sounds too good to be true, eh? Ultimately it was just that, since the GA came back in 1990 and wiped out the pension subtraction, as well as an age-based credit (62+) and replaced it with a new, albeit much less generous, subtraction based upon the taxpayer's age, FAGI, Social Security, and Tier 1 Railroad Retirement Act benefits. In subsequent years (1995, 2004) the GA first loosened then subsequently tightened the age credit, perhaps over revenue- loss concerns.

In any event, in 2022, no Virginia pensioner---other than FERS annuitants, whose pension consists in no small part of Social Security benefits--- are able to significantly reduce their Virginia taxable income by subtracting these benefits from their FAGI (which in turn, is the starting point on VA Form 760 for calculating what will

ultimately be the amount of State income tax owed). So far as I can determine, no one legislated this disparate treatment among Federal retirees. Rather, it simply emerged when Federal workers began to retire under FERS.

While it is of some comfort to know there is no malice involved here, CSRS annuitants still need a solution. Here's where VFN's *2023 State Legislative Plan* comes into the picture, calling for leveling the playing field between CSRS retirees and Social Security recipients (including FERS retirees). During its 2022 Session earlier this year, the GA passed *HB 1168*, which ultimately (by Tax Year 2025) will allow military retirees to subtract up to \$40,000 from their FAGI. Camel's nose under the tent, perhaps? Here's the argument: what's good for military retirees, should also be suitable for Federal CSRS retirees. There's one fly in the ointment, however. Were the GA to loosen up for CSRS annuitants, it's a good bet that Virginia State pensioners would cry foul unless they were also invited to the party---and this raises the sticky issue of how much revenue reduction the GA might countenance in the name of ending disparate tax treatment among various groups of Virginia's pensioners. Although legislation is often mocked as "sausage making," I prefer to think of it as a "balancing act." As NARFE member-advocates, it is our job to make sure our legislators strike the "right" balance.

Minimum Nursing Home Staffing Standards

Long before the pandemic ravaged our nursing homes, tales of staffing shortages and the resulting hardships experienced by residents were commonplace. Thus, over these many years, VFN has included a plank in its annual State Legislative Plan for a minimum standard for staffing levels. Fortunately, hope is on the horizon for VFN's push in the GA's upcoming 2023 Session. First off, two bills (*HB 646* and *HB 330*) from the 2022 Session have been carried over to 2023. Moreover, as noted by Del. Hope (D-47) at Chapter 7's luncheon back in June, Del. Orrock (R-54), currently chairman of the relevant House committee, is on board with moving forward with a legislated floor, should nursing home owners be unwilling to agree on a voluntary minimum standard.

In the advocacy community, a broad coalition of like-minded organizations has come together under the umbrella of Virginia Voices for Nursing Home Residents to advocate for effective staffing standards. Among others, this coalition includes AARP-Virginia, Alzheimer's Assn. of Virginia, Northern Virginia Aging Network, and the Northern Virginia Office of the Long-Term Care Ombudsman. As of this writing, VFN is exploring the potential for collaboration with this coalition.

Lurking beneath the staffing issue, of course, is that of (surprise!) money. Quality long-term care simply can't be had on the cheap---a basic fact that presumably inspired a provision in *HB 330* for the creation of a "Long-Term Care Fund." Although the initial source of funds for this pot of money is to come from facility fines levied on non-compliance with various regulations, given the magnitude of the staffing problem, one can easily envision that over time there will be a call for public funding. Here again our legislators will be required to strike the appropriate balance.

Other State Plan Provisions

To read about the other provisions in VFN's *2023 Plan*, go to: VANARFE.org; click on "Virginia Legislation," then click on "2023 Legislative Plan."

Alzheimer's Report

By Nancy Palmerino

Thanks to all who contributed to our Change for Alzheimer's jar at the September meeting. We took in \$38 which brings our total collected for this year to \$219.59. We will have piggy banks available at the October meeting for you to take home, fill and bring back to future meetings.

December Luncheon

By Pat Meyers

The Executive Board is busy formulating plans for our Chapter's 75th anniversary gala luncheon on Thursday, December 8, 2022. It will be held at the Italian Cafe, 7161 Lee Highway (S. Washington St.), Falls Church, VA. Social hour begins at 11:30 a.m., with lunch following at 12:00 noon. Members and guests may select from a choice of five entrees and two desserts. The cost of the luncheon will be \$25.00 and, in addition to the entree and dessert, will include salad, bread and butter, a non-alcoholic beverage, tax and tip. A cash bar will also be available. Look for the reservation form with the menu in the **NOVEMBER** newsletter. Reservation deadline is Thursday, December 1, 2022.

Membership Report

By Nancy Palmerino

We are saddened to report the passing of Mary Carol Mason. We currently have 316 Chapter members and an additional 462 National members in our chapter area for a total of 778 Chapter and National members.

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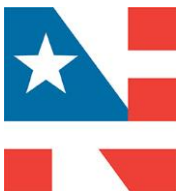
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