

Meetings: 2nd Wed of Month Sept through May (except December) Beech Rm, Lubber Run Community Ctr, 300 N. Park Dr., Arlington - 12:15 p.m.

President's Message

Pat Meyers

Greetings, Everyone!

Before we break for the summer, I hope that you will join us at our annual June luncheon on June 12th to enjoy each other's company and meet VFN President Frances Boatman who was recently re-elected for the upcoming year. It's a great opportunity to hear what she envisions for the VFN. If you haven't yet made a reservation, a form is included in this issue. You may also call me at 703-578-3372 to make a reservation. Reservations need to be made by **June 6th.**

I encourage you to check the latest issue of our NARFE magazine (June/July) for the candidate statements for NARFE National offices for the upcoming year. Both the offices of President and Secretary/Treasurer have more than one candidate as does our Area X Regional Vice-President. Candidate statements, including those received after March 8 may also be viewed online at <http://www.narfe.org/2024-narfe-national-election>. Watch for the September issue of the magazine for instructions for voting online or by mail.

As you go about your summer activities, whether it's travel or stay-cations at home, please give some thought to how you might help our chapter move forward. Can you spare an hour or two a month to help with programs, send information about our meetings to a local newspaper like the Gazette Leader, help with refreshments at a meeting, assist the chapter with membership recruitment/retention --just to name a few opportunities? Chapter 7 needs more member involvement to keep us moving forward. Please think about it and let anyone on the Board know of your interest. In the meantime, we look forward to seeing you at our luncheon and in September. Have a great summer!

Department of Labor's (DOL's) Phoenix-Like *Retirement Security Rule* Flies Again

In late April, DOL finalized yet again a rule (89 FR 32122, 4/24/24) that would, among other things, define when a person is a fiduciary in connection with providing advice to an individual saving for retirement through a workplace plan (such as your TSP), or an IRA. If you are saying to yourself, "it seems like we've seen this movie before, "it's because we have." The saga of this Rule began in 2010, was eventually finalized in 2016 only to be struck down by the Fifth Circuit Court in 2018, and then re-proposed in late 2023. Finalized again on April 24, 2024, this latest iteration starts going into effect on Sept. 23rd of this year—barring any future litigation, of course.

As pointed out in the *Wall Street Journal* (4/24/24), while workplace retirement plans have strict rules requiring that any financial advice be in the best interest of the saver (per requirements under the 1974 *Employment Retirement Income Security Act*), these same rules have not applied once such funds are rolled into an IRA. Poster child for abuse in this context has been the promotion of annuities by financial "advisors," who sell them on commission, and thus have an inherent conflict of interest. In other words, they have not had a "fiduciary duty" to promote the best financial interest of their clients. The crux of DOL's rule is to close what many have seen as a regulatory loophole.

Perhaps as a signaling device to ward off would-be litigants to overturn DOL's efforts yet again, NARFE, along with no less than 36 other like-minded organizations, co-signed a letter of support for the Rule. Of special interest on this list is the National Association of Personal Financial Advisors. At minimum, this trade association's support blunts an oppositional narrative from the minority members of the Senate HELP Committee that DOL's Rule, "...threatens to gut a wide range of financial tools that many of the largest financial planning and management firms currently offer consumers."

(Source: 5/15/24 press release from Sen. Bill Cassidy (R-LA), Ranking Member, Senate Health, Education, Labor, and Pension Committee *et al*, announcing a Senate resolution to invoke the *Congressional Review Act* to revoke the DOL Rule). Stay tuned for any further developments.

Meanwhile, just to keep things in their proper perspective, even if DOL's Rule survives legal or political challenges, the requirement of a fiduciary duty for retirement planners/advisors does not obviate the need for critical thinking. The mere fact that financial advice is devoid of conflicted interest does not necessarily mean it is *financially sound* advice. As always, *caveat emptor*.

A Whiff of Potential Changes for Arlington County's Government: Del. Patrick Hope's *HB1225*

Largely overshadowed by more high profile issues (think budget, taxes, abortion) during the General Assembly's 2024 Session, *HB1225* would have allowed the Arlington County Board to decide if it should keep its current structure, consider changing its size, or change from an at-large system to a district-based representation model. Although this bill did not pass, it will be carried over to the 2025 Session for further consideration.

One significant hurdle to *HB1225's* passage was the unanimous disapproval by Arlington County's current Board Members. According to an on-line article that appeared in *arlnow.com* (1/25/24) the Board directed local delegates and senators to, "...oppose any efforts that make

changes to Arlington County's form of government without the County Board's explicit policy support." For better or worse, depending upon your point of view, this stone wall of opposition subsequently developed a tiny fissure, in the form of a commitment by the Board to engage on this issue with the citizenry over the course of 2024, as part of its broader Arlington 2050 "visioning process."

Fast forward to a recent (5/6/24) article in the Metro Section of the *Washington Post*, wherein the five candidates for the Democratic primary (which, in Arlington, is tantamount to the general election) for County Board were asked point-blank if they supported Del. Hope's bill. All five answered affirmatively, without qualification.

For the purposes of this month's *Legislative Corner*, I contacted Del. Hope's office to request any publicly-available information I might cite which addresses his underlying rationale for *HB1225*. He pointed to the *arlnow.com* article cited above. If you are a citizen of Arlington County, it is decidedly in your interest to read it in full.

Alzheimer's Report

Nancy Palmerino

We collected \$32 at our April meeting and \$62 at our May meeting. You might recall that periodically I have reminded you that we are also collecting that loose change that is accumulating in your piggy bank/dish or in your purse, and will gladly accept it at any time. Well, Robert Munsey and his wife Jane remembered. They cleared out the results of years of penny collecting and ended up donating \$150.19 for Alzheimer's research. That's Over 15,000 pennies! Thank you Robert and Jane. That brings our total collected this year to \$384.19. We will be collecting change for Alzheimer's research at the luncheon, in addition to our 50/50 raffle.

Membership

Nancy Palmerino

We currently have 262 Chapter members and an additional 442 National members in our chapter area for a total of 704 Chapter and National members. Our chapter memberships include 59 1-year members, 35 2-year members, 93 3-year members, 64 dues withholding members and 11 Life members.

Contact Information

President
Pat Meyers
703-578-3372

Legislative Chair
Edward Weiler
703-241-8798

Secretary
Nancy Palmerino
703-243-6546

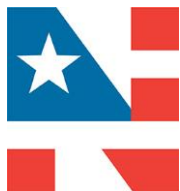
Treasurer
Jim Hall
703-841-0360

Program Chair
Vacant

Social Chair
Pat Meyers
703-578-3372

USPS Mail
P.O. Box 100971
Arlington, VA 22210

eMail
chapter7narfe@gmail.com



NARFE
Arlington Chapter 7
P.O. Box 100971
Arlington, VA 22210