



## TRAC Act Introduced in Senate

AFGE's Truthfulness, Responsibility and Accountability in Contracting (TRAC) Act was introduced in the U.S. Senate on June 29 by Senator **Dick Durbin** (D-Ill.). S. 1152 would track costs and savings from contracting out, require public/private competition, abolish arbitrary personnel ceilings, emphasize contracting-in, and address wages and benefits paid by contractors. [see **TRAC Act in Senate (S.1152)** on page 6]



### A Six-Part Series Celebrating 70 Years of AFGE

AFGE celebrates its 70<sup>th</sup> year as an AFL-CIO chartered union on August 18, 2002. Beginning this issue and running through the July/August 2002 issue, *The Government Standard (TGS)* will count down to AFGE's 70<sup>th</sup> anniversary with a six-part series called "AFGE Time Capsule." The series will combine original *TGS* articles and excerpts from AFGE's history book, "A Proud Past ... A Bright Future," highlighting AFGE's colorful history. *TGS* kicks-off "AFGE Time Capsule" with The First Ten Years, Depression and War (1932-1942). (see **AFGE Time Capsule** on page 4)

### Abercrombie Leads Fight Against Contracting Out

"Taxpayers, warfighters and civilian employees owe Rep. **Neil Abercrombie** (D-Hawaii) an extraordinary debt of gratitude for his leadership on the issue of contracting out," said National President **Bobby L. Harnage**. In August, Abercrombie successfully offered an amendment to the FY02 Defense Authorization bill at the mark up of the House Armed Services Committee that would make the service contracting process more fair to federal employees and more accountable to taxpayers. The amendment passed by a vote of 34-25. (see **Abercrombie Amendment** on page 7)

### Meet the Contractors

The Social Security Administration has hired Maximus, Inc. of McLean, Va., to act as the national Program Manager for the Ticket to Work program. Ticket to Work encourages individuals with disabilities to seek the services necessary to obtain and retain employment and reduce their dependency on cash benefit programs. Maximus derives most of its income from federal, state and local government contracts around the U.S. It has been alleged that Maximus has serious problems with poor performance and unscrupulous practices. (see **SSA Contractor** on page 8)

*Editors' Note: Meet the Contractors will be an ongoing series.*

### AFGE's New FEPCA Calculator



AFGE's Web site has undergone a facelift, making the site easier to navigate and quicker to download. By incorporating the latest technologies, it's also easier to login and print. (see **New FEPCA Calculator** on page 8)

## AFGE's Solution to the Human Capital Crisis

Adequate pay, adequate staffing, a reasonable expectation of job security and public respect are four components AFGE deems necessary for the federal government to recruit and retain the work force it needs for the 21st Century. (see **AFGE's Solution to Human Capital Crisis** on page 7)

### Give Us a Chance to Compete 350+ Members Attend TRAC Hearing



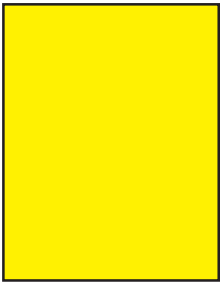
Over 350 AFGE members from Locals 32, 383, 940, 1156, 1647, 1709, 1923, 1992, 2004, 2047, 2145, 2209, 2635, 2809, 2906, 3344 and elsewhere, attended the first hearing on H.R. 721—the Truthfulness, Responsibility and Accountability in Contracting (TRAC) Act—in Washington, D.C. on June 28. For complete coverage and more photographs of this historic hearing, see page 6.

### 300,000 Members by 2005

Delegates to the 2000 AFGE Convention passed a resolution aimed at growing AFGE by some 100,000 active members over the next five years. While this may seem to be an ambitious goal in light of AFGE's current membership of 215,200 active and retired members, the resolution passed because of the significant membership increases AFGE made in the 1990's. (see **300,000 Members by 2005** on page 3)

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# Bush Boondoggle

## A Message From Bobby Harnage

If you're like most of us, at one time or another you've had a telemarketer excitedly tell you that YOU have won a free trip—if you then follow their instructions which generally include the hidden costs. Now think about the “Bush 2001 Tax Cut.”

*Citizens For Tax Justice (CTJ)* tells us that for most Americans, the post-2001 Bush tax cuts “offer little gain but lots of pain.” Government workers may be the first to witness the boomerang pain of the highly-proclaimed but inaccurately named “tax relief.”

Noted economists explain that most people will get little more in tax reductions

after the first year while losing large amounts in public services as the remaining upper-income tax cuts are phased in. We have no way to predict the human toll.

Beyond 2001, the lowest 20 percent income group among our citizens will see only \$10 in tax cuts, while the top ten percent have another \$7,000 yet to come, according to *CTJ*.

That means that in 2001, seven percent of the total tax cuts go to the top one percent. But after 2001, more than half of the remaining tax cuts will go to the top one percent. Guess who they are? No one we know.

Think back to that telemarketer with the scam offer. The check you may receive

from the Internal Revenue Service is emblazoned with the words **Tax Relief For America's Workers**. The more accurate banner would read **Be Pleased with Your One-Shot Meager Sum**.

No free vacation with that check—it might be best to save it for what lies ahead. Federal employees have no reason for optimism with what Bush has dished out so far.

And take it from someone you **know** has the utmost interests of federal employees as his first priority. We would best consider our own fiscal future and share that money with AFGE's PAC, our own political war chest. The fights we will continue to wage on the Hill and with the

Administration must be bolstered by our financial commitment to win.

When the federal work “contractor grab bag” is bottomless and agencies don't even bother to keep track, AFGE bears the responsibility to hold the highest standard of what our government should be.

**Hubert Humphrey** once defined the responsibility of government this way: “The moral test of government is how that government treats those who are in the dawn of life, the children; those who are in the twilight of life, the elderly; and those

who are in the shadows of life—the sick, the needy, and the handicapped.”

Those who are elected to preserve our nation's bedrock principles—the promise to our brave veterans or America's longstanding, faithful Social Security program—would do well to remember the good our country has been able to do. What we now choose to do is up to us.

## Union Insights

**Do you think the government is doing all it can to get you the best deal under the Federal Employees Health Benefits Program (FEHBP)?**



**Curtis Johnson**  
Vice Pres., Local 3448  
Social Security Admin.  
Canton, Ohio

No. When comparing health benefits in the federal sector to the private sector, workers in the private sector pay far less in premiums, if any at all. One major reason the federal government should be contributing more to FEHBP—like 80 percent—is because federal workers make far less in salary than their counterparts in the private sector.



**Patrick Russell**  
Pres., Local 1539 and  
VA Council 259  
Dept. of Veteran's Affairs  
Hot Springs, S.D.

No, I don't. It's my opinion that federal workers are not getting the best deal that's out on the health benefits market. With the number of employees in the federal government, we should be paying far less in premiums—we're paying more than we should.



**Josie Marrujo**  
Pres., Local 4041  
Social Security Admin.  
Albuquerque, N.M.

Federal workers have always paid more for health benefits than private businesses. It's a shame the federal government isn't contributing their fair share. Federal employees need to do all we can to get the law changed.



Stay on top of the latest AFGE news—sign up for the AFGE Action News. The AFGE Action News exclusively provides AFGE members with the most current AFGE information available. To date, over 2,100 AFGE members have signed up

for AFGE's newest communications tool. Have you?

AFGE Action News delivers legislative grassroots and organizing news right to your computer screen. Go to the *Members-Only* section of AFGE's Web site, [www.afge.org](http://www.afge.org), to subscribe. Sign up today and urge your AFGE sisters and brothers to do the same.

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# Benefits of Being an AFGE Member

## Recent Organizing Victories

Congratulations to the hundreds of federal workers who recently chose AFGE: **Local 3272**, SSA Office of Hearings and Appeals, Grand Rapids, Mich., 28 workers; **Local 1399**, Defense Finance & Accounting Service (DFAS) San Diego Site, 60 workers; **Local 1547**, Army and Air Force Exchange Service (AAFES), Luke Air Force Base, Ariz., 207 workers; **Local 1034**, Bureau of Prisons, Pollock, La., 20 workers. **Local 1156**, Naval Support Activity, Mechanicsburg, Pa., 8 workers; **Local 2199**, Department of Veterans Affairs (DVA) Salt Lake City, 8 workers; **Local 31**, DVA Cleveland, 682 workers; **Local 723**, Dept. of Interior, Geological Survey, Ann Arbor, Mich., 48 workers; **Local 3403**, African Development Foundation, Washington, D.C., 16 workers; **Local 727**, Court Services & Offender Supervision Agency, Washington, D.C., 285 workers; DVA Paducah, Ky. & Vernon, Ill., 19 workers; **Local 1951**, Department of Defense (DoD) Domestic Dependent Elementary & Secondary Schools, Laurel Bay, S.C., 15 workers; **Local 2614**, Army Installation Club Management System, Fort Buchanan, Puerto Rico, 48 workers; **Local 2298**, Naval Consolidation Brig, Naval Weapons Stations, Charleston, S.C., 50 workers; **Local 862**, DVA N.Y. Harbor Healthcare System, Brooklyn, N.Y., 285 workers; **Local 2610**, DVA Medical Center & Regional Office, Togus, Maine, 9 workers; **Local 42**, Navy Recruiting Office, Long Island, 20 workers. **Local 2203**, Federal Emergency Management Agency, 30 workers; and **Local 2594**, Seafood Inspectors, Gloucester, Mass., 50 workers. Welcome to AFGE!

## 300,000 Members by 2005

(continued from page 1)

Since 1995, AFGE has increased its net membership by over 30,000, a feat realized by just five other AFL-CIO-affiliated unions. What makes this even more impressive is that most of this new growth has come from current bargaining units. In other words, potential new members at work sites already represented by AFGE have been responding to the union's call to "join the fight" for job security.

Meeting the 2005 organizing goal will be a challenge, but as we already have proven, AFGE is ready. To this end, the membership growth resolution adopted by AFGE Convention delegates requires that a goal of 10 percent net annual growth be established for all levels of the union—Locals, Councils and Districts—except for those entities already 95 percent organized or better.

The ultimate question is—*How far along is your AFGE Local or Council as it strives to achieve this ambitious goal, and how can you help?* Contact your Steward or Local President to find out more about how we can grow our union together.

## SPECIAL

Liberty Mutual informed AFGE that effective September 30, 2001, the five percent discount for auto and homeowners insurance would no longer be offered to AFGE members. This in no way effects a member's current insurance coverage with Liberty Mutual. As in the past, the member will be able to renew his/her coverage. The M&O Department will no longer promote this program and Local leaders are encouraged to do the same. A replacement Union Privilege benefit is under review.

## NOTICE

## AFGE: Connecting in the Community



6th District National Representative Dale Cox provides AFGE information to attendees of the Indiana Black Expo.



Terry Rosen (r) meets a delegate at the August 2001 Excellence In Government Conference.

## "I Get These Benefits Because I'm an AFGE Member."



### CREDIT CARD

A special union-endorsed credit card, with a competitive-rate and no annual fee.

To apply: 800-522-4000



### HEALTH SAVINGS

Save on prescriptions at more than 26,000 pharmacies nationwide.

For information: 800-228-3523



### MOTOR CLUB

Affordable and reliable sign-and-go roadside service.

To enroll: 888-330-8801



### LOAN PROGRAM

Competitive-rate personal and home equity loans, with affordable monthly payments.

To apply: 888-235-2759



### MORTGAGE & REAL ESTATE

Competitive-rate mortgages for home purchase or refinancing.

For information: 800-848-6466



### LEGAL SERVICE

Free and discounted legal assistance. Free consultation and free document review.

For referrals: 888-993-8886 or visit [www.unionprivilege.org](http://www.unionprivilege.org)



### DENTAL & VISION

Savings on out-of-pocket dental and vision care. Low annual fee covers the entire family.

For information: 800-257-8352



### FLOWER SERVICE

Save money when you send flowers, order toll-free, 24 hours a day, 365 days a year.

For information: 888-667-7779



### ACCIDENT INSURANCE

\$10,000 of Workplace Accidental Death insurance at no cost to you plus low rates on additional coverage.

For information: 800-899-2782



### EDUCATION LOAN

Educational assistance to union members and their families.

For information: 877-881-1022



### FAMILY SAVERS

Savings on a long list of products and services including car rentals, hearing aids, interstate moves and more.

For information: 800-452-9425



### LIFE INSURANCE

Term insurance at low group rates and premium waiver during layoffs.

For information: 800-899-2782

**Union Plus** Working For Working Families

Program restrictions may apply to members outside the continental United States. Union Plus Credit Card issued by Household Bank (Nevada), N.A., an equal opportunity lender.

[www.afge.org](http://www.afge.org)

# New FEPCA Calculator Waits For You!

(continued from page 1)

Some of the new features of AFGE's Web site, [www.afge.org](http://www.afge.org), include a new login procedure, improved navigation, accessibility and easier printing. Another new feature is the Federal Employees Pay Comparability Act (FEPCA) Calculator located on the home page. The FEPCA Calculator determines how much money you would currently be making had FEPCA been fully implemented.

The new login procedure was created so AFGE members do not have to enter their Social Security number every time



they access the Members-Only portion of the site. The new system allows members to create a username and password of their choosing.

To make the Web site as easy to navigate as possible, the same look and navigation structure will remain, no matter

where you are on the site. This will help in getting to any area as quickly as possible. The site map allows you to see a listing of every page. There is also a new site search feature, which can be used from any page by typing search terms into the search box at the upper-left

hand corner of the page.

AFGE's Web site is now accessible to all users. Some steps that were taken in this direction include: not relying on graphics for navigation; making documents available for download in multiple formats; and providing alternate text content

for graphics and multimedia.

Printing pages from Web sites can often be a hassle. This is why every page on AFGE's new and improved Web site has a "Printable Page" link along the top. Following this link will display a version of the page without the graphics and formatting that can cause printing problems. Only the content of the page will be displayed.

The AFGE Web site will continue to improve as more features are added to better serve and communicate with members. Check out AFGE's new look Web site today at [www.afge.org](http://www.afge.org).



## The First Ten Years, Depression and War (1932-1942)

The following article was written by **James B. Burns**, President of AFGE, and was printed in the August 14, 1942, issue of *The Government Standard*. The article, "1932-1942—Ten Years of Achievement," is full of timeless messages regarding the importance of joining AFGE and the struggles unionists continue to make. It is worth noting that AFGE was founded at the height of the Great Depression and, as the following article highlights, played a leading role in helping the economy recover. Also note that in August of 1942, the United States had been at war for less than one year with Germany, Japan and other nations that were part of the Axis powers.

On Tuesday next the American Federation of Government Employees will be ten years old. The little group that received the charter from the American Federation of Labor on August 18, 1932, undoubtedly realized that the new organization would not have an easy task. The national economy was steadily contracting. The Government service was at almost its low point, in modern times, for wage cuts and furloughs were the rule, and promotions and leave privileges had gone by the board.

It was, in fact, about as inauspicious a time as could be imagined for a new organization to set out, among Government workers, but it was unquestionably a time when action and aggressive leadership were needed. Conditions were steadily going from bad to worse, and wageworkers the country over saw nothing but bleak poverty ahead unless the ever-descending spiral of wage-cutting dismissals could be checked.

The American Federation of Government Employees soon made its presence felt. At a time when other employee groups hesitated to do anything at all, AFGE boldly called for restoration of pay. On every side "advisers" appeared to say it couldn't be done, but AFGE went ahead and did it anyway.

There is good reason to believe that this may have been an important factor in turning the tide of economic depression. Shortly after the Government employees' pay was restored, railroad employees received a similar pay increase, and then came boosts for bakery workers. Private industry, which had followed the government's lead in pay cutting, also followed it—when unions could bring strong pressure—in restoring pay.

Confidence, and broader purchasing power, helped reverse the turn of the spiral. Since that time the national economy has steadily expanded; and so, too, has the scope of the achievements of AFGE expanded.

Leave and promotions were restored, and many essential gains were made later—new ground conquered by an aggressive and active employee organization. Now, after 10 years, we see the fruits of organization—in such measures as the many improvements of the retirement system and classification and uniform pay increases.

The future is bright, but there are still many tasks ahead. The Government service still needs many corrective measures, primarily a greater recognition of the value of employee-supervisor cooperation, particularly in the field of employee participation in personnel policies. AFGE has made a promising beginning in this field, but much remains to be done, and the task can be performed only by **organization, ORGANIZATION, and MORE ORGANIZATION.**

Those who have been members of AFGE in the last 10 years have reason to know that "**Your AFGE dues are your best investment.**" Now, tell your friends.

**David R. Glass**, a Dept. of Veteran's Affairs employee, was Founding President until 42 delegates chose **John A. Shaw** President of AFGE at the 1932 Charter Convention. Subsequent President's during the first decade were **E. Claude Babcock**, **Charles I. Stengle**, **Cecil E. Custer** and **James B. Burns**. **Helen McCarty**, a Navy employee, was Chief Organizer.

McCarty stayed in tune with the members and within three years AFGE grew to 20,000 members throughout the 13 Civil Service Districts in 211 lodges (units would not be called Locals for another three decades). What started as 500 chartered members in 1932 grew to 27,000 members by 1941.

AFGE was originally headquartered at 1700 Pennsylvania Ave., one block from the White House, in offices above a bank. Conventions were held annually until 1941, then suspended because of World War II travel bans. During the first ten years, AFGE won the right for workers to designate beneficiaries to their retirement funds. Annual leave was increased to 26 days and sick leave was made accumulative.

To find out more on the history of AFGE, log onto the *About AFGE* section of AFGE's Web site, [www.afge.org](http://www.afge.org).

## Health & Safety Watch

# Whistleblower Protection Laws

## Local 1278 Shares Experience

By Milagro Rodriguez, AFGE Health & Safety Specialist

According to CFR 29 Part 1960—Basic Program Elements for Federal Employee Occupational Safety and Health Programs—and Executive Order 12196, employees have the right to report health and safety problems without fear of reprisal. The Whistleblower Protection Act of 1989 protects workers from retaliation for disclosing violations of laws, rules or regulations, or gross mismanagement. Section 2302(b) of Title 5 of the U.S. Code prohibits retaliation by federal supervisors. So you're protected, right? Well, not quite.

The officers of **Local 1278** thought they were doing the right thing when they reported health and safety problems but soon faced a retaliatory reduction in force (RIF). Employees at the Naval Computer and Telecommunications Station in San Diego, were experiencing ergonomics problems that led to carpal tunnel syndrome. The Local President discussed the situation with the Occupational

Safety & Health Administration (OSHA), and later requested an ergonomics inspection. The inspection showed there were indeed problems. Upon hearing of the OSHA inspection, the employer contacted OSHA—but not to fix the problem. The employer wanted the names of the workers who filed the complaint.

The Local also requested an investigation into conflict of interest problems between managers and contractors. The Local believed that several supervisors were gaining inappropriate financial benefits from telecommunications contracts. This resulted in an Inspector General investigation.

The RIF announced in April 2001 targeted Local union officers. The first round, effective July 1, 2001, abolishes the positions of the Local President and a Steward. The second round, scheduled for December, targets the Secretary/Treasurer, the Chief Steward and another Steward.

The Local turned to OSHA for help but was referred to the Office of the Special Counsel (OSC). OSHA offers little protection to private sector employees under Section 11(c), **but no protection to federal employees**. The OSC is charged with enforcing the Whistleblower Protection Act and with facilitating disclosures of wrongdoing in the federal government. (The OSC also enforces the Hatch Act, which restricts political activities by government employees.)

The OSC investigates allegations of prohibited personnel practices. If a violation is proven, the OSC seeks corrective action and also tries to resolve the issue with the agency. If the agency does not cooperate, the OSC works with the Merit Systems Protection Board to obtain corrective and/or disciplinary action. You can also request that the OSC "stay" or delay an adverse personnel action until an investigation is conducted.

## What Can You Do?

If you believe you have been discriminated for protected whistleblowing activities, do the following:

Contact the Office of Special Counsel, Complaints Examining Unit, 3rd Floor, 1730 M. Street, N.W., Washington D.C. 20036, telephone 1-800-872-9855. You can review OSC publications explaining your rights to protection on the Internet at [www.osc.gov](http://www.osc.gov). There are no time limitations for filing a reprisal complaint with the Special Counsel.

Document the events leading to the retaliatory action. The OSC will ask for a detailed description of the situation, including dates. You should also submit any evidence you have in support of your allegation. Include information on any actions that you have taken under your collective bargaining agreement, such as filing grievances and unfair labor practices, and report the result of those actions.

Contact your members of Congress. Local 1278 has also asked their Senators and Representatives for help. National President Bobby L. Harnage wrote to Senator Barbara Boxer asking her to intervene on behalf of the employees.

Support legislation intended to improve whistleblower protection for federal employees. H.R. 169, the Notification and Federal Employee Antidiscrimination and Retaliation Act of 2001, and its companion bill, S. 201, the Federal Employee Protection Act of 2001, would hold federal agencies accountable for violations of anti-discrimination and whistleblower protection laws.

Also, be sure to contact the AFGE National Office. We need to document and follow-up retaliation cases so that we can secure better protection for federal employees.

## News You Can Use

### The Federal Employee Education & Assistance Fund CFC #2808

Government workers are on-the-clock for America 24/7. Do you ever wonder who is there for government employees? The Federal Employee Education and Assistance (FEEA) fund is always there. From scholarships for federal employees and their dependents to emergency financial assistance, FEEA is the only non-profit agency totally devoted to civilian and postal employees.

Your contribution at the Combined Federal Campaign (CFC) time to #2808 is what keeps the fund strong and ready for the federal employee who needs it next. Remember FEEA at CFC time because FEEA remembers you. For more information call (800) 323-4140 or visit [www.feea.org](http://www.feea.org).

### DVA Election Update

The National Federation of Federal Employees (NFFE)/Intl. Assoc. of Machinist (IAM) won the Dept. of Veterans Affairs (DVA) professional unit runoff that was conducted by the Federal Labor Relations Authority in June. NFFE had 776 votes to AFGE's 667. There are 3,800 employees in the professional unit. In March, AFGE won the DVA non-professional unit of 10,000 employees.

## AFGE Retiree Program Update

The AFGE Retirees Program has hit the ground running. The National Office has been receiving an increased number of positive calls and letters from retired AFGE members after the new Retiree Program was publicized in the July/August issue of *The Government Standard*. Below is a program update.

**5<sup>th</sup> District** National Vice President (NVP) **Mary Lynn Walker** was the first NVP to get the Retiree Program moving with a Retirees Homecoming at the Florida District Training in May. The May event was followed by a 'Life After Retirement' seminar at the June Multi-District Training in Gatlinburg, Tenn. Walker recently named **Joyce Rich**, a retiree from **SSA Local 2206** in Birmingham, Ala., as **5<sup>th</sup> District** Chief Coordinator and has appointed a Retiree Coordinator in nearly every state.

In the **6<sup>th</sup> District**, NVP **Arnold Scott** held a retiree event during the annual District Picnic in July. Unfortunately, severe weather kept several retirees away. Similar events are planned for this fall. In the **7<sup>th</sup> District**, NVP **Bob Nelson** named **Eloise Dillon** as the District's interim Retiree Coordinator.

In July, **8<sup>th</sup> District** NVP **Terry Rogers** sent **Wayne Goldsworthy** and **Craig Maehling**, two retirees from **DVA Local 1969**, as delegates to the Minnesota State AFL-CIO Convention, where they applied the District for affiliation with the Minnesota State Retiree Council. In addition, **DVA Local 2342** in S.D. is sponsoring a Retirement Seminar at Fort Meade on October 18. Topics covered will include the legislative agenda for retired federal workers and also a financial planning workshop. In

the **9<sup>th</sup> District**, NVP **Mike Kelly** has already set up an informal retirees' network. In fact, retirees are planning to hit the campaign trail this September to work against Oklahoma's Right-to-Work ballot initiative. Several other District NVPs have indicated that they are planning retiree events for the fall. Be sure to look for notices in *The Government Standard* and in your mailbox or call your District office.

AFGE is optimistic about the prospect of a comprehensive AFGE Retiree program. Retirees offer the union their time and, most importantly, their experience. If you're interested in getting involved in the AFGE Retiree Program, please call Political Affairs Director **Martin Dunleavy** in the National Office at (202) 639-6440.



## On The Record With...

### Representative Henry A. Waxman (D-Calif.) Moving Beyond a Black & White Discussion of Outsourcing

*Editors' Note: The following comments by Rep. Waxman were made during the June 28, 2001 hearing of the TRAC Act—H.R. 721.*

Mr. Chairman, I want to begin by thanking you for holding this important hearing. As you may know, I joined 22 of our colleagues on the full Committee on Government Reform in sending a letter requesting the Truthfulness, Responsibility and Accountability in Contracting (TRAC) Act be the focus of a hearing. Although today's hearing covers all the issues of outsourcing, I am pleased that we will have the opportunity to review the TRAC Act. The TRAC Act has over 180 cosponsors and deserves our serious attention.

Since 1955, the executive branch has promoted outsourcing by federal agencies as a means to purchase commercially available goods and services from the private sector. In 1966, the Office of Management and Budget issued Circular A-76, which established how contracting out decisions should be made in the government. Most recently, the Bush Administration moved to promote increased outsourcing by the federal government.

Advocates of outsourcing believe this action will enhance cost savings and efficient delivery of services.

In my view, the key to cost savings and efficiency is competition between the private sector and federal employees for commercial activities, not automatic outsourcing. This may not sound like a radical notion, but I am amazed at how often the assumption that outsourcing is always better is automatically accepted as fact.

The fact really is that federal employees—all across our country—do superb work and often at a fraction of the price contractors would charge. The federal work force is an invaluable resource that is often taken for granted and, even worse, sometimes deliberately denigrated. That makes no sense and it absolutely makes no sense to insist on outsourcing when work can be done more efficiently and better by federal workers.

Unfortunately, the federal government has often avoided competition by directly converting work to the private sector or by labeling work as "new" so that competition becomes impossible.

Every member of Congress should support government

efficiency and saving taxpayer dollars. But, in order to determine whether taxpayers are receiving savings, true cost comparisons must be performed. In addition, agencies should be required to keep records of the costs and savings associated with both contracting out and contracting in.

That is why I support the TRAC Act, which requires agencies to track the costs and savings of contracting out and to conduct public/private competitions. Moreover, the TRAC Act abolishes the use of arbitrary personnel ceilings and would also require agencies to subject work performed by contractors to the same level of public/private competition as work performed by federal employees.

Mr. Chairman, outsourcing exists because of the theory that it saves money and improves efficiency. Unfortunately for too long, we have failed to apply any accountability to whether or how often that theory works. I want to work with you to make sure we have solid data for cost comparisons, and then we should apply that data in a fair and unbiased way to outsourcing decisions. Thank you.

## First Hearing Held on TRAC Act

AFGE's service contracting reform legislation—the Truthfulness, Responsibility and Accountability in Contracting (TRAC) Act (H.R. 721)—received its first hearing before Congress on June 28.

186 members of Congress who cosponsored the bill, 103 organizations representing over 15 million taxpayers, and determined AFGE members persuaded the House Government Reform Subcommittee on Technology and Procurement Policy to call a hearing on legislation to hold private contractors accountable. The TRAC Act was first introduced in the 106<sup>th</sup> Congress on February 29, 2000. National President **Bobby L. Harnage** testified at the hearing and over 350 members were in attendance.

"We've traveled a long and hard road to get a hearing and we thank Representative **Tom Davis** (R-Va.) for the opportunity," said Harnage. "Federal employees went before Congress and told it like it is—contracting out is undermining our national defense, environment, food safety and Social Security. Private companies are more concerned about maximizing profits and less about serving the people."



"Private companies are more concerned about maximizing profits and less about serving the people," said National President **Bobby L. Harnage** before Congress.

The TRAC Act would track costs and savings from contracting out, require public/private competition, abolish arbitrary personnel ceilings, emphasize contracting-in, and address wages and benefits paid by contractors.

Members of Congress, allied organizations and AFGE are concerned that Office of Management and Budget (OMB) officials have committed the Bush Administration to privatizing, converting to contractor performance without public/private competition, or subjecting at least 425,000 federal employee jobs over the next four years to public/private competition.



Because the hearing room (below left) reached full capacity with AFGE members in a matter of minutes after the doors finally opened, an overflow room was opened and the hearing was televised. The overflow room was immediately filled with AFGE members.



AFGE members waited in line (above) UP TO SIX HOURS for seats in Room 2154 in the Rayburn House Office Building before the hearing began. Contractors were forced to wait in the back of the line!



(l-r) Local 1647 members **Neal Soucy** (an electrical repairman for 36 years) and **David Zelenowski** (a truck driver for 23 years) traveled from the Tobyhana Army Depot (Pa.) to attend the hearing in Washington, D.C.

PHOTOS BY: JOCELYN AUGUSTINO

## TRAC Act Introduced in U.S. Senate (S. 1152)

(continued from page 1)

The 14 Senators who added their names as original cosponsors to the TRAC Act include Senate Majority Leader **Tom Daschle** (D-S.D.), **Joe Lieberman** (D-Conn.), **Patty Murray** (D-Wash.), **Mary Landrieu** (D-La.), **Jon Corzine** (D-N.J.), **Russ Feingold** (D-Wis.), **Edward Kennedy** (D-Mass.), **Paul Sarbanes** (D-Md.), **Barbara Mikulski** (D-Md.), **Robert Torricelli** (D-N.J.), **Harry Reid** (D-Nev.), **Charles Schumer** (D-N.Y.), **Debbie Stabenow** (D-Mich.) and **Tim Johnson** (D-S.D.). Senators who recently signed on as cosponsors include **Mark Dayton** (D-Minn.), **Christopher Dodd** (D-Conn.) and **Paul Wellstone** (D-Minn.). If your Senator hasn't cosponsored the bill, call and ask why?

## 100 Join AFGE-PAC at Multi-District Training

During the Gatlinburg, Tenn., Multi-District Training in June, 100 members signed up for and increased their contribution levels in AFGE's Political Action Committee (AFGE-PAC). Thanks to **Dist. 4** National Vice President (NVP) **Joe Flynn**, **Dist. 6** NVP **Arnold Scott**, **Dist. 14** NVP **David Schlein** and **Dist. 5** NVP **Mary Lynn Walker** for playing leading roles in the training. Thanks also to National Political Organizer **Bob Mechan**, **Dist. 5** PAC Director **Keith Livermore**, **Dist. 6** Women's Coordinator **Michaelene VanDine** and **Dist. 5** Supervisory Natl. Rep./Admin. Asst. **Ron Hutchens**. To find out more about the AFGE-PAC and why it's a valuable resource to AFGE members, call (202) 639-6457 or visit [www.afge.org](http://www.afge.org).

# On The Hill

## “Future Generations are Counting on Our Success”

*Editors’ Note: The following comments were submitted by Mark Gibson, Chair of AFGE’s Defense Conference (DEFCON) and President of Fort McCoy AFGE Local 1882 in Tomah, Wis., immediately following the House of Representatives June 28 hearing on H.R. 721—the Truthfulness, Responsibility, and Accountability in Contracting (TRAC) Act.*

“We are truly members of a union that fights. Our ranks are filled with members who are willing to step forward and make whatever sacrifices are necessary to ensure that our union, AFGE, not only represents the needs of our members, but also of our country.

“Today several hundred AFGE activists and staff members from our National Office stood in line for hours to ensure that AFGE members could observe the first public hearing on H.R. 721, the Truthfulness, Responsibility, and Accountability in Contracting Act.

“Not only was AFGE in the house, but we were noticed. Noticed not only by the lawmakers entrusted with preserving the services demanded by Americans, but also by those profit hungry contractors waiting for the opportunity to get rich off the hard-earned dollars of American taxpayers.

“We were noticed by the various pro-contractor government agency officials who came to speak in favor of contracting out services performed by federal employees.

“Our message went out to non-participants in the hearing on our TRAC legislation who were in the Rayburn House Office Building on other business as they stopped and asked AFGE members what hearing was so important to draw hundreds of people waiting for hours for a chance to peek in the door. Our voices strongly proclaimed that we as federal employees were there to protect the services that Americans expect. We were heard.

“We were heard by Representative Al Wynn when the overflow room rose to a standing ovation for his being our champion. We were heard by those co-sponsors whom we stopped and thanked for their support. We were heard by those members of the House of Representatives whom haven’t yet seen the wisdom of the TRAC Act when we stopped once again to seek their support.

“We were heard by our brothers and sisters of the Capital Hill Police Force as we assisted in keeping order and maintaining quite in the halls outside the hearing room.

“We were heard by the contractors whom we greatly outnumbered, but who could not be bothered to wait in line like average working-class Americans.

“I am proud of this union and our members. Of the staff that so eagerly shares our struggle. Of our national officers who chose to stand in line with rank and file members for an opportunity to witness the hearing. Of our Legislative staff which shook off derogatory comments from government officials attacking our obvious successes. I am proud of the activists who participated in securing the support of over 170 co-sponsors to this legislation and those who continue to work on obtaining support from our legislators.

“Future generations of Americans are counting on our success. We cannot falter or break stride now. Our fight must continue to preserve the benefit of public service over corporate spoils.”

## AFGE Praises House Action Supporting Pay Parity

National President **Bobby L. Harnage** issued the following statement praising the House Appropriations Committee’s passage of legislation calling for a 4.6 percent pay increase for federal employees in 2002:

“Today’s action in the House supports the time-honored tradition of pay parity between federal civilian employees and military personnel that has occurred for 17 of the last 20 years. Military personnel and federal civilian employees work side-by-side for the same employer. There is no reason why both groups should not receive the same pay increase.

“President **Bush** needs to wise up. It doesn’t take a rocket scientist to figure out why the government is experiencing severe recruitment and retention problems. With both salaries and health insurance benefits substantially below those provided by large private sector firms and state and local governments, it’s no wonder the government has failed to recruit top college graduates in the past several years.

“The answer won’t be found in the current Band-Aid approach of creating special pay rates for select employees as favored by the Bush Administration. Only when the federal work force is fairly compensated, respected for their dedicated service and no longer faces the threat of contracting out to the lowest bidder, will the government once again be able to recruit the best and brightest.

AFGE wholeheartedly thanks Reps. **Steny Hoyer** (D-Md.) and **Tom Davis** (R-Va.) for their continued efforts to fairly compensate federal workers. Before the August recess, the full House approved the measure and the Senate Appropriations Committee had also endorsed the 4.6 percent pay increase. The full Senate will likely consider the Treasury-General Government Appropriations bill in September.

## AFGE’s Solution to the Human Capital Crisis (continued from page 1)

AFGE National President **Bobby L. Harnage** went before the Senate Governmental Affairs Subcommittee on Oversight of Government Management, Restructuring and the District of Columbia on July 17 and presented AFGE’s solution to the “human capital crisis” in the federal government.

During the hearing, Harnage stressed that the federal government is in the midst of a serious personnel crisis and the use of ‘flexibilities’ in federal personnel systems will not solve the problems that comprise this crisis. In fact, exercise of some of the flexibilities which have been proposed are more likely to exacerbate current and future problems than to solve them.

Harnage labeled the crisis “self-inflicted” because it is the result of more than a decade of downsizing, privatization, contracting out and failure to match either private or public sector standards for pay and benefits. Emphasizing that arbitrary personnel ceilings are a crucial component of the federal government’s human capital crisis, Harnage noted that “no private business or organization would pluck an arbitrary number from the air and adhere rigidly to it. Yet, that is precisely what the federal government has done.”

AFGE believes that as a result of arbitrary personnel ceilings, agencies have no choice but to contract out work. Agencies then pay whatever price contractors demand, even if the work can be done more effectively by federal employees and even if the work should be done by federal employees, for national security, public interest or public safety reasons.

During the hearing, Harnage asked whether the government faces a human capital crisis in its “shadow” private contractor work force and if not, why? He pointed out that contractors are not bound by personnel ceilings or inadequate pay and compensation systems, yet their contracts are paid from the same source as federal agencies—the taxpayers.

“We must rebuild the federal service,” said Harnage. “To do this, a new generation of federal employees must be hired, trained and provided with career opportunities that measure up to alternatives in both the private and public sectors. Enhanced flexibilities can play a constructive role, but they must include enhancements in collective bargaining rights for unionized federal employees.”

## Abercrombie Amendment

(continued from page 1)

The Abercrombie amendment would ensure that Department of Defense (DoD) civilian employees have full and fair opportunities to compete in defense of their jobs before their work is given to contractors. It would give DoD civilian employees full and fair opportunities to compete for at least a fraction of new work before it is given to contractors. The measure would also require DoD to emphasize contracting in to the same extent as contracting out. Finally, the Abercrombie amendment would require DoD to track its contractor work force with respect to cost and size, using methodology developed by the Department of the Army.

The amendment would not prevent contracting out. However, it would ensure that warfighters and taxpayers have the benefit of more public/private competitions before work is given to contractors as well as more scrutiny of the work performed by contractors. Contractors will try to strip the Abercrombie amendment either when the defense authorization bill goes to the floor of the House of Representatives or in a House-Senate Conference. Visit AFGE’s Web site, [afge.org](http://afge.org), to find out what you can do to beat the contractors.

## Local 2134's Members Battle Flood—Are Honored



Thanks to a flood-fighting team that included several members of AFGE Local 2134, Rock Island Arsenal, Ill., was able to declare a victory in its battle against the Mississippi River in May. Located on an island's high ground on the river between Illinois and Iowa, nearly all of the Arsenal's manufacturing, administrative and residential buildings remained dry and maintained normal operations throughout the flood. Still, a few of the Arsenal's critical facilities, including its water intake plant, were vulnerable to flooding. To hold back the floodwaters, AFGE members helped fill and place more than 130,000 sandbags, used about 4,000 tons of sand to create temporary dikes, and patrolled the Arsenal's levees and operated pumps around the clock, seven days a week.

## Local 2809 Wins Labor Award



(l-r) 1<sup>st</sup> VP **Barbara Hurst**, Secretary **Kay Pettinger**, United Way Rep. **Lois Hartel**, Treasurer **Nancy Kopko**, Pres. **Carolyn Pekariski**, Night Shift Steward **Kathy Ferreira** and Night Shift Chief Steward **Kathy Hagy**.

Local 2809, which represents SSA employees at the Wilkes-Barre Data Operations Center in Pennsylvania, was recently presented with the United Way of Wyoming Valley's Labor Award. During last year's Combined Federal Campaign (CFC), the Local produced a record-breaking \$37,075 at the work site.

## Gov. Honors Federal Employees

In response to a request from AFGE's 4<sup>th</sup> District, Governor **Bob Wise** (D-W.V.) issued a Proclamation designating the week of July 22-28, as "Federal Employee Week." Wise, who is no stranger to federal workers, is a former nine-term Congressman who scored a 100 percent right voting record on AFGE issues in his last term.

## Lucas Cosponsors TRAC Act



Shortly after Local 3984's **Fonda Horsley** (r) and **Quinton Holdren** (l) met with Rep. **Ken Lucas** (D-Ky.) in his district office, Lucas signed on as a cosponsor of H.R. 721.



# AFGE NEWS

## Texas Local 3922 Hosts Arbitration Workshop



Local 3922, in Dist. 10, hosted its very first arbitration workshop in early April. Attendees of the workshop were from Dept. of Veterans Affairs Local 3922, Border Patrol Local 1929, William Beaumont Army Medical Center Local 2156, Dept. of Immigration Naturalization Service Local 1210, Social Security Administration Local 3388, EEOC Local 2516, and La Tuna Prison System Local 83. **Rikkita Hughes**, President of Local 3922, and **Robert Brunton**, Chief Steward, worked on setting up the training. Dist. 10 Natl. Rep. **Harry Dawson** instructed the workshop and provided valuable tools to all attendees on how an arbitration is conducted from start to finish, coupled with scenarios that can arise during an arbitration. Has your Local thought about offering an arbitration workshop?

## WORTH REPEATING...WORTH REPEATING...WORTH RE

"While there are many things you can privatize in government, one thing that can never be privatized is the public servants' loyalty to the greater good."

**David Walker**, Comptroller General of the General Accounting Office (GAO)

## What is Your Local Doing?

We're here to report what you're doing! What has your Local been up to? Send us a story and picture to: *The Government Standard*, ATTN: Local News, 80 F St., NW, Washington, D.C. 20001. If you're sending a photo, please be sure to identify everyone pictured. All photos and stories become property of the AFGE Communications Dept.

## Phoenix Locals Meet With Pastor



Rep. **Ed Pastor** (D-Ariz.) (center with tie and glasses) and **Verma Pastor** (front and center) met with Dist. 12 Natl. Rep. **Jean Southam**, Local 376's **Deborah Talbert** & **Mitchell Haws**, Local 2382's **Randy Brumm** & **Reggie Simmons**, Local 2859's **Felice Dayhoff** & **Dan Bergsten** and Local 3694's **Raymond Rosas**. The Locals recently met with Pastor to discuss AFGE's TRAC Act (H.R. 721).

## SSA Contractor

(continued from page 1)

In Wisconsin, the company charged the state for a half million dollars in improper or questionable expenses. The company misspent public funds to solicit contracts in other states, to provide concerts for clients by Broadway singer **Melba Moore**, to purchase a holiday party for Maximus employees, and for other inappropriate purposes. In Florida, Maximus was hired to collect child support. One year after starting the contract Maximus billed the state \$4.5 million without

collecting a single order for child support. Then they told the state that they wanted out of the contract. In West Virginia, Maximus paid the state official in charge of the vendor selection process \$45,000 for confidential information that allowed them to get the contract.

Maximus' revenues come from government clients, therefore its profits are derived from tax dollars. In addition to their six figure salaries, the 20 members of the Board of Directors have company stock worth \$258 million.

(Sources: *The Milwaukee Journal Sentinel*, *Tallahassee Democrat*, *New York Times* and *Associated Press*)