

Tell Congress Not to Target Federal Employees With Deficit Reduction Proposals

A group of lawmakers dubbed the “Super Committee” have been tasked with finding trillions of dollars in cuts in order to reduce the deficit. The committee is expected to compile its recommendations into legislation in early November and vote on the measure by November 23. According to numerous sources, “everything is on the table,” including reductions to federal employee health and retirement benefits and arbitrary cuts to the federal employee workforce.

As you are well aware, federal employees are already working under a two-year pay freeze, which is estimated to save the government \$60 billion in 10 years. Federal employees did not create the budget deficit and cannot be expected to shoulder the burden on future cuts.

As such, all federal employees must unite to send a clear message to Congress that it cannot reduce the deficit on the backs of hardworking federal employees. As part of that effort, ***[LIST YOUR ORGANIZATION AND GIVE INSTRUCTIONS FOR USING YOUR GRASSROOTS SYSTEM].***

Talking Points:

OPPOSE ANTI-FEDERAL EMPLOYEE PROPOSALS

In a misguided attempt to decrease the deficit, newly elected leadership in the 112th Congress has taken aim at federal employees by proposing aggressive cuts to federal pay and staffing levels. Currently, there are several proposals on the table that would eliminate pay increases; cut the civilian federal employee workforce; and force the federal workforce to take a two-week furlough in FY 2012. ***[YOUR ORGANIZATION]*** is greatly concerned about these proposals and the negative impact they will have on the federal workforce.

PAY FREEZE

- Contrary to numerous myths contrived by non-government sources about federal employee compensation, federal workers are not overpaid; they are significantly underpaid compared to workers performing the same jobs in the private sector. Based on data collected by Bureau of Labor Statistics, the Office of Personnel Management (OPM) reported in October 2010 that private sector workers continue to have a significant salary advantage over federal employees. This advantage grew an additional two percentage points to 24 percent in 2010.
- In today’s changing environment, it is even more important that the federal government have the ability to recruit and retain the most experienced and professional employees. Freezing or cutting the pay of the federal workforce sends the wrong message to the current workforce as well as potential

employees. In fact, freezing or cutting pay may only succeed in discouraging potential employees at a time when the federal government needs a strong workforce.

- Federal employees have already made sacrifices by accepting a two-year pay freeze and are doing their part to lower government costs. We are opposed to any attempts to extend the current pay freeze by another three years as well as freezing all bonuses during that same time period. These changes would make it extremely difficult and costly for federal agencies to recruit and retain the talent necessary to function optimally.

DECREASING BENEFITS

- Currently, there is a proposal that seeks to eliminate the defined-benefit annuity under the Federal Employees Retirement System (FERS) for federal employees hired starting in 2013. The elimination of the FERS annuity will also result in the elimination of the FERS survivor benefit, something many retired federal employees and their spouses rely on to make ends meet.
- In addition, there are attempts being made to change the formula for computing federal employee pensions. Federal employees depend on a retirement based on the current formula, which Congress created in an attempt to bring the system more in line with the private sector during creation of FERS. Making changes to the formula will result in pensions that are approximately three percent less than what is currently available. This will severely impact those federal employees near retirement and result in a significant income loss for all federal workers.
- Another proposal would convert the Federal Employees Health Benefits Program (FEHBP) into a defined contribution premium support arrangement. This arrangement would provide federal employees and retirees with a voucher to secure health insurance. According to the proposal, future retirees and survivors would not be eligible to participate in FEHBP. Currently, federal employee retirees and survivors must be annuitants to receive health insurance under FEHBP.
- It is unconscionable to consider slashing the benefits that agencies rely on to attract and retain the highest caliber employee. **[YOUR ORGANIZATION]** urges Congress to reject proposals that seek to decrease the benefits on which federal employees and their families rely.

CUTTING THE FEDERAL EMPLOYEE WORKFORCE

- **[YOUR ORGANIZATION]** is concerned about further reductions to the federal employee workforce, including proposals that would reduce the federal civilian employee workforce by at least 10 percent; reduce the size of the federal workforce by attrition by hiring only one employee for every two who retire or leave service; or prohibiting agencies from hiring any new

employees until the deficit has been eliminated. Especially in light of the pending retirements, the United States cannot afford to lose even more talented and experienced employees.

- Due to the fiscal realities of the current federal budget, some downsizing is inevitable; however, implementing these misguided proposals is reckless and will cause federal agencies, many of which are already understaffed, to endure a personnel crisis. This crisis would greatly limit the federal government's effectiveness and reduce critical services on which the American people rely. **[YOUR ORGANIZATION]** is opposed to any legislation that would arbitrarily make cuts to the federal workforce.

FURLOUGHS

- Currently, there are proposals calling for a two-week federal workforce furlough in FY 2012, which would require agencies to write regulations that would force many civilian federal workers to take 10 non-consecutive days of mandatory unpaid leave during the course of the fiscal year. Forcing employees to take time away from work would limit or delay the important services they provide and force agencies to shift backlogged work to more expensive contractors. Furloughs would also negatively impact recruitment and retention efforts.
- **[OPTIONAL]** The impact of a furlough was recently made obvious when nearly 4,000 FAA employees were forced to go without work and pay for nearly two-weeks due to congressional standoff. As a result, the FAA was prevented from moving forward on critical airport projects and improvements totaling nearly \$2.5 billion, and stop work orders were issued on major initiatives related to the Next Generation Air Transportation System (NextGen). The partial shutdown is estimated to have cost the FAA nearly \$30 million a day in lost revenue generated from airline ticket taxes. In order to ensure safe and efficient operations of not only the aviation system but all federal programs and agencies, **[YOUR ORGANIZATION]** opposes any legislation asking for a federal workforce furlough.

Script:

We understand that there are some tough decisions to be made, but reducing the modest retirement benefit for VA nurses, federal firefighters, border patrol officers, and other federal workers is the wrong approach to doing it.

Federal pensions today are half of what they used to be under the previous retirement system, and now politicians are demanding even greater cuts. Where does it stop?

Politically-charged allegations of gold-plated federal pensions are simply not true. The average FERS retiree receives just \$12,780 per year in their retirement annuity.

That's not a pension you can you can retire on. It's a small fraction of what a retiree needs to cover living expenses. Yet, this is where many in Washington are looking to make additional cuts.

Requiring workers to contribute a much higher share of their salary toward their defined-benefit annuity would have the effect of a significant pay cut. Every federal employee would see a direct cut in his/her take home pay.

It is unfair to ask federal employees for even more when they have already sacrificed with a two-year pay freeze and almost \$1 trillion in cuts to agency budgets over the next ten years.

Further cuts to agency budgets and federal worker compensation will only make it more difficult for the government to recruit young talent at a time when 40% of the workforce is set to retire.

If we want to recruit the best and brightest (LIST YOUR ORGANIZATION'S JOB TITLES) [e.g., medical researchers, intelligence analysts, engineers, economists, VA doctors, air traffic controllers, FAA inspectors, Aircraft Maintenance, Tank & Heavy Wheeled Equipment, Avionics, Electric's, etc.], we need to offer competitive benefits.