

17 Members of Congress call on Conference Committee to Oppose Salary or Retirement Security Cuts, Citing Previous Sacrifices

Washington, DC - Congressman Elijah E. Cummings, Ranking Member of the House Committee on Oversight and Government Reform, led 17 Members of Congress today in urging the conference committee considering legislation to extend the payroll tax cut through 2012 to oppose any additional cuts to the pay or benefits of Federal employees.

“Federal workers have already made significant sacrifices to help reduce our government’s budget deficit,” the Members wrote. “Subjecting these dedicated public servants to additional pay cuts and retirement benefit reductions in order to pay for such expenditures as a payroll tax cut for all middle class Americans is unfair and illogical, particularly as the vast majority of federal workers are middle-income earners as well. Such cuts would also impede the federal government’s efforts to recruit and retain the best and brightest individuals.”

The letter noted that Federal workers are currently subject to a two-year pay freeze that will save \$5 billion by the end of 2012 and more than \$60 billion over the next decade. Federal workers also face the possibility of furloughs and layoffs in the coming years due to automatic spending reductions mandated by the Budget Control Act of 2011.

Below is the complete letter.

January 25, 2012

The Honorable Max Baucus
United States Senate
511 Hart Senate Office Building

Washington, DC 20510

Dear Senator Baucus:

As you begin meeting to craft a conference report to accompany H.R. 3630, we urge you to oppose any proposals that would require additional cuts to the pay or benefits of our dedicated federal workforce.

Our federal public servants are the hard working men and women who provide vital operational support to our military members; ensure our senior citizens receive their Social Security checks; protect our borders; ensure the safety of our environment, food, and water; treat our wounded veterans; and research cures for cancer and other deadly diseases. Federal employees reside in every state, and they implement every federal program created by Congress. In fact, there are 10,605 federal employees in Montana according to OPM data released last March.

Federal workers have already made significant sacrifices to help reduce our government's budget deficit. For example, they are currently subject to a two-year pay freeze that will save \$5 billion by the end of fiscal year 2012 and more than \$60 billion over the next decade. Federal workers are also facing the possibility of furloughs and layoffs in the coming years as automatic spending reductions mandated by the Budget Control Act of 2011 reduce budgets for agency discretionary salaries and expense accounts.

Subjecting these dedicated public servants to additional pay cuts and retirement benefit reductions in order to pay for such expenditures as a payroll tax cut for all middle class Americans is unfair and illogical, particularly as the vast majority of federal workers are middle-income earners as well. Such cuts would also impede the federal government's efforts to recruit and retain the best and brightest individuals.

We therefore urge you to reject provisions such as those in the House version of H.R. 3630 that would require an additional one-year extension of the federal pay freeze initiated in 2011; impose a 1.5% increase in federal employees' retirement contributions over a three-year period; and eliminate the Federal Employees Retirement System (FERS) Social Security supplement for most federal workers.

Additionally, we urge you to oppose provisions in the House bill that would make even deeper cuts in the benefits of newly hired employees, who would be referred to as "secure annuity employees." While most federal employees contribute 0.8% to their retirement pension, under the House-passed bill, secure annuity employees would be obligated to contribute an additional 3.2% to their retirement pension. Further, the "average pay" used to calculate the FERS annuity for these employees would be based on their five highest annual salaries rather than their three highest annual salaries and would be subjected to a reduced FERS benefit accrual rate. If enacted, the combined effect of such changes would lower pension values by roughly 30% for these employees despite requiring a much greater contribution on their part over time.

Given the critical role that federal workers play in making our government work for our citizens, and noting the significant sacrifices they have already made, we urge you to oppose any additional cuts to the pay or benefits of federal employees.

Sincerely,

Elijah E. Cummings
Ranking Member
Committee on Oversight and
Government Reform

Stephen F. Lynch
Ranking Member
Subcommittee on Federal Workforce,
U.S Postal Service, and Labor Policy
Committee on Oversight and
Government Reform

Eleanor Holmes Norton
Member of Congress

Gerald F. Connolly
Member of Congress

Edolphus Towns
Member of Congress

Carolyn B. Maloney
Member of Congress

Dennis J. Kucinich
Member of Congress

Wm. Lacy Clay
Member of Congress

Danny K. Davis
Member of Congress

Bruce L. Braley
Member of Congress

James P. Moran
Member of Congress

Bennie G. Thompson
Member of Congress

Lynn Woolsey

James P. McGovern

Member of Congress

Member of Congress

Adam B. Schiff
Member of Congress

John P. Sarbanes
Member of Congress

Donna F. Edwards
Member of Congress