

December 16, 2011

Dear Senator:

On behalf of the over 200,000 managers and supervisors in the federal government whose interests are represented by the Federal Managers Association (FMA), I strongly urge you to reject several provisions contained in the Middle Class Tax Relief and Job Creation Act, H.R. 3630, should such provisions be considered by the Senate as you debate extending the payroll tax holiday. This legislation, passed by the House on December 13<sup>th</sup>, disproportionately places an inequitable burden on federal employees in order to pay for an extension of the payroll tax holiday. The price of extending the tax break should not be placed on the backs of middle class federal employees, many of whom are struggling financially during these tough economic times.

FMA specifically opposes language in the legislation that calls for changes to the Civil Service Retirement System (CSRS) and the Federal Employees Retirement System (FERS), as well as the extension of the federal pay freeze for another year. Under the legislation, active federal employees would contribute an additional 1.5 percent to their retirement plans, which equates to a loss in take home pay for these employees at a time when private sector employees are enjoying an increase in their paychecks due to the payroll tax extension.

We at FMA are additionally concerned that the legislation includes an extension of the federal pay freeze. Federal workers are about to enter the second year of the current two-year pay freeze, which saved taxpayers \$60 billion. Civil servants have already made financial contributions to try to rectify the nation's deficit at a time when, like their private sector counterparts, they are facing rising health care costs, increases in general living expenses, and are supporting spouses and children who are under- or unemployed. We at FMA understand the demands placed on our economy and the current state of our fiscal crisis, and many federal managers accepted the freeze as a shared sacrifice in the collective effort to pare down our mounting debt. Our unprecedented deficit was not borne out of rising and exorbitant federal employee salaries, however, and decreasing the pay of federal employees in order to put more money in the paychecks of other Americans is incomprehensible.

Federal workers are responsible for protecting our borders, providing care for our veterans, and assisting our troops abroad. Yet they are unfairly painted as scapegoats for the nation's deficit and budget crisis. This legislation not only places further blame on federal workers, but also puts greater strain on the federal workforce which is already struggling to do more with less. At a time when more is being asked of our government, the American public deserves an engaged and efficient workforce; not one Members of Congress paint as the source of our country's economic problems.

I respectfully urge you to vote against any bill which includes these provisions. While an extension of the payroll tax holiday deserves serious debate, it should not be at the expense of federal employees. Thank you for your time and consideration of our views. Should you have any questions or concerns, please contact FMA's Government Affairs Director Jessica Klement at <u>jklement@fedmanagers.org</u> or 703-683-8700.

Sincerely,

Patricia Niehaus National President