

May 10, 2011

The Honorable Kent Conrad Chairman Senate Budget Committee 624 Dirksen Senate Office Building Washington, D.C. 20510 The Honorable Jeff Sessions Ranking Member Senate Budget Committee 624 Dirksen Senate Office Building Washington, D.C. 20510

Dear Chairman Conrad and Ranking Member Sessions,

On behalf of the 200,000 managers, supervisors and executives in the federal government whose interests are represented by the Federal Managers Association (FMA), I respectfully urge you to reject several provisions contained in the Fiscal Year 2012 Budget Resolution (H.Con.Res. 34) passed by the House of Representatives as you craft the corresponding Senate resolution. The House resolution takes aim at many programs throughout the federal government in the name of deficit reduction, but ultimately unfairly and unnecessarily targets federal employees and their families. It is the opinion of FMA that focus must be paid to addressing deficit concerns and restoring financial stewardship amidst economic uncertainty; however, many of the initiatives put forth in the resolution will demand instant, harmful cuts to federal programs and services, including those at national security-related agencies, and I respectfully urge you to reject inclusion of such provisions in the Senate resolution.

In the same breath House Budget Committee Chairman Paul Ryan calls work carried out by civil servants "vital," his budget resolution proposes across-the-board workforce and budget cuts that will impact every department, with customer-service agencies among those affected most. In this current environment, where the American taxpaying public has demonstrated an increasing reliance on government services, implementing a ten percent federal workforce cut would have a devastating effect on the delivery of assistance. By reducing all agency budgets to pre-fiscal year 2008 levels, the House-passed resolution guarantees longer lines at local Social Security offices, diminished care to our veterans returning home from war, weakened collection of delinquent tax obligations and fewer inspections of the food we consume.

This strategy of attacking agency budgets with a hatchet also ignores the fact that when employees leave the federal sector, the jobs performed by those employees do not expire as well. When the Clinton administration imposed sweeping arbitrary workforce cuts in the mid-1990s, Administration officials quickly found the workload failed to diminish, requiring the hiring of federal contractors to perform civil service duties, often at greater expense. It is simply irresponsible to repeat the mistakes made in the 90s.

Chairman Ryan claims that 155,000 new workers have been added to the federal payroll since the President took office, and therefore extensive cuts to the federal workforce are justified. The Chairman also states the "size of government is at an all time high." Both of these statements are, in fact, not true. The first claim does not take into account the number of retirements experienced by the federal government over the last two years; the actual number of new jobs is significantly lower. The latter claim is simply false and nothing more than political posturing. The number of federal employees is roughly the same now as it was in 2002, and less than under the Clinton, George H.W. Bush and Reagan administrations.



It is the responsibility of Congress to make sure that federal agencies meet their missions and the needs of the public, and success in achieving this objective depends on providing proper resources to carry out assigned tasks. By arbitrarily cutting the size of the workforce as well as agency budgets, Congress is tying the hands of agencies to meet those needs. In order for lawmakers to show they are serious about reducing the deficit in a sensible manner, agency programs and staffing levels should be evaluated on a program-by-program basis with duplicative programs and processes receiving the most attention.

The House resolution also contains a five-year freeze on federal salaries. It appears some Members of Congress are under the mistaken impression that federal employees are immune to the economic woes experienced by other Americans. Civil servants saw a seven percent increase in their health insurance premiums in 2011, in addition to a nine percent increase last year. Additionally, many feds have spouses who lost their jobs as a result of the economic downturn and are now supporting their families on significantly less income. Despite the struggles facing federal employees, the House determined that freezing federal pay for a total of five years is the best course of action to reign in our federal spending, while doing so represents only a fraction of a fraction of one percent of the federal budget. Our unprecedented deficit was not borne out of rising and exorbitant federal employee salaries, and federal employees should not face an unfair burden simply because they carry out the work of this country.

Further, the resolution recommends requiring that civil servants contribute a larger percentage of their paychecks towards their retirement. Congress established the Federal Employees Retirement System (FERS) in 1986 to bring federal pensions in line with those provided in the private sector, incorporating Social Security into the federal retirement system and lessening the reliance on the Civil Service Retirement and Disability Fund (CSRDF). By law, FERS benefits are fully funded by employee and agency contributions and interest earned through CSRDF deposits. Requiring civil servants to increase their contributions in this financially sound retirement system is nothing less than a poorly disguised pay cut for these individuals.

All too often, federal employees represent low hanging fruit ripe for the picking when lawmakers are looking to score political points in the name of deficit reduction, and I respectfully urge you reject many of the harmful provisions in the House legislation as you craft the Senate FY12 Budget Resolution. Should you have any questions or concerns, please contact Jessica Klement on my staff at (703) 683-8700. Thank you for your time and consideration of our views.

Sincerely,

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Patricia Niehaus National President