

MEMORANDUM

To: FMA Regional Directors

From: Greg Stanford and Katie Maddocks

Re: FMA Government Affairs Update for December 2013

Date: Friday, January 10, 2014

The purpose of this memorandum is to provide a brief narrative and status of ongoing government relations and public affairs activities the FMA government relations department worked on in December 2013 on behalf of FMA members. Please share this information with chapter presidents, legislative action team leaders and others in your region.

2014 FMA Issue Briefs

On Monday, December 16, 2013, the FMA national office sent a memo to the Executive Board, Conference Chairs and Co-Chairs, Chapter Presidents, LAT leaders, Members-at-large, and retirees, providing the draft 2014 Issue Brief Executive Summary for review and comment. Below is an updated timeline for the issue brief development in preparation for FMA's 76th Annual National Convention:

- **Monday, January 13, 2014:** Draft Issue Briefs are sent to Executive Board, Conference Chairs and Co-Chairs, Chapter Presidents, LAT leaders, MALs, and retirees for review
- **Thursday, January 23, 2014:** Open conference call to discuss 2014 issue briefs
- **Friday, January 31, 2014:** End comment period for 2014 draft issue briefs
- **March 9-12, 2014:** Final presentation on FMA Issue Briefs at National Convention. All Issue Brief items, including FMA National President Patricia Niehaus' cover letter to Members of Congress and executive summary, will be available for delegates to distribute during the Association's Day on the Hill, on **Wednesday, March 12, 2014**

Bipartisan Budget Act signed into Law – Averts another federal government shutdown

President Obama signed the Bipartisan Budget Act into law on Thursday, December 26, 2013. The law, passed earlier in the month by both the House and Senate, is a two-year spending plan setting spending limits for fiscal years 2014 and 2015 at just under \$1 trillion. The budget deal avoids another partial government shutdown in January 2014. Current federal employees are spared dramatic cuts. However, part of the plan includes savings resulting from increasing federal employee contributions for those hired by the federal government after December 31, 2013, with less than five years of experience. These



future employees will contribute 4.4 percent of their salaries to retirement benefits with no additional contributions from the federal government, providing \$6 billion in savings.

In a statement to the press, Federal Managers Association (FMA) National President Patricia Niehaus commented, "It is a bittersweet resolution that the federal government is avoiding another shutdown and funding the federal budget at the expense of future federal employees." Her full statement is available on FMA's website.

Self Plus One, an FMA legislative priority, included in budget deal

The budget deal included a provision allowing the addition of "Self Plus One" coverage within the Federal Employees Health Benefits Program (FEHBP). This option would allow federal employees with spouses but without dependents, or a single parent with one child, a coverage option that does not cost the same as coverage for a large family. The Congressional Budget Office stated the inclusion of Self Plus One coverage within FEHBP would save about \$3 billion in direct spending over the next ten fiscal years.

Federal Managers Association (FMA) Director of Government Affairs Greg Stanford celebrated the inclusion of this FMA legislative priority with a quote for *Government Executive*, stating, "[FMA believes] firmly in the principle of offering an equitable and affordable federal benefits package that will best meet the needs of all federal employees. Establishing a self plus one option within FEHBP has been on FMA's legislative agenda for several years, so we are appreciative that it is included as part of the budget deal."

One Percent Pay Raise – but not for Wage Grade (WG) employees FMA sent a letter of support to a champion of WG workers

In August 2013, President Obama called for an across-the-board pay raise for federal employees at one percent starting on January 1, 2014. Federal employees remained cautiously optimistic, as Congress eliminated a proposed 0.5% pay raise in 2012. Congress had an opportunity to strike the 1% pay raise when it ended the federal government shutdown in October 2013. Congress could also have eliminated the raise in the budget deal, but remained silent on the issue. This effectively allowed the 1% pay raise to take effect on January 1, 2014.

The raise, however, does not apply to Wage Grade (WG) employees. In order to right this wrong, Representative Matt Cartwright (D-PA) introduced the Wage Grade Employee Parity Act (H.R. 3573). The bill provides pay increases for wage employees to match those on the GS system in the same pay locality.

As a show of support, FMA National President Patricia Niehaus wrote to the Representative to support H.R. 3573 and express the need for this pay equality. As many federal managers supervise WG employees, creating pay parity assists workplace morale as well as recruitment of hourly workers.

In the letter, FMA National President Patricia Niehaus commented, "Following a three year pay freeze, FMA is grateful that Congress allowed the one percent increase for most federal employees beginning in January 2014. However, every skilled, qualified, and trained wage scale blue-collar employee will not receive this modest increase, effectively extending their pay freeze." She added, "FMA appreciates your efforts to provide fairness for all federal employees and ensure that the percentage increase in rates of

basic pay for Wage Grade employees is equivalent to the percentage increase received by their General Schedule counterparts in the same pay locality.”

To read the full letter from FMA to Representative Cartwright, please visit the Legislative Action Center of the FMA website.

FMA supports legislation to provide back pay for sequester furloughs

While those throughout the federal workforce appreciated receiving back pay after the sixteen day partial government shutdown, there are many still financially recovering from furloughs caused by sequestration. Due to fiscal restraints, several federal departments and agencies were forced to furlough their employees, losing several days’ worth of pay. In order to assist these members of the federal workforce, Representative Derek Kilmer (D-WA) introduced legislation, H.R. 3744, on December 12 to provide back pay for those furloughed by the sequester. Not only would this bill provide much needed relief to federal employees, it also provides incentive for Members of Congress to develop a strategy to replace sequestration in order to avoid issuing back pay for thousands of workers.

In a letter of support to Representative Kilmer, FMA National President Patricia Niehaus reminded the Washington Congressman, “This summer several federal departments and agencies were forced to furlough members of the workforce due to sequester restraints. As a result, federal employees strained not only to meet congressionally-mandated missions and goals on limited budgets, but also to meet personal financial demands.” She went on to state, “Adding to this financial hardship, inaction from Congress resulted in a sixteen day partial government shutdown, affecting federal employees across the board. These hardworking men and women are grateful Congress provided back pay after the shutdown. FMA supports your efforts to provide back pay for sequester furloughs as well, as these hardships are scheduled to continue for years to come.”

H.R. 3744 is cosponsored by Representatives Rob Wittman (D-VA) and Jim Moran (R-VA) and has been referred to the House Committee on Oversight and Governmental Reform. To read FMA’s letter to Rep. Kilmer, please visit the Legislative Action Center of the FMA website.

FMA reaches out to the Army on Group Award Program

After a member of FMA raised concerns regarding the Department of the Army’s Group Award Program (GAP) financial award, FMA wrote to Army Secretary John McHugh on managers’ eligibility in relation to union member employees. GAP awards recognize the hard work men and women of the United States Army do on a daily basis to meet missions and goals. It was brought to FMA’s attention that union members are eligible for this monetary award per a formal agreement, however, supervisors and managers are not due to the financial uncertainty within the department that occurred in fiscal year 2013.

In FMA’s December 5 letter, National President Patricia Niehaus reached out to Secretary McHugh, calling for the eligibility of all civilian defense employees for GAP financial awards, as in years past. She commented, “Managers are on the frontlines trying to mitigate the pain of the sequester and to provide uplifting leadership in the face of plummeting morale.” She further expressed “Army managers and supervisors are just as deserving of recognition as their union counterparts; foregoing awards because of lack of union representation promotes unfair practices and decreases departmental morale.”

Managers and supervisors throughout the federal government often bear the brunt of financial uncertainty. Members of Congress introduced legislation to reduce monetary awards for Senior Executives, despite the work accomplished and the savings generated by their work. Unfortunately, it seems managers are often overlooked, and their own morale is neglected while they look out for their labor coworkers. FMA will continue to work with the Department of the Army to rectify this disparity. To read the full letter to Secretary McHugh, please visit the Legislative Action Center of FMA's website.

Additional Activities:

FMA Government Affairs Representative Katie Maddocks composed a feature article published in the December 30 edition of the online newsletter *Fedmanager.com*. The article focuses on the negative impact that congressional action and inaction has on recruitment for the federal workforce.

Public Employees Roundtable

In an effort to expand marketing and outreach opportunities for the Public Employees Roundtable (PER), of which FMA is a member, the FMA government affairs department was charged with analyzing potential interest in partnership opportunities for PER with outdoor movie festivals in the Washington, D.C., metro area during Public Service Recognition Week (PSRW). The government affairs department provided their findings in a detailed memorandum to the PER Communications Committee in December.

Coalition for Effective Change

FMA Government Affairs Representative Katie Maddocks attended the Coalition for Effective Change (CEC) speakers event, which featured former OPM directors discussing the future of the federal workforce regarding the human capital problems federal agencies and departments face. FMA is a member of the CEC.

The panel featured Janice Lachance, Linda Springer, and Constance Berry Newman, all former OPM Directors whose tenures reigned in the Clinton, George W. Bush, and Reagan Administrations. Senior Executives Association President Carol Bonosaro moderated the discussion, asking the former directors to reflect upon challenges they faced and what they see as the most pressing issues of the day.

National Council of Federal Labor-Management Relations

In preparation for the next meeting of the Labor-Management Relations Council on January 15, FMA Director of Government Affairs Greg Stanford participated in several meetings of the Council's Agenda and Problem Resolution subgroups. The agenda subgroup discusses and prepares topics of discussion for council meetings, while the problem resolution subgroup works on tools and other initiatives to address friction between management and labor.

Federal Postal Coalition

FMA Government Affairs Representative Katie Maddocks met with other representatives from the Federal Postal Coalition (FPC), which brings together more than 30 unions, management organizations and postal groups to discuss and collaborate on issues.



The primary topics of discussion in December were the budget deal and a proposal to extend the FPC's media relations and social media contract with M+R Strategic Services. The FPC will decide in January whether or not to continue this partnership.