

## *Advocating Excellence in Public Service*

1. Congress should pass all appropriations bills in a timely manner.
2. Congress should protect federal employees' compensation, health and retirement benefits.
3. Congress should pass meaningful hiring reforms for the federal workforce, including expanding direct hire authority.
4. Congress should authorize capital investments across the federal government to restore and/or modernize facilities to meet their operational needs.
5. Congress should allow Federal Employees Retirement System (FERS) employees to make deposits for non-deduction federal service performed, in the same manner as Civil Service Retirement System (CSRS) employees and former military personnel.
6. Congress should pass legislation to enhance training, support, accountability, and reporting with respect to remote work and telework.
7. Congress should pass legislation to establish and fund initial and ongoing mandatory training requirements for all managers and supervisors across the federal government, and provide for a dual-track system to allow technical experts to rise without taking on management roles.
8. Congress should preserve due process for all federal employees and prevent a future return of Schedule F.
9. Congress should pass legislation to make cost-of-living-adjustments (COLAs) more accurate and fair, and allow FERS employees access to the Voluntary Contribution Program available to CSRS employees.
10. Congress should pass legislation to repeal or mitigate the Windfall Elimination Provision (WEP) and the Government Pension Offset (GPO).

## **1. PROVIDE AGENCY FUNDING REFLECTIVE OF MISSION IN A TIMELY FASHION**

*Congress should provide adequate funding in a timely manner to allow agencies to procure the resources and staffing levels necessary to execute their missions.*

- **Continuing resolutions (CRs) and government shutdowns cost all American taxpayers and hamstring managers.**
- **FMA implores Congress to stop using the appropriations process and government shutdowns as political tools, and fund the government in a timely, steady fashion.**

It has regrettably become commonplace and expected for Congress to flirt with government shutdowns and force the government to operate under CRs for much of each fiscal year. If Congress is sincere in its commitment to provide American taxpayers with federal services in an efficient and cost-effective manner, lawmakers must navigate the annual appropriations process in a timely fashion. Federal agencies are unable to provide managers and supervisors the resources necessary to achieve their missions when Congress delays passage of comprehensive spending bills.

Enormous stress is placed on federal programs when continuing resolutions, instead of traditional appropriations measures, are used to fund operations. Agencies are prevented from obtaining the necessary resources required to handle rising workloads. Budget uncertainty forces managers and supervisors to focus more on short-term operations and less on their core missions, impeding efficiency and ultimately costing the government and American taxpayers significantly more money in the long run. It results in egregious costs and wastes, and it takes significant time and resources for agencies to prepare for and recover from a shutdown.

The impact is debilitating before, during and after a lapse in funding. And CRs are not much better. A CR keeps funding for all programs at last year's levels, without the ability to plan ahead, meaning that large amounts of money cannot be used for bulk purchasing or other productive ways of using funds. When reflecting on funds lost by the Navy due to CRs from 2011 to 2017, then-Navy Secretary Richard Spencer said, "we have put \$4 billion in a trash can, poured lighter fluid on it, and burned it."

FMA implores Congress and the Administration to pass Fiscal Year 2025 appropriations in a timely manner. FMA also supports legislation such as the **Prevent Government Shutdowns Act (S. 135)**, that would prevent shutdowns by automatically instituting a 14-day CR when funding lapses. Under this bipartisan legislation, official travel for legislators and congressional staff would be forbidden, with the exception of one covered trip back to D.C. Campaign funds could not be used to supplement travel budgets under this arrangement. Neither the House nor the Senate could be put into recess for more than 23 hours, and there would be mandatory quorum calls at noon every day to keep all legislators in town. Finally, no matter other than funding bills could be considered, with limited exceptions for Supreme Court and Cabinet nominees.

## **2. RETURN TO ANNUAL CALCULATION OF CIVIL SERVICE PAY ADJUSTMENTS AND PROTECT BENEFITS**

*To attract and retain the best and brightest to public service, Congress must stabilize the pay and benefits structure of federal employees.*

- **FMA supports the FAIR Act (H.R. 7127 / S. 3688), providing a 7.4 percent raise in 2025.**
- **FMA supports efforts to raise or remove pay caps on the federal workforce, including overtime and for Federal Wage System (FWS) employees.**
- **FMA opposes any arbitrary cuts by Congress to federal pay and benefits, which severely affects feds morale and competitiveness with the private sector.**

Federal managers, and indeed all feds, deserve to be treated with respect for their efforts and the work they perform on behalf of the American people. Every job they hold and perform daily is because of a congressional mandate. It is not too much to ask that, in return, feds be given the ability to maintain a living wage that keeps up with inflation and that provides for them and their families.

**Pay Raise** - Despite the largest pay increase in twenty years, federal pay has not kept pace with inflation, and retention of feds is at a severe risk. The Federal Salary Council reported in November 2023 that federal workers earned nearly 28 percent less than their private sector counterparts, a growing disparity that will only force more of the best and brightest out of federal service. FMA urges Congress to provide for a fair and reasonable pay raise that reflects the needs of the workforce for 2025, including strong support for the **Federal Adjustment to Income Rates (FAIR) Act (H.R. 7127 / S. 3688)** which would provide an average 7.4 percent pay raise in 2025.

**Pay Caps** - The federal pay ceiling cap has not kept up with the higher cost of living in many cities across the United States. This issue plays a role in recruitment and retention to the federal workforce, which already has hiring issues. If an employee is offered a promotion at a higher level, with more responsibilities, but no corresponding salary increase, will they take on the new role? Many employees who are now capped are tempted to leave the government for the private sector where there is no pay cap. FMA supports legislation such as the **Federal Employee Pay Compression Relief Act of 2023 (H.R. 5171)** to address this compounding problem.

Further, FMA also supports proposals to remove the cap on Federal Wage System employees as a vital way to retain good workers through better pay and unfair caps. We are concerned by the loss of these workers, whose pay is supposed to be set according to local prevailing rates – rates which compare to the same types of jobs performed by their non-federal counterparts. The federal workforce is losing too many FWS employees to the private sector due to current compensation levels, and the pay cap on these employees should be removed.

**Benefits** - Finally, Congress should not entertain proposals to change retirement benefits for existing employees and retirees. Breaking promises, shifting the goalposts, and eliminating earned benefits for employees who dedicated a career of service to the country is simply unfair. If enacted, they would cripple recruitment and retention to the federal workforce at a time when only seven percent of the workforce is made up of employees aged 30 or younger. This number is even more alarming when considering the same age group makes up 24 percent of the private sector workforce. FMA urges Congress to not consider such proposals.

### 3. HIRING REFORM

*Congress should pass meaningful hiring reforms in order to attract the best and brightest to public service.*

- **Hiring for the federal workforce is too lengthy and cumbersome compared to the private sector, and FMA supports measures to enhance the talent pipeline in the federal workforce.**
- **FMA supports providing managers with more tools, including direct hire authority, to help reduce the average time-to-hire.**
- **FMA supports discussions about reducing the complexity of veterans' preference.**

Hiring, recruitment and retention to the federal workforce are often talked about in Washington, D.C. The federal workforce faces a concerning comparison with the private sector with regard to time-to-hire. In Fiscal Year 2018, the average time it took to hire a new employee in the federal government was 98.3 days, which was down from 105.8 days in Fiscal Year 2017. The Office of Personnel Management's goal across the government is 80 days. And according to the Society for Human Resource Management, the average time-to-fill in the private sector is 36 days.

FMA supports commonsense hiring reforms and giving managers other tools to enhance the talent pipeline in the federal workforce. We are proud to support the **Chance to Compete Act (H.R. 159 / S. 59)**, bipartisan legislation introduced by Reps. Virginia Foxx (R-NC) and Gerry Connolly (D-VA) in the House and Sen. Kyrsten Sinema (I-AZ) in the Senate. H.R. 159 passed the House in January 2023 by a resounding 422-2 vote. FMA urges the Senate to consider and pass the legislation in the 118<sup>th</sup> Congress.

This bill builds off the lessons learned as part of a hiring pilot, bringing managers and subject matter experts in early in the hiring process, and extends those successes across the federal workforce. The bill would prioritize candidate evaluations based on actual knowledge, skills, abilities and competencies while limiting the use of education when determining if someone is qualified for a role. It also allows the use of more robust assessments over the self-assessment questionnaires currently used for nearly all federal jobs. This important bill gives managers more tools and strengthens the competitive hiring process to help hire the best talent as quickly as possible for all agencies.

**Veterans Preference** - FMA strongly supports our nation's veterans. We are proud to have originated the idea and worked to create disabled veteran leave for new hires in the federal workforce. However, we recognize the current veterans' preference system often blocks other qualified new hires to the federal government. While FMA remains steadfast in support of veterans who continue to serve the country as federal employees, we also support evaluating potential reforms to how veterans' preference is applied in the future, including: applying veterans' preference as a tiebreaker between equally qualified candidates; limiting veterans' preference to candidates within 10 years of discharge; or, allowing veterans' preference to obtain an initial job within the federal government (one bite at the apple).

#### **4. PROVIDE CAPITAL INVESTMENTS TO RESTORE AND MODERNIZE FACILITIES**

*Congress should authorize capital investments across the federal government to restore and modernize facilities to meet operational needs.*

- **Facilities and infrastructure across the government are in dire need of significant restoration and modernization, and many are not meeting operational needs.**
- **FMA urges Congress to appropriate the necessary resources and funds to facilities and infrastructure across the country.**

The bipartisan Infrastructure Investment and Jobs Act, passed in 2021, has been hailed as a major success for improving infrastructure across the country. Regrettably, infrastructure needs at federal government facilities remain unaddressed and require similar upgrading, restoration, and modernization.

For example, the four public shipyards perform prodigious work to maintain the fleet that helps keep our country safe. Unfortunately, all four of them are in “poor condition,” and are not meeting the Navy’s operational needs. GAO Report GAO-17-548,<sup>1</sup> released in September 2017, details many of the infrastructure issues.

In 2018, the Navy estimated \$21 billion over twenty years for dry dock investment, facilities layout and optimization investment, and capital equipment investment at the shipyards. However, a June 2023 GAO Report<sup>2</sup> states those costs have risen significantly since then. The Navy expects to develop a full cost and schedule estimate for its Shipyard Infrastructure Optimization Program (SIOP) in Fiscal Year 2025. We already know investments are needed now for the shipyards to support the USS Gerald Ford Class aircraft carriers and the USS Virginia class submarines.

The GAO reported in 2020 that between 2015 and 2019, the average idle time where nuclear aircraft carriers and submarines had to wait for maintenance had increased from 100 days to 1019, an increase of 919 percent. The GAO also found that some shops at the four public shipyards were forced to rely on up to 45 percent overtime to complete their scheduled maintenance, and that the average lifespan of the heavy equipment needed for maintenance at the shipyards had expired in 2015. CBO projections estimate that “projections of the shipyards’ workload and capacity indicate that the submarine fleet’s size will exceed the yards’ capacity to maintain it, not only over the next several years, but in 25 of the next 30 years.”<sup>3</sup>

It is important to note that restoration and modernization, including information technology, are issues that apply to agencies across the federal government, including the Social Security Administration, the Internal Revenue Service, and others. As the frontline managers who work in these aging facilities and strive every day to complete our agencies’ missions, FMA urges Congress to make necessary investments in facilities and infrastructure at the four public shipyards and across the government.

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<sup>1</sup> <https://www.gao.gov/products/GAO-17-548>

<sup>2</sup> <https://www.gao.gov/assets/gao-23-106067.pdf>

<sup>3</sup> <https://www.cbo.gov/publication/57083>

## 5. ALLOW ALL FEDS TO MAKE DEPOSITS FOR NON-DEDUCTION SERVICE

*Congress should allow Federal Employee Retirement System (FERS) employees to make deposits for non-deduction service performed, in the same manner as Civil Service Retirement System (CSRS) employees and former military personnel.*

- Currently, a FERS employee can make a deposit for non-deduction service performed before January 1, 1989, and receive credit toward his or her annuity computation, yet non-deduction service performed on or after January 1, 1989, generally is not creditable under FERS for any purpose.
- FMA encourages legislation to correct this inequality and allow FERS, FERS-Revised Annuity Employee (RAE), and FERS-Further Reduced Annuity Employee (FRAE) employees to make deposits for non-deduction service performed in the same manner as CSRS employees.

Under the Civil Service Retirement System, non-deduction civilian service performed after September 30, 1982, is creditable for retirement annuity computation purposes, other than average salary, only if the employee pays a deposit for that service. Service on or before September 30, 1982, is creditable for annuity computation without a deposit; however, 10 percent of the deposit owed will be permanently deducted from the annual annuity.

Currently, a Federal Employee Retirement System (FERS) employee may make a deposit for non-deduction service performed before January 1, 1989, and receive credit toward his or her annuity computation; however, non-deduction service performed on or after January 1, 1989, generally is not creditable under FERS for any purpose.

Representatives Derek Kilmer (D-WA) and David Valadao (R-C) introduced the **Federal Retirement Fairness Act (H.R. 5995)**, which would allow FERS employees to buy back years served as temporary employees to credit toward their retirement. FMA urges Congress to reintroduce and pass this important bill in the 118<sup>th</sup> Congress.

## 6. CONTINUE TO UTILIZE AND ENHANCE TELEWORK AND REMOTE WORK IN THE FEDERAL WORKFORCE

*To significantly reduce costs to American taxpayers, as well as reduce the federal government's footprint, agencies should effectively utilize and expand telework options for employees across the federal workforce, as successfully demonstrated during the Covid-19 pandemic.*

- Covid-19 demonstrated the federal workforce has the technology and is capable of sustaining productivity while teleworking.
- Allowing federal employees to telework when practical will greatly assist with recruitment of younger employees into government, and also help retain employees with years of valuable experience. Currently, we are witnessing many employees leaving government for positions that allow partial or full telework. Prospective younger employees are used to a hybrid work environment and expect the benefits of both in-office and telework experiences.

Telework and remote work have been shown to be a viable and sustainable option for many in the federal workforce, and should be continued. Many of the benefits of telework are well known, including a reduction of the federal footprint, environmental benefits from less commuters on the roads, and potentially increased productivity. Toward that end, the Government Accountability Office provided testimony in November 2019<sup>4</sup> listing key practices that can help ensure the success of telework programs. Of course, there will always be jobs where telework simply is not an option. You cannot turn a screwdriver on an aircraft carrier or work on classified documents from the couch in your living room.

However, given the flexibilities that technology allows us, it is critical that the federal government continue to adapt and take advantage of the opportunities telework provides. It is also vital that Congress take steps to strengthen federal telework plans and ensure the federal government can compete with the private sector. FMA supports the **Telework Reform Act of 2023 (S. 3015)**, sponsored by Sen. James Lankford (R-OK). This bipartisan bill would collect important data, including expected cost savings and productivity outcomes related to remote work and telework. Importantly, it would also enhance training, monitoring, accountability and reporting.

Managers are often blamed for impeding implementation of telework among their employees, but this could be remedied with managerial training on how to best supervise teleworkers. This training would go a long way toward easing concerns of managers and create a fair and transparent situation for both the manager and employee.

Government must invest in its managers so that they are empowered to confidently and fairly administer remote work and telework programs that seamlessly mesh with the ongoing work of all employees with the overriding goal of accomplishing agency missions. FMA urges legislators to pass S. 3015.

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<sup>4</sup> <https://www.gao.gov/assets/720/710740.pdf>

## **7. MANDATE AND FUND FEDERAL SUPERVISORY TRAINING PROGRAMS**

*Congress should pass legislation establishing initial and ongoing mandatory training requirements for all managers and supervisors across the federal government.*

- **Current law allows managerial training throughout the federal workforce to be among the first to be eliminated when facing a lean budget or continuing resolutions.**
- **Studies show that many federal employees are promoted to managerial positions based on their technical performance and lack the soft, managerial skills needed for their expanded positions.**
- **FMA calls for legislation establishing mandatory training programs across the federal workforce focusing on certain management aspects such as mentorship, career development, prohibited personnel practices, and collective bargaining rights.**

Current law requires agencies to establish training programs for managers and supervisors focusing on how to address poor performing employees, enhance mentoring skills and conduct accurate performance appraisals. However, there is no requirement for managers to participate in these training programs, and when budgets are tight or CRs are in place, these discretionary programs are often the first to see their funding cut.

Studies have shown that agencies often promote individuals to managerial status based on technical prowess, but then fail to develop their supervisory and leadership skills. In doing so, agencies severely jeopardize their capability to achieve their missions. The development of managerial skills is one of the greatest investments an agency can make, both in terms of productivity gains and the retention of valuable employees. Following the scandal within the Department of Veterans Affairs (VA) that brought to light falsified patient wait times and improper care, it was noted that if managers better knew how to address poor performers and encourage efficiency and effectiveness throughout the VA, many of those problems could have been avoided.

An agency's ability to meet its mission directly correlates to the quality of workforce management. There is a clear need for training if a manager is to be fully successful. Too often, if an agency promotes an individual to managerial status based on technical prowess, but then fails to develop the individual's supervisory skills, that agency then severely jeopardizes its capability to deliver the level of service the American public expects and does a disservice to both the manager and to the employees supervised by that inadequately developed manager.

FMA endorsed legislation introduced in the 112<sup>th</sup> Congress, H.R. 1492 / S. 790, requiring agencies to provide supervisors with training on various management topics, including mentorship, career development, prohibited personnel practices, and collective bargaining rights. More recently, FMA endorsed the **Federal Supervisor Training Act of 2016 (S. 3528)**, offered by Sen. Heidi Heitkamp in the 114<sup>th</sup> Congress, which included a dual-track system to allow technical experts to advance in their careers without taking on managerial or supervisory roles. FMA urges Congress to introduce and approve similar legislation in the 118<sup>th</sup> Congress.



## **8. PROTECT DUE PROCESS FOR ALL FEDERAL EMPLOYEES**

*To prevent a return to the spoils system, Congress must not eliminate or erode due process for federal employees.*

- **Any infringement, limitation or elimination of due process puts an employee in the unjust position of possibly losing their job without proper cause and creates a strained relationship between labor and management.**
- **FMA opposes legislation that would eliminate or erode the right to due process.**
- **FMA supports the Saving the Civil Service Act (S. 399) to prevent a return of Schedule F**

A federal employee's right to due process is fundamental and protected by the Constitution, and Congress must not take steps to eliminate or erode this right. In *Cleveland Board of Education v. Loudermill*, the Supreme Court held that the Constitution guarantees that if there must be a cause to remove a public employee from his or her job, then there is automatically a due process requirement to establish that the cause has been met.

Regrettably, the Department of Veterans Affairs Accountability and Whistleblower Protection Act of 2017 (P.L. 115-41), signed into law in June 2017, has significantly eroded due process and appeals rights for all federal employees in that department. The legislation dramatically reduces an employee's ability to appeal a decision that would deprive that employee of their job and salary. Preventing an employee from understanding charges against them or preparing a meaningful defense undermines an employee's due process and is wrong. At the same time, limiting the number of days to process an action may result in findings of legal insufficiency and no action being taken, rather than taking the necessary time to resolve any documentary issues. Many in Congress are working to extend the same attacks on due process across the federal government. FMA unequivocally opposes legislative efforts to reduce or eliminate due process for federal employees across the government.

Additionally, FMA strongly supports any legislation which would prevent any future administration – Democratic or Republican – from reviving Schedule F, which would turn thousands of feds into at-will employees with limited protections. We supported President Biden's action to rescind the Executive Order that originally created Schedule F in October 2020, and endorsed legislation to prevent its return in the 117<sup>th</sup> Congress, although those efforts were not enacted into law. FMA supports the **Saving the Civil Service Act (S. 399)**, introduced by Sen. Tim Kaine (D-VA) in the 118<sup>th</sup> Congress.

It is absolutely necessary to maintain our non-political civil service. The unacceptable elimination of due process for terminating employees, as would be permissible by a return of Schedule F, would leave feds solely at the whim of politicians – intolerable under any administration, Democratic or Republican. A hallmark of America's civil service is the foundational, fundamental understanding that federal employees swear an oath to the Constitution and provide services to all Americans, regardless of political party. The federal government cannot function effectively without this nonpolitical civil service capable of preserving institutional memory and competence across administrations.

## 9. COMMONSENSE MODIFICATIONS TO MAKE COLAs MORE ACCURATE AND FAIR

*Congress should pass legislation to provide a fair COLA for FERS retirees and to modify the method used to calculate all COLAs to more accurately reflect actual spending.*

- Congress should pass the **Equal COLA Act (H.R. 866 / S. 3194)**, which would remove the cap on FERS retirees' COLAs.
- Congress should pass the **Fair COLA for Seniors Act (H.R. 716)**, to shift the calculation from the current CPI-W, which covers the general population, to the CPI-E, which creates a price index for Americans aged 62 and above.

FMA supports legislation that would fix unfair and arbitrary policies that limit cost-of-living-adjustments (COLAs) for Federal Employee Retirement System (FERS) retirees and seniors.

In 2024, the COLA for the Civil Service Retirement System (CSRS) is 3.2 percent, while it is 2.2 percent for FERS retirees. Under current law, FERS retirees only receive a full COLA if the difference in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) is 2 percent or less (as in 2021). If the difference is between 2 percent and 3 percent – as was the case in 2019 – FERS retirees receive a 2 percent increase. If the change is 3 percent or higher, such as 2022, FERS participants receive 1 percentage point less than the full increase.

Rep. Gerry Connolly (D-VA) and Sen. Alex Padilla (D-CA) have introduced legislation, the **Equal COLA Act (H. R. 866 / S. 3194)**, that would correct this inequality and align the FERS COLAs with those of CSRS and Social Security beneficiaries. FMA urges Congress to pass the Equal COLA Act in the 118<sup>th</sup> Congress.

Annual cost-of-living-adjustments (COLAs) for federal civilian retirees and Social Security benefits are currently based on the CPI-W. When COLAs first became automatic, the CPI-W was the only price index available. However, the CPI-W does not accurately account for seniors' spending, particularly on health care. Seniors spend nearly double the amount on medical expenses than younger citizens. The Consumer Price Index for the Elderly (CPI-E), created in 1982, calculates a price index for those aged 62 and older, and is a more precise index for seniors.

Early in the 118<sup>th</sup> Congress, Rep. John Garamendi (D-CA) introduced the **Fair COLA for Seniors Act (H.R. 716)**, which would require Social Security to use the CPI-E to calculate a more accurate and fair COLA that reflects their actual spending, particularly on prescription drugs and other medical care, and lifestyle. FMA urges Congress to consider and pass this commonsense legislation to yield more sensible COLAs for seniors.

Finally, Congress should consider legislation to allow all FERS employees who retire at their minimum retirement age to receive COLA adjustments.

## 10. REMOVE INEQUITIES IMPOSED BY GPO AND WEP

*Congress should pass legislation to repeal the Government Pension Offset (GPO) and the Windfall Elimination Provision (WEP).*

- **The Government Pension Offset reduces the dependent/survivor benefit.**
- **The Windfall Elimination Provision penalizes those who have two jobs; one that earned a Social Security retirement benefit, and one that entitled them to a separate pension.**
- **Congress should repeal both of these unfair and harmful laws.**
- **FMA supports full repeal of GPO and WEP.**

The Social Security Government Pension Offset law prevents government retirees who receive a government pension, but did not pay into Social Security, from collecting both a government annuity based on their own work, and Social Security benefits based on their spouse's work record. This is unfair to many spouses, especially widows, who often lose the Social Security protection their spouse provided for them. Under current law, a Social Security widow's benefit is reduced by \$2 for every \$3 earned if the widow is eligible for a pension based on a public sector job that was not covered by Social Security. A total of 465,000 Social Security beneficiaries are affected by the GPO, seventy-five percent of whom are women and over forty percent are widowed. No offset affects spouses receiving pensions from private sector employers.

The Windfall Elimination Provision is another inequity that disadvantages many federal retirees receiving Social Security benefits and a federal pension which did not require payment into Social Security. It reduces the Social Security benefits federal retirees receive based on the number of years they served in a federal position that did not require their payment of Social Security taxes. Nearly one million Social Security beneficiaries are affected, and roughly twenty percent paid into Social Security for more than twenty years.

FMA supports the **Social Security Fairness Act (H.R. 82 / S. 597)**, legislation introduced early in the 118<sup>th</sup> Congress that would fully repeal GPO and WEP. The House version has more than 300 cosponsors and received a field hearing in the House Ways and Means Subcommittee on Social Security in November 2023. More than one half of the Senate have cosponsored that chamber's bill. We urge a vote on the bill in the current session.

While a full repeal is our preferred position, FMA also supports partial repeal bills, such as the **Public Servants Protection and Fairness Act (H.R. 4260)**. This bipartisan bill would create a new formula for the WEP, calculating benefits by taking into account the actual wage and work history of public sector employees.