

April 30, 2025

The Honorable James Comer Chair Oversight and Government Reform Committee 2157 Rayburn House Office Building Washington, DC 20515

The Honorable Gerald E. Connolly Ranking Member Oversight and Government Reform Committee 2157 Rayburn House Office Building Washington, DC 20515

Dear Chairman Comer, Ranking Member Connolly, and members of the Committee:

The AFL-CIO opposes the Chairman's Mark of the budget reconciliation bill drafted pursuant to H.Con.Res 14 and urges you to reject its provisions which cut the pay and benefits of hardworking, dedicated civil servants to pay for tax cuts for the rich.

The federal workforce has been under fierce assault by the DOGE since January, via unlawful executive orders, unlawful firings, reductions-in-force and funding freezes, chaotic and contradictory directives, apparently designed to simply make life harder, and the single biggest act of union-busting in American history. The DOGE's work has been an abject failure when it comes to either saving money or making government more efficient. Yet the Chairman's Mark seeks to double down on the DOGE approach, by taking a chainsaw to federal workers' pay and benefits so that the very wealthy can pay lower taxes. Shortsighted cuts to the federal workforce in order to make billionaires richer will not benefit the American public. This workforce, which performs an awe-inspiring range of public services – from weather forecasting to cancer research to firefighting to making sure Social Security benefits are properly paid – is a long-term investment by the taxpayer. Treating it like a slush fund for budget reconciliation wastes that taxpayer investment.

The Chairman's Mark harms the federal workforce and ultimately the public in the following ways:

Increasing Employee Federal Employee Retirement System (FERS) Contributions to 4.4%.

The proposal would raise the contribution of federal employees hired prior to 2014 from 0.18% to 4.4%. As there are no additional benefits associated with this contribution increase, the proposal is simply a pay cut for federal employees and one more disincentive to continue serving the nation.

Eliminating the FERS Supplement. The FERS supplement allows federal workers who started their government careers early and have completed decades of service to bridge the gap between when they retire and when they are eligible for Social Security benefits. Eliminating the FERS supplement would harm some of the most committed, long-term civil servants. Federal law enforcement officers, firefighters, Customs and Border Patrol officers and air traffic controllers are disproportionately represented in this group.

**Lowering the FERS Retirement Calculation.** Federal workers have planned their retirements based on a FERS retirement calculation of the highest three years (high 3) of their compensation as federal workers. Changing from the high 3 to the highest 5 years (high 5) would lower pension benefits for most federal workers.

**Exchanging Lower Retirement Contributions for Loss of Rights.** The provision requires new federal hires to choose between either merit-based civil service protections with a higher employee FERS contribution or at-will employment with lower employee contributions. There is no monetary price on merit-based civil service protections that allow for a nonpartisan, qualified workforce to better serve the public. A merit-based civil service requires hiring and promotion based on an individual's merit and prevents the firing of career civil service for political reasons. Adjusting employee contributions to give any Administration the option of building an unqualified workforce loyal to one man and not the public is a bad deal for taxpayers. Moving away from merit-based civil service will damage the quality and efficiency of public services.

Charging a Fee for Filing a Claim or Appeal with the Merit System Protection Board (MSPB) - This proposal raises very little money in the grand scheme of things, covering only a fraction of the cost of the billionaires' tax cuts, but is a giant slap in the face of federal workers. After a few months of recordbreaking violations of their rights, federal workers would now be charged a fee to file a claim or an appeal to have their rights enforced by an agency that has also been hobbled by the lack of a quorum, after the President's unlawful firing of the MSPB Chair. If the Administration would like to save money on grievances, lawsuits, claims, and appeals, it should stop breaking the law and start respecting the rights of its workers.

We urge you to reject these provisions in the Chairman's Mark of the budget reconciliation bill and look forward to working with the Committee in the future to address the very serious issues facing the federal workforce and the public that relies on their services.

Sincerely,

Jody Calemine

Director, Government Affairs