

May 8, 2018

Hon. Mac Thornberry, Chairman
Armed Services Committee
2117 Rayburn House Office Building
Washington, DC 20515

Hon. Adam Smith, Ranking Member
Armed Services Committee
2340 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Thornberry and Ranking Member Smith:

As labor organizations representing hundreds of thousands of our nation's federal employees, we are writing regarding this week's House Armed Services Committee (HASC) mark-up of the Fiscal Year 2019 (FY19) National Defense Authorization Act (NDAA). It is our understanding that the Office of Personnel Management (OPM) has put forward several damaging proposals aimed at cutting and eliminating Federal Employee Retirement System (FERS) and Civil Service Retirement System (CSRS) pension benefits. These egregious proposals include the following:

1. Increase FERS federal employee pension contributions to 7.25% – To pay for other congressional priorities, Congress has already established a four-tiered pension – CSRS and three different FERS systems, calling for newly hired federal workers in 2013 and 2014 to pay more of their pay (3.1% and 4.4%, respectively) into the FERS retirement system with no corresponding benefit increase. Unfortunately, the OPM proposal calls for all FERS participants to now pay 7.25% into the pension, without any corresponding pension increase. This represents a significant pay cut for federal employees. **We urge you to reject this proposal.**
2. Replace the high-three with the high-five – This would significantly cut the retirement annuity of federal employees. **We urge you to reject this proposal.**
3. Eliminate and reduce the federal retiree COLA – This would eliminate the COLA for FERS participants and cut the COLA for CSRS participants, preventing federal retiree pensions to keep pace with inflation. **We urge you to reject this proposal.**
4. Eliminate the FERS annuity supplement – This proposal and will take away the possibility for many federal workers to retire before the age of 62, and frustrate the ability of federal government to better manage the workforce through attrition. Worse, it needlessly harms firefighters, law enforcement officers, and others who must retire before age 62. **We urge you to reject this proposal.**

Lastly, it is important to point out that since 2011 our nation's federal employees have sacrificed nearly \$200 billion for our nation, mostly through years of pay freezes and pension cuts that went towards deficit reduction. These financial sacrifices forced upon federal employees and their families went to offset the 2012 extensions of the payroll tax cut and Unemployment Insurance (UI), as well as to help pay the government's debts to avoid sequestration through FY15. Government employees have also tolerated furlough days and job insecurity due to government shutdowns, threats of additional shutdowns, and continuing sequestration. These OPM proposals add insult to great financial injury, and will devastate federal employees and families. In addition, these proposals will add to the recruitment and retention problems agencies face already. We urge your committee to reject these proposals.

Sincerely,

American Federation of Labor & Congress of Industrial Organizations (AFL-CIO)
American Federation of Government Employees (AFGE)
American Federation of State, County, and Municipal Employees (AFSCME)

American Federation of Teachers, AFL-CIO (AFT)
Federal Education Association/National Education Association (FEA/NEA)
International Association of Fire Fighters (IAFF)
International Association of Machinists and Aerospace Workers (IAMAW)
International Brotherhood of Electrical Workers (IBEW)
International Federation of Professional and Technical Engineers (IFPTE)
International Organization of Masters, Mates and Pilots (MM&P)
Marine Engineers' Beneficial Association (MEBA)
Metal Trades Department, AFL-CIO (MTD)
National Association of Government Employees, SEIU (NAGE)
National Federation of Federal Employees (NFFE)
National Weather Service Employees Organization (NWSEO)
Overseas Federation of Teachers, AFT, AFL-CIO
Professional Aviation Safety Specialists (PASS)
Patent Office Professional Association (POPA)
Seafarers International Union/NMU (SIU)
Service Employees International Union (SEIU)
Sheet Metal, Air, Rail and Transportation Workers (SMART)
SPORT Air Traffic Controllers Organization (SATCO)
United Power Trades Organization (UPTO)