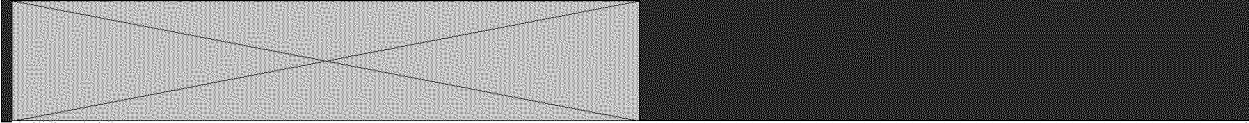


To: Jackson, Ryan[jackson.ryan@epa.gov]
From: The Washington Post
Sent: Mon 5/22/2017 4:00:14 PM
Subject: [SPAM] Federal Insider: Trump, Hill Republicans target 'overly generous compensation' for feds



Trump, Hill Republicans target 'overly generous compensation' for feds

By Joe Davidson

WASHINGTON, DC – President Trump participates in a news conference with Colombian President Juan Manuel Santos in the White House in Washington on Thursday. (Photo by Jabin Botsford/The Washington Post)

With President Trump targeting federal employees' retirement programs and House Republicans taking aim at their compensation generally, Uncle Sam's goal of being a model employer looks shaky.

The administration's fiscal 2018 budget proposal, scheduled for release Tuesday, includes a series of cuts to retirement programs, as The Washington Post reported last week. Then, amid a torrent of reports denoting Trump as unfit, unprepared and unbecoming, Republicans took time for a hearing to promote the notion that feds are overpaid.

Together, the White House and congressional actions are a clear indication of Republican intent to extract savings at the expense of the workforce.

At Thursday's House Oversight and Government Reform Committee hearing, Rep. Mark Meadows (R-N.C.), chairman of the government operations subcommittee, complained "taxpayers are stuck paying for overly generous compensation" that "rewards tenure rather than performance."

Meadows, chairman of the right-wing House Freedom Caucus, always makes a point of praising "an incredibly dedicated federal workforce" and visiting their workplaces. That he is not a fed-basher demonstrates how pervasive his position is among Republicans who control Congress. With Republican Trump running the White House, Democrats are outnumbered in their attempt to protect workers from further incursions into their pocketbooks.

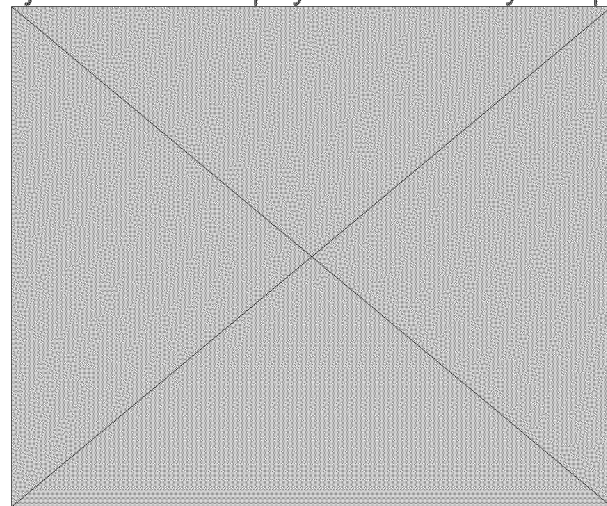
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Meanwhile, Democrats at the hearing placed federal pay in the larger context of wage stagnation. Trying to match companies that provide low pay and poor, if any, benefits is a race to the bottom Sam should avoid.

“The real lesson for today’s hearing is not that middle class federal workers are making too much,” said Rep. Elijah Cummings (Md.), the ranking Democrat on the panel. “It is that private sector workers — especially those with the lowest incomes and educations — are making too little.”

Because of previous hits, including a three-year partial pay freeze and previous increases in workforce retirement contributions, Rep. Gerald Connolly (Va.), the top subcommittee Democrat, said over the last several years federal employees, who “have been demonized, demoralized, and asked to sacrifice more” than others, “incurred more than \$182 billion in pay and benefit cuts, all in the name of deficit reduction.”

The Republican organized hearing had four critics of the current pay system and one supporter, Jacqueline Simon, policy director of the American Federation of Government Employees. She also is a member of the Federal Salary Council, a government panel of union and outside experts that determined federal employees overall suffer a 34 percent pay disparity with private sector and local and state counterparts. Since 2010, she said, inflation adjusted federal pay has fallen by 6.5 percent.



But she was outnumbered by the other witnesses who, in varying degrees, said the pay system is outdated or relatively munificent.

Joseph Kile, a Congressional Budget Office (CBO) assistant director: “Overall, the federal government paid 17 percent more in total compensation,” including 47 percent higher benefit costs primarily because the pension plan.

Robert Goldenkoff, Government Accountability Office strategic issues director: “Federal employees are compensated through an outmoded system that 1, rewards length of service rather than individual performance and contributions, and 2, automatically provides across-the-board annual pay increases, even to poor performers.”

Rachel Greszler, Heritage Foundation research fellow: “While the federal government does little to incentivize workers to perform their best or to reward those who go beyond their call of duty, it also does almost nothing to penalize poor performers.”

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Andrew C. Biggs, American Enterprise Institute (AEI) resident scholar on the Salary Council's 34 percent disparity finding: “No one who has worked in state included in your subscription. For additional free newsletters or to manage We respect your privacy. If you believe that this email has been sent to you in error or you no longer wish to receive email from The Washington Post, click [here](#). [Contact us](#) Simon rebutted the CBO, saying its “extremely misleading” study uses a model that could lump a federal correctional officer with a “mail cop.”

Despite a strong turnout of Democratic members who generally supported her, Republicans and their chosen witnesses controlled the hearing's narrative that feds are paid too much. Recognizing Simon's forceful rebuttal, Meadows ask representatives of the conservative Heritage and AEI organizations to give him facts on “why from your perspective Ms. Simon is wrong...I need some facts...I need data points.”

While creating a new pay system is a long-term goal, significant hits on the retirement program could be a short-term reality. Trump's budget plan calls for a 1.9 percent pay raise for federal employees, but also would take their money away by:

- Increasing Federal Employee Retirement System (FERS) contributions from workers by 1 percentage point each year over five to six years. This would amount to increased out-of-pocket payments for most employees of about 6 percent over that period.
- Basing future retirement benefits on the average of the high five years of

salary instead of the current high three

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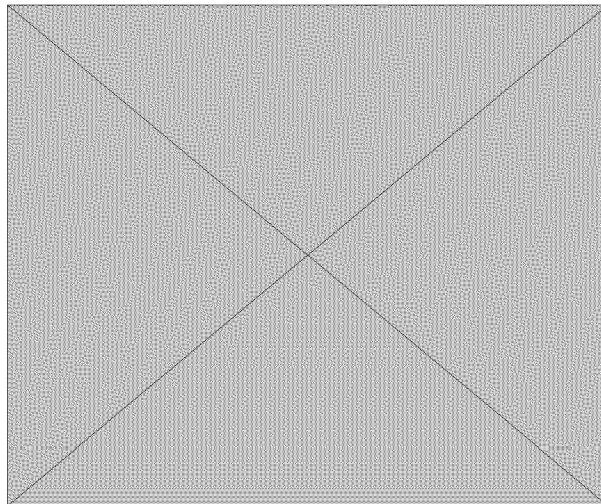
- Eliminating cost of living adjustments (COLA) for current and future FERS retirees
- Cutting the COLA for Civil Service Retirement System (CSRS) current and future retirees by 0.5 percent from what the formula would allow
- Abolishing supplement payments for FERS employees who retire beginning in 2018. The supplement approximates the value of Social Security benefits for those who retire before age 62.

“The biggest losers from President Trump’s draconian cuts to federal employee pay and benefits will be the American people who count on dedicated federal employees to care for our veterans, maintain our national parks, and process Social Security checks each and every day,” said Connolly. “Cuts of this magnitude will make it impossible to recruit and retain the qualified workforce we need to meet our nation’s challenges.”

Read more:

[Federal employees behind in pay by 34 percent on average, salary council says]

[Trump’s budget calls for hits on federal employee retirement programs]



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