Advocating Excellence in Public Service

1. Congress should preserve due process for all federal employees.

2. Congress should restore the practice of evaluating civil service pay adjustments for both General Schedule and Wage Grade employees on a yearly basis, protect benefits and grant performance awards to those deserving.

3. Congress should pass all appropriations bills in a timely manner.

4. To ensure the American public receives the services upon which they rely on a daily basis, Congress must end sequestration and grant federal agencies and departments flexibility to meet budgetary constraints.

5. Congress should pass legislation to allow federal agencies the flexibility to extend the probationary period for employees entering the civil service to two years.

6. Congress should pass legislation to establish and fund initial and ongoing mandatory training requirements for all managers and supervisors across the federal government.

7. Congress should reform the current Federal Employees' Compensation Act (FECA) benefits structure to reduce the burden on agency budgets.

8. Congress should take affirmative steps to protect seniors from undue increases to Medicare Part B Premiums and increases to deductibles.

9. Congress should reinstate pre-November 2014 funding levels for Department of Defense per diem allowances and lodging stipends for those on temporary duty assignments longer than thirty days.

10. Congress should provide lifetime identity protections to federal employees and their dependents affected by the data breaches at the Office of Personnel Management.

11. Congress should not utilize chained-CPI for computing cost-of-living adjustments for Social Security, Supplemental Security Income, veterans' benefits and federal pensions.

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

13. Congress should allow federal employees who serve in the Reserves the ability to enroll in Tricare Select.

14. 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.

1. 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 employees in the unjust position of being able to lose their job without proper cause, creates a strained relationship between labor and management, and makes federal positions less competitive.**
- **FMA opposes legislation that would eliminate or erode the right to due process.**

A federal employee's right to due process is fundamental and constitutional, and Congress must not take steps to eliminate or erode this right. In *Cleveland Board of Education v. Loudermill*, 470 U.S. 532 (1985), 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.

Several iterations of Veterans Affairs reform legislation considered in the 114th Congress would have significantly eroded due process and appeals rights for all federal employees in that department. The legislation sought to dramatically reduce 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. Further, legislation introduced in the 114th Congress and likely to be reintroduced in the 115th Congress would specifically make all new federal employees at-will employees, essentially returning public service to a spoils system where the civil service becomes politicized.

This does not mean every employee should be retained. As with any population, there may be good and bad employees, and employees who are not suited for the position they occupy. Managers have an obligation to ensure that employees are terminated for the right reasons: unacceptable conduct or performance that cannot be corrected in another way.

The current system, as written in statute, is not broken. However, it is not always being used as it was intended. Current statute only requires a minimum 30 day notice period from the date the proposal to remove or demote is issued to the employee until the effective date of action. This is not an unreasonable period of time to decide whether or not to terminate an individual's employment. According to the Merit Systems Protection Board, more than 77,000 full-time, permanent, federal employees were terminated as a result of performance or conduct issues between Fiscal Year 2000 and FY 2014. FMA opposes legislative efforts to arbitrarily reduce or eliminate due process for federal employees across the government.

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.

- **In order to remain competitive with opportunities in the private sector, wages and benefits should continue to increase under determination of the Bureau of Labor Statistics.**
- **Rising salaries and budgets of the public sector are not the cause of economic hardships in this country, but rather federal employees contribute more than their fair share of taxes paid despite making up less than one percent of the workforce.**
- **FMA is against any arbitrary cut by Congress to the federal pay and benefits structure, which would greatly affect feds morale and competitiveness with the private sector.**

While acknowledging the economic challenges facing American families in all walks of life across the country, FMA firmly believes that any discussion concerning federal employee pay and compensation should center on the formulaic process employed by the Bureau of Labor Statistics to determine annual salary adjustment recommendations. In 1990, Congress created the Federal Employees Pay Comparability Act (FEPCA), providing a modest, annual across-the-board pay increase and locality pay adjustment. Utilizing FEPCA, the pay raise is determined by the change in the Employment Cost Index minus 0.5 percent. FMA understands the demands placed on our economy, however, the nation's record deficit is not the result of rising or exorbitant federal employee salaries, and claims to the contrary are false. According to an October 2016 Federal Salary Council report, federal workers on average earn more than 34 percent less than private-sector counterparts.

Since 2011, federal employees contributed more than $185 billion to deficit reduction, despite making up less than one percent of the nation's population. In recent years, Congress targeted the pensions of new hires as a means to rein in spending, increasing employees' contributions without improving upon pension benefits or increasing the government's contribution. Those hired after December 31, 2013, with less than five years of experience in the federal workforce contribute 3.1 percent of their salaries to their retirement benefits, while those hired after December 31, 2014, contribute 4.4 percent. More troubling are proposals to change retirement benefits for existing employees and retirees. This would amount to nothing more than a broken promise and a tax on federal employees and annuitants and must not be considered. Additionally, FMA opposes legislative efforts that would adjust the calculation of retirement annuities from the current high-three average salary to a high-five calculation. This proposal would further negatively impact the pocketbooks of all future retirees.

Decreases to take-home pay negatively impacts recruitment and retention of dedicated men and women in public service and further deteriorates morale. FMA members will continue to do their part to help our country restore its financial standing, but steps to reduce spending should not be unduly carried by civil servants.

3. 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 assignments.

- **Too often, Congress passes continuing resolutions rather than the full funding through regular order.**
- **These continuing resolutions force agencies to focus on short-term operations rather than long-term goals because they are unable to obtain the resources and staffing required that only comes through traditional appropriations.**
- **FMA implores congress to stop using the appropriations process and government shutdowns as a political tool, stop passing continuing resolutions and pass appropriations in a timely, steady fashion.**

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 handcuffed 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 more money in the long run.

The recent reliance on continuing resolutions, including the omnibus funding bill passed in December 2015 to fund the remainder of Fiscal Year 2016, inhibits agencies' abilities to anticipate funding levels and allocate resources in an effective fashion to boost productivity and the delivery of services. Fiscal Year 2017 funding relied on a continuing resolution into December 2016, a second continuing resolution through April 2017, and yet another temporary measure beyond that. Providing agencies with timely and adequate budgets is the only course of action to prevent these avoidable challenges.

Further, FMA reminds Congress that delaying appropriations and flirting with government shutdowns results in egregious costs and waste. It takes significant time and resources for agencies to prepare for a potential shutdown, when they should be spent on fulfilling agency missions.

Finally, in the event that Congress does not pass appropriations measures prior to the beginning of the new fiscal year, Congress should ensure that services are provided to the public and that federal employees are paid for work performed or missed due to shutdown or furlough.

4. ELIMINATE SEQUESTRATION AND PROVIDE AGENCIES BUDGETARY FLEXIBILITY

To maintain the level of service the American people expect and deserve, Congress must end sequestration and provide funding to allow agencies to execute their missions, and the staffing necessary to carry out those missions effectively.

- **When sequestration is applied, it forces many agencies to furlough feds putting tremendous strains on those agencies' missions and personal financial strain for those feds affected.**
- **FMA calls on lawmakers to end the practice of sequestration and instead evaluate federal agencies' missions on a case-by-case basis to determine which objectives will be continued.**

Members of Congress from both sides of the aisle have vocally denounced the poor policy of sequestration and the blind, draconian budget cuts it requires. However, no action was taken within Congress, and sequestration took effect in 2013, forcing several federal departments and agencies to furlough members of the workforce due to financial 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 caused by furloughs. These effects will continue to negatively impact the federal government if Congress continues to fail to act.

While the 114th Congress delayed the impact of sequestration with the Bipartisan Budget Plan (P.L. 114-74), Members of Congress should not depend on deferring these cuts as it causes instability throughout the federal government. It is imperative lawmakers understand that continuing across-the-board discretionary spending and workforce cuts will impede managers' ability to properly meet budgetary needs. Sequestration prevents federal agencies from fulfilling congressionally-mandated missions and goals and delays the services American taxpayers have demonstrated an increasing reliance upon in the current economic environment. Continuing sequestration will further hamper job satisfaction, federal employees' ability to meet goals, and potentially create a hollow workforce.

FMA urges lawmakers to eliminate sequestration, noted publicly as flawed policy that severely jeopardizes the federal government's ability to respond to the needs of the American public. FMA recommends Congress evaluate federal agencies' missions on a case-by-case basis and determine which individual objectives will be continued. Agency heads should then be charged to determine the types of critical skills required to fulfill these objectives and the number of employees needed.

5. ALLOW AGENCIES TO EXTEND THE PROBATIONARY PERIOD

Congress should pass legislation to allow federal agencies the flexibility to extend the probationary period for employees entering the civil service to two years.

- **Many of the jobs that exist within the federal workforce require specialized, technical training that continues past the current one year probationary period.**
- **This puts federal managers in a tenuous position of assessing employees' abilities often when they have only been in the position for a few weeks or have not started in the position at all.**
- **FMA urges Congress to extend the probationary period to two years to empower managers to make a decision on their employees with more information at their disposal.**

Many federal agencies employ labor forces requiring specialized, technical skills to carry out their duties. New employees must often master broad and complex procedures and policies to meet their agencies' missions, necessitating several months of formal training followed by long periods of on-the-job instruction. To ensure each manager and supervisor oversees a workforce that exhibits the abilities required to execute its objectives, lawmakers must afford federal agencies the latitude to extend the probationary period beyond the current length of only one year.

In occupations where training takes substantial time, supervisors may only have a few months of work to judge employees' performance. By providing a probationary period that begins after initial training is complete, supervisors will be able to fully assess employees' abilities. The current economic environment requires agencies to take on greater responsibility while receiving fewer resources, and it is critical that members of the federal workforce prove they are up to the challenge of serving the interests of the American public.

Members of Congress saw fit to extend the probationary period to two years for Department of Defense employees as part of the 2016 National Defense Authorization Act. In January 2016, the House Oversight and Government Reform Committee approved legislation, H.R. 3023, that would extend the probationary period to two years following completion of training. FMA sees these reform efforts as steps in the right direction, beyond the one-year period. FMA urges Congress to bring other agencies in line with the Department of Defense, the largest employer in the country, and develop a probationary period that recognizes the complexities of federal agencies' training periods.

6. 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.**
- **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 aspects such as management topics, including 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 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 these 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 112th 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 114th Congress. FMA urges Congress to introduce and approve similar legislation in the 115th Congress.

7. REFORM THE FEDERAL EMPLOYEES' COMPENSATION ACT BENEFITS STRUCTURE

Congress should reform the current Federal Employees' Compensation Act (FECA) structure to ensure payments are made in a responsible manner without placing an undue burden on federal agencies.

- **Under the current Federal Employees' Compensation Act, managers are being forced to downsize their budgets as a result of high costs to pay for long-term disability cases.**
- **This is because the disbursements for employees under FECA are charged back to the agencies' salaries and expense accounts whilst employees receive 75 percent of their salary tax free with no oversight.**
- **FMA calls for the 115th Congress to reduce the FECA benefit from 75 percent to 66 2/3 percent of income for all beneficiaries, establish a FECA retirement program and reexamine the FECA pay structure as a whole.**

Costs associated with the current Federal Employees' Compensation Act (FECA) are a significant concern to federal agencies. In 2010, program costs exceeded $2.7 billion, according to the Department of Labor (DOL). Although FECA is administered by the DOL's Office of Workers' Compensation, disbursements for an injured or disabled employee are charged back to an agency's salary and expense account. This charge-back provision, instituted to make agencies accountable for safety, has led many managers to see their rapidly downsizing budgets further tapped to pay for long-term disability cases.

Employees under FECA receive 75 percent of their salary (66 2/3 percent for those who have no dependents) tax-free. As such, FECA income can exceed the injured employee's previous salary, reducing the incentive to return to work. FECA benefits continue after the employee would have otherwise been eligible for retirement, at a continuing cost to the agency, and these benefits frequently exceed retirement pensions. In 2011, more than 65 percent of FECA recipients were at least 55 years old. Because of these costs, in Fiscal Years 2012-2014, the President's budget proposals included reforms to FECA, lowering the rate of compensation and reducing benefits at retirement age to encourage switching to a federal retirement plan.

In the 115th Congress, FMA calls upon elected leaders to reduce the FECA benefit from 75 percent to 66 2/3 percent of income for all beneficiaries, as well as establish a FECA retirement program. Senator Tom Carper (D-DE) included several important FECA reform provisions in the Improving Postal Operations, Service, and Transparency (iPOST) Act (S. 2051) introduced in 2015. Meanwhile, the House Education and Workforce Committee held a hearing on commonsense FECA reforms in May 2015. FMA urges Members of Congress to continue to push for these reforms in the 115th Congress.

8. PROTECT MEDICARE PART B PREMIUMS

Congress should take steps to protect seniors, people with disabilities and their families from projected increases to Medicare Part B premium and deductible increases in 2017.

- **In November 2016, Medicare Part B premiums rose by more $12 per month for 30 percent of beneficiaries due to a 0.3 percent cost-of-living adjustment for 2017 that triggers the hold harmless provision in the Social Security Act.**
- **FMA calls on lawmakers to protect beneficiaries and extend the protections of the SSA hold harmless provision to all beneficiaries.**

The Centers for Medicare and Medicaid Services (CMS) announced in November 2016 that Medicare Part B premiums will rise by more than $12 per month for 30 percent of beneficiaries. FMA has joined AARP and more than 75 other organizations in calling for Congress to mitigate these projected increases and take steps to prevent this from being an ongoing issue in future years.

Congress worked together to craft a solution to significant increases as part of the Bipartisan Budget Act of 2015 (2015 BBA). Had there been no cost-of-living adjustment (COLA) for 2017, that solution would have prevented the current issue. However, the 0.3 percent COLA triggers the hold harmless provision in the Social Security Act, resulting in significant increases for an enormous population of Medicare Part B beneficiaries. No beneficiary should be required to pay more because other beneficiaries are held harmless. These projected increases would be stifling for an older population that can least afford them.

FMA urges Congress to work together – as it did with the 2015 BBA – to protect the beneficiaries who will be hit hard in 2017, as well as extend the protections of the SSA hold harmless provision to all beneficiaries.

9. RESTORE PER DIEM LEVELS AT THE DEPARTMENT OF DEFENSE

Congress should reinstate pre-November 2014 funding levels for Department of Defense per diem allowances and lodging stipends for those on temporary duty assignments longer than thirty days.

- **Since the cuts to per diem allowances for civilian employees on temporary duty assignments by 25-45 percent in November 2014, it has become much more of a challenge to find quality employees for TDY service since it is not mandatory and any cost differences for per diem must be made out of pocket.**
- **FMA will continue to support a full repeal of the cuts to restore the funding levels to pre-November 2014 levels in the 115th Congress.**

In November 2014, the Department of Defense instituted cuts to per diem allowances for civilian employees on temporary duty assignments (TDY). Those on TDY between 30 and 180 days face a reduction by 25 percent, while those over 180 days face a 45 percent reduction. These extreme cuts create undue financial burdens on these dedicated employees who struggle to meet these per diem requirements or are forced to make up any cost differences out of their own pockets due to the fact that these new rates price them out of markets.

As TDY is not mandatory, FMA members have found it difficult to find qualified employees willing to take up this burden. FMA, along with other federal workforce advocacy groups and Members of Congress, have worked to reverse these cuts. Most recently, we successfully included a full repeal in the House-passed version of the National Defense Authorization Act. Unfortunately, the final conference report includes the Senate-passed language. Instead of a full repeal, the language signed into law allows each Service Secretary within DOD to waive the cuts within his or her own service. While this is a step forward and an improvement on current policy, FMA continues to support a full repeal and will work with congressional allies in the 115th Congress toward that end. In order to ensure a civilian military workforce that is fully capable of meeting its duties, it is imperative that this funding is restored.

10. PROVIDE LIFETIME IDENTITY AND FINANCIAL FRAUD PROTECTIONS

Congress should provide lifetime identity protections to federal employees and their dependents affected by the data breaches at the Office of Personnel Management.

- **Following the June 4, 2015, Office of Personnel Management (OPM) data breach, it was determined that more than 21.5 million people had their personally identifying information compromised.**
- **Initially, OPM offered cyber-protection for the victims for up to three years with no protection afterwards, but legislation since then has increased the protection up to ten years.**
- **FMA helped to introduce the RECOVER Act in the 114th Congress that calls for lifetime protection for those affected and encourages its reintroduction the 115th Congress.**

On June 4, 2015, the Office of Personnel Management (OPM) announced that over four million current and retired federal employees' personally identifying information (PII) was compromised by a cyber data breach. In the following weeks, it was discovered that 21.5 million more people were affected by a background investigation breach of security clearance forms SF 86, SF-85, and SF-85P. This included data not only on current and retired federal employees, but also separated and prospective employees as well as their family members.

In response, the Federal Managers Association issued letters to OPM, President Barack Obama, and Congress, calling for better protections offered to those whose data was jeopardized, and to hold those accountable responsible for their negligence. We at FMA appreciate the efforts of legislators to include ten years of protection as part of the Consolidated Appropriations Act (P.L 114-113). Through the efforts of FMA, legislators in the 114th Congress introduced the Reducing the Effects of the Cyberattack on OPM Victims Emergency Response (RECOVER) Act (S. 1746 / H.R. 3029), legislation that called for lifetime protection on behalf of all those affected. FMA urges Congress to reintroduce and pass this important measure to provide protection and peace of mind to the more than 22 million victims of these breaches.

11. MAINTAIN THE CURRENT METHOD FOR COMPUTING COST-OF-LIVING ADJUSTMENTS

Congress should not utilize chained-CPI for computing cost-of-living adjustments for Social Security, Supplemental Security Income, Veterans benefits and federal pensions.

- **A shift to the chained-Consumer Price Index (chained-CPI) will result in lower cost-of-living adjustments (COLAs) while costing average federal employee retirees to lose $48,000 and retired military personnel to lose $42,000 over 25 years.**
- **FMA strongly opposes using chained-CPI for computing cost-of-living adjustments, but instead urges Congress to protect the benefits America's retirees have earned over many years of hard work.**

Proponents of the chained-Consumer Price Index (chained-CPI) argue it is a more precise calculation that reflects nuances of substituting purchases as commodity prices change. A common example to illustrate the concept is that if the price of beef rises, people will buy a less expensive alternative, such as chicken or pork. However, necessary items such as medications cannot be easily substituted. Senior citizens often face rising health care costs with no alternatives. With a change to utilizing a chained-CPI, seniors could be forced to make decisions between food and prescription drugs.

Chained-CPI would result in lower cost-of-living adjustments (COLAs) for federal pensions, social security benefits, supplemental security income benefits and veterans' benefits. While the COLA cuts are often described as "modest" or even "harmless," the cuts would dramatically affect those who can least afford to sustain yet another hit to their limited income. And these "modest" cuts quickly add up. The switch to chained-CPI is estimated to save the government more than $162 billion over ten years. The average federal retiree would lose $48,000 and retired military would lose $42,000 over 25 years.

FMA strongly opposes this proposed shift. Retirees worked hard over a dedicated lifetime of service to earn their benefits. As difficult and necessary decisions regarding funding for Fiscal Year 2017 and beyond are made, FMA urges Congress to protect the benefits America's retirees worked so hard to obtain and reject efforts that would switch to a chained-CPI as the formula for determining COLAs.

12. 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 (GPO) reduces the dependent/survivor benefit.**
- **The Windfall Elimination Provision (WEP) 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 realizes a full repeal of GPO and WEP is cost-prohibitive and would also support partial repeals or means tests to assist those who are affected the most.**

The Social Security Government Pension Offset (GPO) 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 (WEP) 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 recognizes that full repeal of both GPO and WEP is cost-prohibitive and, with deficit concerns a priority, full repeal is unlikely. In such a case, FMA supports legislation that would seek partial repeal, such as the Equal Treatment for Public Servants Act (H.R. 711) in the 114th Congress. H.R. 711, as originally drafted, which would have provided a rebate of 50 percent to current WEP-affected individuals.

After a lifetime career of government service, no retiree should be participating in federal "safety net" programs. Instead, he or she should receive the social security benefits rightfully earned through the payment of FICA taxes. FMA proposes that 185 percent of the federal poverty threshold be used as a means test. The threshold for one person would be used if the retiree has not provided a survivor benefit; the threshold for two persons would be used if a survivor benefit has been provided. If the retiree's annual gross pension is at or below the appropriate threshold, both GPO and WEP would be waived.

13. HEALTH PREMIUMS FOR FEDERAL EMPLOYEES SERVING IN THE RESERVES

Congress should allow federal employees who serve in the Reserves the ability to enroll in Tricare

- **At the moment, federal employees who serve in the reserves must enroll in the Federal Employee Health Benefits Program (FEHBP) and are not eligible to enroll in Tricare Reserve Select with a low rate of premiums.**
- **FMA urges Congress to enact legislation which gives federal employees the option of enrolling in Tricare Reserve select if they serve in the reserves, the Army National Guard or Air National Guard.**

Currently, if a member of the U.S. military reserves is working in a regular, non-federal employee job, they can opt to enroll in Tricare Reserve Select at a low rate of premiums. However, a federal employee who serves in the reserves is not eligible to enroll in Tricare Select and is required to enroll in the Federal Employee Health Benefits Program (FEHBP).

Reserve service members are penalized for serving their country if they work as both a federal employee and a reservist, and many feel they should have the ability to enroll in Tricare Select if they choose.

To correct this inequity, FMA urges Congress to allow federal employees who are also members of the Army National Guard, Army Reserve, Navy Reserve, Marine Corps Reserve, Air National Guard, Air Force Reserve, or U.S. Coast Guard Reserve, the option to elect in Tricare Reserve Select for their health benefits.

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

Congress should allow Federal Employees 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 Federal Employee Retirement System (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 passed 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 may for service performed after September 30, 1982.**

Under the Civil Service Retirement System (CSRS), 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.

FMA would like to see legislation passed 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 may for service performed after September 30, 1982. Under CSRS, an employee may redeposit deductions into the retirement system that were refunded to the employee upon separation from a CSRS-covered position. This redeposit includes interest for the period of time between the refund and the redeposit.

Currently, FERS employees are not permitted to redeposit funds withdrawn from their FERS retirement accounts. The FERS employee wishing to redeposit previously withdrawn funds should pay interest on the redeposit in the same manner as a CSRS employee. In both scenarios described, FERS, FERS-RAE, and FERS-FRAE employees should be allowed to pay a deposit or redeposit based on the amount of their contribution to the FERS system plus the applicable interest. FMA calls for legislation to address this inequality.