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## ***NEWS RELEASE***

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### **FMA URGES PRESIDENT TO FOLLOW CONGRESS' LEAD BY SWIFTLY SIGNING DEFENSE AUTHORIZATION ACT**

*FMA continues to push for final adoption of legislation providing taxpayers  
and federal employees alike with immeasurable benefits.*

**Alexandria, VA – The Federal Managers Association (FMA) applauds the Senate for approving the Fiscal Year 2010 National Defense Authorization Act Conference Report (H.R. 2647) and calls on the President to follow suit. Several of FMA's legislative priorities are included in the bill, and final approval by the President will bolster the federal government's ability to effectively administer programs on which the American people depend.**

“The Senate's decision to move this critical legislation to the President's desk marks a major victory for members of the civil service and American taxpayers alike,” announced FMA National President Darryl Perkinson. “The Federal Managers Association is proud to have played a key role in crafting and advancing several provisions contained in the bill which will strengthen the federal workforce. I respectfully urge the President to reaffirm his commitment to improving the manner in which the federal government operates by signing this legislation into law.”

Specifically, the legislation affords employees under the Federal Employees Retirement System (FERS) a credit for unused sick leave at the time of retirement, a benefit currently enjoyed by members of the Civil Service Retirement System (CSRS). Those who retire before January 1, 2014 will receive fifty percent of their unused sick leave credited towards their annuity, after which point FERS employees will receive full credit on par with their CSRS counterparts. FMA played a critical role in crafting standalone legislation to this end with Congressman Jim Moran (D-Va.), and the issue sits atop the Association's legislative agenda.

“The sick leave credit will prove instrumental in enhancing federal managers' ability to effectively supervise their employees and achieve agency missions, as managers will no longer have to grapple with the challenges posed by FERS employees who use disproportionately more sick leave towards the end of their careers,” continued Perkinson. “We worked diligently with Congress to address this productivity concern, and as nearly all federal employees will serve under FERS by 2014, I ask for the President's signature to resolve the dilemma once and for all.”

The legislation also extends locality pay parity to federal employees working in Alaska, Hawaii and the U.S. Territories. Federal employees who reside in these areas receive a tax-free non-foreign area cost of living adjustment (COLA) in their pay; however, the federal government fails to credit this COLA towards basic pay for retirement purposes, and these residents do not receive the locality pay benefit most federal employees enjoy. The legislation would phase-out the COLA and phase-in locality pay over a period of three years, combined with an annuity buy-in aimed at stabilizing the current retirement eligible workforce.

“Federal employees in Alaska and Hawaii continue to express concerns over their inability to retain mission-critical employees because the federal government fails to extend the same retirement benefits afforded to their

peers in the lower forty-eight states,” stated Perkinson. “Those leaving their installations for higher locality pay towards the end of their careers possess the experience and knowledge vital to their agencies’ success. The President’s signature on this legislation is crucial to equip managers outside the contiguous United States with means to recruit and retain their employees by establishing equity in the federal workforce.”

The bill further enables federal retirees to return to government service on a limited, part-time basis without having to take a reduction in compensation. Federal employees who return to public service after retirement are currently penalized in the form of a pay reduction to offset their federal retirement annuity. This offset inhibits highly-skilled individuals from rejoining the workforce during critical and challenging times when the government and the public need them the most.

“The Administration and Congress have tasked federal employees with immense responsibility in the face of an ambitious agenda to restructure the federal government’s role in the delivery of services to the American public,” Perkinson commented. “We need experienced individuals to lend their expertise as we tackle the challenges ahead and to mentor those who will serve the nation in the future. Signing this bill into law will ensure the federal government builds on its successes as we transition to the next generation of public servants.”

Also included in the legislation is a provision allowing FERS employees who leave the federal government the option to redeposit their previously cashed-out annuity if they return to government service. This means that for purposes of determining annuity benefits, these employees will not lose credit for previous years of service when returning to the federal workforce. A redeposit benefit is already available to CSRS employees who began working for the government prior to 1984, and this provision provides FERS employees the same opportunity.

“I sincerely praise those Members of Congress who have heard our calls and taken it upon themselves to ensure the federal government provides the level of service the American public expects and deserves through passage of this legislation,” concluded Perkinson. “It is now the responsibility of the President to affirm his pledge to strengthen the civil service. FMA is committed to stand as the voice of managers and supervisors across the federal workforce, and we will continue our fight to secure the interests of the entire civil service.”

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The Federal Managers Association, established in 1913, is the oldest, largest, most influential association representing the interests of the over 200,000 managers, supervisors and executives serving in today’s federal government.