

April 29, 2025

Committee on Oversight and Government Reform
2157 Rayburn House Office Building
U.S. House of Representatives
Washington, D.C. 20515

Dear Chairman Comer and Ranking Member Connolly:

On behalf of the more than 200,000 managers and supervisors in the federal government whose interests are represented by the Federal Managers Association (FMA), I am writing to express deep concerns with the legislative proposals included in section 2001 of the Concurrent Resolution on the Budget for Fiscal Year 2025 (H. Con. Res. 14). We respectfully urge you to oppose those legislative proposals when considered by the committee on Wednesday, April 30.

Specifically, FMA strenuously objects to the following cuts:

- SEC. 90001. RAISE FERS EMPLOYEE CONTRIBUTION REQUIREMENTS. — Raises the FERS retirement contribution rate for many existing federal civilian employees and postal employees up to the new rate of 4.4% of their salary.
- SEC. 90002. ELIMINATION OF THE FERS ANNUITY SUPPLEMENT. — For new federal retirees, this reform eliminates the additional retirement annuity payment that those eligible to retire before the age of 62 currently receive until they reach the age of Social Security retirement eligibility benefits. Exempt from this reform are those in federal occupations subject to mandatory early separation (i.e., retirement).
- SEC. 90003. HIGH-5 AVERAGE PAY FOR CALCULATING CSRS AND FERS PENSION. — Reduces federal pension benefit spending by basing a retiree's annuity payment on their average highest five earning years (instead of highest three).
- SEC. 90004. ELECTION FOR AT-WILL EMPLOYMENT AND LOWER FERS CONTRIBUTIONS FOR NEW FEDERAL CIVIL SERVICE HIRES. — Gives new Federal employee hires the option to elect to serve "at will" in exchange for higher take-home pay.
- SEC. 90005. FILING FEE FOR MERIT SYSTEMS PROTECTION BOARD CLAIMS AND APPEALS. — To reduce frivolous employee appeals to the Merit Systems Protection Board (MSPB) regarding agency disciplinary adverse actions, this reform would charge a modest fee for MSPB filings that would be refunded to those employees who win their appeals.

These proposals amount to nothing more than broken promises to workers who are currently vested, or at or near retirement age, and a tax on federal employees and annuitants. They shift the goalposts and eliminate earned benefits for employees who dedicated a career of service to the country. If enacted, they would cripple recruitment and retention to the federal workforce at a time when only nine percent of the workforce is made up of employees aged 30 or younger. That number is even more alarming when considering the same age group makes up nearly 23 percent of the private sector workforce.

Federal pay has not kept pace with inflation, and targeting their retirement packages on top of that puts retention of feds at severe risk. At a time when feds already earn nearly 25 percent less than their private sector counterparts, these proposals will only exacerbate a growing disparity that will force more of the best and brightest out of federal service. FMA implores Congress to oppose these proposals. Thank you for your time and consideration of this important issue.

Sincerely,



Craig Carter
National President