



June 16, 2017

United States Congress
Washington, DC 20515

Dear Senator:

On behalf of the Federal-Postal Coalition, which represents five million federal and postal employees and retirees across the country, I urge you to reject proposals contained in the Administration's fiscal year 2018 budget request that would adversely affect the postal and federal community.

There are numerous provisions contained in the budget request that take direct aim at the basic financial security of middle-class federal and postal workers, retirees and their families who live and work in every community and congressional district. These proposals renege on the government's commitments to its current and former employees regarding the pensions they receive in exchange for their hard work over long careers. The budget's proposals, together and individually, would undermine our government's ability to recruit and retain an effective and well-qualified workforce to serve our nation's needs by slashing workers' take-home pay and eroding retiree income security. As federal and postal employees are covered by the same retirement systems, we share common interest in opposing proposals that would target their earned pay and benefits through changes to retirement benefits. Further, the Administration's budget request would cripple U.S. Postal Service operations by threatening the frequency and quality of mail delivery, and would undermine non-defense, non-security civilian agencies that provide core services to the American public.

Combined, the proposals affecting federal and postal pay and retirement benefits would cost these individuals and their families more than \$149 billion over 10 years, and much more thereafter, as the losses would compound over time. The federal workforce has already contributed \$182 billion towards deficit reduction since 2011 through a three-year pay freeze, reduced pay increases, unpaid furlough days, and two increases in retirement contributions for new hires, without any additional benefit. These middle-class workers give their all to this nation every day when they go to work, and were the first to contribute when the nation was facing severe economic challenges. They should not be forced to sacrifice even more.

The budget's proposal to increase employee contributions towards retirement by approximately six percent, without any corresponding benefit increase, amounts to a substantial reduction in take-home pay for federal and postal employees. Simply, this is nothing more than a pay cut. Further reductions in take-home pay threaten these individuals' financial security and the government's ability to recruit and retain a skilled workforce to serve our country.

The budget also proposes to: eliminate cost-of-living adjustments (COLAs) for retirees covered by the Federal Employees Retirement System (FERS); reduce COLAs for retirees covered by the Civil Service Retirement System (CSRS); eliminate the FERS annuity supplement for new

retirees; and alter the retirement calculation for new FERS retirees by basing pensions on the highest five years of salary rather than the highest three years. In exchange for years of hard work over long careers, our government made a commitment to middle-class federal and postal workers in the form of modest federal pensions in retirement. Those pensions are not gifts; they were earned. Diminishing their value in any way for current employees and retirees fails to honor the commitments made to our public servants.

The proposals in the budget would undoubtedly make it harder to afford to retire, requiring employees to consider working longer, reducing government savings and delaying the career progression of younger employees prepared to take on greater responsibility. Further, none of the proposals to change retirement benefits make any allowance for employees subject to mandatory early retirement, such as law enforcement officers, air traffic controllers, and firefighters, who would be forced to accept significantly diminished financial security in retirement.

Targeting federal and postal employees through the budget process harms hard-working middle-class Americans in every congressional district. It also effectively attacks veterans, who make up one-third of the federal workforce, and our national security interests, as two-thirds of the federal workforce contributes to defending our homeland, supporting our military, or caring for our veterans.

Americans respect the work that the federal and postal employees carry out to keep us safe and provide crucial services: taking criminals off our streets and keeping them behind bars; supplying and preparing our military; caring for veterans; providing the intelligence and human resources to thwart terrorism; ensuring the safety of the food we eat; protecting our borders and our airways; providing Social Security benefits; delivering and processing our mail; and much, much more. This budget proposal disrespects these individuals and retirees, and the work they do – and have done – for this country. Therefore, we strongly urge you to reject these retirement proposals in any legislative proposal.

Should you require any further information, please contact the Federal-Postal Coalition Chair, Kori Blalock Keller at kbkeller@nalc.org.

Sincerely,

American Federation of Government Employees (AFGE)
American Federation of State, County and Municipal Employees (AFSCME)
American Foreign Service Association
American Postal Workers Union (APWU)
FAA Managers Association (FAAMA)
Federal Managers Association (FMA)
Federally Employed Women (FEW)
International Association of Fire Fighters (IAFF)
International Brotherhood of Electrical Workers (IBEW)
International Federation of Professional and Technical Engineers (IFPTE)
Laborers International Union of North America (LIUNA)

National Active and Retired Federal Employees Association (NARFE)
National Air Traffic Controllers Association (NATCA)
National Association of Assistant United States Attorneys (NAAUSA)
National Association of Government Employees (NAGE)
National Association of Federal Veterinarians (NAFV)
National Association of Letter Carriers (NALC)
National Association of Postal Supervisors (NAPS)
National Council of Social Security Management Associations (NCSSMA)
National Education Association
National Federation of Federal Employees (NFFE)
National Postal Mail Handlers Union (NPMHU)
National Rural Letter Carriers Association (NRLCA)
National Treasury Employees Union (NTEU)
National Weather Service Employees Organization (NWSEO)
Organization of Professional Employees of the U.S. Department of Agriculture (OPEDA)
Patent Office Professional Association (POPA)
Professional Aviation Safety Specialists (PASS)
Professional Managers Association (PMA)
Senior Executives Association (SEA)
United Postmasters and Managers of America (UPMA)