



CONGRESSIONAL TESTIMONY

STATEMENT BY

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AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES, AFL-CIO

BEFORE

**THE U.S. HOUSE OF REPRESENTATIVES
COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM**

ON

**WORKFORCE FOR THE 21ST CENTURY—ANALYZING THE PRESIDENT'S
MANAGEMENT AGENDA**

May 16, 2018

Thank you for the opportunity to appear today. I am Jacqueline Simon, Director of Public Policy of the American Federation of Government Employees (AFGE), AFL-CIO. AFGE is the largest federal employee union representing over 700,000 federal and District of Columbia employees across the nation and around the world.

BACKGROUND

I have been asked to provide AFGE's views on the President's Management Agenda (PMA), and specifically those items that affect the federal workforce. The title of this statement ought to be "Worst Practices: The Administration's Attempt to Sabotage the Federal Government through Retrograde Personnel Policies." The administration's PMA is indeed a blueprint for the sabotage of the apolitical, professional civil service and the agency missions. It is nothing less than a plan to degrade federal employment, and turn large portions of federal agencies and functions over to the private sector, or to abandon them completely.

PMA GOAL – SABOTAGING THE CIVIL SERVICE

The most disturbing element of the President's Management Agenda appears in the section titled "Developing a Workforce for the 21st Century". It is short on specifics but contains informative jargon-filled headings such as: "Realigning the workforce to the mission"; "Aligning total compensation with competitive labor market practice"; and "Federal managers are reluctant to remove a (poor performing) employees and may receive inadequate support from their agency in attempting to do so".

Not surprisingly, these statements are simply communicated *ex cathedra* with no supporting citations or references. To put some substance to the PMA's vague statements about the workforce, we have the Administration's May 4, 2018 legislative proposal transmitted to Speaker Ryan that presumably attempts to effectuate the PMA.

This proposal would:

1. Eliminate annuity supplements for retirees and surviving spouses;
2. Lower annuities by using a "high-5" rather than a "high-3" model;
3. Require a 6.45 % salary reduction for the vast majority of employees;
4. Eliminate modest COLAs for FERS participants and reduce COLAs for CSRS annuitants; and
5. Cut basic death benefit and surviving child annuities.

It was rumored that the Administration's proposal was issued late on Friday, May 4, 2018 in an attempt to shoehorn it into the National Defense Authorization Act (NDAA) mark-up scheduled to begin the week of May 7, 2018. This was nothing short of an attempt at a stealth raid on federal employee benefits. AFGE commends the House Armed Services Committee for its bipartisan decision not to consider this noxious proposal as a part of its mark-up of the FY 2019 NDAA.

This legislative proposal literally takes aim at widows, orphans, and the elderly. It also reduces the pay and benefits of middle and working class federal employees who serve the American people across the nation and around the world providing support to the military and veterans, keeping our air and water and food supply safe, and making sure that senior citizens and the disabled receive the Social Security benefits to which they are entitled.

In addition to the Administration's legislative proposal, the Director of the Office of Personnel Management (OPM), speaking at public event on May 9, 2018, said that the Administration planned to freeze the pay of all civilian federal employees during 2019 because it needed to "collect data" on compensation and the opportunity to "right-size" pay for different occupations.

Reportedly, the Administration's plan to "right-size" federal pay will involve a significant legislative proposal during the Fall of 2018. It appears that the plan is to reallocate payroll from lower-graded positions up to higher-graded positions, an approach that is quite at odds with the Administration's pretense of advocacy for the middle class. Although rhetorically the Administration claims to advocate a pay-for-performance scheme modeled on the failed National Security Personnel System (NSPS), in reality the plan seems to be higher pay for some at the expense of others. At the same May 9th event, the OPM Director, when discussing plans to revise federal pay systems stated "This is a chance to ask, 'Hey, are we overpaying some occupations and underpaying others?' Then we can try to right-size the underpaid jobs, and then the overpaid ones will take care of themselves through attrition." While the Director's breezy tone seems to be an attempt to present a deeply regressive and controversial approach as if it were simple and just a matter of finding the right fit, the meaning is clear: He aims to cut salaries for lower-graded employees and use the money to raise salaries for their bosses.

The Administration's Proposed Cuts to Federal Retirement Benefits

The May 4th proposal to Speaker Ryan echoes proposals that have been included in both the President's FY 2019 Budget Proposals and numerous Budget Resolutions that have passed the House in recent years. The specifics of these proposals are as follows:

1. **Cutting the FERS supplemental annuity:** The FERS supplemental annuity provides a bridge to Social Security benefits for those who retire prior to the age of Social Security eligibility. This supplement is available only to those who have met all the requirements for regular retirement, even though they are not yet 62. It would mostly affect federal law enforcement officers such as Border Patrol agents, ICE agents, Correctional Officers in the Bureau of Prisons and others who are **required** to retire by age 57. If enacted, this would be the first time that a federal retirement benefit has been completely abolished for current employees, all of whom were hired with the promise of this feature of FERS, established in 1987.

AFGE does not support either elimination or reduction in this element of the FERS. Likewise, AFGE does not support prospective reduction or elimination of this benefit that would protect it solely for current employees. Its inclusion when FERS was established to bring federal employees into the Social Security system was central to the effort to make FERS comparable in value to the Civil Service Retirement System it replaced. Because CSRS included a de facto Social Security equivalent, FERS needed this supplement as a bridge to Social Security eligibility. To reduce or eliminate for anyone in FERS, present or future, is to undermine the entire structure of the federal retirement benefit.

2. **Reduce Federal Annuities:** The Administration's proposal overtly lowers all FERS and CSRS annuities by calculating the benefit based on the average of the highest five years of salary instead of the average of the highest three years of salary. Unless the assumption behind this is frozen salaries in perpetuity, this proposal will lower annuities. Since the proposal is offered as a means of reducing the government's costs, it is clear that it is meant to effect a cut in the size of the annuity. Note that the Trust Fund from which FERS annuities are paid is fully-funded at the current annuity formula. This proposal would cut annuities not because of inadequate funding to cover their cost at the current formula, but just to impoverish federal employees when they retire.

AFGE opposes this proposal. Not only is there no funding rationale for this change in formula for calculating annuities, it is also an exercise in abject cruelty to a vulnerable population. The proposal brings shame upon anyone who would endorse it.

3. **Shifting Costs to Employee:** The Administration's proposal shifts the burden of funding the FERS annuity from the agency to the employee by taking an additional 1% of salary per year from the worker until she or he pays a full 50% of the cost of the annuity. The full cost is currently calculated at 14.5% of salary so the employee would pay 7.25% of salary. The majority of employees pay 0.8% of salary today. Thus, the proposal cuts salaries by 6.45 percentage points for these employees. FERS employees hired in 2013 pay 3.1% of salary; those hired after 2014 pay 4.4% of salary for their FERS annuity. The cost-shifting for those hired in 2013 was to pay for long-term unemployment benefits in 2012 and the second hit was, in political terms, as an offset in the 2013 Murray-Ryan budget deal. The high unemployment and big deficit were both temporary but the retirement cuts were made permanent. The Congress should be repealing these entirely unjustified cuts, not considering worsening them.

Note that according to the Bureau of Labor Statistics, among private sector employees who receive a traditional pension from their employers, 96% pay

nothing toward this benefit. Thus, this change does not bring federal employees “more in line with the private sector” as its advocates claim.

At the May 9 event, in response to a question about these increased employee annuity contributions resulting in pay reductions, the OPM Director stated, “Those are annuities, not compensation”. This was a very strange answer to a straightforward question. What was the Director trying to say? Perhaps the Committee could inquire as to what Mr. Pon meant by this odd statement. Is the Administration suggesting that federal annuity benefits are not a part of compensation?

In any case, AFGE strongly opposes this cost-shifting proposal that amounts to a 6.45% cut in wages and salaries for all federal employees. It serves no purpose other than impoverishment of the federal workforce and should not be considered. And for the record, it does constitute a cut in federal employee compensation, no matter how confused or confusing the Administration hopes the matter will be.

4. **Eliminate modest COLAs for FERS participants and reduce COLAs for CSRS:** The Administration’s proposal eliminates the Federal Employees Retirement System (FERS) cost of living adjustment (COLA) altogether and reduces it by half a percent per year for Civil Service Retirement System (CSRS) employees.

The FERS annuity, in addition to being quite small in itself, is already only eligible for COLAs that are often lower than Social Security’s. If the increase is three percent or more, FERS annuitants receive the CPI-W minus one percent. If the Social Security increase is between two and three percent, the FERS annuitant gets just two percent. Only if the CPI-W is two percent or lower does the FERS annuitant get the full amount under current law. Further, except for federal law enforcement, survivors, and those on disability retirement; FERS retirees do not receive any COLA on their annuities until they reach age 62.

AFGE strongly opposes this proposal. Although COLAs are currently small, too small to maintain their full-purchasing power, elimination or reduction is an entirely unjustified cut. Again, it must be noted that the provision of COLAs is included in the calculation of the cost of the program. Since the program is fully-funded, there is no budget or policy justification for this or any other proposed cut.

5. **Cut basic death benefit and surviving child annuities:** The Administration’s proposal cuts both the CSRS and FERS Employee Death Benefit and child annuity due to the reduction of the former’s COLA and the elimination of the latter’s COLA. This is the cruelest cut, even though it is not the largest.

AFGE opposes this cut as well. The death benefit and surviving child annuity benefit are meant to provide for widows and orphans of federal employees. To make this unconscionable cut would impose tremendous financial hardship on a small group and save a very small amount of money. Its purpose thus appears to be simple cruelty.

It is important to recall that FERS was created in 1987 as a result of the decision to bring federal employees into the Social Security System. Its designers meant for FERS to be equivalent in benefits and employee cost to the CSRS system it replaced. This package would undermine that standard by reducing the value of the FERS benefit to employees by something close to \$143 billion. It would not, as the administration says, bring federal retirement benefits “more in line with the private sector.” While it is true that many private employers have joined the proverbial “race to the bottom” by eliminating retirement benefits, large private firms that employ workers in occupations similar to those in the federal workforce, still provide comprehensive retirement benefits. The notion that the federal government will meet the “market” by cutting federal retirement benefits by \$143.5 billion over ten years is false.

Since 2010, federal employees have already experienced compensation cuts of more than \$240 billion in the name of budget austerity. These cuts include pay freezes, reduced pay adjustments, and retirement cuts. No group has been hurt by budget austerity as much as federal employees. There is no justification for any further cuts, and indeed, as the economy has fully recovered from the crisis that was exploited to justify the cuts, the Congress should be acting to rescind the retirement cuts already made and working to restore the purchasing power of federal pay.

The President’s February 2018 Budget proposed not only retirement cuts, but cuts in federal employee health insurance and paid leave as well. Although vague on details, the budget recommends changes to the formula used to determine the government’s contribution to the Federal Employees Health Benefits Program (FEHBP). At a recent meeting at OPM headquarters of the FEHBP advisory committee, OPM presented a rather obtuse briefing on the proposed formula changes. The goal of shifting costs from agencies onto federal employees was the only clearly stated element.

The plan seems to be to develop a new FEHBP funding formula that would base the government’s contribution rate on an FEHBP plan’s “score” from the program’s plan performance assessment on nineteen different health care outcome, quality and efficiency standards. When AFGE asked OPM for access to the data from assessments that would be used in creating the new formula, OPM refused. We were told that it is “proprietary information”. We then asked for a relative ranking of the different FEHBP plans using the “scoring” system. We have not heard back from OPM.

Note that federal employees pay at least 25% of premiums and as much as 55% of premiums, yet OPM continues to deem employees unworthy of access to information about how these premiums are calculated. And now that they are contemplating

seeking a statutory change in the way the government's contribution would be calculated, which would involve even higher contributions from employees, OPM has refused to share information with employee representatives.

We expect OPM to ask for a change in the law so that the weighted average premium share paid by the government will be somewhere in the 65 – 70 percent range. OPM will also propose a cap of 80% for certain “high performing” FEHBP plans, but acknowledged that even with this higher cap, the plans affected were likely to have lower overall premiums, and thus the government's actual contribution would be lower than under the current 75% cap.

While it is possible that federal employees with very low health care costs might benefit from a higher FEHBP premium percentage contribution made by the government, the vast majority will be much worse off, in many cases, absorbing a far higher share of the overall premium. This will be due not only to the change in the funding formula, but also to a worsening of risk segmentation. If the healthiest enrollees are incentivized to congregate in the least comprehensive-coverage plans, and those with greater need for covered services congregate in more comprehensive coverage plans, the premiums in the latter will be higher than they would be if the enrollee population were more heterogeneous. This is bad healthcare policy as it makes the overall cost of the program higher than it should be, but it is consistent with the Administration's overall approach to benefiting a few at the expense of the many.

The President's budget proposes to “align” federal employee sick and annual leave benefits more closely with the private sector. “Align” is their euphemism for reduce. The 2019 budget proposal would combine all leave into a single “paid time off” category. The proposal even acknowledges that the goal is to reduce total leave days employees may accumulate and use. At present, most employees receive 13 sick days per year, 13 - 26 days of annual leave (depending on length of service), and 10 federal holidays. Like most Administration proposals, this one has no specifics, so one cannot tell exactly what the proposal is offering, but as usual, we know it's less than what employees currently earn. Again, this is merely an attempt to degrade federal employment and emulate the worst practices of corporate employers.

PMA UNSTATED GOAL – SAVAGING FEDERAL EMPLOYEE UNIONS

Although the PMA does not state it explicitly, it appears that a significant personnel policy goal of the Administration is to undermine federal employee unions' ability to represent their members. In March, the Department of Education unilaterally imposed a new “contract” that, among other things:

1. Repealed virtually all use of official representational time, including for **legally required** representation of employees;
2. Required union officials representing employees to do so in a new, unprecedented and unlawful “leave without pay” for union business;

3. Required union officials to obtain supervisory approval before going into an unpaid leave status even for **mandatory representational** activities;
4. Closed all union offices located at Department of Education facilities, offering to “rent” very limited space to the union at “market rates”;
5. Turned off all union information technology and communications portals in the union’s offices that were connected to the agency’s systems, which essentially terminates all computer access since the union cannot simply bring in alternative Internet Service Providers at government facilities;
6. Automatically terminates employee union dues deduction each year, requiring the represented worker to re-join each year. In addition to potentially depriving the worker of union membership benefits, this deprives the union of the revenue needed to operate; and
7. Rescinded dozens of contract provisions, including those relating to telework; child and elder care; guidelines for promotions, step increases and bonuses; and protections for employees with disabilities.

The goals of the Department of Education are clear: To terminate all collective bargaining; to mandate that the union provide legally required representation but simultaneously thwart the ability of union representatives to do so; and to starve the union of the resources necessary to carry out our legally required activities.

These anti-union policies for a “21st Century Workforce” are not directly identified in the PMA. There may be some question as to whether they consider it advantageous to publicize the Department’s union-busting attempt and whether they intend to replicate it at other agencies. But undermining federal unions’ ability to carry out our representational duties seems to be a core “worst practice” being pursued by the Administration.

PMA UNSTATED GOAL – SABOTAGING AGENCIES THAT PROTECT FEDERAL EMPLOYEE RIGHTS

Another “worst practice” being pursued by the Administration that is not explicit in the PMA seems to be the neglect of agencies that protect the rights of federal employees – specifically the Merit Systems Protection Board (MSPB) and the Federal Labor Relations Authority (FLRA).

The MSPB has been without a quorum since the beginning of the Administration. This means that while federal employees may appeal adverse actions against them to MSPB administrative judges (AJs), agencies simply appeal AJ decisions not to their liking to the full Board. Since there is no Board quorum, the employee is left in limbo and cannot return to work because there are not enough MSPB Members to hear the appeal. The Administration has nominated two individuals to fill the vacancies at the MSPB. Both nominations are pending in Committee. In the meantime, a record period of time for MSPB vacancies has elapsed, and a record case backlog has developed at the Board.

The situation at the FLRA is somewhat different. While there is a full complement of three FLRA Members in place, there is no Presidentially appointed General Counsel. The result? The FLRA claims it cannot consider unfair labor practice (ULP) complaints until a General Counsel is appointed. To quote the FLRA's website: "ULP complaints may only be issued when the FLRA has a General Counsel." Since there is neither an Acting General Counsel designated nor a nominee for the position of General Counsel, it is not a stretch to say that the FLRA is not performing one of its core functions because of an apparent decision by the Administration to ignore or neglect the agency.

In addition, the FLRA has proposed to close its Dallas and Boston regional offices. This restructuring has the potential to reduce the agency's ability to carry out its mission, as it is likely that many of the staff who are eligible to move in order to retain their jobs will instead accept offers of early retirement or a payment for voluntary separation and will not be replaced.

PMA UNSTATED GOAL – ABOLISHING DUE PROCESS RIGHTS FOR FEDERAL EMPLOYEES

On January 30, 2018, The Hill newspaper ran the following headline: "Trump: Congress should give agencies power to fire federal employees". The notion that it is too hard to fire a federal employee for misconduct or poor performance is repeated endlessly by those whose real goal is to destroy job tenure for federal employees. In response to this endless whining by management representatives, Congress periodically revisits this issue. Why should something so important be so hard? Making it easier to fire federal workers means further weakening already tenuous due process and collective bargaining rights. The PMA does not explicitly address collective bargaining or due process rights, but all indications strongly suggest that the Administration would like nothing better than to make federal employees "at will" or at least subject to much more "flexible" removal provisions.

Before this Committee accepts the false narrative that federal employees cannot be removed, it is worthwhile to examine the facts.

Agency career employees are accountable to supervisors who are ultimately accountable to politically-appointed officials. These appointees, and supervisors who serve under them, may not take actions against post-probationary career employees for misconduct or poor performance without providing at least some evidence to back up the allegations. There must be some level of due process provided to the employee, including third-party review by neutral decision-makers.

The Civil Service Reform Act (CSRA) of 1978 provides the basis for both selection of most career civil servants, and their protection from unwarranted personnel actions, including removals (unwarranted = motivated by politics, bias, etc.). This law protects the public from having their tax dollars used for hiring political partisans for non-

political jobs, and helps ensure the efficient and effective provision of services to citizens.

The CSRA provides that employees may be removed for either misconduct or poor performance. The employee merely needs to be informed of his or her alleged deficiency and the reason that management proposes to take an action against him or her (removal, demotion, suspension, etc.).

Unlike prior law, the CSRA provided **more bases** than previously existed for managers to take action against federal employees. Under the CSRA, employees may be removed for either misconduct or poor performance if:

1. The employee has been informed of the problem and the reason that management proposes to take an adverse action (e.g., removal, demotion, or suspension) against him or her; and
2. The employee has been given a reasonable opportunity to respond, both in writing and orally, if requested; and
3. The agency's final decision is adverse to the employee, (e.g., removal, demotion, suspension for more than 14 days).

An employee is subject to a final adverse action by an agency 30 days after receiving an adverse proposal. An employee may file an appeal of an adverse action to the Merit System Protection Board (MSPB), a third-party agency that hears and adjudicates civil service appeals. MSPB administrative judges (AJs) hear the matter in an adversarial setting and decide the case in accordance with established legal precedents. If dissatisfied with the AJ's decision, either the agency or the employee may appeal the decision to the full three Member MSPB.

The CSRA does not give unfair advantages to federal employees. Agencies generally prevail in 80% - 90% of all cases at the AJ level, and only about 18% of all AJ decisions are appealed to the full Board. AJs are upheld by the full MSPB in about 90% of all appealed cases.

It is very important to note that following an agency's adverse decision against an employee, the agency's decision is automatically put into effect (e.g., the employee is removed from the agency's rolls the day of issuance of the decision or within several days following the decision). An employee removed by an agency receives **no pay** during the appeal process.

The MSPB appeal process is highly efficient and expeditious. Most AJ decisions are rendered within 70 days of the filing of an appeal. An appeal to the full MSPB from an AJ decision takes about 210 days. Meanwhile, the agency's decision remains in effect during the entire appeals process.

The importance of maintaining a nonpartisan, apolitical civil service in an increasingly partisan environment cannot be overstated. First, most federal jobs require

technical skills that agencies simply would not obtain through non-merit based appointment. Second, career employees must be free to perform their work in accordance with objective professional standards. Those standards must remain the only basis for evaluating employee performance or misconduct.

Calls to make it easier to fire a federal employee by decreasing due process rights are “dog whistles” for making the career service subject to the partisan or personal whims of a few supervisors or political appointees. Whatever lack of public confidence in government exists today (usually because of political partisanship) will be magnified a hundredfold if all civil servants become *de facto* political appointees, serving at the whim of supervisors.

It may be politically unpopular to admit this, but federal managers are already fully empowered under existing law to take appropriate action when employees are underperforming or engaged in misconduct. There is no group of people who object more to the continuing presence in the workplace of those who are not performing well or who may engage in misconduct than fellow federal employees. When someone doesn’t perform up to speed, it simply means more work for the rest of the people who do perform well. Similarly, an individual’s misconduct hurts all employees in the workplace, and it is usually fellow employees who are the first to shine light on misconduct, as they did at the Phoenix VA Medical Center in 2014. Without the protection of civil service laws, I can guarantee you that no employee will be foolish enough to come forward with evidence of mismanagement. Although whistleblower laws offer some protection from retaliation for those who reveal certain types of mismanagement, the kind of routine mismanagement that was revealed by AFGE members at the Phoenix VA would not have occurred if the front line employees were “at will.”

Whistleblowers typically have to hire lawyers at great expense and litigate over extended periods of time during the course of which managers can retaliate. It took seven years for a civilian in the Marine Corps to successfully litigate his whistleblower complaint based on his internal report that showed how the Corps could have saved hundreds of lives by fulfilling a 2005 request for Mine Resistant Ambush Protected vehicles in Iraq. The idea that simply invoking whistleblower laws will somehow protect or encourage whistleblowing when an “at will” employment relationship exists is a fiction given the immense litigation hurdles, and financial and emotional stresses that whistleblowers have to incur.

I have yet to encounter a federal employee who supports those who do not pull their weight, performs poorly, or otherwise engages in misconduct.

Despite the protestations of some managers and think tanks, the Government Accountability Office (GAO), the Merit Systems Protection Board (MSPB) and the Office of Personnel Management (OPM) have all issued reports and analyses that have come to pretty much the same conclusion: When poor performers are not dealt with it is **never** because the civil service laws or procedures are too difficult to navigate, but

rather because some managers (or their managers) either do not want to take the time and effort to properly document poor performance and remove or demote poor performers, or because they lack the knowledge, skills, and ability to do this.

AFGE is aware that the campaign to reduce civil service protections is promoted through the suggestion that civil service due process procedures are just too difficult for some managers to follow. The goal seems to be to remove the employee immediately, and deal with due process in the future, if ever. This is a dangerous precedent if we want to maintain an apolitical and highly qualified civil service, especially in the current political environment. Indeed, if a manager finds these procedures too difficult, the real answer is to demote the manager to an easier job, not take away rights from all federal employees.

The premise that the procedural hurdles for removing poorly performing employees are too high is simply not borne out by the facts. When an employee invokes his/her rights to a formal adjudicatory hearing before the MSPB, the agency almost always prevails. For example, in 2013, only 3% of employees appealing to the MSPB prevailed on the merits. In contrast, agencies were favored at a rate five times that of employees when formal appeals were pursued. The notion that the MSPB makes it impossible to fire a federal employee is simply not true. Perhaps we should call it an “alternative fact.”

There are well-established and fully adequate processes and procedures for removing problem federal employees. This is true for performance or conduct reasons. In fact, the standards for removing underperformers were specifically developed so that poorly performing employees may be more easily dismissed than employees committing conduct-related offenses. Even more important, the burden of proof is lower for removing a poor performer -- it is only the “substantial evidence” test, so that reasonable supervisors are given leeway to determine what constitutes unacceptable or poor performance.

PMA UNSTATED GOAL – CONTRACT OUT AS MUCH OF THE FEDERAL WORKFORCE AS POSSIBLE AND REDUCE CIVIL SERVICE PROTECTIONS AS MUCH AS POSSIBLE

The recent mark-up by the House Armed Services Committee of the FY 2019 NDAA contains an example of back-door attempts to make federal employees effectively “at will”. Section 1109 of the bill extends authority for civilian federal agencies to make temporary and term appointments to positions in the civil service. It is unclear why a defense bill is being used to allow civilian federal agencies to make more temporary appointments. The Department of Defense (DoD) already has this authority, so it is not to assist DoD in its mission. The purpose of this section was to permit civilian agencies to make longer temporary and term appointments – up to six years – in order to avoid giving employees full civil service protection from arbitrary removals or even discriminatory agency action.

Lengthening the period during which employees can be in temporary or term status is the very definition of degrading the federal service. They effectively extend the probationary period for the full length of employment. Term employment is now for a minimum period of one year, but the direction in the private sector is to place no floor on the length of employment. Contingent employment has no place in the federal government beyond exceptional situations where the agency's need is finite and temporary. For ongoing needs, the federal government should hire employees into full, career service positions. The American people deserve a federal workforce that is fully protected from political interference through robust civil service and collective bargaining rights. Anything else risks politicization and corruption.

CONCLUSION

The PMA's soothing words and phrases and colorful photographs attempt to convey a sense that the document is a thoughtful and modern approach to the management of federal agencies. However, these pretty pictures mask a dark intent to sabotage the operation of federal agencies by degrading the federal workforce.

If the PMA were to be implemented through either legislative or administrative action it would sabotage the civil service and agency missions not considered to be compatible with this Administration's political priorities. And paradoxically, the PMA would shrink the size of the federal workforce while simultaneously increasing costs to taxpayers by vastly shifting work from public employees to more expensive contractors.

Federal employee pay, benefits, job security, and due process rights are clearly in the cross hairs of the drafters of the PMA. Despite the language portraying the PMA as seeking to attract the best people to government, the document clearly contemplates making federal employment less desirable by cutting pay and benefits and weakening job security for the vast majority of employees.

The ability of agencies to carry out their missions would be adversely affected as more functions would be subject to contractor performance, putting at risk not only management control, but even concepts of duty and loyalty by the people responsible for accomplishing the work. The PMA and other Administration initiatives would establish a civilian equivalent of hiring and empowering mercenaries to carry out agency functions.

The PMA would increase politicization of government functions and operations. Rather than place most operational responsibilities in the hands of a professional apolitical civil service, the concepts embodied the PMA would make the federal workforce a less stable, more partisan entity. Besides the erosion of due process rights, federal employment, even for those putatively in the civil service, would become an elongated probationary period, consisting of temporary and term appointments. Federal employment would devolve to a new form of "at will" employment, with employees beholden to political or commercial interests that could determine their future livelihood.

For these reasons, it is best to consider the PMA a “worst practices” document that would sabotage government agencies. This concludes my testimony. I would be happy to answer any questions you may have.

Committee on Oversight and Government Reform
Witness Disclosure Requirement — "Truth in Testimony"

Pursuant to House Rule XI, clause 2(g)(5) and Committee Rule 16(a), non-governmental witnesses are required to provide the Committee with the information requested below in advance of testifying before the Committee. You may attach additional sheets if you need more space.

Name: Jacqueline Simon

1. Please list any entity you are representing in your testimony before the Committee and briefly describe your relationship with each entity.					
Name of Entity	Your relationship with the entity				
<u>American Federation of Govt. Employees, AFL-CIO</u>	<u>employee - employer</u>				
2. Please list any federal grants or contracts (including subgrants or subcontracts) you or the entity or entities listed above have received since January 1, 2015, that are related to the subject of the hearing.					
Recipient of the grant or contact (you or entity above)	Grant or Contract Name	Agency	Program	Source	Amount
<u>n/a</u>					
3. Please list any payments or contracts (including subcontracts) you or the entity or entities listed above have received since January 1, 2015 from a foreign government, that are related to the subject of the hearing.					
Recipient of the grant or contact (you or entity above)	Grant or Contract Name	Agency	Program	Source	Amount
<u>n/a</u>					

I certify that the information above and attached is true and correct to the best of my knowledge.

Signature 

Date: 5/14/2018

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AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES, AFL-CIO

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Jacqueline Simon is the Policy Director of the American Federation of Government Employees, AFL-CIO (AFGE), the largest federal employee union representing over 700,000 federal and District of Columbia employees. She represents AFGE on all policy matters affecting the union's members including civil service protections, collective bargaining, privatization, pay, health insurance, retirement, and budget.

Ms. Simon also serves AFGE as a member of the Federal Salary Council, the Federal Prevailing Rate Advisory Committee, the Employee Thrift Advisory Committee, and the Federal Employees Health Benefits Employee Advisory Committee.

