



NFFE News Story

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NFFE STAUNCHLY OPPOSES DISASTROUS RYAN BUDGET

It is no secret that federal employees have been severely harmed by Congressional action in recent years. Since 2010, federal workers have been forced to accept \$138 billion in cuts to their pay and pensions. In 2013, roughly half of the federal workforce suffered several days of furloughs and a 16-day government shutdown. Not surprisingly, this has decimated morale throughout the federal workforce.

This week, House Budget Committee Chairman Paul Ryan (R-Wis.) introduced his 2015 budget plan. While the plan suggests extreme cuts to numerous programs, Ryan's budget is particularly concerning for federal employees. The budget targets federal employees for an additional \$125 billion (\$60,000 per federal employee) in cuts, most of which would come from substantially reducing the federal workforce and making drastic cuts to federal employee pensions.



House Budget Committee Chairman, Rep. Paul Ryan (Republican, Wis.)

"Congressman Ryan's budget makes it clear that no matter how much federal workers sacrifice in the name of deficit reduction, it will never be enough to satisfy some House Republicans," said NFFE National President William R. Dougan. "There are limits to how much you can squeeze federal workers. Anyone paying attention would know that morale is dangerously low in the federal workforce right now. And House Republicans respond to that by heaping almost as many cuts as we have seen the last four years combined into one budget. These lawmakers honestly do not know the damage they are causing, or they just do not care. I am not sure which is worse."

So, what would the Ryan budget do specifically? Federal employees enrolled in FERS would be forced to contribute 6.35 percent of their take-home pay toward their pensions, without any added benefit (a 5.5 percent increase for most federal workers). The bottom line: the average federal worker would lose more than \$4,000 per year in take-home pay with no added benefit. And the reality for newly-hired federal employees would be even worse – having their pensions eliminated entirely.

Paul Ryan had the gall to tout this proposed change as a benefit for federal employees. His budget document stated this change would "...help facilitate a transition to a defined-contribution system for new federal employees that would give them more control over their own retirement security."

"I am not sure what world Paul Ryan is living in," said Dougan, "but making federal employees contribute thousands of dollars more per year to their pensions for no added benefit and eliminating pensions altogether for new hires does not give federal workers more control over their retirement security. NFFE is staunchly opposed to the Ryan budget."

Ryan's Budget would also eliminate the Federal Employee Retirement System (FERS) Annuity Supplement, a critical benefit that bridges the time between when an employee enrolled in FERS first retires and when he/she begins to receive Social Security benefits. Finally, the Ryan budget recommends reducing the government workforce by 10 percent by replacing one employee for every three who leave government service.

On April 2, 2014, the House Budget Committee approved Ryan's fiscal 2015 budget plan, sending it to the floor for a vote by the full U.S. House of Representatives.