Brief to Congress on Schedule F (Dec 2024)

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Potential Impacts of Implementing Schedule F Hiring Authority:

1. Unlimited Political Appointments

Current law limits political appointees in the Executive Branch to approximately 4,000 under Schedule C. Schedule F would remove this cap, enabling unlimited appointments. This will cost taxpayers billions annually in unnecessary political salaries.

2. Permanent Political Appointees

Political appointees are currently limited to temporary roles tied to a presidential administration. Schedule F would make these appointees permanent, allowing them to remain regardless of changes in political leadership.

3. Unaccountable Political Operatives

By law, political appointees are not subject to oversight, discipline, or performance evaluations by career civil servants. Schedule F would embed these unsupervised individuals in the Executive Branch, enabling them to pursue unchecked personal or political agendas, including actions that could benefit third parties or foreign adversaries.

4. Erosion of Civil Service Integrity, if Not the Civil Service Itself

Schedule F threatens the independence and protections of civil servants. Professional employees could be reclassified as political appointees, stripping them of legal safeguards against retaliation. This reclassification could discourage reporting of fraud, waste, abuse, or unethical practices, undermining oversight, transparency, and accountability within the government.

Saving the Civil Service Act (S. 399 / H.R. 1002)

1. Prohibits New Excepted Schedules

This legislation effectively bans the creation of new Excepted Service schedules, such as Schedule F, by restricting the Excepted Service to the existing Schedules A through E, as defined in the Code of Federal Regulations (CFR).

2. Requires Employee Consent for Status Changes

Employees must provide written consent before being reassigned to a different status or schedule, whether within the Excepted Service or between the Competitive and Excepted Services.

3. Restricts Competitive-to-Excepted Service Transfers

Agencies are limited to transferring no more than 1% of employees from the Competitive Service into the Excepted Service during a four-year presidential term. Additionally, employees must agree to any such transfers.

Note: Schedule A: Hiring based on disabilities; Schedule B: Positions exempt from competitive exams; Schedule C: Political appointees; Schedule D: Special hiring authorities (e.g., Pathways programs); Schedule E: Administrative Law Judges

Potential Impacts of Schedule F, if Enacted:

Erosion of Lessons Learned

Enacting Schedule F risks undoing over 150 years of progress in combating corruption, favoritism, and harmful practices that foster fraud, waste, abuse, and managerial incompetence.

Suppressed Reporting of Corruption

Professional civil servants would lose vital legal protections that currently allow them to report or act against fraud, abuse of power, and unethical or illegal activities without fear of retaliation.

• Unchecked Corruption

Without internal accountability, political overreach and corruption within the Executive Branch could go unchallenged, leading to a significant loss of transparency and oversight.

Mission Degradation

Agency efficiency and effectiveness would decline as programs falter, undermining their ability to serve the public.

• Unaccountable Political Operatives

Unlimited, unsupervised political appointees under Schedules C and F could act without meaningful oversight, creating opportunities for corruption and potential misuse by bad actors, including foreign adversaries.

Wasted Taxpayer Dollars

Billions in taxpayer funds would be squandered on unjustified salaries and benefits for political appointees with no accountability.

Disabled Oversight and Enforcement

Protections against political interference would vanish, enabling unchecked halts to programs, selective enforcement of laws, violations of procurement rules, and disregard for congressional mandates. Public and congressional oversight would be severely weakened.

Strained International Alliances

U.S. intelligence and diplomacy would face diminished trust and reliability, risking partnerships, intelligence-sharing, and international standing while increasing security threats to Americans.

• A Threat to American Democracy

Schedule F represents a concentrated effort to dismantle civil service protections, consolidate political power through corruption, and undermine the foundations of democracy.

The Big Con: Schedule F and Executive Power

Schedule F is pivotal to what has been described as "The Big Con," the Trump administration's plan to dismantle the professional civil service and replace it with loyal political appointees. By consolidating control, these appointees would wield unchecked executive power for personal and political gain.

According to Project 2025, the administration's guidebook, operatives are instructed to exploit government authority to target political opponents, weaponize federal resources, and undermine the rule of law. Schedule F would enable appointees to influence industries improperly, hinder regulatory enforcement, and manipulate sectors such as financial markets, banking, national security, infrastructure, etc.

Political control over inherently governmental functions grants unprecedented power, allowing the Executive Branch to suppress dissent and neutralize those who fight corruption or uphold the law. Schedule F threatens to transform the government into a tool for political retribution, dismantling accountability and transparency.

The Big Con: Lies (and Truths) About the Federal Workforce, Government Size, and Executive Branch Mission

Regarding the Federal Workforce:

- LIE: You can't fire a federal employee.
 TRUTH: Each year, about 11,500 federal employees are terminated for disciplinary or conduct issues—an average of 44 every workday (FedScope).
- 2. LIE: Federal employees have lower termination rates than the general workforce. TRUTH: The federal workforce doubles the termination rate (0.55%) for performance and conduct over the general workforce (0.25-0.3%). According to historical data from the Bureau of Labor Statistics (BLS) Job Openings and Labor Turnover Survey (JOLTS), approximately 1% of the general workforce is involuntarily separated yearly. Of these separations, 25–30% (or 0.25–0.3%) are attributed to performance or conduct issues, while most are due to layoffs. In the Executive Branch, an average of 11,500 employees are separated annually for performance or conduct reasons, based on FedScope data. This figure represents approximately 0.55% of the 2.1 million federal employees.
- 3. **LIE: Civil service job protections are unnecessary. TRUTH:** Misrepresented as 'job protections' for individual workers, civil service protections are systematic safeguards against corruption and political interference, allowing employees to report misconduct without fear of retaliation.
- 4. LIE: Civil service protections keep poor performers on the job.
 TRUTH: When proper protocols are followed, terminating poor performers is straightforward. Appeals rarely overturn terminations unless improper management procedures are evident.

5. LIE: Merit System Principles hinder performance.

TRUTH: These principles promote fairness and stability in federal employment, enhancing accountability while ensuring fair and transparent performance evaluations.

6. LIE: Schedule F will improve performance.

TRUTH: Schedule F would instill fear among civil servants, suppress productivity, and erode 150 years of government efficiency and integrity progress.

7. LIE: MSPB and FLRA shield poor performers.

TRUTH: Employees prevail in only 18% of MSPB cases and 3% of appeals. Management wins 60% of cases at the FLRA, demonstrating that these agencies ensure fairness and accountability, not leniency. These agencies ensure that the hard lessons learned over the last 150 years fighting corruption, political overreach, and unethical activity are not forgotten.

Regarding the Size and Cost of Government:

8. LIE: The federal workforce is too large.

TRUTH: The non-postal <u>federal civilian workforce remains at its 1952 size</u> (~2 million). <u>Per capita, it's the smallest in history</u>, representing 0.597% of the U.S. population, down from 1.85% in the 1940s. The American population has more than doubled since 1952, and the incalculable number of mandates and laws passed by Congress and sent to the Executive Branch for implementation. Achieving this with the same number of federal employees is stunning. This should be celebrated, not denounced.

9. LIE: The federal workforce, not contractors, is costly.

TRUTH: In fiscal year 2023, the federal government spent approximately \$759 billion on contracting, representing roughly 45% of all discretionary spending (\$1.7 trillion). The number of federal contract workers in the United States is estimated to be around 3.7 million.

10. LIE: Federal employees are too expensive.

TRUTH: In fiscal year 2022 (2023 not available), the federal government spent \$271 billion on 2.1 million federal employee salaries and benefits, representing 16% of discretionary spending and 4.4% of the total annual budget. Because federal employees pay taxes on their earnings, they return over \$40 billion directly back to the Treasury (based on a national effective income tax rate of 15%), which lowers the cost of the federal workforce to 13.5% and 3.8%, respectively. In contrast, funding allocated to contractors often contributes to taxpayer-funded corporate profits, which are not directly reinvested into the Treasury.

11. LIE: Government discretionary spending is out of control.

TRUTH: Non-defense <u>discretionary funding is at the lowest level in modern history</u> as a percentage of GDP (Moody's Analytics).

Regarding the Mission of the Executive Branch:

12. LIE: Regulations hurt businesses.

TRUTH: Regulations are essential safeguards created in response to harmful actions. Despite claims, the stock markets, corporate profits, constant dividends, and rampant stock buybacks remain at record highs, and the growing number of American billionaires shows that businesses thrive under regulatory frameworks. No economic data shows that regulations slow *legitimate business* functions or the ability to profit. The effort to deregulate is based on greed and the desire to escape regulatory and law enforcement.

13. LIE: Schedule F and DOGE combat the deep state.

TRUTH: Existing layers of oversight prevent a so-called "deep state." Schedule F, however, could create covert networks of unqualified political operatives undermining transparency and democracy. This is the definition of a deep state.

14. LIE: Schedule F and DOGE will improve government operations.

TRUTH: Political agendas will override agency missions, crippling services like food inspection, infrastructure repair, disaster relief, environmental protection, consumer protection, benefits programs (Medicare and Social Security), and national security, among others.

15. LIE: Schedule F and DOGE/Project 2025 will promote businesses and capitalism.

TRUTH: Schedule F is an attempt to <u>Defund the Police</u> within the federal government by disabling the ability of the Executive Branch to enforce its own rules and laws against corruption and illegal activity. It also defunds federal law and regulatory enforcement agencies and their personnel—especially where the government oversights illicit business activities—allowing wealthy and influential corporations to engage in unethical or illegal activity such as falsifying reporting to investors, evading health and safety requirements, undercapitalize investments, corner markets, embezzle funds, etc. This is the real motivation behind DOGE and Project 2025, on which Schedule F is a pivotal enabler.