Surprise, surprise—another attack on our pension

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Our retirement benefits are always under attack. Even when a political party doesn't control Congress, it is scheming to cut the hard-earned benefits of federal employees. This go-round is no different as again, we face a drastic and draconian proposal to strip benefits, not just for future federal employees, but for all current and retired federal employees.

The Republican Study Committee (RSC), which released its 2024 budget proposal, describes itself as follows:

> The Republican Study Committee (RSC) has served as the conservative caucus of House Republicans and a leading influencer on the Right since its original founding in 1973. It exists to bring like-minded House members together to promote a strong, principled legislative agenda that will limit government, strengthen our national defense, boost America's economy, preserve traditional values and balance our budget.

Led by Chairman Kevin Hern (R-OK), the RSC budget proposal details multiple modifications to the Federal Employees Retirement System (FERS) and the Civil Service Retirement System (CSRS). First and foremost, the proposal calls for eliminating the FERS basic benefit for all new employees. In other words, new employees can pound sand.

It also calls for a change from the high-3 average salary for calculating retirement benefits. This proposal, which we saw multiple times from the Trump administration, would change the high-3 average salary to a high-5 average salary. This would decrease annuities as the formula would include additional years of lower earnings, therefore lowering the average.

Employees would pay more toward their FERS benefits under the proposal. The proposal doesn't go into the details of how much more, but we can start to put the pieces together when it later states, "This proposal would equalize the treatment for all federal workers." Employees hired prior to 2013 pay 0.8 percent of their basic pay toward their FERS pension. Employees hired in 2013 pay 3.1 percent, and those hired after 2013 pay 4.4 percent. If the RSC intends to raise employee contributions and make it equal for everyone, we know that contributions will be increased to a minimum of 4.4 percent for everyone. It's left to the reader to hope the employee contributions won't go even higher.

Various other attacks in the proposal are not new. The budget proposal also calls for reducing or eliminating the cost-of-living adjustments (COLAs) for FERS and CSRS; eliminating the Special Annuity Supplement and reforming the interest rate provided by the G Fund (Government Securities Investment Fund) in the Thrift Savings Plan. These are all serious cuts, but let's recognize the devastation to retirees if we lose COLAs. A quick glance in the rearview mirror should remind us of the huge inflation numbers (an increase in the cost of goods and services) during the pandemic. Although inflation has slowed back down, the cost of goods remains inflated. If not for COLAs, the purchasing power of our pensions would have been drastically reduced. And that is just the last few years.

Now imagine inflation, year over year, for decades. Pensions will dwindle away and retirees will be forced to get by with less, all while health care costs in the United States continue to spiral out of control. What kind of dignity will retired federal employees have if they are forced out of their homes or can't receive necessary medical care to stay healthy and active?

What is the intent of the Republican Study Committee with all these cuts to federal workers? The proposal has an explanation. It is to, "ensure solvency for federal pensions and save taxpayers more than $235 billion over 10 years." Does the RSC understand that federal employees have paid taxes their entire careers? Do they understand that the Postal Service doesn't receive taxpayer money, and instead is funded through earned revenue from postage sales? Does the RSC realize that the Civil Service Retirement and Disability Fund (CSRDF)–the fund for CSRS and FERS--had more than $1 trillion by the close of 2022, and is projected to have more than $12 trillion by 2095?[1] Where is the solvency problem? Why are they meddling?

We must remember that our status as federal employees with federal benefits is not as simple as some others. We have 535 bosses on Capitol Hill, and many of them always want to cut our benefits. That is why it is so important for us to stay engaged and active on all fronts. And whether or not we like politics, these are the people who write the rules of the game. We must ensure that the rules are written to give the working class a fair chance at success and retirement with dignity.

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1 *Civil Service Retirement and Disability Fund Annual Report for Fiscal Year Ended September 30, 2022*