

SHEILA JACKSON LEE
18TH DISTRICT, TEXAS

WASHINGTON OFFICE:
2160 Rayburn House Office Building
Washington, DC 20515
(202) 225-3816

DISTRICT OFFICE:
1919 SMITH STREET, SUITE 1180
THE GEORGE "MICKEY" LELAND FEDERAL BUILDING
HOUSTON, TX 77002
(713) 655-0050

ACRES HOME OFFICE:
6719 WEST MONTGOMERY, SUITE 204
HOUSTON, TX 77019
(713) 631-4882

HEIGHTS OFFICE:
420 WEST 19TH STREET
HOUSTON, TX 77008
(713) 861-4070

FIFTH WARD OFFICE:
3300 LYONS AVENUE, SUITE 301
HOUSTON, TX 77020

Congress of the United States
House of Representatives
Washington, DC 20515

COMMITTEES:
JUDICIARY
SUBCOMMITTEES
COURTS AND COMPETITION POLICY
IMMIGRATION, CITIZENSHIP, REFUGEES, BORDER
SECURITY, AND INTERNATIONAL LAW
CRIME TERRORISM AND HOMELAND SECURITY
CONSTITUTION, CIVIL RIGHTS, AND CIVIL LIBERTIES

HOMELAND SECURITY
SUBCOMMITTEES
CHAIR
TRANSPORTATION SECURITY AND INFRASTRUCTURE
PROTECTION
BORDER, MARITIME, AND GLOBAL COUNTERTERRORISM

FOREIGN AFFAIRS
SUBCOMMITTEES
AFRICA AND GLOBAL HEALTH
MIDDLE EAST AND SOUTH ASIA
TERRORISM, NONPROLIFERATION, AND TRADE

SENIOR WRIF:
DEMOCRATIC CAUCUS

CONGRESSWOMAN SHEILA JACKSON LEE, OF TEXAS

RULES COMMITTEE HEARING ON

**H.R. 273, "TO ELIMINATE THE 2013 STATUTORY PAY ADJUSTMENT
FOR FEDERAL EMPLOYEES"**

AMENDMENT # 5 (JACKSON_079)



TALKING POINTS

WEDNESDAY, FEBRUARY 13, 2013

Thank you, Mr. Chairman for this opportunity to explain my amendment #5 to H.R. 273 “to eliminate the 2013 statutory pay adjustment for federal employees.” My amendment would strike the entire text of this bill.

As we look for ways to address our fiscal issues we cannot continue to use the salaries and retirement options of federal employees as our Congressional Savings and Loans.

Federal employees have contributed more than their fair share to addressing this problem. We need creative and long term solutions with a heavy emphasis on job growth.

H.R. 273 continues to freeze the salaries of federal employees who are vital to implementing the very laws and regulations that are generated by Congress and federal agencies.

- As the Ranking Member on Homeland Security Committee, Subcommittee on Border and Maritime Security, I can attest that it is in our national security interest to have the ability to recruit and retain the best and the brightest employees to keep our borders safe from harm.
- As a Representative from Texas, I can further attest that is again in our nation's best interest to have qualified high skilled professionals reviewing drilling applications for off shore well sites.
- Federal employees help to ensure that the air we breathe, the airways that we travel upon, and the food we eat are safe.
- Most Americans encounter their first federal employee when they meet their postal carrier. Men and women who faithfully deliver the mail: rain or shine.
- After 911 with our need to improve airline security, we turned to federal employees... the very employees who are amongst the first to react when there is an attack on our soil.

- **Federal employees operate in every state cross our nation with only 15% of all federal employees working in Washington D.C; continuing to freeze their compensation is not a long term solution to our fiscal problems.**
- **Our long term fiscal problems will not be solved by cutting Social Security, Medicaid, or Medicare.**
- **Our problems will not be solved by freezing the pay and benefits of federal employees.**
- **Our problems will not be solved on the backs of seniors, low and middle income Americans, or the disabled. Our problems can be solved by putting forth legislation that will put hardworking Americans back to work, advance training for high skilled and high wage jobs. By putting forth legislation that inspirers innovation, and through addressing the long term needs of all Americans rather than a few.**

- Most federal employees are not living the lifestyles of the rich and famous. The majority of Federal employees are middle class Americans. Over 60 percent of all federal employees make less than \$75,000 a year.
- According to the Federal Salary Council (FSC) annual report federal employees are paid 34.6 percent less in salary than their private – sector counterparts.
- There are those who have cited a study by the Congressional Budget Office which found that federal workers on average earned slightly more than private-sector workers; however, that study did not take into account the level of job responsibility, specialized training, or length of tenure of each employee. Which we all know should be taken into account.

- There are those who claim that the federal government is too large. **In reality, the federal government is smaller today than it was in 1968.**
 - The IRS has 20,000 fewer employees than they did in 1995, yet are required to process 236 million more complicated tax returns.
 - **The Department of Health and Human Services, Centers for Medicare and Medicaid has 7 percent fewer employees serving 64 percent more enrollees.**
- Most growth in the number of federal workers has been in Homeland Security and Defense as a result of 9/11.
- **From 2001 to 2010, employment in non-security federal agencies as a percent of population actually fell by 4 percent.**

Even though overall there are less federal government employees serving each American today than there were 30 years ago. They have still **contributed \$103 billion worth of budget savings** since the beginning of 2011

- **\$60 billion** from a federal pay freeze in 2011 and 2012
- **\$15 billion** from increased retirement contributions for newly-hired federal employees. As a result new hires will not receive 2.3% less compensation than their federal counterparts.
- **\$28 billion** from a pay increase of .5 percent which is well below the Cost of Living Adjustment of 1.7 percent
- Additional funds will also be generated as a result of a mandatory reduction in the Department of Defense civilian work force.

- Federal Employees have given enough!
- They have not seen a cost of living adjustment in going on 3 years. There appears to be a growing attitude that this freeze should go on indefinitely.
- The freeze was originally enacted to cover only 2011 and 2012; however, it was extended through late March as part of a temporary budget measure. Again, this was suppose to be a temporary solution not a permanent cure.
- We must do more to recruit and retain the best and brightest.
- We must do more to inspire innovation and job growth
- We must do more to protect middle income Americans, like federal employees.
- The way to address our long-term fiscal problems is not be using federal employees as a Congressional Savings and Loans.
- Again, it is not through cuts to Social Security, Medicaid, and Medicare. It is by advancing creative long-term solutions that encourages jobs growth and innovation that will allow us to fix our current fiscal issues.

FAST FACTS

- H.R. 273, freezes a 0.5% statutory pay adjustment slated to go into effect in March. It also extends the Congressional pay freeze through the end of the year.
- My amendment nullifies the entire bill.
- According to the Office of Management and Budget the federal workforce is virtually as small today as it has ever been in the modern era.
 - **In 1953, the federal government employed one worker for every 78 residents. In 2009, one worker was employed for every 147 residents.**
 - In the IRS today, there are 20,000 fewer employees than there were in 1995, processing 236 million more complicated tax returns. And, in the Department of Health and Human Services Medicare and Medicaid staff, there are 7 percent fewer employees serving 64 percent more enrollees.

- Most growth in the number of federal workers has been in Homeland Security and Defense as a result of 9/11. From 2001 to 2010, employment in non-security federal agencies as a percent of population actually fell by 4 percent.*

- Only 15 percent of federal employees work in the Washington, DC, metro area. Continuing to freeze the pay of federal employees so they are not in keeping with the cost of living will have Cutting federal a negative impact on the economy of every state.

- **Currently there are 281,571 federal employees working in my homes state of Texas. In California, there are over 350,000 federal employees. There are hundreds of thousands of hardworking Americans who are going to be impacted by this continued pay freeze across the US.**

- **Over 93 percent of federal employee jobs are non-clerical positions.**

- The federal workforce is a highly-educated and skilled workforce, including doctors, attorneys, scientists, IT specialists, CPAs, engineers, and other highly trained experts in virtually every discipline.
- Nearly 50 percent of federal employees have a bachelor's or higher degree.
- About 21 percent of federal employees have professional degree or doctorate versus compared to only 9 percent in the private sector.
- **The federal workforce is the most highly-educated in the nation, with professionals in virtually every discipline.**
- If we want to continue to recruit and retain the best and the brightest in the federal government we can not continue to use their wages and benefits as a Congressional Savings and Loans. provide services that are vital to our daily lives
- I do not believe that Americans wish to sacrifice vital services that impact the health, safety and well-being of their families because the federal government failed to invest in its most important asset... human capital.

- **The federal workforce has declined, on a per-capita basis, from one employee for every 78 U.S. residents in 1953 to one employee for every 147 residents in 2009.**
- About 85 of percent federal employees work in other cities and towns across the nation.
- **Federal employees have contributed \$60 billion over 10 years toward deficit reduction through a two-year pay freeze, and another \$15 billion in pension contribution increases.**
- Federal workforce cuts will hurt American families through fewer food inspections, decreased monitoring of air and water, and fewer people protecting consumers in the financial markets, just to name a few.

- **Continuing attempts to freeze federal employee pay, cut retirement benefits, and reduce the federal workforce will more than likely result in a workforce that is not as productive, not as efficient, and not as competent.**
- Because these types of measures make it even more difficult to attract and retain highly skilled and qualified federal employees. We must consider the long term impact of short sighted decision making .