



May 27, 2010

Dear Senator:

As President of the National Treasury Employees Union, with over 150,000 federal employees across 31 agencies, I am writing to urge your opposition to the Coburn-McCain Amendment #4231 to H.R. 4899, the Supplemental Appropriations Act for FY 2010. The amendment would freeze federal salaries next year, and cap the number of federal employees, in addition to requiring the establishment of a system of tax payments that already exists. NTEU strongly opposes the Coburn-McCain amendment.

This amendment would prohibit any raise or bonus for federal employees, including those civil servants who work side-by-side with our military. Its effects would reach Customs and Border Protection Officers (CPBO) who protect our ports of entry; employees who monitor food safety at the Food and Drug Administration; claims and appeals representatives who deal with the elderly and disabled at the Social Security Administration; Environmental Protection Agency scientists who help protect our environment; and, many others. President Obama's proposed FY11 raise is a modest 1.4%. It is based on the Employment Cost Index (ECI) which measures private sector wage increases. Highly paid political appointees are already slated for a FY11 pay freeze. There is no need to freeze pay for frontline employees, especially when many are suffering in this recession with spouses and other family members unemployed.

Further, the amendment caps the numbers of federal employees at federal agencies. This will likely dramatically increase the numbers of contractors. Because work still must be done, capping or reducing the number of federal employees leads agencies to simply contract out the work, even if it costs more (which it often does because many contracts are still awarded without proper competition) and even if the work is too important or sensitive to contract out. We are now dealing with the legacy of in-house personnel ceilings from the previous administration, loss of control of public functions to private interests, and skyrocketing costs from indiscriminate privatization. Capping the number of federal employees is an ideological response that will end up costing the government more money for less quality.

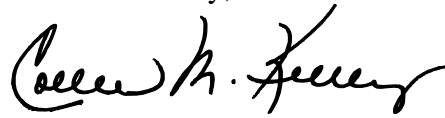
Finally, the amendment's proposal on tax delinquent federal employees is redundant. There is already a very successful employee garnishment plan in effect. The Federal Payment Levy Program (FPLP) provides an automated process for serving tax levies and collecting unpaid taxes through the Financial Management Service (FMS). Under the program, IRS can continuously levy up to 15 percent of federal wages if a federal employee is delinquent until the

debt is satisfied. In March, I testified before the House Oversight Federal Workforce Subcommittee on a similar proposal. At that hearing the IRS testified that there were already sufficient laws and procedures in place to address tax debts owed by federal employees. Finally, using "notice of a lien" as the trigger for action is inappropriate since it is not a final determination of tax liability.

I urge you to vote "no" on Amendment #4231.

Thank you.

Sincerely,

A handwritten signature in black ink that reads "Colleen M. Kelley". The signature is written in a cursive style with a large initial "C" and a long, sweeping underline.

Colleen M. Kelley
National President