



FEW Fact Sheet

Financial Services and General Government Appropriations FY 2020

The Federal Civilian Workforce Pay Raise Fairness Act

Background: United States Representatives in the House recently adopted by voice vote an amendment to (**H.R. 3351**), the fiscal 2020 Financial Services and General Government Appropriations bill. If the legislation passes the Senate and signed into law, it would override the proposed freeze in federal pay in 2020. It would also be the largest pay raise that federal employees have received in ten years.

The Senate, however, has not put forward a spending bill for next year, so it is uncertain whether it would agree with the House's pay raise proposal or the Administration's recommendation to include a federal employee pay freeze in 2020.

H.R. 3351 also prevents Office of Personnel Management (OPM) from following through on potential furloughs of federal workers, in addition to funding several agencies and departments. The spending bill was approved in the House of Representatives by a vote (224-196).

H.R. 790, Bill **Passed** the **House** (259-161), but has remained stagnant in the Senate since January 31.

FEW's Position: FEW supports a healthier federal job market, however current private-sector pay trends require agencies to provide adequate, comparable pay raises in order to attract and retain talent.

Federal employees have contributed approximately \$200 billion in deficit reduction through pay freezes, below-market pay adjustments, and retirement contribution increases.

FEW supports an efficient and effective government, however FEW is **opposed** to a federal hiring freeze and/or reducing the federal workforce through attrition. As reported in an earlier General Accounting Office report, hiring freezes ultimately end up costing more money than they save.

"A hiring freeze undermines the efficiency of government operations by creating hiring backlogs and inadequate staffing levels, and it is unlikely to



save any money, as work now performed by federal employees is likely to be outsourced to federal contractors for an even higher cost to taxpayers."

FEW supports **H.R. 790**, The Federal Civilian Workforce Pay Raise Fairness Act 2019, introduced by Representative Gerald Connolly (D-VA) **and S. 262**, introduced by Senator Chris Van Hollen for a 3.1 percent pay raise in 2019.

FEW supports **H.R. 3351**, Financial Services and General Government Appropriations Act, 2020.

TALKING POINTS: The Federal Civilian Workforce Pay Raise Fairness Act: would provide civilians with a 2.6 percent across the board raise in 2019, as well as an average 0.5 percent increase in locality pay, which is a (3.1 percent) total.

H.R. 3351: In nine of the last ten years, Congress failed to enact an increase to basic pay for federal employees that matches or exceeds the amount called for in statute.

Note: The President signed **Executive Order 13866**, authorizing a 1.4 percent across-the-board increase for statutory pay systems and locality pay increases of approximately 0.5 percent of basic payroll - reflecting an overall average pay increase of 1.9 percent for civilian Federal employees for 2019.

In brief, federal employees:

- Nearly 85 percent of federal employees live outside of the D.C. region, and one in three federal civilian employees are veterans.
- More than 900,000 federal employees make less than \$60,000 per year
- The bill would bring the 2019 pay increase for civilian federal employees in line with the raise given to members of the military.
- The modest pay increase is justified by the hardships federal employees have suffered in recent years due to federal government shutdowns.

H.R. 3351:

- This bill provides FY2020 appropriations for several federal departments and agencies and would prevent the administration's proposed merger of the OPM with the General Services Administration (GSA).
- The agreement would allow for federal spending in the next two fiscal years – which averts an immediate government shutdown for those agencies.



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- Potentially averts an attempt to use the savings in programs such as the federal retirement and health insurance programs.
- Provides for an average 3.1 percent federal employee pay raise starting in January 2020.