

Congress of the United States

House of Representatives

COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM

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Rep. Stephen F. Lynch Committee on Oversight and Government Reform Full Committee Markup April 30, 2025

Thank you, Mr. Chairman.

We're here today because Congressional Republicans have instructed this committee to target our federal workforce with approximately \$50 billion in funding cuts—regardless of their impact on hard-working federal employees and the critical services they provide to the American people.

In just 100 days, we've witnessed this administration: lay off more than 200,000 probationary employees—including leading public health experts, veterans, and other critical positions; coerce 75,000 civil servants into resigning; replace 50,000 non-partisan civil servants with political appointees; and illegally terminate non-partisan, independent oversight by federal watchdogs.

This partisan bill threatens to further undermine the federal workforce—by reducing the take-home pay, benefits, and workforce protections of 2.4 million federal employees, most of whom are middle-class American workers and a third of whom are military veterans. This is more of the same—an unprecedented assault and political purge of the civil service.

If this legislation becomes law, almost every federal employee hired in 2013 or earlier under the Federal Employee Retirement System, or FERS, would see a nearly 4% pay cut by forcing them to contribute more to retirement.

The FERS annuity supplement, a monthly payment for retirees before they are eligible for Social Security age at 62, would be eliminated for anyone not actively receiving the supplemental payment at the time this bill is enacted, or does not meet a specific exemption. Federal workers like letter carriers, VA hospital nurses, and food inspectors who have committed decades to the job and are eligible to retire would not be able to receive this vital payment to make ends meet.

This legislation would also change the annuity formula to base most employees' annual retirement payments on their highest five years of earnings, instead of the highest three—an outright theft of earned benefits that would cost federal retirees thousands of dollars annually.

A particularly egregious provision in this bill would force any newly hired federal employee to accept at-will employment status or face an additional 5% retirement contribution on top of the

4.4% already required. Firefighters, Capitol Police officers, air traffic controllers, and other federal workers who choose to remain under the merit-based system would be forced to contribute nearly 10% of their paycheck toward retirement.

This legislation would also require current and former federal employees to pay a \$350 filing fee for most appeals before the Merits Systems Protection Board—which would create a financial barrier for employees seeking justice, particularly for low-income or recently separated workers.

Despite the claims of this administration, federal workers are not leeches on the system but hard-working, dedicated public servants who are paid about 25% less than their private sector counterparts.

A strong, non-partisan federal workforce is fundamental to a functioning democratic government. These dedicated workers deserve our respect and support.

Like most Americans, federal workers face increased costs for groceries and housing—and economic uncertainty because of President Trump’s reckless tax and tariff agenda.

The Trump tariffs are estimated to cost American households \$4,900 per year—the largest tax increase since 1968. Republicans are also advocating for a tax regime that will actually increase the federal deficit by more than \$4 trillion.

Worst of all, they are seeking to offset these costs by gutting \$800 billion from the Medicaid program. My Democratic colleagues and I do not support that.

Oversight Democrats stand with struggling families, we oppose corruption and abuse of power, and we are committed to solving our nation’s crises without sacrificing the well-being of our country’s civil servants.

I urge all of my colleagues to reject this legislation and instead work towards a budget that respects American workers and the vital services they provide.

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