

**Richard G. Thissen**  
*National President*



**Jon Dowie**  
*National Secretary/Treasurer*

June 26, 2018

Committee on Oversight and Government Reform  
United States House of Representatives  
Washington, D.C. 20515

Dear Chairman Gowdy, Ranking Member Cummings, and members of the House Committee on Oversight and Government Reform:

In advance of the House Committee on Oversight and Government Reform's hearing, titled "Examining the Administration's Government-wide Reorganization Plan," I write to share the views and concerns of the National Active and Retired Federal Employees Association (NARFE). NARFE is dedicated to advancing the interests of the more than 5 million federal employees and retirees, as well as their spouses and survivors, and has more than 205,000 dues-paying members across the country and abroad.

NARFE appreciates the swiftness with which the Oversight Committee scheduled a hearing to discuss and debate the president's reorganization plan. Most of the changes proposed would require action by Congress. As these changes would not only impact the more than 2 million federal employees who carry out the work of our nation, but also the American taxpayers who rely on their services, NARFE commends the Committee for taking the time to give these proposals the thoughtful and deliberative attention they deserve. At this time, I share some initial thoughts on the reorganization proposal by the White House, but NARFE is continuing to evaluate these and other proposals as more details are provided.

**First, transferring federal personnel policy to the Executive Office of the President threatens to politicize the federal civil service.** While some have expressed support for this move, as it has the potential to elevate the attention the largest workforce in our country receives from the White House, NARFE has serious concerns that this move could prove detrimental to career civil servants. With an administration that has shown disdain at times for a professional, merit-based civil service, this raises red flags that the move is intended to exert undue political influence on non-political hiring and firing decisions. Political influence in civil service hiring and firing allows jobs to be handed out or taken away based on political contributions or affiliations rather than individual capabilities. The history of the spoils system that existed in the 1800s shows that this leads to corruption and incompetence in the civil service. It would also shift substantial power from Congress to the Executive as federal jobs could depend more on allegiance to the President or political party than to the Constitution and laws enacted by Congress. While this element of the reorganization does not achieve this by itself, it removes important safeguards in the process. While the current administration has proposed policies that alarm NARFE, we would express the same concerns with moving policy

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from the Office of Personnel Management (OPM) to the Executive Office of the President regardless of which political party is currently in the White House.

**However, we cannot ignore that this Administration has proposed substantial cuts to federal pay and retirement benefits, and therefore elevating federal personnel policy to the White House is troubling.** In exchange for hard work and public service, often over long careers, federal employees and retirees earned the retirement benefits they have been promised. Diminishing their value in any way for those who have already earned them – including by eliminating or reducing COLAs, altering how they are calculated, or eliminating an entire element of the pension – fails to honor the basic commitments made to our public servants. While in most cases reorganization proposals should be considered independent of the current administration, policies that would roll back retirement benefits for individuals approaching, and even in, retirement are particularly egregious. Elevating responsibility for these policies to the Executive Office of the President would undoubtedly raise their profile, which is a potential consequence of the reorganization to consider.

**Third, eliminating OPM entirely and transferring its remaining programmatic functions to the newly-named Government Services Agency (GSA), or other agencies, raises concerns that OPM’s important functions – such as administering federal retirement and health benefit programs – will not receive the attention and resources that they deserve.** Public servants put in hard work often over long careers to serve the needs of the American people. In exchange, they earn both pay and benefits. It is OPM’s job to make sure our government is upholding its end of the bargain. More than eight million people rely on the highly-acclaimed and model Federal Employees Health Benefits (FEHB) Program to meet their health care needs. In terms of federal retirement benefits, while OPM has had its challenges in modernizing retirement processing, we should evaluate whether simply moving this program to another agency will accomplish the modernization it sorely needs. In considering this recommendation, we urge Congress to give careful thought as to whether OPM’s current mission will receive the appropriate prioritization and resources if moved to an entirely new agency with larger responsibilities.

**Fourth, privatizing the United States Postal Service (USPS) undermines the provision of universal services that has existed for more than a century and threatens the jobs, pay, health and retirement security of hard-working, middle-class postal employees.** NARFE wholeheartedly opposes privatization of the USPS, which is not a privately-owned business because it has a constitutional obligation to provide universal public services. Transforming it into a private entity unnecessarily threatens the continuation of the public services it provides. It also would promote a race to the bottom in terms of basic pay and benefits for postal workers. The timing of this proposal is perplexing given the president has formed a cross-agency task force currently working to provide recommendations on postal reform in mid-August. If the recommendations will be the same – to privatize USPS – what is the point of the task force? If not, why muddy the waters with potentially conflicting administration views? The Oversight Committee has prioritized reforms of USPS operations in the past, and

even though NARFE has not always agreed with the path forward the Committee has recommended, we strongly urge the Committee not to abdicate its jurisdiction in this arena.

**Finally, in evaluating the reorganization proposals, I urge the continuation of careful, thoughtful deliberation and consideration of how the proposals will affect the public servants within the affected agencies who are tasked with carrying out the important work our country asks of them.** Government reorganization aims to improve government efficiency and performance to better carry out the missions directed by Congress and the president. As the individuals who dedicate their work, day-in and day-out, to these goals, federal employees share a desire to align the federal government to best serve the American public. They should be viewed as necessary partners in any reorganization effort. At the end of the day, no reorganization can be successful if agencies, whatever their names and whatever their new structures, are not equipped with a competent and effective federal workforce to carry out their missions.

Thank you for considering NARFE's views. If you have any questions or comments regarding this request, please contact NARFE Staff Vice President, Advocacy, Jessica Klement at 703-838-7760 or [jklement@narfe.org](mailto:jklement@narfe.org).

Sincerely,



Richard G. Thissen  
National President