



December 1, 2011

Dear Senator:

As the Senate prepares to consider extending Social Security payroll tax reductions, NTEU strongly urges you to oppose any attempts to offset the cost of the legislation by further freezing the pay of Federal employees for a total of five years, imposing a one for three hiring freeze and reducing agencies' abilities to deliver services by reducing their budgets below the agreed upon levels in the debt ceiling agreement as proposed by Senator Dean Heller (R-NV) in S. 1931.

As part of larger attempts to reduce the Federal deficit, Federal employees have already been asked to sacrifice a great deal through the two year pay freeze. Asking for a five-year pay freeze is unfair and unwarranted. Like all Americans, Federal employees are struggling to make ends meet in the current economic climate, and targeting them for further sacrifice at this time would be extremely unjust.

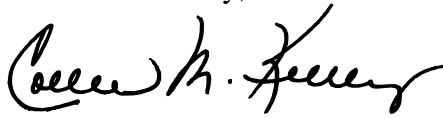
In addition, cutting the Federal workforce by allowing only one employee to be hired for every three that leaves as proposed in S. 1931 is short-sighted, and would only serve to undermine the federal government's ability to deliver vital services, and endanger public health and safety. Whether defending our borders, protecting investors, safeguarding the environment from contamination, keeping our food, water, and medicines safe, or processing tax refunds, federal employees are doing work that is critical to the American way of life. Making arbitrary reductions to the Federal workforce would only diminish many key services that the American people depend on.

Proposals targeting Federal employees would only serve to undermine the very middle class workers the payroll holiday seeks to benefit. The Heller bill would single out one small group of middle class workers, our federal employees, to pay for a tax cut for all other middle class workers, in order to protect the wealthiest Americans from bearing even a small sacrifice. It is even more ironic that close to 600,000 of these, mostly older employees, are not themselves eligible for any payroll tax reduction because they pay into a federal retirement system that does not include social security. These employees instead pay 7% of their salary toward their CSRS pension. The Senate should include a provision to address this serious inequity by providing a tax credit to these employees equal to the payroll tax reduction.

A key purpose of the payroll tax holiday is to stimulate the economy by allowing middle class workers, who are most likely to spend any excess cash, to keep more of their earnings. Freezing pay and cutting jobs of other middle class workers to offset this tax reduction completely eliminates any positive impact on our struggling economy.

We urge you to oppose offsets to the payroll tax holiday extension that fall on middle class workers like federal employees, such as those in the Heller bill (S. 1931) and we urge you to provide a tax credit equal to the payroll tax holiday to those workers who do not participate in social security. For more information contact Maureen.Gilman@nteu.org.

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 distinct "M" and "K".

Colleen M. Kelley
National President