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United States Senate

COMMITTEE ON
GOVERNMENTAL AFFAIRS

WASHINGTON, DC 20510-6250

March 27, 2003

The Honorable Don Nickles
Chairman
Committee on the Budget
U.S. Senate
Washington D.C. 20510

The Honorable Kent Conrad
Ranking Minority Member
Committee on the Budget
U.S. Senate
Washington D.C. 20510

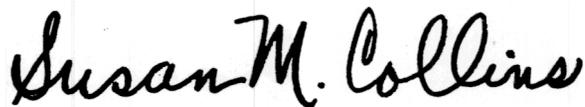
Dear Chairman Nickles and Ranking Member Conrad:

As you prepare for conference on the FY 2004 Budget Resolution, I urge you to hold firm to the Senate position on direct spending accounts within the jurisdiction of the Governmental Affairs Committee, and to reject provisions in the House budget resolution requiring savings within these accounts. I am particularly concerned that the House language would require cuts that could severely impact current and retired federal workers. The vast majority of direct spending under our committee's jurisdiction is accounted for by federal civil service compensation, disability, and health benefit programs. I share your commitment to deficit reduction, but it should not be done on the backs of federal employees by cutting benefits or increasing the employee share of retirement benefits or a retiree's share of Federal Employee Health Benefit Program (FEHBP) costs.

With about one half of the current federal workforce becoming eligible for retirement in the next three years, a vast number of new federal employees must be recruited over the next several years. It is vital therefore, that we not diminish the level of benefits made available as the government works to create and maintain a first class federal workforce to protect our homeland.

In these difficult times, during which we continually ask more of our public servants, we must find ways to reward - not punish - them. I commend both the Senate and House Budget Committees for approving "Sense of Congress" provisions supporting military-civilian pay parity and hope you will agree that the budget resolution Congress adopts should not require cuts in federal employee health or retirement programs or impose what would amount to new taxes on federal employees in order to pay for new government spending.

Sincerely,



Susan M. Collins
Chairman