

July 31, 2020

MEMORANDUM

TO: Chapter Presidents and Legislative Coordinators

RE: House Passes Second “Minibus” Appropriations Bill

SUMMARY: Today, the House of Representatives passed its second “minibus” appropriations bill, H.R. 7617, consisting of six appropriations bills, that includes funding for a number of NTEU-represented agencies.

Today, the House of Representatives passed its second “minibus” appropriations bill, the Defense, Commerce, Justice, Science, Energy and Water Development, Financial Services and General Government, Labor, Health and Human Services, Education, Transportation, Housing, and Urban Development Appropriations Act of FY 2021 (H.R. 7617).

As you know, the President has proposed a 1.0 percent pay increase for federal employees for 2021, while proposing a 3.0 percent increase for the military. According to the Federal Employee Pay Comparability Act, federal employees should receive a 2.5 percent pay increase in 2021 before locality pay is added. This bill is silent on the amount of the pay increase, thus deferring to the President’s proposal of 1 percent.

The legislation also includes strong provisions to protect federal employee collective bargaining rights. Specifically, the bill would prohibit agencies from using funds to implement any term of a collective bargaining agreement that was not mutually and voluntarily agreed to by all parties or subject to binding arbitration. Furthermore, the bill would address the recent efforts to eliminate union rights from Department of Defense employees by preventing funding to exclude agencies from the collective bargaining obligations under federal law for national security purposes. The bill would also ban the use of funds to prevent employees from using official time for union activities, teleworking for positions that are telework-eligible or when the health or safety of an employee is in question, or denying unions space in federal buildings. NTEU wholeheartedly supports these efforts, which recognizes the assault this administration has carried out on collective bargaining rights and ensures agencies fulfill their statutorily mandated responsibility to bargain in good faith.

The bill also continues the ban on funding new outsourcing activities under Office of Management and Budget (OMB) Circular A-76 and prohibits funds for being used to implement the administration’s plan to dismantle the Office of Personnel Management. In that plan, the administration proposes moving human resources policy to OMB and the remaining functions to

the General Services Administration (GSA). NTEU continues to have strong reservations about this reorganization proposal that would put policy regarding the non-partisan federal civil service in the Executive Office of the President and move retirement and health care functions to GSA.

The bill instructs the Department of Education to clean up its errors in the Public Service Loan Forgiveness program and ensure borrowers who should qualify for loan forgiveness under the program (i.e., those with careers in public service who have made 120 qualifying payments on their loans) actually receive the benefit.

The bill also includes agency-specific funding for a number of NTEU-represented agencies, including \$12.1 billion in base funding for the IRS for FY 2021, an increase of \$606 million above the current FY 2020 enacted level, and \$78 million above the administration's request. In particular, the bill provides \$5.2 billion for IRS tax enforcement activities, a \$196 million increase over the current level that would allow the IRS to maximize taxpayer compliance, prevent tax evasion and reduce the deficit. Funding for taxpayer services, including critical resources to provide taxpayers with pre-filing assistance and education, filing and account services, would be increased by \$91 million over the FY 2020 level. The IRS operations support account, designed to assist overall planning, direction, and support for the agency, would be increased by almost \$260 million above the enacted level. In addition, the bill would increase funding for business systems modernization (BSM) by \$70 million to help the IRS continue modernizing its aging systems. The bill continues to prohibit the IRS from paying bonuses or awards without taking into consideration an employee's conduct and tax compliance. NTEU strongly supports the funding increase in this bill that would be another positive step in reversing the adverse impact of funding reductions in recent years which has strained the IRS's capacity to carry out its important taxpayer services and enforcement missions.

The bill would also provide \$341 million for the Bureau of Fiscal Service, including dedicated resources for information systems modernization initiatives, and calls for a \$105 million increase for the Securities and Exchange Commission, which would allow for improved compensation as well as a modest increase in staff. For the Department of Energy (DOE), the bill rejects the steep cuts proposed by the administration and gives DOE a modest increase. The bill would also ensure the Patent & Trademark Office can keep all their fee collections, as NTEU has requested.

In addition, other NTEU-represented agencies in the bill — including the Department of Health & Human Services (except FDA, which is funded in a different bill), Treasury Departmental Offices, Bureau of Engraving & Printing, Federal Communications Commission, the Nuclear Regulatory Commission, the Social Security Administration, and the Federal Election Commission — would all receive adequate funding. Finally, the bill does not include the President's request to put the Consumer Financial Protection Bureau under the appropriations process, something strongly opposed by NTEU.

The House has now passed 10 of the 12 appropriations bills required to fund the government for FY 2021. They have not yet passed the bills to fund the Department of Homeland Security or the Legislative Branch. The Senate has yet to even release any of its

appropriations bills. Please be assured as Congress continues consideration of FY 2021 funding legislation, NTEU will continue to fight for a fair pay raise, funding for federal agencies, and additional provisions to protect employee collective bargaining rights.

Anthony M. Reardon
National President