

WRITTEN TESTIMONY OF
JASON S. MILLER
DEPUTY DIRECTOR FOR MANAGEMENT
OFFICE OF MANAGEMENT AND BUDGET
BEFORE
HOUSE COMMITTEE ON OVERSIGHT AND REFORM
SUBCOMMITTEE ON GOVERNMENT OPERATIONS

JULY 21, 2022

Thank you very much, Chairman Connolly, Ranking Member Hice, and members of the Subcommittee.

I appreciate the opportunity to speak to you, and I am very glad to do so alongside my colleague, the Director of the Office of Personnel Management (OPM), Kiran Ahuja. Director Ahuja and I are here together, because we and our staff are committed to working in tandem to harness the potential for the Federal Government to be a model employer in order to deliver for the American people and, in so doing, to tackle head-on the tough and longstanding challenges facing the Federal workforce.

As the Deputy Director for Management (DDM) at the Office of Management and Budget (OMB), I am responsible for overseeing Government-wide management matters. These functions include the oversight of agency performance and the functions supporting effective and efficient management, including broad Federal workforce policy. In my role as DDM, I serve as the Chair of the President's Management Council (PMC), which is composed of the Deputy Secretaries and Deputy Administrators of the 24 agencies included in the Chief Financial Officers Act of 1990 (P.L. 101-576) (CFO Act agencies), as well as the OPM Director and the General Services Administration (GSA) Administrator.

In this hearing, you have asked me to speak to the challenges and opportunities we face as a Government in terms of strengthening and empowering the Federal civilian workforce.

I must start by stating what should be obvious: the Federal Government's greatest asset is its people. The more than 4 million dedicated public servants at home and abroad, including military personnel and more than 2 million Federal civilians, are dedicated and talented. The strength of any organization rests on its people, and the Federal workforce is no different in that regard. To deliver on mission, to deliver for the American people, we must systematically approach the workforce and its challenges with the recognition that it is critical to our success as a nation. Federal civil servants are leaders and managers, law enforcement officers and medical professionals, and front-line employees providing direct service to the American public. Many of them are represented by unions that provide Federal employees with an effective voice in their workplaces. Critically, they serve the public, regardless of political affiliation or who sits in the White House.

All employers are in a competition for talent, and the Federal Government must compete. The more than 4 million dedicated public servants in the Federal workforce have *chosen* public

service. The careers they pursue, the work they do, is a choice, and we must treat it as such. We need to retain our talented workforce, and we need to ensure a strong pipeline that is bringing more talent into Government, to address regular attrition and to ensure the right skillsets and capacity to deliver for the American people.

Prior to entering this Administration, I led a regional organization made up of the largest employers in Virginia, Maryland, and the District of Columbia. The CEOs of those organizations, my Board members, were singularly focused on talent, at all levels in their organization, whether they ran an aerospace company, a financial services institution, or a healthcare system. We need a similar focus on retaining and attracting talent within the Federal Government. The Biden-Harris Administration recognizes that success in tackling our challenges today and tomorrow requires structuring Federal agencies to successfully compete for talent. The Federal Government has a unique value proposition for candidates seeking employment. We are a mission-driven organization, serving the American people. We offer individuals the opportunity to serve, to tackle big problems, and to participate in a wide range of critical missions, including taking head-on the largest challenges of our time.

Today, we face a number of core challenges related to strengthening and empowering the Federal workforce, including:

- *Demographics.* Only 8 percent of our Federal civilian workforce is under the age of 30, while 15 percent of the total workforce is currently eligible for retirement and a further 30 percent will be eligible for retirement within 5 years. Replacing the skills we will lose to retirement, and ensuring that our agencies have early career talent is an imperative for effective operations.
- *Engagement.* On average, the Federal Government has lower employee engagement levels than the private sector, as measured by the OPM Federal Employee Viewpoint Survey (FEVS). Employee engagement correlates to organizational performance, as well as being an indicator of whether an organization may be competitive for talent.
- *Skills.* The skillsets required to deliver on agency missions has evolved over time, but our workforce has not kept pace. For example, the Federal Government needs substantially more personnel with information technology, cybersecurity, and data analytics skills, among other key skillsets.

Some have attempted to argue that the “merit system” is no longer appropriate for the Federal Government given these challenges and today’s labor market. I would argue that the merit system principles remain essential today. The question is how do we hold true to those principles while delivering much-needed change.

Before outlining the work the Administration has undertaken to support and strengthen the Federal workforce, I want to acknowledge the service and sacrifice of Federal employees since the beginning of the COVID-19 pandemic. They have been called on more than ever, at a time when so many have faced challenges, and they have most assuredly risen to that call, continuing to deliver for the American people. Throughout the pandemic, Federal workers have been hard

at work, protecting our Nation, providing critical services, and combatting COVID-19 and its impacts. Many thousands of Federal employees continued delivering on the front lines. Many others adjusted quickly to working together online and in a distributed manner to deliver results for the public. And tragically, others were among the more than 1 million people in the United States to lose their lives to COVID-19 or, like far too many across the country, lost family members to COVID-19. We owe them a true debt of gratitude.

Prioritizing the Federal Workforce in the President’s Budget

Budgets are statements of values. In the President’s Fiscal Year (FY) 2022 and FY 2023 budgets, the Administration invested in the Federal workforce. In these budgets, including in the Analytical Perspective [chapter](#) on “Strengthening the Federal Workforce,” the President included the Federal workforce as a statement of priority, and highlighted some of the Federal Government’s human capital opportunities and challenges.

The investment in the workforce begins with ensuring appropriate pay and benefits. The President has twice proposed pay increases that begin to ensure that the Federal Government can be competitive in retaining and attracting the talent necessary to deliver on mission. Additionally, the FY 2023 Budget includes a goal of hiring 35,000 interns to help build early career talent pipelines for agencies; includes a strong proposal to reinvigorate and reorganize Federal Executive Boards to bolster employee representation across the country, not just here in Washington, D.C.; and directs agencies to stand up and further elevate Talent Teams with the resources necessary to support workforce transformation, in concert with human resource personnel. The Budget also underscores the importance of investing in a strong and strategic OPM at the center of a robust Federal civilian workforce system. This investment will allow OPM to develop and support Government-wide and agency data-driven workforce decisions, in collaboration with OMB.

The Workforce Priority of the President’s Management Agenda

Since I began in this role, I have worked closely with the members of the PMC to develop the President’s Management Agenda (PMA), which serves as a roadmap for ensuring an equitable, effective, and accountable Federal Government that delivers results for all. Notably, for the first time in the history of PMAs, we placed strengthening and empowering the Federal workforce as the first priority of the PMA. The second PMA priority focuses on delivering excellent, equitable, and secure Federal services and customer experience, and the third priority on improving how agencies manage the business of Government, specifically the systems of Federal acquisition and Federal financial assistance.

The PMA is not a static document; it is a dynamic initiative. It reflects how Director Ahuja and I are working with other Administration leaders and the Federal workforce on a day-to-day basis to make progress on issues that require a whole-of-Government approach. In particular, the PMC has established four strategies through the PMA to advance our goals for the Federal workforce of today—and just as importantly, the future Federal workforce.

- First, we must rebuild our workforce by remaining competitive in the national talent marketplace by reforming our processes to “attract and hire the most qualified employees, who reflect the diversity of our country, in the right roles across the Federal Government.”
- Second, we must do more to support our existing workforce and “make every Federal job a good job, where all employees are engaged, supported, heard, and empowered, with opportunities to learn, grow, join a union and have an effective voice in their workplaces through their union, and thrive throughout their careers.”
- Third, we must recognize that we are in a period of rapid change for workers and workplaces across the country, and use that context to “reimagine and build a roadmap to the future of Federal work informed by lessons from the pandemic and nationwide workforce and workplace trends.” We should take this moment as an opportunity to accelerate our pace of change.
- Fourth, we must also “build the personnel system and support required to sustain the Federal Government as a model employer able to effectively deliver on a broad range of agency missions.” That means investing in a strong and strategic OPM.

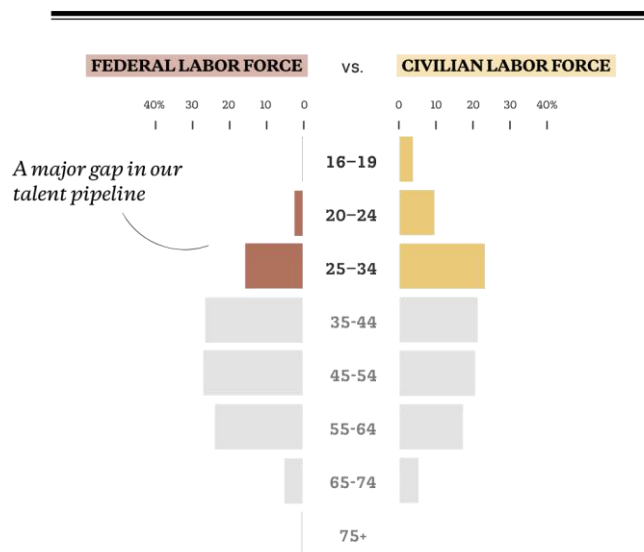
The PMC is laser-focused on the Federal workforce and the priorities we have collectively developed for the PMA. Again, the ability of each agency to deliver on its mission requires urgent attention to the Federal workforce. Director Ahuja and I have established interagency, cross-functional teams that are identifying the opportunities agencies have to advance each of these areas. These teams include members from the PMC, as well as agency senior leaders and career civil servant subject-matter experts.

Today, I would like to provide a brief update on each of the strategies being pursued by the PMC and agencies through the PMA Workforce Priority, with the aim of fostering an ongoing dialogue with this Subcommittee on the challenges we are facing and how we are approaching opportunities as they are identified.

(1) Attract and hire the most qualified employees

In order to serve the American people, and to serve them equitably, we require a workforce that looks like America, is keeping pace with critical and cutting-edge skills, and brings new ideas and vigor to service. The Federal

What percentage of the labor force is represented by each age group?



DATA SOURCE
OFFICE OF PERSONNEL MANAGEMENT / BUREAU OF LABOR STATISTICS

Government seeks to draw from all age groups when recruiting and onboarding new talent. Currently, however, only 8 percent of our Federal civilian workforce is under the age of 30, 15 percent of our total workforce is eligible to retire right now, with a further 30 percent becoming retirement-eligible over the next 5 years. This is out of step with the overall civilian labor force and is a threat to ongoing mission delivery.

Agencies have opportunities to further ensure that qualified individuals are aware of the opportunities that exist through employment as a Federal civil servant, and also aware of approaches for seeking and finding these career opportunities. From internships to fellowships to more direct recruiting through high schools, vocational and community colleges, Historically Black Colleges and Universities, Minority-Serving Institutions, and other colleges and universities—the more people are given the opportunity to learn about and experience the remarkable and wide-ranging mission that the Federal Government delivers on, the easier it is for them to see themselves as members of the Federal workforce and to seek careers with Federal agencies.

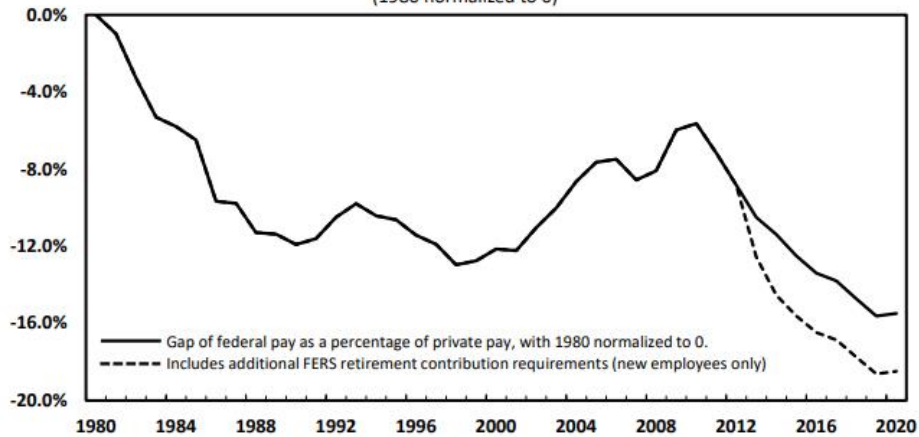
To meet these challenges, we are taking a number of critical steps across Government, and OPM has already taken direct steps through three new hiring regulations: (1) creating the ability for agencies to rehire former Federal employees to positions at a higher-grade level than when they left ([Federal Register :: Promotion and Internal Placement](#)); (2) easing the ability for agencies to recruit and hire student interns ([Federal Register :: Hiring Authority for Post-Secondary Students](#)); and (3) helping agencies more easily recruit and hire recent college graduates ([Federal Register:: Hiring Authority for College Graduates](#)). OPM also recently released [skills-based hiring guidance](#) to agencies, building on efforts to improve quality hiring outcomes in the current labor and workplace era. The Subject Matter Expert Qualification Assessment project (SME-QA)—in which subject matter experts assess the qualification of applicants early in the hiring process—is an example of collaborative activity among OPM, OMB, and agencies seeking to onboard quality hires in an efficient manner.

(2) Make every Federal job a good job

The Federal Government competes for talent within the national talent marketplace. We recognize that we have a lot of work to do to improve pay, employee engagement, hiring, and other processes that can help Federal agencies to compete in the Nation’s changing talent market. Moreover, there is rapid change in the labor market right now, requiring the Federal Government to be nimble, to stay ahead of that change and the expectations employees have of their employers.

On pay, between 2009 and 2020, U.S. average worker pay rose by 38 percent, while Federal civilian pay increases amounted to only 15 percent. Chart 7-3 below, excerpted from the FY 2023 Budget’s Analytical Perspective [chapter](#) on “Strengthening the Federal Workforce,” demonstrates the growing gap between Federal and private sector pay. The differential between Federal civilian pay and private sector pay expanded substantially over this period, creating meaningful attrition risk within the existing workforce, reducing the competitiveness of Federal jobs, and de-valuing the contributions of the Federal workforce to the Nation. The FY 2023 Budget proposes a pay increase of 4.6 percent for both civilian and military employees.

Chart 7-3. Federal vs. Private pay differential
(1980 normalized to 0)



For newly hired federal employees, FERS contributions increased 2.3 percentage points for employees hired in 2013 and an additional 1.3 percentage points for employees hired in 2014 or after.

Sources: Public Laws, Executive Orders, Office of Personnel Management, OPM Memoranda from federal websites, Congressional Budget Office, and Bureau of Labor Statistics.

Notes: Federal pay is for civilians and includes base and locality pay. Private pay is measured by the Employment Cost Index wages and salaries, private industry workers series.

In addition, Federal agencies are having trouble filling critical skills roles. This challenge is exacerbated when Federal agencies cannot compete on pay across the board and when Federal agency human resources policies and processes can inhibit agility and do not always leverage effective practices from the private sector while advancing merit system principles.

While pay may not be the primary motivator for many Federal employees' (or potential candidates') career decisions, it does have an impact, particularly as Federal pay has become increasingly out of line with the private sector. We need to leverage the existing pay authorities we have, to provide fair compensation and benefits within the realities we face.

In addition to pay, we need to be nimbler in our hiring practices so that we can make expedient but valid assessments of candidates—resulting in high-quality hires who have the option to choose Federal employment over other options and offers they are presented with, rather than be met with endless waiting and unclear, confusing, or opaque Federal hiring processes that can take 6 months or more.

We also know, that in the fields of IT and Cyber in particular, but also for other critical skills, we need to be more competitive and offer a more streamlined applicant experience. There is an especially high demand for cyber talent across the entire labor market, across nearly all industries. Director Ahuja and I are prioritizing, and have under consideration, how best to support agencies in retaining and hiring a robust Federal cyber workforce. Other Federal officials, such as the National Cyber Director Chris Inglis, the Federal Chief Information Officer Clare Martorana, and the Federal Chief Information Security Officer Chris DeRusha, are joining us as we take on this critical work.

In addition, we are considering opportunities to address challenges with career development and cultivate a Senior Executive Service (SES) that reflects the diversity of our country. This

includes making the process of applying for the SES easier to navigate. Lessons learned from implementation of Executive Order [13714](#) on Strengthening the Senior Executive Service are informing our work.

We have already made progress toward making every Federal job a good job. At the beginning of this Administration, the compensation for some Federal wage-grade employees fell below a decent living wage. The Administration rectified this specific issue by OPM taking action to raise the minimum wage for Federal employees to at least \$15 an hour. Further, the Administration's budgets have supported continued Federal employee access to comprehensive health insurance and retirement benefit programs, which serve as prominent recruitment and retention tools.

The Administration also understands that pay and benefits are not the only factor in making each and every Federal job a good job. During the COVID-19 pandemic, issues of employee health, safety, and well-being have come to the forefront for employers nationwide, including for Federal agencies. From day one of this Administration, informed by the science and public health experts, we have prioritized the health and well-being of the resilient Federal workforce. Since last year, the Federal Government has led by example for employers across the Nation as organizations looked for guidance on a path forward for their workforce and workplaces throughout the pandemic.

On the first day of his Administration, President Biden signed Executive Order [13991](#) on Protecting the Federal Workforce and Requiring Mask-Wearing, creating the Safer Federal Workforce Task Force and directing agencies to require that Federal employees and onsite contractor employees in Federal buildings or on Federal lands adhere to public health measures consistent with CDC guidance. Government-wide guidance for agencies on COVID-19 workplace safety has been issued by OMB through OMB Memorandum [M-21-15](#) on "COVID-19 Safe Federal Workplace: Agency Model Safety Principles," and from the Safer Federal Workforce Task Force on [SaferFederalWorkforce.gov](#). Agencies have applied this guidance to protect their workforce, including through the establishment of agency COVID-19 Coordination Teams and the publication of agency COVID-19 Workplace Safety Plans.

Like workers nationwide, Federal employees across agencies have historically—and more acutely during the COVID-19 pandemic—dealt with a spectrum of challenges related to well-being. Some agencies are leading the way to develop evidence-based support services and tools for the mental health and well-being of Federal employees and creating an inclusive, supportive culture. These efforts serve to both support Federal employees and help ensure agency mission delivery. OPM has issued a [memorandum to agencies on Mental Health Awareness](#), and the Department of Labor Office of Disability Employment Policy released a [handout with mental health resources](#).

The Administration is also working to cultivate a Federal workforce that draws from the full diversity of the Nation and that advances equitable employment opportunities. On June 25, 2021, the President signed Executive Order [14035](#) on Diversity, Equity, Inclusion, and Accessibility in the Federal Workforce, followed by a "[Government-wide Strategic Plan to Advance Diversity, Equity, Inclusion, and Accessibility in the Federal Workforce](#)," issued on

November 23, 2021. In response to this Executive Order, agencies have established dedicated diversity, equity, inclusion, and accessibility (DEIA) teams and conducted self-assessments of the current state of agency DEIA practices and programs, HR processes, and workforce composition. Over the course of FY 2022, Federal agencies have built DEIA strategic plans and action plans to operationalize best practices around diversity, equity, inclusion, and accessibility in FY 2023 and beyond. Agencies are now working to implement those plans.

In FY 2022, through a collaborative effort of the PMC supported by OMB, OPM, and GSA, we launched the first Government-wide pulse survey as a pilot. Approximately 2 million civilian employees of the 24 CFO Act agencies received three surveys over a period of 6 months, each short pulse check with three to four questions that cover three topics: employee engagement, inclusion, and the process of an increased return of Federal employees to their agency workplaces (reentry). The pilot provided opportunities to learn from our remarkable Federal public servants, we have [shared the data we collected on Performance.gov](#), and we will continue to learn more as we are able to analyze the data trending across the three pulse surveys. This pulse survey pilot and the annual OPM Federal Employee Viewpoint Survey (FEVS) survey provide different, yet complementary sources of workforce feedback. The pulse survey pilot provided a brief survey, repeated over a short period to capture a quick snapshot on the state of the Federal workforce on select topics, while the FEVS is a long-standing and critical source of data on the Federal workforce, with a much deeper set of questions and insights that include annual trends analysis.

(3) Reimagine and build a roadmap to the future of Federal work

Our Federal employees drive the mission and operations at agencies across the Government and across the country—nearly 85 percent of them work outside of the National Capital Region.

Employers throughout the private sector are still orienting themselves to the newly emerging future of work informed by experiences during the COVID-19 pandemic—as is the Federal Government. Federal agencies are exploring questions around how and where employees work, how to support and respond to mobility and movement of the workforce (both geographically and organizationally) for mission delivery and resilience, and the intersection between personnel workplace policies, such as telework, remote work, and alternative work schedules, and physical and digital tools and resources that support workforce effectiveness and efficiency—like online collaboration tools and redesigned workspaces. The Federal Government must use this opportunity, as the entire labor market undergoes a period of profound change, to harness lessons learned from the pandemic and adjust personnel and workplace approaches to increase our competitiveness going forward.

To answer this call, OMB, OPM, and GSA—with the PMC and interagency executive management councils including the Chief Human Capital Officers Council, the Chief Information Officers Council, the Chief Financial Officers Council, the Federal Real Property Council, and the Chief Acquisition Officers Council—are working to identify lessons and promising practices from the pandemic and from nationwide workforce and workplace trends.

In June 2021, OMB, OPM, and GSA together issued Government-wide guidance through OMB Memorandum [M-21-25](#) on “Integrating Planning for A Safe Increased Return of Federal Employees and Contractors to Physical Workplaces with Post-Reentry Personnel Policies and Work Environment.” The guidance recognizes that agencies can leverage personnel policies such as telework, remote work, and flexible work schedules as strategic management tools for attracting, retaining, and engaging talent to advance agency missions, and for advancing diversity, equity, inclusion, and accessibility in the Federal workforce. Given that, the Administration anticipates that more Federal employees will be eligible for telework in the post-reentry period than prior to the pandemic, more telework will be used by telework-eligible employees, and agencies will explore expansions of remote work where appropriate. These changes are a necessity in the marketplace, but will require ongoing evaluation.

The guidance also recognizes that agencies “will need to balance priorities in making decisions related to post-reentry personnel policies and the work environment,” and that, overall, “agencies’ decisions must be guided by how they can most effectively achieve their respective missions.” The guidance sets forth that OMB, OPM, and GSA expect that “agency decisions in these areas will be equitable and grounded in values that empower, respect, and galvanize the Federal workforce, while reflecting and emphasizing trust and accountability for the American people they serve,” and that “agencies should also consider broader workforce and workplace trends and the need for the Federal Government to be competitive for top talent as employers in the broader labor market.” M-21-25 includes, as an appendix, guidance from OPM on “Post-Reentry Personnel Policies and Work Environment,” as well as an appendix from GSA on Considerations on the Future of Federal Workplaces.

OPM subsequently issued [additional guidance](#) to agencies on post-reentry personnel policies and work environments in July 2021, and released an updated [2021 Guide to Telework and Remote Work in the Federal Government](#) in November 2021.

Looking ahead, as part of the upcoming fiscal year 2024 budget formulation process, OMB will be working with agencies on their capital plans for that year. These plans—and capital plans developed in subsequent years—will define the resource needs and long-term portfolio configuration agencies need to establish to implement the future of work.

I am committed to seizing this unique moment to ensure that agencies are strategically positioned to be model, contemporary, and productive workplace environments. With Director Ahuja and GSA Administrator Robin Carnahan, I am leading discussions on potential updates to workforce and workspace flexibilities, which in the Federal environment are oftentimes in statute and governed by regulations. We are examining potential changes to authorities such as telework, remote work, and hours of work. Again, it is imperative that the Federal Government adjusts to enhance our competitiveness, ensuring that we are able to retain and attract the talent to deliver on mission and supporting our workforce on doing just that.

I look forward to working with Congress to ensure that Federal agencies can best deliver on their missions for the American people, with a talented and skilled workforce, and effective and efficient workplaces. In addition to what we can achieve administratively through policy-making and regulation, we are interested in working with Congress on legislative proposals that will

enable us to update and modernize certain workforce and personnel policies—particularly being cognizant of the current context as we consider what is needed to meet the needs of the workforce and the public in this new era of the “future” of work.

(4) Build the personnel system and support required to sustain the Federal Government as a model employer

Underlying all of these issues is continuing to strengthen our Government-wide personnel system—and the agency that leads it. I am excited to support implementation of OPM’s strategic plan, which focuses on transforming OPM’s organizational capacity and capability to better serve as the leader in Federal human capital management. This includes support for Government-wide and agency tools for data-driven decision-making about the Federal workforce.

Early actions by this Administration also addressed a significant attack on one of the bedrock values I believe we all share—that merit principles should apply to the civil servants hired and employed by Federal agencies. President Biden rescinded the previous Administration’s Schedule F policy as part of his signing of Executive Order [14003](#) on Protecting the Federal Workforce. While the Administration recognizes the need to evaluate and consider policy changes to hiring, pay, and other workplace flexibilities given evolving changes to society and workplaces nationally, as well as Federal agency and employee perspectives, the intent of the rescission was to send a strong message to the workforce that the Administration remains fully committed to the durability of civil service protections and strong merit systems principles.

Second, EO 14003 also affirmatively stated that it is the policy of the United States to encourage union organizing and collective bargaining, a value that the President has repeated time and again. The trust of the Federal workforce, including those represented by a union and of our national and Federal employee labor union colleagues, was severely damaged during the last Administration. It has been a priority for this Administration to take actions to intentionally rebuild that trust, step by step. To that end, OMB and OPM have taken steps to reset labor relations and strengthen bargaining and have met consistently since the beginning of the Administration with our labor representatives. These conversations allow both management and labor to share challenges and opportunities and have begun to rebuild the trust needed to meet the needs of the workforce and of the American people. Our partnership with Federal employee union organizations is also instrumental to our ability to understand and meet the needs of our employees.

In addition, on April 26, 2021, the President signed EO [14025](#) on Worker Organizing and Empowerment that established the White House Task Force on Worker Organizing and Empowerment. [Recommendations](#) released by the Task Force earlier this year include nearly 70 efforts to support worker empowerment and position the Federal Government to be a model actor by activating Federal authority to support worker empowerment. OPM is leading on a number of these recommendations, developed in collaboration with the National Economic Council and OMB, which focus on improving the ability of Federal employees to exercise their right to organize and activate their labor rights, and which are either complete or underway, including through new guidance to agencies.

Woven throughout the PMA is the Administration's commitment to worker protections, including our commitment to expanding opportunities for Federal workers to join a union and participate through their union in meaningful agency decisions.

Opportunities for Collaboration with Congress on Federal Workforce Legislative Issues

Strengthening and empowering the Federal workforce will require changes to statutory authorities. To that end, OMB and OPM are working together to develop several future-facing ideas and opportunities for exploration together. Those ideas and opportunities include the following:

- *Cyber talent.* Currently, some Federal agencies have special authorities that give them a leg up in recruiting cyber talent relative to other Federal agencies. The Federal Government needs to be competing in the labor market, not competing with itself. OMB and OPM are partnering with others across the Executive Branch in exploring the right balance of changes to hiring, pay, and classification to better meet the needs of all agencies' recruitment and retention of cyber talent. We look forward to working with Congress to advance these efforts.
- *The future of work.* As noted, the Federal Government—as well as the private sector—is navigating a period of rapid change. We are actively exploring the specific changes necessary to facilitate the Federal Government's adaptation. This Subcommittee has prioritized telework, and OMB and OPM would welcome further collaboration on legislation in this space. There are also related opportunities to revise current policies and regulations to better reflect the current labor market, such as giving agencies and employees more discretion for scheduling, location, and mobility to achieve agency mission. We also look forward to working with Congress on updating the Federal Government's personnel policies aligned with broader funding requests and facility needs.
- *Benefits.* We need to consider offering new benefits that better align to what the private sector is offering employees in hard-to-fill positions. This includes designing a more robust student loan repayment program for the Federal Government. It is important to empower agencies to offer better benefits in recognition of the increasing cost of tuition and given the private sector's embrace of tuition repayment as a key HR recruiting and retention tool. OMB and OPM also want to work with you on the potential for new authority for OPM to offer employees other benefits where they pay the full premium, and there is no government contribution. OPM can negotiate better group rates for employees than employees could alone on the open market, and so OPM is exploring various kinds of benefit and wellness offerings.
- *Wildland firefighters.* OPM worked with the Department of Agriculture, the Forest Service, and the Department of the Interior, supported by OMB, to implement the supplemental pay and occupational series provisions of the Infrastructure Investment and Jobs Act (P.L. 117-58, also known as the Bipartisan Infrastructure Law). But a permanent solution to the various compensation and staffing challenges that workforce

has faced for decades is needed, and the Administration looks forward to working with Congress on that.

- *Strengthening OPM.* OMB and OPM also see an opportunity for new legislation that will empower OPM in advancing toward a future vision of a real strategic human capital leader of the largest workforce in the country. Agencies should have tools they need to compete for top talent. This would include giving OPM more authority to delegate low-risk human resource activities to the agencies and ensuring agency compliance through oversight, rather than approvals on the front-end. This also includes re-imagining OPM's demonstration project authority so that agencies have an incentive to try out new things within the competitive hiring system to promote innovation and broader learning across Government.

The above ideas and opportunities are examples of a broader set of workforce topics that OMB and OPM are exploring together, on which we welcome collaboration with Congress. I anticipate that Director Ahuja will share other opportunities in her testimony, including additional ideas related to pay.

Working together we can ensure that the Federal Government is not only a model employer, but is an employer of choice.

Public servants make crucial contributions in every community in America. They educate our children, keep our communities safe, defend our country, maintain our roads and bridges, develop cures for diseases, improve sustainability, and care for our veterans—among countless other essential services that keep our country safe and propel us forward. We must work together to do all we can to strengthen and empower the Federal workforce.