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Special Newsletter for Federal Employees

Federal employees have been phoning and emailing about stories appearing in newsletters and newspapers that the Federal retirement system will change. Benefits are based on a system that uses the average of the three highest consecutive years of salary and length of service. The rumor is that “the high 3” will change to “the high 5”. This would cause an average drop in pension approximately 8%.

This rumor has circulated for many years and has had no serious chance of passage. It would require an act of Congress with the consent of the President to become law. This time is no different than previous rumblings. We watch the bills for you. If something goes beyond the talking stage, we will keep you informed.

Enjoy the 4th. There is no reason to be concerned.