

November 28, 2006

## No Congressional Pensions for Felons

Dear Speaker Pelosi and Leader Reid:

On behalf of the millions of taxpayers represented by the groups listed below, we urge you to make Congressional pension reform a priority at the start of the 110<sup>th</sup> Congress. To restore faith in accountable government, we must end the practice of rewarding lawmakers who abuse the law with plush pension packages funded by the American taxpayer. We would applaud your addressing this long-overlooked issue.

As you know, Congress has constituted a retirement system for itself that includes pension and 401(k)-style plans, whose payments are far more generous than what similarly-paid workers in the private sector typically receive. Furthermore, American taxpayers directly subsidize retired lawmakers' benefit payouts at rates of between 50 and 80 percent (without even including the contributions Members of Congress make from the salaries funded by taxpayers).

Since the early 1960s, only a conviction of a crime such as treason or espionage has constituted grounds for forfeiture of a Congressional pension, leaving more than 20 lawmakers who have committed other serious offenses to continue drawing benefits. The most recent example of this insult to taxpaying Americans involves Representative Robert Ney, who could qualify for a full deferred pension of roughly \$29,000 during his first eligible year of retirement, along with substantial investment assets. Historically, however, the problem has been bipartisan. Democratic Congressman James Traficant, who was expelled in 2002, could be receiving an inflation-adjusted benefit of nearly \$40,000, while Representative Daniel Rostenkowski's potential pension, including cost of living adjustments, could exceed \$125,000 this year. While the desire to "close ranks" in support of perks may be strong, giving Congressional pensions to felons does not pass the "smell test" with most citizens outside the Beltway.

Many would argue that Congressional service is a civic honor and is therefore not an appropriate position for receiving a career-style pension. Lawmakers should overhaul the entire Congressional pension system to bring it in line with economic and fiscal reality. Until that time, **we hope you will lend your support as Leaders to immediately enact legislation that will automatically deny taxpayer-funded retirement benefits to a Representative or Senator convicted of any felony, during or after Congressional service.**

Sincerely,

Pete Sepp, Vice President for Communications  
National Taxpayers Union

George Anderson  
Ethics in Government Group

Doug Bandow, Vice President  
Citizen Outreach Project

Rose Bogaert, Chair  
Wayne County Taxpayers Association, Inc.

*“No Congressional Pensions for Felons” Letter, continued*

F. Patricia Callahan, President  
American Association of Small Property Owners

Stephen Ellis, Vice President of Programs  
Taxpayers for Common Sense

Paul Gessing, President  
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Doug Kagan, Chairman  
Nebraska Taxpayers for Freedom

Gwen Marshall  
Georgians for Open Government

Ron Marshall, Chairman  
The New Grady Coalition

Jeffrey Mazzella, President  
Center for Individual Freedom

Tom McClusky, Vice President of Government Affairs  
Family Research Council

Kevin McLaughlin, President  
Iowans for Discounted Taxes

James Murtagh  
Doctors for Open Government  
and  
Simmelweis Society International

Michael Ostrolenk, Co-founder/National Director  
Liberty Coalition

Gary Ruskin, Director  
Congressional Accountability Project

Thomas Schatz, President  
Council for Citizens Against Government Waste

David Strom, President  
Taxpayers League of Minnesota

Dane vonBreichenruchardt, President  
U. S. Bill of Rights Foundation

William Westmiller, National Chairman  
Republican Liberty Caucus

Tim Wise, President  
Arlington County Taxpayers Association, Inc.