

Domestic Partner Benefits for Federal Employees: Fair Policy and Good Business
A Hearing Before the Homeland Security and Governmental Affairs Committee

By Chairman Joe Lieberman

September 24, 2008

Good morning and thank you all for being here. This morning, our Committee will consider S. 2521, the Domestic Partnership Benefits and Obligations Act, which Senator Smith and I, and more than 20 other senators, introduced last December.

Obviously, we are toward the end of this session of Congress so that it is too late for this measure to be adopted this year, but all of us who sponsored it consider it to be an important and serious proposal that we need to begin the discussion of. And I'm looking forward to action on it, hopefully, in the next session of Congress.

Senator Smith and I and the other co-sponsors introduced this bill because we believe it makes sense for the federal government as an employer and of course because we believe it is the fair and right thing to do. We are confident it will help the federal government attract and retain the high quality employees we need to carry out our responsibilities to the American people in the years ahead, particularly at a time when all the experts tell us there will be a generational change that will bring a very large percentage of federal employees to retirement.

This legislation would provide employee benefit programs to the same-sex domestic partners of federal employees. They would be eligible to participate in health benefits, long-term care, Family and Medical Leave, federal retirement

benefits, and all other benefits for which married employees and their spouses are eligible. Federal employees and their domestic partners would also be subject to the same responsibilities that apply to married employees and their spouses, such as anti-nepotism rules and financial disclosure requirements.

According to UCLA's Williams Institute, over 30,000 federal workers live in committed relationships with same-sex partners who are not federal employees. That they receive fewer protections for their families than those who are married jeopardizes their continued ability to work for the federal government. .

We often hear – and some of us have often said – that government should be run more like a business. While the purpose of government and business are different, I believe that government does have a lot to learn from private sector business models including in the matter before us. The fact is that a majority of U.S. corporations – including more than half of all Fortune 500 companies – already offer benefits to domestic partners. Why? I presume, in part, because in part it is the fair thing to do, but also clearly because these businesses have decided it helps their businesses succeed.

General Electric, IBM, Eastman Kodak, Dow Chemical, the Chubb Corporation, Lockheed Martin, and Duke Energy are among the major employers that have recognized the economic benefit of providing benefits for domestic partners. Overall, almost 10,000 private-sector companies of all sizes provide

benefits to domestic partners. The governments of 13 states, including my home State of Connecticut, about 145 local jurisdictions across our country, and some 300 colleges and universities also provide such benefits. They aren't doing this just because it is the right thing to do, though I think it is. They are doing it because it is good management employee policy.

Non-federal employers have told analysts that they extend benefits to domestic partners to boost recruitment and retain quality employees--as well as to be fair. If we want the government to be able to compete for the best and the brightest, we're going to have to provide some of the same benefits job seekers can find elsewhere.

The experts tell us that 19 percent of an employee's compensation comes in the form of benefits, including benefits for family members. Employees who do not get benefits for their families are, therefore, not being paid equally. Of course I and all of us understand that covering domestic partners will add to the total cost of providing federal employee benefits. And we understand that particularly now is a time we have to be careful about government spending and do rigorous cost benefit analyses of all, not just new, federal expenditure. I've talked about what I believe are the benefits of this legislation, I would add that based on the experience of private companies and state and local governments, the Congressional Budget Office has estimated that benefits to same-sex domestic partners of federal

employees would increase the cost of those programs by less than 1/2 of one percent. The Office of Personnel Management says the cost of health benefits for domestic partners over 10 years would be \$670 million. Remember our federal budget now is at \$3 trillion and I would say this week, rising every day.

We will hear many stories from our witnesses about the impact that the lack of domestic partner benefits has on people. . I would like to quote from the resignation speech of Michael Guest, who was ambassador to Romania and also Dean of the Foreign Service Institute. I think it makes a very moving and eloquent case for extending benefits to same sex partners. I believe Ambassador Guest was the first publicly gay man to be confirmed for an ambassadorship from the United States. . When he resigned the Foreign Service in 2007, he said, and I quote here from his farewell address to his colleagues ``... I have felt compelled to choose between obligations to my partner--who is my family--and service to my country. That anyone should have to make that choice is a stain on the Secretary's leadership and a shame for this institution and our country.” End of quote.

Those are very moving, and I would say compelling words from a talented and loyal public servant--who once described the Foreign Service as the career he was ``born for ... what I was always meant to do." And of course it is a great loss that he felt compelled to leave the Foreign Service – particularly now at a time

when our nation so desperately needs talented diplomats to help meet the challenges we face - in large part because his federal employee benefits would not enable him to adequately care for the needs of his family.

The Domestic Partners Benefits and Obligations Act makes good economic sense. It is sound policy. And I believe it is the right thing to do.

Senator Collins?