

**Domestic Partner Benefits: Fair Policy and Good Business
For the Federal Government**

Chairman Joe Lieberman

October 15, 2009

Today, our Committee will take testimony on S. 1102, the Domestic Partnership Benefits and Obligations Act, which Senator Collins and I introduced last year and earlier this year to bring equity to federal workers and strengthen the workforce that serves the American people.

We are holding this hearing as part of the Committee's responsibility under Senate rules for the civil service of our federal government.

Although we conducted a hearing on this legislation during the last Congress, we felt it would be useful to revisit the matter this year particularly to give the Obama Administration an opportunity to express its views on S. 1102. In that regard, we are pleased to welcome the Director of the Office of Personnel Management, John Berry. We will also hear from William Hendrix of Dow Chemical, which is typical of Fortune 500 companies in that it provides benefits to same-sex partners of its employees. And our first witness is our House colleague, Representative Tammy Baldwin, of Wisconsin, who is championing a companion bill to S.1102 in the House.

Senator Collins and I introduced this bill because we believe it is the fair and right thing to do, and also because it makes practical sense for the federal

government as an employer. As we approach a generational change in the federal workforce that will see the retirement of approximately one-third of all federal employees, it seems to us to be just plain sensible to do all we can to attract and retain the “best and the brightest” to serve in the years ahead. This legislation would help accomplish that.

Our bill would provide that same sex partners of federal employees equal access to their partners’ employee benefit programs. They would be eligible to receive health benefits, long-term care, Family and Medical Leave, federal retirement benefits, and any other benefits for which the spouses of traditionally married employees are eligible. Federal employees and their domestic partners would also be subject to the same legal responsibilities that apply to married employees and their spouses, such as anti-nepotism provisions, financial disclosure requirements, and conflict-of-interest rules.

The Williams Institute, at the University of California, Los Angeles, estimated that, as of 2007, over 34,000 federal workers live in committed relationships with same-sex partners, and that, of them, over 30,000 have partners who are not federal employees. These federal employees have therefore been forced to choose between their commitment to public service and their commitment to their families because they receive fewer protections for their families – and essentially less compensation - than federal employees who are in

traditional, opposite-sex marriages or than they themselves could receive from private employers.

An estimated 18.4 percent of all employees' compensation comes in the form of benefits, including benefits for family members. Employees who aren't afforded equal benefits for their families are, essentially, not paid as much as those who are. Many people believe that government should run more like a business, with more efficiencies, more focus on results, and more attention paid to the bottom line. While government and business have different purposes and goals, I do think government has much to learn from private sector business models, including in the matter of benefits for domestic partners.

The fact is that today, almost 10,000 private-sector companies of all sizes provide benefits to domestic partners and more than half – 59 percent - of all Fortune 500 companies do so. Among them are Disney, General Electric, IBM, the Chubb Corporation, Lockheed Martin, Duke Energy, and Dow Chemical, which is represented at our witness table today. I presume these companies provide domestic partner benefits not just because it is the right thing to do but because they have determined that such good employee management practices make good business sense.

The public sector is catching up. Currently, the governments of 22 states, including my home State of Connecticut, and about 154 local jurisdictions provide domestic partner benefits, as do over 300 colleges and universities.

In June of this year, President Obama announced that his Administration would extend certain identified benefits to eligible same-sex domestic partners of federal employees, to the extent possible by executive action under existing law. The State Department promptly extended certain key benefits to same-sex partners of employees serving overseas, such as use of medical facilities and inclusion in emergency evacuation. OPM has also proposed that sick leave and long term care insurance benefits can be extended administratively. But, federal legislation is really necessary to provide to federal employees and their same-sex partners the benefits that are available to married employees and their opposite-sex spouses and that provide the bedrock of any modern employee-benefit program – including health insurance, retirement annuities, workers’ compensation, disability and death coverage.

Will this add to the total cost of providing federal employee benefits? Yes. How much? That is what we’re looking forward to hearing from Mr. Berry, but I believe it is a relatively small percentage well worth the benefits the federal government will reap.

The Domestic Partners Benefits and Obligations Act will balance the scales of justice, but it will also help the federal government be the best it can be. S.1102 makes good economic sense, it is sound personnel policy, and it is the right thing to do.

Senator Collins?