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STATE OF VERMONT GENERAL ASSEMBLY COMMISSION ON INTERNATIONAL TRADE & STATE SOVEREIGNTY

October 16, 2014

Stephen E. Condrey, Ph.D. Chair, Federal Salary Council 1900 East Street NW Washington, D.C. 20145-8200

RE: Northwest Vermont Locality Pay Proposal

Dear Dr. Condrey,

On behalf of the Vermont Commission on International Trade and State Sovereignty, we are writing to express our strong support of the Federal Executive Association of Vermont's Request for consideration to establish a Locality Pay Area above Rest of US (RUS) for Northwest Vermont federal employees. We believe that establishing a Locality Pay Area will serve two critical interests for our State: securing a highly qualified, deeply rooted population of federal employees, and ensuring that critical federal services—particularly those related to commerce and security at our international border—continue to be performed at the highest standards by experienced federal personnel.

With nearly 5,000 employees in the State, the federal government plays an important role in Vermont's economy. However, as an employer, the federal government is subject to the same competition as other employers in the Northwest Vermont region. At 3.5%, Vermont currently has the second-lowest unemployment rate in the nation, and Chittenden County—the economic hub of Northwest Vermont—has the lowest unemployment rate in the State. Coupled with long winters, a high cost of living, and a limited supply of affordable housing, all employers in the area experience significant competition to recruit and retain a well-educated and experienced workforce. Thus, we believe the Federal Salary Council should strongly consider the importance of establishing a Locality Pay Area in order to secure a highly qualified federal workforce that effectively competes both with other federal offices and the local private labor economy.

While all federal offices perform vital functions throughout the country, federal employees in Vermont play a critical role in both advancing international trade and ensuring our national security. Between our border crossings with Montreal, trade and travel through the Burlington International Airport, and a slate of proposals for increased international rail and road traffic in the coming decade, both Vermont and the greater United States depend heavily on experienced federal employees to smooth the flow of commerce and protect our borders and citizens. We believe that establishing a Locality Pay Area for Northwest Vermont will greatly enhance the ability of our federal offices to retain experienced personnel and thereby ensure that these critical federal services continue to be performed at the highest level.

We thank you in advance for your consideration of this matter. If there is anything further we can offer in support of VTFEA's proposal to establish a Locality Pay Area above Rest of US for Northwest Vermont federal employees, please do not hesitate to contact us.

Kindest Regards,

Senator Virginia Lyons,

Co-Chair

Representative Kathleen Keenan

Co-Chair

cc: Governor Peter Shumlin

Congressman Peter Welch

Senator Patrick Leahy

Senator Bernie Sanders