WHAT TSA PRIVATIZATION COULD COSTS YOU

A benefit-by-benefit breakdown for Transportation Security Officers

BENEFIT	WHAT YOU GET NOW	LIFETIME LOSS
FERS Pension	Guaranteed income for life. **$11,660–$17,490/yr** depending on years of service. Adjusted for inflation annually.	**$233,000 – $450,000+**
FERS Supplement	Bridge payment until age **62. $850–$1,275/mo.** Without it, you may claim Social Security early at a reduced rate.	**$51,000 – $76,500**
FEHB Health Insurance	Gov't pays **72–75%** of premiums—in retirement. Private market costs **$12,000–$21,600/yr vs. $2,000–$6,000 under FEHB.**	**$200,000 – $400,000+**
TSP Matching	Gov't matches up to 5% of salary (**$2,650/yr**). Ultra-low fees **(0.04%)** save thousands vs. private 401(k) plans.	**$75,000 – $100,000+**
	APPROXIMATE LOSS	**$500,000 – $1,000,000+**

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DISCLAIMER: This document is provided by AFGE for informational and educational purposes only. Actual amounts vary by salary, locality, years of service, retirement age, investment returns, and plan selections. This is not financial, legal, or retirement planning advice. Consult a qualified financial advisor or your agency HR office for personalized calculations.

HOW WE CALCULATED THESE NUMBERS

All figures based on an average TSO salary of $53,000 and publicly available federal data

FERS PENSION

Formula (from OPM): High-3 Average Salary x Years of Service x Multiplier. The multiplier is 1.1% if retiring at age 62+ with 20 or more years of service, or 1.0% otherwise. **Example:** $53,000 x 20 years x 1.1% = $11,660/year. At 30 years: $17,490/year. **Lifetime value:** Annual pension x 20 years of retirement, plus annual cost-of-living adjustments (COLA). Range: $233,000 to $450,000+.

FERS SPECIAL RETIREMENT SUPPLEMENT

Formula (from OPM): Estimated Social Security benefit at age 62 x (Years of FERS Service / 40). For a $53,000 earner, the estimated Social Security benefit at 62 is approximately $1,700/month (per SSA calculators). **Example:** $1,700 x (25/40) = $1,063/month. **Total lost:** Monthly amount x months between retirement and age 62. Retiring at 57 with 25 years: $1,063 x 60 months = $63,780.

FEHB HEALTH INSURANCE

Source: 2026 FEHB premium rates published by OPM. The government contributes approximately 72-75% of premiums. Maximum biweekly government contribution: $324.76 (Self Only) and $778.03 (Family). **Annualized:** Self Only: $324.76 x 26 pay periods = $8,444/year. Family: $778.03 x 26 = $20,229/year. **Lifetime value:** Government contributions over a 20-year retirement, factoring in historical premium growth of 10-13% per year. Self Only: $336,000+. Family: $405,000+. **Private market comparison:** ACA Marketplace premiums for ages 55-64 run $12,000-$21,600/year without subsidies, vs. $2,000-$6,000/year as a federal retiree under FEHB.

TSP MATCHING

Formula: The government matches 100% of the first 3% of salary contributed, plus 50% of the next 2%, for a total employer match of up to 5%. On $53,000: $53,000 x 5% = $2,650/year in employer contributions. **Lifetime value:** $2,650/year over 20 years with moderate investment growth (6-7% annual returns in a balanced TSP portfolio) = $75,000-$100,000+. The TSP also charges just 0.04% in fees, saving thousands compared to typical private-sector 401(k) plans.

TOTAL: $500,000 – $1,000,000+

Sum of all four benefit ranges: $233,000-$450,000 (pension) + $51,000-$76,500 (supplement) + $200,000-$400,000 (FEHB) + $75,000-$100,000 (TSP) = $559,000-$1,026,500. The low end reflects fewer years of service; the high end reflects a longer career and family health coverage.

SOURCES: OPM.gov (FERS Computation & FEHB Premiums) | FedTools.com (FEHB Retirement Value) | Federal News Network | jobs.tsa.gov/benefits | SSA.gov benefit calculators | FedSmith.com (2026 FEHB premium analysis) | Boldin.com & MoneyGeek.com (private market health insurance costs)

DISCLAIMER: Based on an average TSO salary of $53,000, here is what is at stake over a retirement. All figures are estimates provided by AFGE for informational and educational purposes only. Actual benefit amounts vary based on individual salary, locality pay, years of service, retirement age, investment returns, and plan selections. This document does not constitute financial, legal, or retirement planning advice. Consult a qualified financial advisor or your agency human resources office for personalized benefit calculations. Data current as of May 2026.

AFGE TSA

REAL COST OF TSA PRIVATIZATION

WHAT YOU STAND TO LOSE

If TSA Is Privatized

Paid Parental Leave *(12 weeks)*	**$-11,538**
Healthcare Costs *(Higher premiums and deductibles)*	**$-3,000 to $6,000**
Lost TSP Match *(Reduced or no employer match)*	**$-2,500+**
Lost Pension *(No defined-benefit retirement)*	**-$4,500+**
Reduced Leave *(Less annual and sick leave)*	**-$2,600+**
No Job Protections *(No due process, Grievances, or Merit System)*	**Priceless**
APPROXIMATE LOSS	**-$25,000+ per year**

Privatization could cost you an estimated $25,000+ per year.

AFGE Union Dues are less than a cup of coffee a day

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HOW WE CAME UP WITH THESE NUMBERS

Annual benefits at risk for Transportation Security Officers

1. PAID PARENTAL LEAVE -$11,538

What you get now: 12 weeks fully paid under FEPLA. Private contractors offer little to none. Based on $50K salary.

2. FEHB HEALTHCARE -$3,000 to -$6,000

What you get now: Gov't pays ~72% of premiums. Private plans mean higher premiums, deductibles, and copays out of your pocket.

3. TSP MATCH (5%) -$2,500+

What you get now: Gov't contributes 1% automatic + matches up to 4% more. $2,500/yr in free money. Most private contractors match less or nothing.

4. FERS PENSION ACCRUAL -$4,500+

What you get now: You earn 1-1.1% of your high-3 salary per year toward a guaranteed pension. Over a career, worth hundreds of thousands. Private contractors have no equivalent.

5. PAID LEAVE -$2,600

What you get now: Up to 50 paid days off: 13-26 days annual leave + 13 sick days + 11 holidays. Private security offers far less, especially early on. If you work on a federal holiday, you also receive **holiday premium pay** on top of your regular pay.

6. DUE PROCESS PRICELESS

What you get now: As a federal employee covered by the AFGE Collective Bargaining Agreement (CBA), you have the right to challenge firings, demotions, and suspensions through a formal **grievance and arbitration process**. Your union represents you at every step. You also have **MSPB appeal rights** to contest adverse actions before an independent federal board. Private contractor employees are at-will with no CBA, no grievance process, and no independent appeal. No due process. No protection.

Approximate Annual Loss -$25,000+

These are the annual benefits you stand to lose right now, based on a $50,000 salary. **Privatization could cost you $25,000+ per year. It is not a pay raise. It is a pay cut.**

DISCLAIMER: Based on an average TSO salary of $50,000. All figures are estimates provided by AFGE for informational and educational purposes only, using publicly available federal data. Actual benefit amounts vary based on individual salary, locality pay, years of service, plan selections, and family status. The MSPB appeal rights value cannot be quantified in dollar terms. This document does not constitute financial, legal, or retirement planning advice. Consult a qualified financial advisor or your agency human resources office for personalized calculations. Data current as of May 2026.

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