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ASCS COUNTY OFFICE EMPLOYEES

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HEARING

BEFORE THE

SUBCOMMITTEE ON
LABOR AND CIVIL SERVICE

OF THE

COMMITTEE ON
OFFICE AND CIVIL SERVICE
HOUSE OF REPRESENTATIVES

NINETIETH CONGRESS

FIRST SESSION

ON

H.R. 6299 and S. 1028

BILLS TO EXTEND CERTAIN PAY, LEAVE, AND RETENTION
PREFERENCE BENEFITS UNDER TITLE 5, UNITED STATES
CODE, TO EMPLOYEES OF THE AGRICULTURAL COUNTY
COMMITTEES, AND FOR OTHER PURPOSES

OCTOBER 10, 1967

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ASCS COUNTY OFFICE EMPLOYEES

TUESDAY, OCTOBER 10, 1967

HOUSE OF REPRESENTATIVES,
COMMITTEE ON POST OFFICE AND CIVIL SERVICE,
SUBCOMMITTEE ON MANPOWER AND CIVIL SERVICE,
Washington, D.C.

The subcommittee met at 10:08 a.m. in room 346, Cannon House Office Building, Hon. David N. Henderson (chairman of the subcommittee) presiding.

Mr. HENDERSON. The subcommittee will come to order.

Today we are holding public hearings relative to the bills H.R. 6299 and S. 1028 that would amend title V of the United States Code to extend certain benefits to former employees of the agricultural county committees. S. 1028 was passed by the Senate on June 28 of this year. H.R. 6299 was introduced by a member of the full committee, our colleague, the Honorable Morris K. Udall on February 28, 1967.

Basically the two bills are similar and provide agricultural county committee employees who separate from their positions to accept appointments to positions in the Federal civil service system with the following benefits:

1. The county committee employees moving to positions under the Classification Act would have their rate of compensation set at a rate which would eliminate or minimize reductions in salary now required in many cases.

2. Annual and sick leave to the credit of the county committee employees would be transferred with them to other positions on the same basis as transferred within leave systems provided in the Annual and Sick Leave Act.

3. County committee employee's service would be credible service for seniority purposes in connection with the application of reduction-in-force procedures.

The Senate-passed bill, S. 1028, would limit transfer of benefits to general schedule positions only in the Department of Agriculture, whereas H.R. 6299 would provide benefits to any job subject to the general schedule.

The other major difference in the two bills relates to the retention of preference benefits. The Senate bill does not limit retention preference to service performed before July 10, 1960, but includes all service wherever and whenever rendered.

Today we have witnesses representing the Department of Agriculture, the Civil Service Commission and several employee organizations. Our first witness this morning will be Mr. Ray Fitzgerald, Deputy Administrator, State and County Operations of the Agricultural Stabilization and Conservation Service, accompanied by Mr.

John P. Haughey for the Department of Agriculture. They are to be followed by the president and secretary-treasurer of the National Association of ASCS County Office Employees, Mr. Woodrow Jones and Mr. Clyde Payne.

Next we will hear from the American Federation of Government Employees, J. F. Griner, accompanied by Mr. Walters and Carl Sadler.

Mr. Stahl, Director of the Bureau of Standards will represent the Civil Service Commission this morning, since Mr. Macy cannot be present.

Mr. Fitzgerald, it is a pleasure to welcome you and you may proceed with your statement.

STATEMENT OF RAY FITZGERALD, DEPUTY ADMINISTRATOR OF STATE AND COUNTY OPERATIONS; ACCOMPANIED BY JOHN P. HAUGHEY, DIRECTOR, PERSONNEL MANAGEMENT DIVISION, AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE, U.S. DEPARTMENT OF AGRICULTURE

Mr. FITZGERALD. Thank you, Mr. Chairman. On my left is Mr. John P. Haughey, Director, Personnel Management Division, for the Department of Agriculture.

Mr. HENDERSON. Mr. Fitzgerald, I think the record should include the official reports and any other documents the staff feels should be inserted in the record at this point, and without objection, it is so ordered.

(The text of H.R. 6299 and S. 1028 along with the Civil Service Commission's reports are as follows:)

[H.R. 6299, 90th Cong., first sess.]

A BILL To extend certain pay, leave, and retention preference benefits under title 5, United States Code, to employees of the agricultural county committees, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 5334 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(f) An individual employed by a county committee established under section 590h(b) of title 16 may, upon appointment to a position under this subchapter and chapter 51 of this title, have his initial rate of basic pay fixed—

"(1) at the minimum rate of the appropriate grade; or

"(2) at a step of the appropriate grade which does not exceed the highest previous rate of pay received by him during service with the county committee."

SEC. 2. Section 6308 of title 5, United States Code, is amended by inserting immediately after "The annual and sick leave to the credit of an employee who transfers between positions under different leave systems without a break in service" the following: "(including the annual and sick leave to the credit of an individual employed by a county committee established under section 590h(b) of title 16 who transfers without a break in service to a position to which this subchapter applies)".

SEC. 3. Section 3502(a) of title 5, United States Code, is amended by adding at the end thereof the following sentence: "In addition, in computing length of service, a competing employee is entitled to credit for service performed before July 10, 1960, as an employee of a county committee established under section 590h(b) of title 16 or of a committee or an association of producers described by section 610(b) of title 7."

[S. 1028, 90th Cong., first sess.]

AN ACT To amend title 5, United States Code, to extend certain benefits to former employees of county committees established pursuant to section 8(b) of the Soil Conservation and Domestic Allotment Act and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 5534 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(f) An employee of a county committee established pursuant to section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) may upon appointment to a position under the Department of Agriculture, subject to this subchapter, have his initial rate of basic pay fixed at the minimum rate of the appropriate grade, or at any step of such grade that does not exceed the highest previous rate of basic pay received by him during service with such county committee."

SEC. 2. (a) Subchapter I of chapter 63 of title 5, United States Code, is amended by adding at the end thereof the following new section:

"SEC. 6312. Service rendered as an employee of a county committee established pursuant to section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590(b)), or of a committee or an association of producers described in section 10(b) of the Agricultural Adjustment Act of May 12, 1933 (48 Stat. 37), shall be included in determining years of service for the purpose of section 6303(a) of this title in the case of any officer or employee in or under the Department of Agriculture. The provisions of section 6308 of this title for transfer of annual and sick leave between leave systems shall apply to the leave system established for such employees."

(b) The analysis of chapter 63 of title 5, United States Code, is amended by adding the following new item immediately after item 6311:

"6312. Accrual and accumulation for former ASCS county office employees."

SEC. 3. The second sentence of section 3502(a) is amended—

(1) by striking out the period at the end of subparagraph (B) and inserting in lieu thereof a semicolon and the word "and"; and

(2) by adding after subparagraph (B) the following new subparagraph:

"(C) who is an employee in or under the Department of Agriculture is entitled to credit for service rendered as an employee of a county committee established pursuant to section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)), or of a committee or an association of producers described in section 10(b) of the Agricultural Adjustment Act of May 12, 1933 (48 Stat. 37)."

Passed the Senate June 28, 1967.

Attest:

FRANCIS R. VALEO,
Secretary.

U.S. CIVIL SERVICE COMMISSION,
Washington, D.C., August 15, 1967.

HON. THADDEUS J. DULSKI,
Chairman, Committee on Post Office and Civil Service, House of Representatives,
Cannon House Office Building

DEAR MR. CHAIRMAN: This is in reply to your request for the views of the Civil Service Commission on H.R. 6299, a bill "To extend certain pay, leave, and retention preference benefits under title 5, United States Code, to employees of the agricultural county committees, and for other purposes."

This legislation would extend Federal Service credit for non-Federal service performed with Agricultural Stabilization and Conservation Service county committees. Section 1 would permit the Federal salary of a former county office employee to be set at a higher than the minimum entry rate of the grade. Section 2 would authorize the transfer of accumulated annual and sick leave earned in county office employment to the accounts of those who move to Federal positions. Section 3 would authorize the crediting of county office service performed prior to July 10, 1960, for employment retention purposes. All of these benefits and privileges would be made available to any county office employee moving to any Federal position in any Federal agency.

H.R. 6299 is the latest in a long history of proposals to extend the benefits and privileges of Federal employment to ASC county office personnel. It is similar to bills introduced in the last two Congresses. The Civil Service Commission has

considered all of the previous bills undesirable, and takes the same view with respect to H.R. 6299.

This legislation would accord preferential treatment not available to any other groups. Its enactment would open the way for other non-Federal personnel employed in federally sponsored or federally assisted programs to claim similar special advantages. Ultimately this could result in the establishment of a broad precedent that any work financed in whole or in part by the Federal Government, or carried on in close cooperation with it, provides an adequate basis to grant those who do the work any and all the benefits of Federal employment. It is noted there are already close to 200 Federal grant-in-aid programs, along with a variety of other Federal-State cooperative programs. The number of non-Federal personnel employed in these programs is in the hundreds of thousands.

In raising this issue there is no intention to advocate a closed, rigid structure of personnel policies and benefits. The Civil Service Commission is very much interested in, and is working toward, facilitating mobility of personnel between the Federal Government and other levels of government, and other organizations. However, in facilitating these arrangements, the Commission is concerned to maintain clear-cut distinctions between the systems involved, to establish relations with other systems on a reciprocal basis, and to keep benefits consonant with the rights and obligations of employment.

Aside from these considerations, the Commission has long been troubled by the unclear status of ASC county office personnel. Ostensibly, they are non-Federal employees of farmer-elected, farmer-composed committees of private citizens. Yet over the years a combination of legislation and regulation has made it extremely difficult to determine what their status really is. They are treated as if they were Federal employees for most of the benefits of Federal employment, but not for the rights, protections, and obligations of the veteran preference laws, the laws restricting political activity, and others. They serve under an employment system drawn up and controlled by the Department of Agriculture which provides for review of individual personnel actions at the Federal level. Yet they remain outside of the Federal Service in order to preserve a semblance of local control by farmer committees. Because they are not actually Federal employees, they receive no credit for their county office service in Federal employment and this acts as a deterrent to their recruitment for positions in the Department of Agriculture.

The enactment of this legislation would probably ease whatever recruiting problem may exist, but at the same time it would further complicate the unclear relationship between these personnel and the Federal Government and have other undesirable consequences previously cited.

There is another approach which the Commission has felt would provide a better way of accomplishing the objectives of this legislation. It would be to enact legislation making county office employees full-fledged Federal employees of the Department of Agriculture, subject not only to the benefits of Federal employment but to all the obligations and protections as well. Such legislation would end the "in between" status of county office personnel and place them directly in the mainstream of career progression in the Department of Agriculture. This same approach has been recommended for another group of non-Federal personnel whose status is somewhat comparable—National Guard technicians—and a number of bills have been introduced in this Congress to effect this.

Under the approach contemplated by the Civil Service Commission, county office incumbents holding regular appointments would be automatically brought into the competitive civil service as career-conditional or career employees depending on length of service without having to take an examination. However, future appointments to county office positions would be made under competitive civil service procedures.

It has been suggested that this approach would alter the concept of local control over farm programs by county committees. Actually, under this approach local policy and decision-making authority over farm programs would still be left in the hands of the committees. All they would lose would be the limited authority they now have over the employment and retention of county office personnel.

The Commission, of course, recognizes that there are other viewpoints and other considerations. Many of the benefits of Federal employment have already been bestowed on these employees by act of Congress over a Presidential veto. When viewed in this light, it can be seen how this bill can be considered an extension of previously established policy with respect to these employees. The fact that legislation similar to this bill has been introduced time and again is evidence

of a deep and continuing interest in seeing that the benefits proposed are granted without changing the status of the employees.

If the Congress decides to give favorable consideration to this bill, the Commission would strongly urge that a statement be included in the record to the effect that this legislation is not intended to serve as a precedent for granting Federal Service credit for non-Federal service with other groups. The Commission would also urge, if this legislation is enacted, that at some future time the Congress give further consideration to making these employees fully Federal.

In addition the Commission requests that certain changes be made in this bill to bring it closer into line with its apparent objective and to limit the possibility of other employees being adversely affected by its retention credit feature in reduction-in-force situations.

The apparent objective of this legislation is to enable the Department of Agriculture to recruit county office employees for ASCS positions at the State and National levels. However, the benefits proposed under H.R. 6299 would be granted without regard to the agency or position to which a former ASC county office employee moved. In reduction-in-force situations this would mean that a former county office employee who, for example, occupied a position in the Department of the Interior or the Federal Power Commission or the Department of Health, Education, and Welfare or some other agency could use his county office service to displace a Federal employee with longer overall Federal Service.

It is therefore suggested that H.R. 6299 be amended to limit its applicability to county office employees who accept positions in the Department of Agriculture. This can be accomplished by making the following changes:

On page 1, line 7, insert "in the Department of Agriculture" between "position" and "under".

On page 2, the parenthetical clause starting on line 8 should be revised to read: "(including the annual and sick leave to the credit of an individual employed by a county committee established under 590h(b) of title 16 who is appointed without a break in service to a position in the Department of Agriculture to which this subchapter applies)".

On page 2, the last line of section 3 should be revised to read: "610(b) of title 7 as long as the employee holds a position in the Department of Agriculture."

The Bureau of the Budget advises that from the standpoint of the Administration's program there is no objection to the submission of this report.

By direction of the Commission:

Sincerely yours,

JOHN W. MACY, Jr.,
Chairman.

U.S. CIVIL SERVICE COMMISSION,
Washington, D.C., May 3, 1967.

HON. A. S. MIKE MONRONEY,
Chairman, Committee on Post Office and Civil Service,
U.S. Senate, New Senate Office Building.

DEAR MR. CHAIRMAN: This is in further reply to your request for the views of the Civil Service Commission on S. 124 and S. 1028, bills to extend certain benefits to employees of county committees established pursuant to section 8(b) of the Soil Conservation and Domestic Allotment Act.

These bills would extend Federal Service credit, in varying degrees, for non-Federal service performed with Agricultural Stabilization and Conservation Service county committees. S. 124 would authorize the crediting of unused annual and sick leave earned in county office employment to the accounts of county office personnel who move to Federal ASCS positions at the State level, and would credit county office service for leave accrual purposes. S. 1028 would grant salary, leave, and retention credit for past county office service. Under S. 1028, leave and retention credit would be available only as long as the former county office personnel remained in positions under the Department of Agriculture.

These bills are the latest in a long history of proposals to extend the benefits and privileges of Federal employment to ASC county office personnel. S. 124 and S. 1028 are identical to bills introduced in the last Congress and similar to bills introduced in the 88th Congress. The Civil Service Commission has considered the previous legislation undesirable and takes the same view with respect to the current bills.

This legislation would accord preferential treatment not available to any other groups. Its enactment would open the way for other non-Federal personnel em-

played in federally sponsored or federally assisted programs to claim similar special advantages. Ultimately this could result in the establishment of a broad precedent that any work financed in whole or in part by the Federal Government, or carried on in close cooperation with it, provides an adequate basis to grant those who do the work any and all the benefits of Federal employment. It is noted there are already close to 200 Federal grant-in-aid programs, along with a variety of other Federal-State cooperative programs. The number of non-Federal personnel employed in these programs is in the hundreds of thousands.

In raising this issue there is no intention to advocate a closed, rigid structure of personnel policies and benefits. The Civil Service Commission is very much interested in, and is working toward, facilitating mobility of personnel between the Federal Government and other levels of government, and other organizations. However, in facilitating these arrangements, the Commission is concerned to maintain clear-cut distinctions between the systems involved, to establish relations with other systems on a reciprocal basis, and to keep benefits consonant with the rights and obligations of employment.

Aside from these considerations, the Commission has long been troubled by the unclear status of ASC county office personnel. Ostensibly, they are non-Federal employees of farmer-elected, farmer-composed committees of private citizens. Yet over the years a combination of legislation and regulation has made it extremely difficult to determine what their status really is. They are treated as if they were Federal employees for most of the benefits of Federal employment, but not for the rights, protections, and obligations of the veteran preference laws, the laws restricting political activity, and others. They serve under an employment system drawn up and controlled by the Department of Agriculture which provides for review of individual personnel actions at the Federal level. Yet they remain outside of the Federal Service in order to preserve a semblance of local control by farmer committees. Because they are not actually Federal employees, they receive no credit for their county office service in Federal employment and this acts as a deterrent to their recruitment for positions in the Department of Agriculture.

The enactment of this legislation would probably ease whatever recruiting problem may exist, but at the same time it would further complicate the unclear relationship between these personnel and the Federal Government and have other undesirable consequences previously cited.

There is another approach which the Commission has felt would provide a better way of accomplishing the objectives of this legislation. It would be to enact legislation making county office employees full-fledged Federal employees of the Department of Agriculture, subject not only to the benefits of Federal employment but to all the obligations and protections as well. Such legislation would end the "in between" status of county office personnel and place them directly in the mainstream of career progression in the Department of Agriculture. This same approach has been recommended for another group of non-Federal personnel whose status is somewhat comparable—National Guard technicians—and a number of bills have been introduced in this Congress to effect this.

It has been suggested that this approach would alter the concept of local control over farm programs by county committees. Actually, under this approach local policy and decision making authority over farm programs would still be left in the hands of the committees. All they would lose would be the limited authority they now have over the employment and retention of county office personnel.

The Commission, of course, recognizes that there are other viewpoints and other considerations. Many of the benefits of Federal employment have already been bestowed on these employees by act of Congress over a Presidential veto. When viewed in this light, it is clear how these bills can be considered extensions of previously established policy with respect to these employees. The fact that legislation similar to these bills has been introduced time and again is evidence of a deep and continuing interest in seeing that the benefits proposed are granted without changing the status of the employees.

If the Congress does decide to give favorable consideration to either of these bills, the Commission would strongly urge that a statement be included in the record to the effect that this legislation is not intended to serve as a precedent for granting Federal service credit for non-Federal service with other groups. The Commission also wishes to emphasize that if this legislation is enacted, the Commission would continue to work toward the objective of making these employees Federal, subject not only to the benefits of Federal employment but to the rights and obligations as well.

If these bills are given further consideration they should be drafted as amendments to title 5, United States Code, which has been codified into positive law.

The Bureau of the Budget advises that from the standpoint of the Administration's program there is no objection to the submission of this report.

By direction of the Commission:

Sincerely yours,

(Signed) JOHN W. MACY, Jr.,
Chairman.

Mr. FITZGERALD. Mr. Chairman and members of the subcommittee, I appreciate the opportunity to appear in connection with your consideration of H.R. 6299 and S. 1028.

The primary objective of these bills is to eliminate the severe hardship and inequity which ASC county committee employees now suffer if they accept civil service employment in the Department of Agriculture. Your committee in the 89th Congress favorably reported to the House legislation, H.R. 2452, which would have accomplished this purpose.

The Department of Agriculture strongly supports S. 1028 and recommends the committee immediately approve it as passed by the Senate.

S. 1028 would:

1. Permit the Department to appoint ASC county committee employees to civil service positions at a salary step which does not exceed their prior county salary rate.

2. Transfer the county committee employee's annual and sick leave when he moves to a civil service position in the Department of Agriculture.

3. Credit his county committee employee service for leave-earning and reduction-in-force purposes.

During the course of hearings in the 89th Congress, a proposal to place ASC county committee employees under civil service was made. We have given thorough consideration to the effects which would result from such a change. It is our strong belief that moving these employees into the civil service system cannot be accomplished without doing violence to the farmer committee system of local administration which has been so successful over the years.

I can personally assure you of the dedicated service rendered by ASC county committee employees. They are a group which I am proud to be associated with in serving the American farmer. It has been our policy to see that they are accorded benefits comparable to employees under civil service. We believe that they have earned, through outstanding service, the rights to pay and other fringe benefits on an equal basis with civil service employees.

Many experienced county committee employees are and will, in the future, be needed to fill more responsible positions within ASCS and the Department. A few county committee employees have accepted assignments in civil service positions. They were required to take salary cuts and they lost their accumulated sick leave. Salary cuts can amount to over \$2,000 for an employee moving to a comparable level position. Such a cut in salary would occur, for example, if a county office manager at step 10 of CO-9 is appointed to a comparable level civil service position which is GS-9. A county employee advancing to a higher level position may be required to take a salary cut of over \$800. A county employee with 10 to 15 years of service probably has over 1,000 hours

of sick leave. The loss of this leave is a serious loss of financial protection against future illness.

ASC county committee employees are a primary source of qualified candidates to fill key positions in ASCS State offices. This source of talented personnel with years of invaluable experience in the Department's programs at the grassroots level also provides the source for filling many other positions within the Department. Without this legislation, we will be deprived of the services of persons seriously needed.

Thank you, Mr. Chairman.

Mr. HENDERSON. Thank you for your very pointed and effective statement, Mr. Fitzgerald. I am sure that most of the committee members, those who are most interested in this legislation, are cognizant and well aware of the two points that you make, the first one being that to bring the county employees into the civil service system would do violence to the farmer committee system, the local administration which has been so successful over the years.

Rather than to ask you or Mr. Haughey to expand on that for the record at this point, may I suggest that you transmit in writing to me for inclusion in the record and perhaps into the report for the benefit of the other House Members a more detailed position. I think this could also be helpful if you could spell out the second point that these ASC committee employees are a primary source of qualified candidates to fill the key positions in the State offices.

I certainly am in full agreement on that point. I know we all understand the point that you make, but I think if you could spell out and expand those two points which you make in your statement by way of letter, that it could be made available to the full membership of the House and it would be most helpful as we might consider the legislation on the floor.

(The material requested is as follows:)

REASONS FOR OPPOSING CIVIL SERVICE STATUS FOR ASC COUNTY COMMITTEE EMPLOYEES

The ASCS system of program administration was established by Congress over thirty years ago. It is a unique system in that local farmers themselves directly participate in local program administration. Their elected representatives, the county committee, is charged with adapting national farm programs to the specific needs of their locality. The county committee selects the county office manager, who serves at their pleasure. The other employees are selected by and serve at the pleasure of the county office manager.

The success of ASCS programs depends upon informing farmers, encouraging them to participate in the programs and obtaining their compliances with program requirements. The nature of the programs makes these goals difficult to achieve. The fact that we have been successful in the past is due in large measure to the efforts of our county committeemen. These committeemen are elected to their offices by the local farmers. Farmers have confidence in the ability and integrity of the committeemen they elect to office. These committeemen in turn are able to provide effective program leadership which assures maximum farmer acceptance and effective administration.

We believe that placing county committee employees under the Civil Service system would destroy the local control necessary for effective county committee operations. Much of the strength and vigor of the farmer committee system is attributed to the fact that it has great freedom in selecting and hiring its employees and expanding its force to meet seasonal needs. We believe the creation of a straight-line organization from Washington through the counties would preclude the flexibility required for effective operations. It would also hinder farmer acceptances and compliances with programs.

Since the inception of the committee system of operation, both the Congress and the Secretary have assigned many programs to ASC county committees. A large number of these programs are subject to change from year to year. In prior years there have been many instances in which it has been necessary to implement new or significantly changed programs in a matter of days. Some of the programs are or have been designed to provide emergency assistance in drought or other emergency situations. In great measure the success which has been enjoyed in adjusting quickly to meeting emergency or changing program requirements is due to the flexibility inherent in the committee system of operation.

ASC county committee employees are covered by the Civil Service Retirement Act, Federal Employees Health Benefits Act and the Federal Employees Life Insurance Act. Congress in 1965 provided these employees with the rights to receive severance pay. The Department, by administrative action, has provided them with leave benefits comparable to those received by Federal employees. County committee employees, therefore, have little gain in terms of fringe benefits by obtaining Civil Service status.

COUNTY COMMITTEE EMPLOYEES—A PRIME RECRUITING SOURCE FOR ASCS—USDA

A large majority of ASCS key career program positions in State offices and at the national level are filled with employees who began their careers as county committee employees. This past practice of advancing proved to be invaluable to the overall success of the Agency. All large organizations recognize benefits derived from providing for the career advancement of employees from the lowest echelons to higher levels. The benefits of such advancement in ASCS are unique because of the unusual nature of our organization and the types of programs administered.

ASC county committee employees are in direct contact with the farmer. They explain our programs to the farmer and administer the many legal and regulatory program requirements. The county office manager who manages the program operations in the county must, by training and experience, master all programs. His experience as a program manager provides him not only with technical knowledge, but with an insight into effects of programs on the individual farmer. By experience, he acquires the knowledge necessary to anticipate farmer reaction to program requirements and provisions.

At higher levels in ASCS, direct contact with the farmer in program administration is generally not available. Key program officials who design, develop, and administer programs at the State or national level must understand and anticipate possible problems of local administration and farmer acceptance and compliance. He must develop program policies and procedural requirements that are reasonable and which, in administration, are effective in achieving program goals. Much of the knowledge required cannot be gained by training. It is gained by actual work experience in a county office.

ASCS from the early 1930's until recent years had little problem recruiting county employees for higher level responsibilities. During this period, the pay and other fringe benefits enjoyed by Civil Service employees were much greater than those received by county employees. In recent years, this situation has changed. County employee salary rates have been increased to levels equal with those received by Civil Service employees occupying positions with duties and responsibilities at comparable levels. In 1960 many fringe benefits received by Civil Service employees were extended by Congress to ASC county committee employees. Today, offers of advancement to higher level positions, in many cases, do not offer advantages to the county employees. In fact, the current requirements call upon the county employee to suffer sacrifices in accepting such advancements.

The problem facing ASCS is acute. A majority of our key career program positions are filled with employees who were hired in the 1930's when ASCS programs were first initiated. Many of these key employees will be retiring in the near future. The need for drawing upon the pool of trained manpower at the county level must not be denied the Agency. Future effectiveness of farm programs depends upon the success of ASCS in obtaining qualified and trained replacements for the many vacancies which will occur in key positions at the State and national levels.

Mr. HENDERSON. Mr. Fitzgerald, how many Agricultural Stabilization and Conservation Service county committee employees are there, and do you have it broken down by States, and is it available for inclusion in the record?

Mr. FITZGERALD. Mr. Chairman, it could be made available. We have about 15,000 regular ASCS county office employees. We don't have it broken down by State. This could be done.

Mr. HENDERSON. If you would submit that for the record, I think it would assist us in our understanding of this.

(The material requested is as follows:)

NUMBER OF PERMANENT EMPLOYEES IN ASCS STATE AND COUNTY OFFICES

	State	State employees	County employees
1. Alabama.....		39	456
2. Alaska.....		4	4
3. Arizona.....		15	51
4. Arkansas.....		43	369
5. California.....		35	205
6. Colorado.....		26	192
7. Connecticut.....		4	17
8. Delaware.....		4	14
9. Florida.....		28	155
10. Georgia.....		77	655
11. Hawaii.....		10	5
12. Idaho.....		27	144
13. Illinois.....		52	615
14. Indiana.....		49	455
15. Iowa.....		54	736
16. Kansas.....		54	637
17. Kentucky.....		46	432
18. Louisiana.....		40	292
19. Maine.....		9	36
20. Maryland.....		15	74
21. Massachusetts.....		5	21
22. Michigan.....		40	343
23. Minnesota.....		43	533
24. Mississippi.....		41	439
25. Missouri.....		46	644
26. Montana.....		32	181
27. Nebraska.....		50	563
28. Nevada.....		8	19
29. New Hampshire.....		5	18
30. New Jersey.....		9	33
31. New Mexico.....		21	106
32. New York.....		29	199
33. North Carolina.....		59	688
34. North Dakota.....		40	400
35. Ohio.....		50	438
36. Oklahoma.....		39	459
37. Oregon.....		22	120
38. Pennsylvania.....		27	216
39. Rhode Island.....		5	6
40. South Carolina.....		46	340
41. South Dakota.....		40	380
42. Tennessee.....		58	547
43. Texas.....		114	1,378
44. Utah.....		17	73
45. Vermont.....		8	24
46. Virginia.....		45	302
47. Washington.....		25	132
48. West Virginia.....		17	95
49. Wisconsin.....		32	308
50. Wyoming.....		20	73
Total.....		1,624	14,622

Mr. HENDERSON. Could you tell me how many Federal employees, that is the classified employees, that we have at the various State levels? Do you have a total over the Nation and a breakdown of those by States?

Mr. FITZGERALD. We can get it. It is around 1,500 to 1,700 Federal employees in State ASC offices and we can give you the list.

Mr. HENDERSON. So, relating the point you make that the county employees are your best source of recruiting, you have approximately 10 to 1?

Mr. FITZGERALD. Yes, sir.

Mr. HENDERSON. What kind of work do the county employees perform?

Mr. FITZGERALD. They perform all of the functions which are delegated to the county ASC committees by the Congress and the Secretary, which means they serve the farmer on a day-to-day basis helping him to make an application for each and every program which we administer in the various States. This would range from taking an application for an ACP cost-sharing payment, approval of the practice by the county committee, and the submission of the practice perhaps to the Soil Conservation Service for technical service and paying of the cost share by the Government to the farmer or to the vendor. All of the way from that to issuing to the farmer his allotment, telling him how he might participate in the program and what benefits will accrue to him if he does participate—signing him up and seeing to it that his farm is in compliance during the season, and transmitting to him his loan receipts, diversion payments and certificates.

Mr. HENDERSON. The county employees are supervised by a county manager, and he also would be included in the provisions of this bill. He is not a Federal employee?

Mr. FITZGERALD. No, sir. He is an employee of the county ASC committee.

Mr. HENDERSON. The next step of supervision above the county manager and county employees is what level?

Mr. FITZGERALD. Well the county committee is an elected county committee for policy purposes. A farmer-elected committee.

Mr. HENDERSON. In carrying out the Department's policies, they are supervised—

Mr. FITZGERALD. By a farmer fieldman.

Mr. HENDERSON. And he is a regular civil service employee?

Mr. FITZGERALD. He is not. He is a schedule A. And he is appointed by the State ASC committee, which in turn is appointed by the Secretary of Agriculture.

Mr. HENDERSON. And your lowest level of the classified system is at the State level?

Mr. FITZGERALD. Yes, sir.

Mr. HENDERSON. How would you say that a county employee of the ASCS differs from a State employee in that service?

Mr. FITZGERALD. The work they do is different in that the county employee directly serves the farmer, where the State employee is a technician, a man who interprets the forms and the procedures in such a way that the county people can readily use them in serving the farmer on a day-to-day basis.

Mr. HENDERSON. And they are appointed in different ways. Obviously if they are not Federal employees at the county level they are Federal employees at the State level.

Mr. FITZGERALD. That is true. Most of the employees in the State offices by far are civil service employees.

Mr. HENDERSON. What kind of annual or sick leave benefits do the agricultural county committees' personnel now have.

Mr. FITZGERALD. They are almost identical with the civil service, sir.

Mr. HENDERSON. I believe that is all of the questions I have at the moment.

Mr. Wilson?

Mr. WILSON. Thank you, Mr. Chairman.

Mr. FITZGERALD, is there any difference in the treatment of the county employees by State or is there a uniform system in California, North Carolina, and the different States?

Mr. FITZGERALD. So far as I know, they are treated the same.

Mr. WILSON. Insofar as the two bills are concerned—H.R. 6299 and S. 1028—do you have any preference between the two bills? Do you find one more acceptable than the other?

Mr. FITZGERALD. We prefer S. 1028 for some technical reasons.

Mr. WILSON. Technical reasons?

Mr. FITZGERALD. Yes, sir.

Mr. WILSON. You feel it is a better written bill and it takes care of problems more effectively?

Mr. FITZGERALD. A little more effectively; yes, sir, though they both have the same philosophy and intent, I believe.

Mr. WILSON. Thank you.

Mr. HENDERSON. Mr. Hamilton?

Mr. HAMILTON. Thank you, Mr. Chairman.

Mr. FITZGERALD, you commented there were about 15,000 county employees and perhaps 1,500 to 1,700 State employees.

Mr. FITZGERALD. Yes, sir.

Mr. HAMILTON. How many employees would transfer from the county level to the State and become Federal employees in the course of a year?

Mr. FITZGERALD. We believe about 50. We think, Mr. Congressman, that this bill would give us a pool of talent of about 500 people per year to draw from.

Mr. HAMILTON. One thing I noted in S. 1028 is that if the county employees would accept civil service positions, they must do so at a salary step that does not exceed his prior county rating.

Mr. FITZGERALD. Yes, sir.

Mr. HAMILTON. Suppose you have a very good man at the county level and you want to attract him into the Federal service. Isn't this a kind of an arbitrary provision to write into a piece of legislation? You couldn't attract this man with a higher salary then, could you?

Mr. FITZGERALD. Could I ask Mr. Haughey to answer the question?

Mr. HAUGHEY. Mr. Hamilton, the provision of the Senate bill to which you referred makes direct reference primarily to lateral transfers. This would impose the limitation that he could not come in at a rate exceeding his salary in the county office. There would be, however, the regular recognition for high-quality employees who come in at grade promotions and then, of course, the limitation would not apply.

Mr. HAMILTON. Do I understand then, if you have such a good man it is possible to get him into the Federal service at a better rate of pay than he is earning as a county employee?

Mr. HAUGHEY. That is correct, sir.

Mr. FITZGERALD. I think the problem is if today a CO-9 county office employee were to transfer laterally into a GS-9 in the Federal service he would have to drop back to the beginning of the grade GS-9. He might be CO-9, step 8, in the county service and he would have to drop back to GS-9, step 1, thereby losing several hundred dollars.

Mr. HAMILTON. As a point of clarification, on the salary cut you speak of on page 2, you mention an example where one takes a \$2,000 cut and an \$800 cut. That is a per annum cut as I understand it?

Mr. FITZGERALD. Yes, sir.

Mr. HAMILTON. I also understand the Bureau of the Budget is opposed to this procedure and they would prefer to federalize the employees at the county level. Is that right?

Mr. FITZGERALD. I really don't know their position, Mr. Hamilton. They authorized us to submit the report which we have submitted in support of the legislation.

Mr. HAMILTON. When you state on page 2 of your statement that moving these employees in the civil service system cannot be accomplished without doing violence to the farmer committee system of local administration, can you elaborate on that a little bit for me?

Mr. FITZGERALD. Yes, sir. Since the inception, almost, of the Federal farm programs the Congress has seen fit to endow certain privileges and authorities on a county committee which must be an elected county committee, elected by the fellow farmers in the county. These committeemen have the right to perform certain functions in regard to policy, make policy decisions. One of those functions is to employ an office manager, the top man in the county office. The county office manager then employs the clerks, the employees in the office. Specifically, it seems to us that to deprive the county committee, elected by the fellow farmers in the community, of the authority to hire the office manager, whom they deem to be best, within the guidelines we have set at the national level, the minimum qualifications, we think this would do violence to the county committee system in itself.

Mr. HAMILTON. It would take out the democratic procedures that now exist in the selection of the office manager.

Mr. FITZGERALD. And derogate their authority; yes, sir.

Mr. HAMILTON. I think that is all, Mr. Chairman. Thank you.

Mr. HENDERSON. Mr. Fitzgerald, thank you very much.

Mr. HENDERSON. Our next witness is Mr. Woodrow Jones, president of the National Association of ASCS County Office employees, and he is accompanied by Mr. Clyde R. Payne, secretary-treasurer of NASCOE. We are delighted to welcome both of you to the committee.

Mr. Jones, I have personal knowledge that Mr. Roberts, the president of your North Carolina organization, is in attendance this morning and if there are other National or State officials you would like to recognize and have recorded in the record, we would be glad for you to do that at this time.

STATEMENT OF H. WOODROW JONES, PRESIDENT, NATIONAL ASSOCIATION OF ASCS COUNTY OFFICE EMPLOYEES, ACCOMPANIED BY RAYMOND VANDERHORST, VICE PRESIDENT, NASCOE

Mr. JONES. Thank you, Mr. Chairman, there are. First I would like to correct the record. Mr. Payne is unable to be here due to serious illness in his family and we have filed his statement with your counsel.

Mr. HENDERSON. Without objection, his statement will follow yours, sir.

Mr. JONES. We also have Mr. Ernest Inman with us from your fine State, Mr. Larry Smith from Arizona, Mr. Dillard Lasseter, our counsel in Washington, and I have on my left Mr. Raymond Vanderhorst, the vice president of our organization, from Iowa.

Mr. HENDERSON. Mr. Lasseter is known to the members of the committee for his long years of service. We are delighted to welcome the gentleman from Arizona whose Congressman introduced one of the bills we are considering this morning. Mr. Udall called me yesterday to explain his inability to attend and testify in support of the legislation but has presented a prepared statement. And I would suggest to counsel that Congressman Udall's statement immediately follow that of Mr. Payne.

You may proceed, sir.

Mr. JONES. Thank you, Mr. Chairman.

My name is Woodrow Jones. I am employed as office manager of the Bowie County Agricultural Stabilization and Conservation Service office in New Boston, Tex. Today, however, I am on annual leave to petition your help in another capacity.

I serve as president of the National Association of ASC County Office Employees. We have members in each of the 50 States. Over 96 percent of all employees belong to and support the efforts of our association. I am pleased to be here once again to speak on behalf of all the people working in the county ASCS offices of this country. During the past 8 years, we have come to your committee some nine or 10 times. Each time you have been nice enough to hear us, consider the merits of our case, and to grant our request.

You have provided for our participation in retirement, life insurance, health insurance, and severance pay benefits just like all other Government employees. Also, you have helped us by including language in all pay bills since 1960 making their provisions applicable to our people. And, in the 89th Congress this committee approved a bill embodying the same provisions as the one you are considering at this time. We want to express our thanks for this consideration and the opportunity to appear at this time.

We are hopeful you can help us, again.

Since our status is somewhat different from others in Government we always feel it necessary, when appearing here, to explain some of the conditions of our employment.

We work for the agency of the U.S. Department of Agriculture that reaches into every farming community in the Nation administering programs the Congress makes available to our farmers. All activities of the Agricultural Stabilization and Conservation Service are a part of a Federal function provided by you and directed by the Secretary of Agriculture. The administrative structure of our agency is made up of national, commodity, area, State, and county offices. Employees in national, commodity, area, and State offices are a part of the Federal career service. We in the county offices of the agency are not. Other than the fact we work at the county level applying law and regulation to the individual farms there is no distinction between our status and theirs. We are the ones who deal face to face with the people on the land—the people you wish to provide for in the first place—the only excuse for the existence of the agency.

We have no connection with any State, county, or local governing body. We are referred to as county office employees because the area of our responsibility is limited to the county where the office is located. All our actions are controlled and directed as a result of Federal mandate but we are not covered by civil service statute. I suppose this fact has been responsible for it being said we are not Federal employees.

Although we are told we are non-Federal or nongovernment, our every act—on and off the job—is covered by Federal statute or directive. We work only on Federal programs. We are paid with Federal funds. We are supervised by Federal appointees. The Secretary of Agriculture—through employees subordinate to him—issues regulations setting conditions of our employment. He delegates authority to those who issue instructions implementing his regulations. Under this authority there has been issued a series of handbooks—commonly referred to in the agency as the CA series—dealing with administrative matters.

In addition to implementing regulations, these handbooks are manuals of instruction for county office employees. They cover every administrative aspect of county office operation. This includes employment and removal of county office personnel, budgeting of funds, record handling, administrative services, and so forth. They set standards for classification of all positions in the county office, establish rates of pay, spell out procedure for filling vacancies and minimum qualifications for county office managers and subordinate positions. In addition, standards for conduct off-the-job are set.

Mr. HENDERSON. Could I ask you to speak a little more detailed on that? I am not familiar with what those standards might be.

Mr. JONES. Well, in times past it has been brought to the attention of the committee that we are not subject to the Hatch Act provisions, but those provisions have been embodied in the Secretary's regulation that does about the same thing as I understand it as the Hatch Act does to classified people.

Mr. HENDERSON. I was going to ask you specifically if you were covered by the Hatch Act, but of course your answer is responsive to that. Thank you very much.

Mr. JONES. As far as Federal direction is concerned, no agency supervises its personnel more adequately than ASCS. We receive instruction from the State offices daily. District fieldmen working under supervision of the State office visit each county office from 15 to 25 times each year. He supervises to the extent necessary to see that all directives are being observed. A representative of the performance section of the State office visits each office several times a year to direct fieldwork. Operation assistants from the State office may visit the county for periodic review of all operations. In addition, an auditor from the Office of the Inspector General—outside ASCS but within USDA—usually spends about 3 weeks each year in each county office checking all records and all programs. All these people serve under Federal appointment.

There are other facts to establish we are as "federal" as any part of Government but I will not enumerate. You are acquainted with our offices in your areas. I believe you can make a proper deduction without me taking up your time.

The legislation being considered would extend to a group of loyal Government workers equal treatment to that enjoyed by other Government employees. It would give those in our offices—who through initiative and training become eligible for promotion to another level of the agency—an opportunity to accept without facing the penalties they now have to submit to.

In business and in all other Government work most management people began their service in and advanced from the lower levels. In

ASCS—under present work rules—this advance cannot be made without serious loss of benefits earned over the years.

To move from county office employment to State, area, commodity or Washington office employment, improper sacrifices are necessary. All accrued sick leave is forfeited. Any accumulated annual leave must be liquidated by lump-sum payment. Any past service does not count for annual leave or retention purposes. Even though the individual may be one having 33 years of exemplary service and might even have received USDA's Superior Service Award, he must begin in the same category as one who might be hired "from the street."

The situation concerning salaries is just as ridiculous. Salary rates for corresponding grades and steps are now the same for county office employment as is the case in other levels. As Mr. Fitzgerald pointed out, when we transfer many times it is necessary we take a reduction. His explanation of that, I think, covered it better than I could here.

Other Government employees in our sister agencies do not face such deterrents. When a clerk in a smalltown post office transfers to another level, or an employee at the arsenal in my county transfers to the Pentagon, no loss results. And, even when one of those employees transfers from employment in other branches of the Government to ASCS they do so without being penalized. This is the case even though the employee transfers from the county level of another USDA agency. The same is true in case of a transfer from Washington, State, or commodity office to a county office.

I want to also call your attention to other reasons for your favorable consideration. County ASCS employees need this legislation. The Department of Agriculture estimates that some 50 to 400 county office employees would be appointed to positions in the Department each year if this bill becomes law. Of course it would benefit these people materially but it would also assure those of us who are not accepted of having people directing our efforts who have been promoted through the ranks. They would be people who are acquainted with and appreciate the problems encountered in the face-to-face dealing with our farmers at the local level.

The Department of Agriculture needs this legislation. Secretary Orville Freeman says the county offices can be a prime source of candidates to fill positions in our State and Washington offices. Our agency came into being in the early 1930's. Many of the key positions are presently occupied by employees nearing retirement age. The serious recruitment problem existing now will surely be intensified very shortly. Approval of this bill would help alleviate these circumstances. Employees trained at the county level of our agency would find it possible to accept promotions into these positions.

The American farmer needs this legislation to assure him that his farm programs will continue to be administered by those having experience at the grassroots level. Each person moving from a county ASCS office to a State office or one at the Washington level would carry ideas originating close to the basic problem. Farmers, by nature, are independent and tend to resist program provisions they feel are handed down by those not familiar with their problems. Enactment of this bill into law would assure them that people having firsthand knowledge of local problems are given an opportunity to advance into policymaking positions.

We believe enactment of this legislation would be in the public interest. We feel the taxpayer is entitled to an employee most likely to need the least amount of training. County office people work face to face with the farmer and his problems on a day-to-day basis. We believe people advancing from more recent contacts with the basic elements of agriculture can most likely be relied upon to do a better job at the program formulating and policymaking level of the agency than would someone who has not had this experience. The public deserves and should expect this kind of performance.

Finally—I want to point out enactment of the legislation will not give us preferential treatment. We ask only for the opportunity to advance in our vocation along with other Government employees. The legislation would not permit us to bypass any examination or other qualification requirement. We are interested—and know you are—in maintaining good administration. We would be the last group to ask for special treatment or relaxing of any requirements. Let me emphasize, we only hope to be treated exactly like other Government employees.

If you feel we ask amiss, I want to apologize for taking your time. However, we hope you are able to concur with us and give early approval to this important proposal.

Mr. HENDERSON. Thank you for that very fine statement.

Would your organization prefer the Senate-passed bill?

Mr. JONES. Yes, sir. We feel that it is more concisely worded than H.R. 6299 and also there is the limitation in H.R. 6299 that limits the credit of service to that performed prior to July 10, 1960. We feel this was an oversight in the printing of the bill, and we would like to see that removed, sir. However, it has been called to our attention that there is a typographical error in S. 1028, which Mr. Bray is acquainted with, and we think can be taken care of.

Mr. HENDERSON. Yes. The subcommittee will keep that in mind. Do you agree with the Department of Agriculture's position that as a practical matter the limitation of these benefits to county employees going into other positions in the Department is sufficient?

Mr. JONES. There has been discussion at times of whether or not we would like our service credited into any Government agency and of course in the beginning we favored that certainly, but due to the objection of some of the Government people, we were willing to accept transfer only into the Department, because we felt like that was where our people would be best qualified to serve.

Mr. HENDERSON. Congress has recognized, I think by its past action that this is a needed situation. The point that was made earlier by Mr. Fitzgerald, to blanket the county employees under the Civil Service would disrupt the historical way you have been appointed and have administered the various agricultural programs. And with the passage of this legislation, do you know of any other areas that would need attention by the Congress?

Mr. JONES. Well, sir, offhand I can think of nothing that should be any different, other than the fact, as was mentioned, the likelihood of blanketing us completely under Federal service. And, I have this to say about that: Our people have taken no position on it. But as their representative, I would like to make this statement—You in the Congress have always determined the conditions of our employment. To date you have seen fit to use the farmer committee system as we know

it today. And I would like to say that in the past, now, and in the future we will be willing to serve agriculture just as efficiently and as well as we can under any condition that you, in the wisdom of the Congress, see fit to provide for us.

Mr. HENDERSON. Well, I think that response is certainly in keeping with the high quality of the county employees.

Mr. Wilson?

Mr. WILSON. Mr. Chairman, this is rather new to me. I am a city boy, and I am not too much acquainted with the problems of farmers. But I have been very impressed with the statements we have heard thus far and I recognize a real problem here and I certainly will support any legislation to straighten this problem out. I think you have a real problem. I can see by the rules and regulations that are set down in connection with political activities and your off-duty activities, and the work that you are doing, that you are completely under the control of Federal legislations and you are treated just as Federal employees, and I believe that any transfer, at least within the Department of Agriculture—I don't know that I would want to go as far as the House bill that would grant this in any governmental department—but certainly I agree that you should be able to make this transfer without loss of any pay or benefits.

And I will support the legislation, Mr. Chairman.

Mr. HENDERSON. Thank you very much, Mr. Wilson.

Thank you, Mr. Jones.

Mr. JONES. Thank you very much.

(The statements of Mr. Clyde R. Payne and the Honorable Morris K. Udall are as follows:)

STATEMENT OF CLYDE R. PAYNE, SECRETARY-TREASURER, NATIONAL ASSOCIATION OF AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE COUNTY EMPLOYEES

I am Clyde R. Payne, Hamilton County ASCS Office Manager, Jasper, Florida, and Secretary-Treasurer of the National Association of ASCS County Employees.

The National Association of Agricultural Stabilization and Conservation Service Employees (NASCOE) is a voluntary organization of County Agricultural Stabilization and Conservation Service Employees—hereafter referred to as ASCS employees. Approximately 96% of ASCS employees are members of NASCOE. The sole purpose of this organization is to promote the welfare of its members. Each state of the U.S. has a state organization of ASCS county employees that is affiliated with NASCOE. Each state affiliated has two members on the Board of Directors. NASCOE has national officers and an executive committee representing the six ASCS geographic areas of the United States. They are:

<i>Area</i>	<i>Name</i>	<i>City/State</i>
Northwest	Tom Rennard	Casper, Wyoming
Southwest	Elmer Cheek, Jr	Carlsbad, New Mexico
South Central	Otis Lancaster	Columbus, Mississippi
Southeast	E. T. Sullivan	Geneva, Alabama
Northeast	Evelyn Yeagle	Collegeville, Pennsylvania
Mid-west	Robert Scales	Plankinton, South Dakota
<i>Officers</i>	<i>Name</i>	<i>City/State</i>
President	Woodrow Jones	New Boston, Texas
Vice President	Ray Vanderhorst	Bussey, Iowa
Secy-Treasurer	Clyde R. Payne	Jasper, Florida
Past-President	Joy L. Flud	Durant, Oklahoma

All officers, committeemen, etc. are ASCS employees with no salaried personnel, but we do have on a retainer basis Mr. Dillard B. Lasseter, P.O. Box 270, Washington, D.C. 20044, who keeps us advised on legislative activities and assists us in legislative work.

The Agricultural Stabilization and Conservation Service employees carry out various Federal programs assigned to them by the Congress, Secretary of Agriculture, Executive Orders, etc. The headquarters for ASCS is in the United States Department of Agriculture Building, Washington, D.C. There are also state and county ASCS offices that administer only Federal programs. County, city or state governments have no connection with the national, state or county level of ASCS.

ASCS employees on the county level administer directly to farmers of the U.S. a great number of the complex USDA farm programs; such as the Soil Bank, Agricultural Conservation, Marketing Quotas (tobacco, cotton, wheat, peanuts and rice), Commodity Credit Loans, Cropland Adjustment Program, Wool Incentive Payments, Sugar, Feed Grain, etc. These are practically all the action programs of USDA.

Previously, the Post Office and Civil Service Committee had determined and the Congress agreed—and we ASCS employees shall always be grateful to you—that we, the ASCS employees on the county level, would have Civil Service retirement, health and life insurance previously given to other Federal workers and you have included us in recent pay adjustment bills. Today, we are before you representing approximately 15,000 ASCS county employees asking you to act favorably on Senate Bill 1028 or H.R. 6299. This bill is supported by our members because it would extend to a group of loyal Government employees in ASCS county offices equal (not preferred) treatment enjoyed by other Government employees to be eligible to transfer or be promoted in Governmental work.

It is a time honored American principle of management for employees to "rise through the ranks." However, in ASCS we can't afford to be promoted to State or Washington offices because we would forfeit all accumulated sick leave, retention rights, etc., and have our leave earning capacity rolled back to the same level as a new employee recruited from the streets. Employees advancing from our sister agencies on county level do not have this problem.

The Government would be greatly benefited if this legislation passed. An example being that the U.S. Department of Agriculture could draw from the talents of county ASCS personnel, who have had years of experience dealing directly with the farmer with USDA action programs, to assist with formulating policy and procedures, etc. Not only would this be beneficial to USDA, but would offer dedicated career people the opportunity to advance in their chosen field without losing the items covered by this proposed legislation. The legislation would not permit us to by-pass any examinations or special requirements, etc.

We certainly appreciate your assistance in our past desires and the fairness of your action. We, again, hope you will see fit to recommend to the Congress this specific piece of legislation which will give us equal treatment and at the same time assist USDA to solve acute personnel problems.

Thank you for listening to our case.

STATEMENT OF HON. MORRIS K. UDALL, A REPRESENTATIVE IN
CONGRESS FROM THE STATE OF ARIZONA

Mr. Chairman and members of the subcommittee, I appreciate having this opportunity to testify in support of S. 1028 and H.R. 6299, the companion House bill which I introduced. This legislation would eliminate the severe hardship encountered by ASCS employees who accept Civil Service with the Department of Agriculture by extending to them the same benefits which are accorded federal employees who transfer from one agency to another.

The provisions of the bill would permit the appointment of a county office employee at a salary step which does not exceed the highest rate of compensation he received for service with the county committee.

It would authorize transfer of the county employee's accumulated annual and sick leave and credit county committee service in determining his rate of leave-earning when he transfers to a position in the Department of Agriculture. And, it would credit service with county committees in computing total length of federal service for retention purposes.

Mr. Chairman, in accepting assignments with the Department of Agriculture under present law, many county committee employees have been required to take salary reductions and suffer the loss of their accumulated leave. As an example, the salary of a county employee at step 10, CO-9 who is appointed to a comparable level Civil Service position, which is a GS-9, would be reduced by some \$2,000.

And, with ten to fifteen years' service, he also would be required to forfeit possibly 1,000 hours of sick leave.

These are employees of committees which administer programs established by the Congress in the public interest and are financed by federal funds. These employees have all the responsibilities of federal employees, yet they are denied some of the important rights and benefits which federal employees enjoy under existing law.

In testifying before the Senate Committee on Post Office and Civil Service, Mr. Horace D. Godfrey, Administrator, ASCS, Department of Agriculture, had this to say: "ASC county committee employees are a primary source of qualified candidates to fill key positions in ASCS State Offices. This source of talented personnel with years of invaluable experience in the Department's programs at the grass roots level also provides the source for filling many other positions within the Department. Without this legislation, we will be deprived of the services of persons seriously needed."

And, Secretary Freeman reported on identical legislation in the 88th Congress that . . . "The lack of interchange between leave systems is a deterrent to our recruitment efforts and the extension of comparable benefits as provided in this legislation would remove a major bar limiting our ability to interest committee employees in transferring to other departmental positions."

The salary rates of county employees cannot be protected upon appointment to a Civil Service position, but the Classification Act does provide for protection of the salary rates of persons appointed from positions not covered by the Act, such as the Foreign Service and certain legislative and judicial employees.

Mr. Chairman, we in the Congress have seen fit to extend to the ASCS employees Civil Service retirement, health and life insurance benefits, and have included them in federal salary increase bills since 1960, and I think it is incumbent upon us to correct this glaring inequity.

In my judgment, this legislation would be of tremendous benefit to the county employees in the protection of salary and leave benefits and to the Department of Agriculture in the recruitment of trained personnel to fill vacancies, and I urge its favorable consideration by the subcommittee.

Mr. HENDERSON. Our next witness will be Mr. Thomas Walters, legislative liaison of the American Federation of Government Employees, who will give the statement on behalf of Mr. Griner, the national president.

STATEMENT OF THOMAS WALTERS, LEGISLATIVE REPRESENTATIVE, ACCOMPANIED BY CARL K. SADLER, ASSISTANT LEGISLATIVE REPRESENTATIVE, AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES

Mr. WALTERS. Mr. Chairman, noting that you have a goodly number of witnesses, I would like to place the American Federation of Government Employees in support of the legislation pending before this committee and to ask permission to file our statement and to make it a part of the record.

Mr. HENDERSON. Without objection, it will be printed in the record following your comments.

Mr. WALTERS. We have testified in support of the intents of this legislation several times before the House and Senate committees, and we can see no reason why these employees should not be granted the full benefits, as other employees, instead of making them halfway Federal employees, go all of the way and give them a whole loaf of bread.

I note in S. 1028 there is a typographical error, and I presume the staff has already caught it. I think the section 5334 is the one to be amended instead of 5534.

Mr. HENDERSON. You are correct in that and it will take a technical amendment to the bill on that point.

Mr. WALTERS. Yes. Now we strongly support, as I stated earlier, the intent of this legislation, and we also feel that there are some other groups that should be given consideration either now or at some immediate future date. We would not desire at this time to offer any amendments that would deter or slow down this legislation. But there is a small group of people who worked back in the 1930's under the Works Projects Administration, and these people, many of them, doing the same type of work in the same room, occupying the same desk, and just because one was paid from a certain earmarked fund, they are entitled to count that service toward Federal retirement if they become a Federal employee. But the other group, because of their earmarking of the money, it has been ruled they are not eligible for counting it toward retirement, and we feel this is something that certainly ought to be looked at at some immediate date. I believe it would only be a few hundred that would be involved.

I happen to know one who works in our office, Mr. Joe Reams, who spent about 9 years under this setup, rose to be assistant State director of education in the State of Ohio, and just because the money was earmarked from a different fund, he is not eligible to count that toward his retirement, if he becomes a Federal employee. And he does have some Federal service. So I would appreciate very much if this committee or the staff or somebody would take a look at this at the opportune time to correct an inequity, something similar to what appears to be true of these people.

Not having the privilege of being a city boy, as our good friend Mr. Wilson, I come from the real country part of north Georgia, where I am very familiar with the people who make up the group that we are trying to cover, and I agree with the statements made by the president who has just appeared before this committee, that these are people the farmers have confidence in and follow their advice and suggestions, and I think we have just been too long in giving them the things they are justly entitled to, and we trust and hope that this committee will immediately vote out a bill similar to S. 1028 or if they could, to expedite it, vote out the bill identically as passed by the Senate, and let's get moving, because I am sure you fellows are anxious to wind up as much of the business as you can so that you can at least get home for Santa Claus. And with that, Mr. Chairman, we close.

Mr. HENDERSON. Thank you, Mr. Walters. I am glad to know that somebody on Capitol Hill still has some hope that there will be a Santa Claus this year.

To keep the record straight, is my recollection correct that Congress has enacted the legislation that you would like to see enacted for the other employees, but that it ran into some difficulty down on Pennsylvania Avenue? Haven't those bills been enacted and vetoed by the President?

Mr. WALTERS. This year?

Mr. HENDERSON. No, in past Congresses.

Mr. WALTERS. I don't remember. They vetoed a life insurance bill this year that upset a lot of our people, especially the older people who are wanting to retire and get a little better benefits from the Federal life insurance program.

Mr. HENDERSON. Certainly the members of the committee are familiar with the point that you are making with regard to extending credit for some of the other Federal employees that in the past have

worked in Federal-State programs. Perhaps, as we move along, in time there will be a more favorable position of the Bureau of the Budget and the Civil Service Commission with regard to that point.

I am most appreciative that you are not urging us today to load this particular bill down with something that might cause it not to be favorably received by the executive.

Mr. WALTERS. Mr. Chairman, we certainly don't want to throw the switch to cause any derailments.

There is one other group that I would like to mention, and that is the employees of the Selective Service System. I think there is a group of employees that is the most neglected of most any group that I know of. Again I can speak from experience, having served as chairman of my local draft board, and knowing of the salaries paid in adjoining counties and throughout the State, and unless it has changed, tremendously, there is no rhyme or reason as to the payment of these employees.

One county can pay a certain amount and another county can pay more or less. And it keeps confusion going all of the time, especially when you come from small counties where people know everyone else and you know what is going on in the other counties. It just seems to me that this is a group of people that certainly needs some consideration.

Mr. HENDERSON. On that point I couldn't agree with you more. I am sure you know if we had had the interest of some of the others last year or in the past that this would have been enacted.

Mr. Wilson.

Mr. WILSON. Thank you, Mr. Chairman.

Mr. Walters, in this connection, the point you just made, I recognize that one of the principal arguments that the Civil Service Commission makes in opposition to this legislation is that it is a foot-in-the-door type of thing, that will open this up to various other groups of people.

Right offhand, can you think of, can you tell me how many other groups there would be that have similar situations that might be encouraged to come in with special legislation of this type?

Mr. WALTERS. Well, I don't know just how many, but I doubt if it would be over three or four or five, and they are all small in number, all that I know anything about are small in number, and this whole argument about opening the door, that door has been opened or closed so many times in the last 20 years, they have worn the hinges off.

You can go back and find many, many places where we have brought in special groups, either by legislation or by Executive order or otherwise. So I think that argument is pretty well worn thin and wouldn't have much influence on me, because we have been opening and closing that door for a long time.

But to answer your question the best I can, Congressman Wilson, all the groups that I know anything about are very small in number, and from the standpoint of cost would be very, very little. And I doubt seriously if there would be more than four or five groups. I actually don't know of that many. I only know of about three groups that have been consistently nudging us to do something about getting them under the full benefits. So it would be a very small number.

Mr. WILSON. Well, I would imagine so, too. I don't know, and perhaps we can find out from the Civil Service Commission.

Mr. WALTERS. I would think the largest group that I know of at least would be the employees of the selective service county boards.

Mr. WILSON. It doesn't seem to me we are talking about too many people. But to the ones we are talking about, it is a most important problem and certainly they should be taken care of. I am in agreement with that philosophy.

Mr. WALTERS. Thank you.

Mr. HENDERSON. Thank you very much, Mr. Walters.

(The statement of John F. Griner, national president, American Federation of Government Employees, is as follows:)

STATEMENT OF JOHN F. GRINER, NATIONAL PRESIDENT, AMERICAN
FEDERATION OF GOVERNMENT EMPLOYEES

The American Federation of Government Employees supports the bills, S. 1028, which was approved by the Senate June 28, 1967, and H.R. 6299, the companion House bill. These measures would provide additional benefits for those employees of the Department of Agriculture who, prior to their Federal service, had participated in the operation of important agricultural programs sustained by funds supplied by the Federal Government.

The Department of Agriculture employees who would benefit are those who had served as employees of county committees established pursuant to the Soil Conservation and Domestic Allotment Act and the Agricultural Adjustment Act of 1933.

Congress has already provided certain of these employees benefits under the Civil Service Retirement Act, the Federal Employees Group Life Insurance Act, and the Federal Employees Health Benefits Act. It is only consistent to add the other benefits of similar importance mentioned in these bills, which have been accorded other regular Civil Service employees who have spent their entire service in the Federal Government.

The first benefit provided by these bills would be to make it possible for an employee of one of the county committees involved, upon appointment to a position in the Department of Agriculture which is subject to the Classification Act, to have his initial rate of compensation fixed pursuant to that Act so as to take into account the highest previous rate of compensation received during his service with a county committee. This would be done by amending Section 5334 of Title 5, United States Code.

The next benefit to be conferred by these bills is to credit for annual leave purposes prior service with a county committee established under the Soil Conservation Act or with a committee or an association of producers described in the Agricultural Adjustment Act of 1933. Thus, the rate of earning annual leave would be determined in part by earlier county committee service.

These former county committee employees also would receive benefits under the Veterans Preference Act. This would result from a provision recognizing prior county committee service as service creditable for purposes of Reduction in Force, as provided in Section 3502 of Title 5 of the United States Code.

Crediting service in the employment of county committees established under the Soil Conservation and Domestic Allotment Act or of a committee or an association of producers described in the Agricultural Adjustment Act has ample justification. These benefits would be contingent upon employment in the Federal service. Also it would be necessary for the individual who benefits to have been working on a program which for all practical purposes is a Federal program.

These State programs form a needed and valued source of personnel who enter upon their later Federal duties trained and experienced in the work they are to do for the Federal Government. These programs are in every sense invaluable training grounds for the successful performance of related duties in the Federal service.

These bills would be extensions of earlier legislation, which provided ample justification for the proposals in S. 1028, or H.R. 6299. Public Law 86-568, approved July 1, 1960, authorized retirement credit for service in the employment of a county committee established under the Soil Conservation and Domestic Allotment Act. The 1960 law also provided group insurance and health insurance benefits for this prior service. Public Law 87-350, approved October 4, 1961, added service under the Agricultural Adjustment Act as creditable toward retirement benefits, but subject to the deposit of equivalent deductions from

salary for such service with county committees under both Acts or with producers associations authorized by the Agricultural Adjustment Act.

Enactment of these bills would result in virtually no direct cost to the Federal Government. They authorize payment of the appropriate classified salary which would be expected on the basis of assigned duties, and make it possible for the Federal employee having this prior service to have it counted in determining whether he may earn 13, 20 or 26 days of annual leave a year and for him to receive credit for it if he becomes involved in a Reduction in Force.

Service with the Work Projects Administration in the 1930's—is in our opinion worthy of consideration for legislative treatment similar to that accorded employees identified with the Federal-aid programs affected by the bill, S. 1028 and H.R. 6299. We believe provision should be made for giving retirement service credit to this relatively small group, with the opportunity for the employee to deposit an amount equivalent to deductions from salary that would otherwise have been made in those earlier years.

One of our staff members was State Director, Adult Education and Citizenship Education Project, for the State of Ohio. Due to the fact that in those days all supervisors, with the exception of topmost administrative officers, were paid from project funds, instead of administrative funds, supervisors had project status. Even though these employees served in top supervisory and administrative positions, the fact that they were paid from project funds, rather than administrative funds, they were denied credit for these years of Federal service toward the computation of their Civil Service retirement annuity. The manner in which these supervisors were paid, from project rather than administrative funds, was an accounting subterfuge used in those days to hold down administrative costs.

It is believed that only a few persons in this category are still working for the Federal Government. However, if all employees who served and were compensated in this manner were still in Federal Service, the number would be relatively small.

The bills which are here under consideration appear to us to be worthy of affirmative action.

Mr. HENDERSON. The next witness is Dr. N. T. Wolkomir, president of the National Federation of Federal Employees.

STATEMENT OF NATHAN T. WOLKOMIR, PRESIDENT, NATIONAL FEDERATION OF FEDERAL EMPLOYEES; ACCOMPANIED BY IRVING I. GELLER, DIRECTOR, LEGAL AND EMPLOYEE RELATIONS; AND ELMER AMBROGUE, ASSISTANT DIRECTOR, LEGAL AND EMPLOYEE RELATIONS

Mr. WOLKOMIR. Thank you very much, Mr. Chairman.

Mr. Chairman and members of the subcommittee, my name is Nathan T. Wolkomir. I am president of the National Federation of Federal Employees, the oldest and largest of all independent general unions of Federal employees. On my left is Mr. Elmer Ambrogue, from our legal staff, who is an expert in the field of agriculture, having retired from that department, and on my right, the director of our legal staff and employee relations, Mr. Irv Geller.

This year, 1967, marks the 50th anniversary of the founding of the NFFE. We have a great many employees in the Department of Agriculture, and have had since the inception of the NFFE 50 years ago.

We heartily endorse the statement of Mr. Jones, the president of the National Association of ASCS County Office Employees.

Mr. Chairman, H.R. 6299 will recognize periods of employment service in the county offices of the Agriculture Stabilization and Conservation Service for the purposes of salary adjustment, annual and sick leave, and reductions in force for former county office employees who are appointed to positions in the Federal service. It is a companion bill to S. 1028 introduced by Senator Monroney. On May 4, 1967, I appeared before the Senate Post Office and Civil Service

Committee to urge the enactment of S. 1028. Subsequent to the public hearing, S. 1028 was amended to extend the stated benefits only when the employee is appointed to a position in the Department of Agriculture. It was this amended version of S. 1028 which passed the Senate on June 28, 1967, and now is in the House Post Office and Civil Service Committee.

The reasoning in support of the amendment to S. 1028 is set forth in Senate Report No. 365. In essence, S. 1028 as amended, is an attempt to provide special recruiting assistance to the Department of Agriculture whereby the Department can secure a greater number of ASCS county employees for positions in the Department of Agriculture. The Department could use up to 400 each year, but under existing conditions can secure only about 150 each year.

Employees in the county offices of the ASCS are not Federal employees even though their salaries are paid entirely out of Federal funds, and they have had extended to them the benefits of the Civil Service Retirement Act, the Federal Employees Group Life Insurance Act, the Federal Employees Health Benefits Act, and the Severance Pay Act. They are paid at rates identical to the general schedule at grades 1 through 11, and their salaries are increased by Congress whenever Classification Act employees receive increases. Despite all of these conditions, when an employee of a county committee is appointed to a position in the Department of Agriculture, he begins his Federal service at the minimum rate of the appropriate grade and is in all other respects of his employment status a beginner. This is true regardless of the number of years he may have served in a county office or the degree of experience and competence he has attained. A county office employee in grade CO-9 step 5 is paid the same salary as a GS-9 step 5. But, if he is appointed to a Federal position classified at GS-9, he is placed in the first step of GS-9. Similarly, he starts at the beginning rate in accumulating annual leave, and for a reduction in force his ASCS service is not considered. Thus, a county employee who moves to his State headquarters after 15 or 20 years of county service is junior to all other headquarters' employees; an indefensible situation.

Rather than increasing his salary and fringe benefits with appointment in the Department of Agriculture, the county employee finds that his salary may be reduced, his accumulated annual and sick leave erased, and his seniority abolished. Under these conditions, the real miracle is that 150 ASCS employees in county offices are willing to make the sacrifices necessary to accept employment in the Department of Agriculture.

From this summary, I am convinced the Department of Agriculture urgently needs the assistance S. 1028 as approved would provide. Therefore, I strongly urge H.R. 6299 be amended to agree with S. 1028 as approved and recommended favorably by the subcommittee.

The NFFE is supporting this legislation as it has sponsored and supported legislation, as yet not acted upon, to bring employees of the selective service system under the Classification Act. S. 555, introduced by Senator Brewster, would extend the classification provisions to selective service employees, who like these ASCS employees, carry all of the responsibilities of Federal employees, but are denied some of the most important rights and benefits which are accorded other Federal employees. There is also another group of employees, certain

personnel with the Comptroller of the Currency, Department of the Treasury—for example bank examiners and others—which we feel should be brought under the Classification Act.

In these instances, however, we would emphasize most strongly that remedial legislative action should be taken not only in justice to the employees, but as a step dictated by every consideration of sound personnel administration—in the public interest. There is no justification whatever for leaving these sizable groups of employees outside the pale of what might be termed full citizenship as Federal employees; of continuing them in the limbo in which they presently function.

Mr. Chairman, these employees—the county committee employees, the selective service employees, and the mentioned personnel with the Comptroller of the Currency—have demonstrated that by every yardstick they uphold the high standards of the Federal civil service. By every yardstick it is right, proper, and in the national interest to place them in the mainstream of our civil service system.

I again emphasize our endorsement of S. 1028 and H.R. 6299 as per proposed amendment, and also express to the members of the subcommittee my thanks for their interest and attention today.

Mr. HENDERSON. Thank you very much, Dr. Wolkomir, for a very fine statement.

With regards to these employees you have spoken about—let's take the selective service employees—I am sure that you gentlemen at the table, as well as the members of the subcommittee, are all hoping that within a matter of hours, we are going to have a pay bill passed at least by the House.

These employees have very little assurance, but great hope that they might receive like treatment, but it probably will not be covered in the proposed bill.

Mr. WOLKOMIR. They are not included, sir.

Mr. HENDERSON. Mr. Wilson, do you have any questions or comments?

Mr. WILSON. Well, Mr. Chairman, Dr. Wolkomir's answer to the question I asked Mr. Walters, apparently there are three principal groups that need to be taken care of, these county employees that are covered by this bill, the selective service employees and the bank examiners, working in the Comptroller's office.

Mr. WOLKOMIR. Congressman Wilson, this is the group in which we have the largest number affected. There are others; for example, we have what are known as the Smith-Hughes instructors. I, myself, happened to have been one, where we are paid through 50 percent of Federal funds and 50 percent State funds. They too are not credited, but there are a few Smith-Hughes teachers who are presently in existence.

We have, also, a small group of people from the old NRA days, the Job Corps today, and they were not in what was known as administrative positions, and therefore, their period of service is not counted toward retirement, and other fringe benefits.

So, there are several other small groups. But, the three major groups are those we itemized.

I might state also, Mr. Chairman, that I am also a farm boy. My son happens to be an ASCS employee. So, I think I speak with some experience coming from the real farmland of the State of Illinois, the great cornbelt and I have lived with these farmers and I am a member of the Farm Bureau.

Mr. HENDERSON. Is your son a county employee?

Mr. WOLKOMIR. He is an ASCS county employee; yes, sir.

Mr. HENDERSON. That is very interesting. I might make the point that with regard to the others that you spoke of, such as the selective service employees, or certain employees of the Comptroller of the Currency and so on, that they don't have the pay protection that even these county employees have.

Mr. WOLKOMIR. That is right, sir.

Mr. HENDERSON. I think this is a point you were making in your statement.

Mr. WOLKOMIR. The administrative set up in the selective service—and I know you and Mr. Brasco and your entire staff are familiar with it—is entirely different than any other semi-Federal employee. They are, incidentally, Federal employees though. They are Federal employees and they are not subject to the benefits.

Mr. HENDERSON. Here we are especially acting on a group that are often referred to as not Federal employees, who do get Federal pay, Federal leave, and some other Federal employee comparability.

Mr. WOLKOMIR. There is certainly an inconsistency somewhere.

Mr. HENDERSON. Your point is well made, Dr. Wolkomir, and it is a pleasure to have you before us this morning.

Mr. WOLKOMIR. Thank you.

Mr. HENDERSON. Our next witness is Mr. Glenn Stahl, Director of the Bureau of Policies and Standards, Civil Service Commission.

Mr. Stahl, it is always a pleasure to have you before the subcommittee.

STATEMENT OF HON. JOHN W. MACY, JR., CHAIRMAN, CIVIL SERVICE COMMISSION, AS PRESENTED BY O. GLENN STAHL, DIRECTOR, BUREAU OF POLICIES AND STANDARDS

Mr. STAHL. Thank you very much, Mr. Chairman. Chairman Macy sends his regrets that he could not be with you this morning, because of a conflict that was beyond his control. And I therefore would like to present his statement on his behalf.

I hope you will forgive my little problem with my throat this morning. I am recovering from a cold, but I think I can make it.

Mr. HENDERSON. I assure you we can hear you very well.

Mr. STAHL. I am pleased to be here to present to you the views of the Civil Service Commission on legislation proposed to extend certain Federal benefits to county employees of the Agricultural Stabilization and Conservation Service. The Commission has submitted reports on both of these bills. If appropriate, Mr. Chairman, I suggest that they be placed in the hearing record.

Mr. HENDERSON. Under previous unanimous consent, they have been.

Mr. STAHL. These bills are the latest of several proposals to extend the benefits and privileges of Federal employment to county employees of the Agricultural Stabilization and Conservation Service. H.R. 6299 would permit the Federal salary of a former county office employee to be set at a higher than minimum entry rate of the grade, authorize the transfer of accumulated annual and sick leave earned in county office employment to the account of an employee who moves to a Federal position, and credit county office service performed prior to July 10, 1960, for employment retention purposes.

All of these benefits and privileges would be made available to any county office employee moving to any Federal position in any Federal agency under the provisions of H.R. 6299.

S. 1028, on the other hand, limits its applicability to former county office employees who accept positions in the Department of Agriculture. It provides that (1) county committee employees transferring to positions in the Department of Agriculture would have their rates of compensation set to eliminate or minimize reductions in salary, (2) the annual and sick leave of county committee employees would be transferred with them to the Department of Agriculture, (3) county committee employees would be given credit in the Department of Agriculture for county committee service in determining their annual leave earning rate as well as in the reduction-in-force procedure.

Of paramount importance in considering both of these proposals is one factor—county employees are not now Federal employees. It is the county office manager who supervises the day-to-day operations of the county committee—and he is not a Federal officer.

The criteria for determining whether an individual is a Federal employee are—

1. The individual must be engaged in the performance of Federal functions under authority of an act of Congress or an Executive order; and

2. The individual must be appointed or employed by a Federal officer in his official capacity as such; and

3. The individual must be under the supervision and direction of a Federal officer.

All three criteria must be met, not just one or two of them. With respect to county office employees, only one of these criterion is clearly met; these employees do perform a Federal function. These three criteria have been given legal sanction, and have been strictly adhered to by the Civil Service Commission for over two decades. In 1962, a court decision, *Stapleton v. Macy*, 304 F. 2d 954, reaffirmed that these criteria have a "reasonable basis in law."

Proof positive that county committee employees of the ASCS are not Federal employees is the very fact that legislation is needed to make them eligible for benefits arising from Federal employment.

Fundamentally our position is this: The Federal personnel system is a comprehensive, self-contained system specifically designed and intended for Federal employment. It consists of an interdependent set of employee rights, obligations, and benefits. They fit together because they belong together. Parceling out these benefits in a piecemeal manner for noncompetitive entry into the system can lead to undesirable consequences in the equitable administration of Federal personnel programs. There now exists a great deal of flexibility within the Federal service in moving employees among the several Federal merit systems because the Commission has carefully fostered flexibility in its regulations. The Commission, while interested in facilitating mobility among various systems, is also concerned with any ambiguity in employer-employee relationships within the service and in keeping benefits consonant with the rights and obligations of employment, such as adherence to the provisions of the Hatch Act, the Veterans' Preference Act, and the Lloyd-La Follette Act.

The most serious consequences we foresee by providing these county committee employees with additional Federal employment benefits,

without granting them the full status of Federal employee, is the broad precedent such action would set.

I emphasize that phrase, Mr. Chairman, "without granting them the full status of Federal employee."

The Government should not extend benefits to one group and not another. It cannot use two sets of standards, and at the same time, administer an equitable system. Although there is contention that these county committee employees are unique and that granting them additional benefits could not be cited as a valid precedent by others, we do not agree with this contention. Many other groups can claim they are unique and provide as good, if not better reasoning, than the county committee personnel of the Agricultural Stabilization and Conservation Service. For example, great numbers of employees of nonappropriated and fund instrumentalities in the Department of Defense, for example, post exchange employees, State employment service employees—of which there are many thousands, incidentally there are about 80,000 in that nonappropriated fund category—regional development committees or commissions, and other persons engaged in a variety of Federal-State cooperative programs could likewise claim their uniqueness.

We fully appreciate the concern that there should be local control over local programs, but to whatever extent there is this substantive control now, the situation would not be changed by making the employees fully Federal. On the other hand giving the employees most of the characteristics of Federal employees but stopping short of the final step seems to be an elaborate way of preserving a useless fiction at the cost of a dangerous precedent. ASCS employees already think of themselves as Federal employees and so do their neighbors.

At a hearing in 1964 before the House Post Office and Civil Service Committee on H.R. 8544, the chairman of the legislative committee of the National Association of ASCS County Office Employees had this to say about the status of county office employees:

Let me state in the beginning that we know we are Federal employees. Our families believe we are Federal employees; our neighbors across the street or on the next farm believe we are Federal employees; the people we serve believe we are Federal employees.

In 1965, at a hearing on H.R. 2452, the past president of the National Association of ASCS County Office Employees said:

Our jobs are no more detached from Federal control than are the jobs of the postmasters. We are no more county employees than the Postmaster of New York City is a city employee.

All of this presents a confusing picture. The solution we see is not to compound the confusion by further obscuring the nature of county committee employment. Rather the solution that recommends itself to us is to take the logical step of making these employees fully Federal employees. This would settle the status of these employees once and for all and take care of the recruiting problems of the Department of Agriculture, that have been alluded to here.

We have given a great deal of thought to this legislative proposal. We have reviewed it in light of the needs of the Department of Agriculture for the services of experienced county office personnel. We have carefully considered the viewpoints expressed by members of congressional committees this year. We have reviewed the statements of the National Association of ASCS County Office Employees

(NASCOE). But once more we have come to the same conclusion—we cannot recommend either of these proposed bills but much prefer to see the full step taken of making the employees Federal employees.

However, we appreciate the viewpoint that with respect to this particular group of non-Federal employees the Congress has already granted very exceptional privileges of participation in the retirement and benefit programs and that there should be no great objection to filling in a few gaps in the privileges already conferred on them—especially when there would be a staffing advantage to the Department of Agriculture. We cannot deny the logic of this line of reasoning.

In the last analysis, the Congress must decide whether it is good to provide this legislation to improve employment conditions for a selected group of non-Federal workers paid from Federal funds.

If the subcommittee decides not to make these employees Federal employees, if it decides to give favorable consideration to either the Senate or House bills as drafted, then we would urge at least that the record show this legislation is not intended to serve as a precedent for granting Federal service credit and other benefits for non-Federal service with other federally financed groups.

I would also like to suggest that, of the two bills under consideration, the provisions of S. 1028 limiting the benefits upon transfer to employees accepting positions in the Department of Agriculture are strongly to be preferred. These provisions seem to meet all the expressed needs. The provisions of H.R. 6299 would give previously non-Federal employees seniority or length-of-service advantages over long-term Federal employees in any Federal agency. The dangers of an inequitable situation arising would be minimized if the advantages are limited to the Department of Agriculture.

Chairman Macy's recommendation, however, is that consideration be given now to making all of these county employees Federal employees in the fullest sense, since it appears they are already considered a part of the career progression system within the Department of Agriculture.

These employees would then be subject not only to the benefits of Federal employment but to the rights and obligations as well.

Thank you for giving me the opportunity to present the Commission's views on these two bills.

Mr. HENDERSON. Thank you, Mr. Stahl.

Before the Senate committee, Senator Randolph asked Chairman Macy that if this bill is passed by the Congress, would you recommend that the President veto it. I am sure you are familiar with Mr. Macy's answer, but for the record, Mr. Macy's answer was:

No, I would not. My view as I indicated in my statement is that although the Commission sees difficulties and possibly a difficult precedent in this legislation, that there are considerations that can conceivably be overriding and since those considerations are related to the accomplishment of an important national program if those views prevail, certainly we will accept it.

We would hope if there were enactment there would be an indication that this does not establish a precedent for other groups of non-Federal employees.

In the light of that and your statement, if this subcommittee and the full committee and the Congress limited the bill to the Department of Agriculture as S. 1028 does, and the report and the debate on the floor clearly indicated that we were not establishing a precedent, could I ask if you are in a position to tell the subcommittee members whether you would recommend the signing of the bill in that condition?

Mr. STAHL. I am confident that the Chairman's position would be the same, that he would not recommend a veto and would recommend signing the bill under those circumstances. He simply wants to make clear that he thinks the clean way to do this is to make these people Federal employees. But he would accept the other approach.

Mr. HENDERSON. I am very appreciative of what I think is a very fair statement. I am most appreciative of the concern that he expresses in this statement and in the testimony he has given on other related bills. I think that he is recognizing the unique situation that the county employees feel that they are in and that the Department of Agriculture feels with regard to recruiting from this group who by their performance have proven that they have abilities that are required by the Department.

Mr. STAHL. May I just add one point, sir?

Mr. HENDERSON. Yes, sir.

Mr. STAHL. It occurred to me that we didn't have this in the statement here. There is at least one other organization in the Department of Agriculture which has a committee setup somewhat similar to this in ASCS, the Farmers Home Administration. The employees of those FHA committees are Federal employees, and yet we don't see any damage done to the local participation and the local control over the determinations of the local committees.

It seems to us the same thing could apply here.

Mr. HENDERSON. I think your point is well made. I certainly don't have a closed mind, personally, on this question of making the ASCS employees full Federal employees. I do have some doubt in my mind that we have quite arrived at the time that this would be accepted fully by the farmers. I am most appreciative of the past history, where they feel that these employees are of greater service to them and are more understanding of the farmers' problems than they might be if they were full Federal employees.

Of course the basic final decision with regard to this legislation does not necessarily commit the Congress irrevocably not to make them fully Federal employees at some future date. I feel sure the statement of their representatives here today do not necessarily mean that at some future time they might not change their position.

Mr. Wilson, do you have any questions or comments?

Mr. WILSON. Mr. Chairman, the only concern I have over your dialog with the gentleman from the Civil Service Commission, Mr. Stahl, is that I wonder about the advisability of including anything in the report indicating that this is not a precedent, because I think we have already established the fact that there are at least two other groups that we may want to, at a later date, provide the same type of legislation for.

I would hope we wouldn't prejudice ourselves in giving consideration to the Selective Service people and others by this in the report.

Mr. STAHL. The Selective Service employees are already Federal employees. The only problem there is they are not paid under the General Schedule. The Selective Service System sets its rates, and there has been a movement on the part of Selective Service employees—

Mr. WILSON. This wouldn't affect any future legislation then?

Mr. STAHL. No, it would not affect that. You see our concern is setting a precedent for granting full Federal benefits to non-Federal employees. This is our concern. This is why we prefer to see the route

of making them Federal employees. In the other cases cited—I think another one had to do with bank examiners, if I am not mistaken—they are already Federal employees. It is just a question of which pay system they come under.

So no such statement would offer a problem with respect to those groups.

Mr. HENDERSON. There are other bills, certainly in previous Congresses, as well as this one, that would have extended credit for service in programs that the Civil Service Commission did not feel entitled them to that credit because they were not full Federal employees.

Mr. STAHL. Yes, there have been, yes, sir.

Mr. HENDERSON. It is with regard to that legislation that I was intimating that we might, as suggested by the statement that you presented of the Chairman, that this action would not be precedent necessarily for that.

You will recall that one of the subcommittees of our full committee had hearings on a special bill in the last Congress that I was interested in. This involved Labor Department employees, that had previously served in administering the Fair Labor Standards Act in the State of North Carolina. It was the position of the Civil Service Commission in that regard that they should not be given creditable service when they were brought in as Department of Labor employees. It is the opinion of the Chairman, Mr. Wilson, that the case for these ASCS county employees can stand on its own, and certainly the case for the other employees that Mr. Lasseter and many others have been interested in over the years, likewise can stand on the facts that might be indicated for those groups and that one is not necessarily a precedent for the others.

Mr. WILSON. Mr. Chairman, I agree with you that I think the statement we have here and the indication from Mr. Stahl that there would be no effort to try to have the bill vetoed and the general understanding that they have of this problem is very acceptable to me. I would agree also that we should put the provisions of S. 1028 into our House bill and consider it under those circumstances. I think then we would have a good approach to this.

Mr. STAHL. Gentlemen, I should also inform you that there is pending in the Congress now before the Armed Services Committees, a bill on National Guard technicians, employees of the National Guard, which does go the route of simply making them Federal employees. And this involves 40,000 people.

Mr. WILSON. I am on that committee too, Mr. Stahl. In fact, I have to go over there now.

Mr. HENDERSON. For the benefit of Mr. Wilson, whose committee has already acted on that in the House, I am very pleased to recite here that I was the first Member of Congress to introduce the bill that would do that. Mr. Macy's argument with regard to those employees sure doesn't impress me one bit. He knows my position on that.

Thank you very much.

We have one other statement for the record that has been submitted by Mr. John C. Brown, Jr., the service officer of the National Association of Farmer Elected Committeemen. That statement will be placed in the record. Mr. Brown, if you have anything you would like to add to the statement, we would be delighted to hear from you.

Mr. BROWN. Only to thank you, Mr. Chairman, for accepting the statement.

Mr. HENDERSON. We are delighted to do so and we are most appreciative of the objectives of your organization. I am familiar with the fine work you have done in the short time you have been organized in the State of North Carolina.

(The statement of Mr. John C. Brown, Jr., representing the National Association of Farmer Elected Committeemen, is as follows:)

STATEMENT OF JOHN C. BROWN, JR., REPRESENTING THE NATIONAL ASSOCIATION OF FARMER ELECTED COMMITTEEMEN

Mr. Chairman and members of the subcommittee, the Association appreciates this opportunity, so kindly granted by you, to advance this statement regarding the proposed subject legislation. This Association is one whose eligibility to membership is that of being a present or past member of a County or Community AAA, PMA, or ASCS Committee. These members' interest therefore, in advancing local administration of farm programs, by farmers, is sincere and intense.

Since Committeemen are given by law, certain specific responsibilities in the local administration of programs developed by the Congress, these Committeemen want to see that the personnel they select for County Office employment receive fair and equitable treatment.

The Officers and Directors of the National Association of Farmer Elected Committeemen, at a meeting at Des Moines, Iowa on July 8, 1967 formally approved and endorsed S. 1028.

H. R. 6299 was not specifically brought to their attention. The Directors, however, formally expressed unqualified approval of legislation that would accomplish the following:

1. Permit the Department of Agriculture to appoint ASC County Committee employees, to positions in the classified service of the Department at a salary step which would protect the prior salary rate established in the county.
2. Transfer the County Committee employees' accrued annual and sick leave when he transfers to a position in the Department of Agriculture.
3. Credit the employees' length of service in the County Office for leave earning and reduction-in-force purposes.

Other testimony presented to you has included examples of inequities that occur under the presently controlling law. To remedy this would be in the interest of justice and would advance overall administration of agricultural programs from the grass roots up and through the Department of Agriculture.

Thank you for accepting this effort to secure benefits for County ASCS employees that County Committeemen believe they deserve.

Mr. HENDERSON. If there are no further requests for anyone to testify or comment on the testimony this morning, the subcommittee will stand adjourned, subject to the call of the Chair.

(Whereupon, at 11:30 a.m., the subcommittee was adjourned, subject to the call of the Chair.)



1. The Commission has been requested to consider the possibility of the establishment of a permanent body to monitor the situation in the field and to report to the Commission.

2. The Commission has also been requested to consider the possibility of the establishment of a permanent body to monitor the situation in the field and to report to the Commission.

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