

Y 4
P 84/10

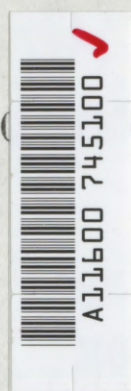
1022

95/14
P 84/10
95-16

95-16 **BENEFITS FOR AGRICULTURAL STABILIZATION AND
CONSERVATION SERVICE EMPLOYEES**

GOVERNMENT

Storage



HEARING
BEFORE THE
SUBCOMMITTEE ON
CONSERVATION AND EMPLOYEE BENEFITS
OF THE
COMMITTEE ON
OFFICE AND CIVIL SERVICE
USE OF REPRESENTATIVES

NINETY-FIFTH CONGRESS

FIRST SESSION

ON

H.R. 3139

**A BILL 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**

JUNE 1, 1977

Serial No. 95-16

**Printed for the use of the
Committee on Post Office and Civil Service**



U.S. GOVERNMENT PRINTING OFFICE

COMMITTEE ON POST OFFICE AND CIVIL SERVICE

ROBERT N. C. NIX, Pennsylvania, *Chairman*

MORRIS K. UDALL, Arizona, *Vice Chairman*

JAMES M. HANLEY, New York

CHARLES H. WILSON, California

RICHARD C. WHITE, Texas

WILLIAM D. FORD, Michigan

WILLIAM (BILL) CLAY, Missouri

PATRICIA SCHROEDER, Colorado

WILLIAM LEHMAN, Florida

GLADYS NOON SPELLMAN, Maryland

HERBERT E. HARRIS II, Virginia

STEPHEN J. SOLARZ, New Jersey

MICHAEL O. MYERS, Pennsylvania

CECIL (CEC) HEFTEL, Hawaii

JAMES J. HOWARD, New Jersey

RALPH H. METCALFE, Illinois

LEO J. RYAN, California

EDWARD J. DERWINSKI, Illinois

JOHN H. ROUSSELOT, California

JAMES M. COLLINS, Texas

GENE TAYLOR, Missouri

BENJAMIN A. GILMAN, New York

TRENT LOTT, Mississippi

JIM LEACH, Iowa

TOM CORCORAN, Illinois

VICTOR C. SMIRLODO, *Executive Director and General Counsel*

THEODORE J. KAZY, *Minority Staff Director*

ROBERT E. LOCKHART, *Deputy General Counsel*

DAVID MINTON, *Deputy General Counsel*

J. PIERCE MYERS, *Assistant General Counsel*

HERMAN THOMPSON, *Assistant General Counsel*

SUBCOMMITTEE ON COMPENSATION AND EMPLOYEE BENEFITS

GLADYS NOON SPELLMAN, Maryland, *Chair*

CECIL (CEC) HEFTEL, Hawaii

WILLIAM D. FORD, Michigan

HERBERT E. HARRIS II, Virginia

JAMES J. HOWARD, New Jersey

JIM LEACH, Iowa

JOHN H. ROUSSELOT, California

(Ron McCluskey, Subcommittee Staff Director, Room B-345(d) Rayburn Building—Ext. 56831)

(II)



CONTENTS

Testimony of—	
Jones, H. Woodrow, legislative coordinator, National Association of Agricultural Stabilization and Conservation Service County Office Employees-----	Page 6
Phillips, Neal C., vice president, National Association of Agricultural Stabilization and Conservation Service County Office Employees---	2
Statements presented by—	
Clay, Hon. William L., a Representative in Congress from the State of Missouri-----	12
Crow, R. Thomas, Jr., legislative consultant, NASCOE-----	13
Ichord, Hon. Richard H., a Representative in Congress from the State of Missouri-----	13
Neal, Hon. Stephen L., a Representative in Congress from the State of North Carolina-----	13
O'Brien, George M., a Representative in Congress from the State of Illinois-----	14
Slack, Hon. John, a Representative in Congress from the State of West Virginia-----	14
Taylor, Wayne K., president, National Association of Agricultural Stabilization and Conservation Service County Office Employees--	18
Thone, Hon. Charles, a Representative in Congress from the State of Nebraska-----	14
Administration report from—	
Office of Management and Budget-----	16
Civil Service Commission-----	15
Copy of H.R. 3139-----	17

CONTENTS

17	Copy of H. R. 3120
15	Civil Service Commission
13	Office of Inspection and Bridge
12	Administration of the
11	De. 1899
10	Thomas H. Carter, a Representative in Congress from the State of
9	Administration and Conservation Service, Office of Agriculture
8	Edward J. Kane, a Representative in Congress from the State of
7	Administration and Conservation Service, Office of Agriculture
6	Edward J. Kane, a Representative in Congress from the State of
5	Administration and Conservation Service, Office of Agriculture
4	Edward J. Kane, a Representative in Congress from the State of
3	Administration and Conservation Service, Office of Agriculture
2	Edward J. Kane, a Representative in Congress from the State of
1	Administration and Conservation Service, Office of Agriculture

BENEFITS FOR AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE EMPLOYEES

WEDNESDAY, JUNE 1, 1977

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON POST OFFICE AND CIVIL SERVICE,
SUBCOMMITTEE ON COMPENSATION AND EMPLOYEE BENEFITS,
Washington, D.C.

The subcommittee met at 9:30 a.m. in room 304, Cannon House Office Building, Hon. Gladys Spellman, presiding.

Mrs. Spellman. The subcommittee will come to order.

We have convened this morning to consider H.R. 3139. The purpose of this bill is to broaden the coverage of the unique credit benefits of Public Law 90-367 which provides for benefits to former employees of Agricultural Stabilization and Conservation Committee county officers who subsequently became employees of the Department of Agriculture.

Under H.R. 3139, former county office employees later employed by any Federal agency, not just the Department of Agriculture would be entitled to longevity credit for non-Federal service in determining their basic pay, annual leave accrual rate and retention standing in reductions in force.

I am hoping that our witnesses today will address themselves to the administration's objections to enactment of this legislation, which are basically the same as those under the previous administration: (1) that is that employees of Agricultural Stabilization and Conservation are not by definition Federal employees; (2) that the primary basis for Public Law 90-367 was the Department of Agriculture's special recruitment needs for ASC-experienced personnel and that no such basis exists with respect to other departments and agencies; (3) that it would be unfair to career Federal employees in non-USDA agencies to allow other preferential treatment based on work as non-Federal employees in a service which has unique ties only to the Department of Agriculture.

Our first witness this morning will be Mr. Neal Phillips, vice president, National Association of Agricultural Stabilization Conservation Service County Office Employees.

Before getting underway, I would like to inform those present that the Civil Service Commission has notified the subcommittee of their opposition to enactment of this legislation, and that the Department of Agriculture concurs with that.

Mrs. SPELLMAN. I am advised—am I right, Mr. Harris—that you have to leave early?

Mr. HARRIS. I have a Judiciary Committee meeting this morning.

Mrs. SPELLMAN. Mr. Harris has a meeting that starts at 10 o'clock. However, he has gone through this material. Do you have a question that you might want to ask?

Mr. HARRIS. Thank you, Madam Chairman.

I don't have a specific question, but I am anxious for the testimony, and I am sure it will cover what I think is the essential point here.

First of all, I would like to state that I am very familiar with ASC committees. I know the histories; I know the functions. They function, in every sense of the word, in a function directly related with Federal service. It has been implemented in the Federal program. It has been pursuant to Federal policy and Federal law.

The law—when Congress had to consider the question of whether, when they moved from the field into Washington, they received seniority benefits, and the Department of Agriculture and Congress had no hesitation in making the decision that of course they did. I don't see how Congress could have made any other decision. It seems to me the only question here before us is if they had the type of Federal service which would qualify them for these benefits in the Department of Agriculture, why wouldn't that also apply to other agencies of the Government. I presume that your testimony will cover this point. This is the particular point that I would like to focus on. What is so different about the U.S. Department of Agriculture from other agencies that would make the service apply there and not other Federal agencies?

Mrs. SPELLMAN. Mr. Phillips.

STATEMENT OF NEAL PHILLIPS, VICE PRESIDENT, NATIONAL ASSOCIATION OF AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE COUNTY OFFICE EMPLOYEES

Mr. PHILLIPS. Mrs. Spellman, in the interest of time and Mr. Harris' appointment, and with your permission I would like to submit this into the record.

Mrs. SPELLMAN. Fine. We will be glad to enter it into the record in its entirety.

Mr. PHILLIPS. Thank you. That is what I prefer to do and maybe point to a couple of items on page 3 of my testimony.

NASCOE does not feel that the legislation would impose substantial unwarranted costs. This is one place that NASCOE, I think, disagrees with some of the stands of the Civil Service Commission, the OMB, and the Department of Agriculture. We feel that we are federally employed although we are non-civil-service status employees. We are paid with Federal money and administer Federal programs. We don't think that it would set any precedent or provide any preferential treatments by giving us these benefits into departments other than the Department of Agriculture.

It has been authorized for in the Department of Agriculture, that we could count this time toward seniority. We are under the retirement system, the health benefits, life insurance, leave system, all Federal. And we are paid 100 percent by Federal funds and are supervised by Federal employees.

The main contention that we have is that we are Federal employees in this sense of the word, even though we are not status—civil service status employees. Now, for the record, I would like to ask you to recognize—Mr. Woodrow Jones, who is our legislative coordinator. And note that all of us are employees of ASCS. We are volunteer NASCOE workers. We do not get NASCOE salaries. The only thing we get from NASCOE are our expenses for trips like this.

I would be happy to answer any questions that you or Mr. Harris have. Thank you very much.

[The complete statement follows:]

STATEMENT BY NEAL C. PHILLIPS, VICE PRESIDENT OF THE NATIONAL ASSOCIATION OF AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE COUNTY OFFICE EMPLOYEES

I am Neal C. Phillips, executive director for the Halifax County ASCS-USDA office, Halifax, N. C., and vice president of the National Association of ASCS County Office Employees.

The National Association of Agricultural Stabilization and Conservation Service County Office Employees (NASCOE) is a voluntary organization of Agricultural Stabilization and Conservation Service county office employees—hereafter referred to as county ASCS employees. Approximately 96 percent of the 8,600 county ASCS Employees from every agricultural county of the Nation are members of NASCOE. The sole purpose of this organization is to promote the welfare of its members. Each State has a State organization of ASCS county office employees and is affiliated with NASCOE. Each State organization has two members on NASCOE's board of directors. NASCOE has national officers and an executive committee representing the five geographic areas of the United States. The national officers are: president, Wayne Taylor, Muskegon, Mich.; vice president, Neal C. Phillips, Halifax, N.C.; and Secretary-treasures, Clyde R. Payne, Jasper, Fla.

The executive committee is: midwest, Paul Rexroat, Effingham, Ill., northwest, James Voss, Denton, Md.; northwest, Donald Maxted, Kimball, Nebr.; southeast, Ralph Hosford, Sr., Cochran, Ga.; and southwest, Leo Osborne, Nephi, Utah.

NASCOE also has various committee chairmen, including H. Woodrow Jones, national legislative committee chairman, New Boston, Tex., who will present our association's position and justification for enactment of House bill 3139.

NASCOE has no paid lobbyist. All officers, executive committeemen, and committee chairmen are fulltime ASCS employees who perform their NASCOE duties on unofficial time and at their own expense except for travel. ASCS employees are employed by county ASC committees established pursuant to section 8(b) of the Soil and Domestic Allotment Act (as amended).

ASCS employees, under policies and guidelines of county ASC committees, administer Federal programs assigned to ASCS by the Congress, the Secretary of Agriculture, executive order, etc. Programs administered include but are not limited to: Marketing quotas (tobacco and peanuts); price support; cropland adjustment; wool incentives; agricultural conservation; forestry incentives; bee and dairy indemnity; feed grain, wheat, and cotton, including disaster provisions; etc., as well as assisting the agencies upon specific request, such as the Bureau of Census and the Federal Crop Insurance Corporation.

Although county ASCS employees are not civil service employees, the Congress has granted us many of the fringe benefits of civil service employees, including health benefits, retirement benefits, etc., and we feel we are entitled to these and any forthcoming benefits granted Federal employees.

ASCS county office employees are supervised by Federal employees who are civil service employees.

Salaries for ASCS county office employees 100 percent derived from Federal funds appropriated by the Congress.

The primary purpose of my statement has been to reacquaint you with our organization (NASCOE), as well as with the functions of ASC committees, county ASCS office employees, etc.

In behalf of county ASCS office employees across the Nation, I respectfully ask you to act favorably on House bill 3139 to enable employees of county ASC

committees to transfer benefits as described in the bill to any civil service position. It is also hoped you will initiate action to the effect House bill 3139 can and will proceed through congressional channels at a rapid rate.

County ASCS employees from every agricultural county across the Nation appreciate your past and future efforts on our behalf.

The opportunity to have presented this testimony is appreciated. If you have questions, an attempt to either answer them or obtain answers, will be welcomed.

As Mr. Jones presents his testimony, I would like for you to keep in mind these two points:

(1) NASCOE does not feel this legislation would impose substantial unwarranted costs. Since we have almost all of the benefits of other Federal employees, we are not asking for additional benefits. We are only authority to transfer our previously earned benefits to other Federal jobs, provided we are qualified and are selected.

(2) NASCOE does not feel this legislation would set any precedent nor provide preferential treatment. Since all of our employment counts already for civil service retirement, and annual and sick leave earning, the transferring of such time to other Federal employment should not result in any inequities as compared to benefits provided other Federal employees transferring from one Federal agency to another.

Mrs. SPELLMAN. Thank you very much for your statement, Mr. Harris.

Mr. HARRIS. Mr. Phillips, thank you very much. Do you know if there is any other group in the country that would be in a similar status with the ASC committee people?

Mr. PHILLIPS. No, sir. I do not.

Mr. HARRIS. The fear here—and we have gone through this with regard to some other problems of the benefits—but the fear here apparently is that it opens the door somehow or that it will set a precedent somehow for other groups. And I have searched my brain to figure out if there is another group, or other groups, that might have the door open to them if we granted these seniority benefits to ASC committees.

Mr. PHILLIPS. In the discussions that we had, Mr. Harris, they have mentioned other non-Federal service when talking about services, paid partially by Federal funds or partially by State funds. Federal services paid may be joint and may be an extension of Federal, State, and county funds. They feel like this might set a precedent, that they would have to count that time. Ours is all Federal. We are paid entirely with Federal funds. We are already counting our time and paying our retirement deductions into the civil service retirement fund.

We have the same leave benefits, same health and hospitalization benefits. All of this has been extended to us by Congress in our present position.

Mr. HARRIS. How long have you been getting retirement benefits from ASC services?

Mr. PHILLIPS. 1960, I believe. 1960.

Mr. HARRIS. Did service previous to 1960 count toward retirement benefits?

Mr. PHILLIPS. It counted toward retirement if you've paid back into the fund.

Mr. HARRIS. Yes.

Mr. PHILLIPS. You've got to pay into it.

Mr. HARRIS. I have known some fellows that have done right well that way, as a matter of fact, assistant secretaries and what have you. One is retiring this year.

Mr. PHILLIPS. This creates a problem, not necessarily for people who have already left ASCS or looking for jobs, but a lot of people that are in ASCS that maybe are qualified and are offered positions in

those departments. It is a discouragement for those taking these jobs because they cannot carry their accumulated sick leave. They are paid off their annual leave. So, there is no problem with annual leave.

Mr. HARRIS. Mr. Phillips, this strikes me as sort of a form of indentured labor. You are sort of tied to the Department of Agriculture, and even though another agency may need your services worse, the Department of Agriculture is equipped to offer you better benefits than other Federal agencies and thereby limit your mobility as far as service to the Government is concerned; is that correct?

Mr. PHILLIPS. Yes, sir. That's the way I feel. I think I am a good example of this. I have had prior Federal service in several agencies which count in ASCS, and I have been in the Naval Reserve. I am a captain in the Naval Reserve. And my experience has been such that I have been asked would I consider a position with the Defense Department, which I would not do, because I have 1,600 hours of sick leave I don't want to lose. I could consider going into the Department of Defense, the Navy.

Mr. HARRIS. If this is Federal service for the purpose of Federal retirement, why isn't it Federal service for other purposes of Federal appointment?

Mr. PHILLIPS. Mr. Harris, we think it is, and that's why we want the bill passed, so that we will have it counted going into other departments within the Government.

Mr. HARRIS. If you did transfer into another department, DOT for example, that wouldn't affect your retirement at all; would it?

Mr. PHILLIPS. No, sir. The time would count toward retirement, what we have paid into the fund. The county ASCS time would not count in determining the seniority for leave earnings or the seniority for reductions in force and things like that.

Mr. HARRIS. Madame Chairman, for the life of me, I can't figure out the reason, and I have read the Commission's letter. But if the time is Federal service so as to qualify you for Federal retirement, why is it, Federal service with regard to seniority is one of those fine distinctions that the Government often makes that sometimes I find difficult to battle.

Thank you very much, Mr. Phillips.

Mrs. SPELLMAN. Thank you very much, Mr. Harris.

In going through the 1968 report on the present law, I noticed a statement that reads as follows:

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 service or grant Federal service credit for non-Federal service for other groups.

The Commission would also urge, if this legislation is enacted, that at some future time that Congress would give further consideration to making these employees fully Federal.

How would you feel about being declared fully Federal employees?

Mr. PHILLIPS. I think, Mrs. Spellman, what you are referring to there is civil service status. The association's position is that Congress has provided a system of administering the Federal farm programs where they put a certain amount of authority and responsibility on the farmer-elected committee for not only program responsibilities, but a certain amount of administrative responsibilities. The proposal—the method—to put us under civil service status or

full Federal, we have been informed, would diminish the authority of the elected committee. I don't think the objection would be as strong if a committeeman still had the administrative and program responsibilities and authority as it would be under the proposals that had been made to us in the past. And Congress had intended to give these committee members a certain amount of authority.

We feel like as long as we operate under our system that they should still continue to have their authority.

Mrs. SPELLMAN. We are talking about how many people, now?

Mr. PHILLIPS. A very limited—a very small—probably in the past 200 or 250. Could I ask Mr. Jones to come up here?

Mrs. SPELLMAN. Why sure. By all means. Come up, Mr. Jones.

Mr. PHILLIPS. Probably 200 or 250 have moved into the Department of Agriculture in the last 10 years.

Mrs. SPELLMAN. So, we are not talking about astronomical figures, unless somehow this opens the door.

Mr. PHILLIPS. Oh, no Ma'am.

Mrs. SPELLMAN. And that is what we have to be concerned about.

In the past the Civil Service Commission has opposed this bill on the grounds that it would extend to county committee employees special advantages over those who have been career Federal employees. Since the Commission is maintaining this view, I thought I would like to give it an opportunity to answer that.

**STATEMENT OF H. WOODROW JONES, LEGISLATIVE COORDINATOR,
NATIONAL ASSOCIATION OF AGRICULTURAL STABILIZATION AND
CONSERVATION SERVICE COUNTY OFFICE EMPLOYEES**

Mr. JONES. I would answer that. I have a prepared statement that was presented to the staff late last week. I am not going to repeat it here because you have had the time to read and analyze it, and study it. And I don't want to impose on your time, knowing it will be entered into the record.

Mrs. SPELLMAN. It is to be entered into the record.

Mr. JONES. Some 40 years ago when a proliferation of farm agencies was brought into being to assist American agriculture with its financial, production, conservation, marketing, and planning problems, the Secretary of Agriculture set up the agencies and staffed them. Three of the agencies, Agricultural, Stabilization and Conservation Service, the Farmers' Home Administration, and the Soil Conservation Service—have served through the years, side by side, in almost all agricultural counties in the Nation. However, when the Secretary set them up he chose to utilize the farmer-elected committee system in our agency, he set up a Secretary-appointed committee system to administer Farmers' Home Administration, and a board of supervisors to assist the SCS in channeling their programs through their districts to the farmer. The other two agencies were staffed with career people. The Commission refers to them as Federal people. And he chose to staff our agency outside of the career service.

But, we are administering programs that stem from the same sources that they do—exactly. All of them come from either congressional acts, Executive orders, or Secretary's regulations. We serve the same clientele, with Federal programs, exactly like they do—most

of the time under the same roof as these other agencies—during the same hours and under like conditions. Our rates of pay are exactly the same as theirs. Our jobs standards are set by the same Federal people that sets theirs over at the Department of Agriculture's personnel section.

We have an employee-management cooperation agreement that is patterned exactly along the lines that other employee organizations have under the President's Executive order established for that system. We have on occasion at the insistence of the Congress—in the appropriations bill—that we do a part of their work. When we find time we could interchange our employees with theirs. We have done that from time to time.

When they move to other departments of the Government like we are talking about, they move all of their benefits with them. When we move to other departments than USDA we move our retirement, insurance, and things like that, but we don't take seniority or our leave earning capabilities.

For those that tell you that the enactment of the legislation will give us preferential treatment, we just say the reverse is true unless you do enact it. We have these things, already earned, thanks to you. You extended them to us in July 1960.

We want to be the last group to ask for preferential treatment. We are just asking you to treat us exactly like other people. They are paid with Federal funds like we are—under the same conditions as we are. And as far as preferential treatment, we can't understand the Commission's position. We are paid from the same Federal funds as they are. We would like to, through the enactment of this bill, get you to extend to us the same privileges, give us exactly the same opportunity as they.

We thank you for the opportunity of saying this.

(The complete statement follows:)

STATEMENT BY H. WOODROW JONES, LEGISLATIVE COORDINATOR OF THE NATIONAL ASSOCIATION OF AGRICULTURAL STABILIZATION & CONSERVATION SERVICE COUNTY OFFICE EMPLOYEES

Madam Chairman and Committee Members, I am H. Woodrow Jones, County Executive Director of the Agricultural Stabilization and Conservation Service (ASCS), United States Department of Agriculture (USDA), New Boston, Texas and as Mr. Phillips told you I am a member and serve as Legislative Coordinator of the National Association of ASCS County Office Employees (NASCOE).

My Colleague, our Vice President, has given you information on our membership, the scope of our agency operations, the internal structure of NASCOE and stated some facts about the circumstances of our activities stemming from Federal sources. I hope my statement will expand on these items sufficiently to establish proper justification for enactment of HR 3139.

The agency we work for, Agricultural Stabilization and Conservation Service (ASCS) is one of the largest and most effective divisions of the U.S. Department of Agriculture. Its activities—at all levels—devolve solely from actions here, in the Congress, directing the Secretary of Agriculture to administer programs which you provide in your efforts to assure adequate supplies for domestic and export needs, while at the same time, trying to protect the environment and our ability to continue an adequate production capability in agriculture.

The people for whom I speak work at the county level of ASCS applying the law, regulations and program provisions to individual farms. Sometime, because we work at this local level, we are referred to as "county" and in some instances an erroneous impression is made.

We have no connection with a county or local political subdivision other than the fact our area of jurisdiction—generally—is the county where the office is located.

Although, sometimes you are told we are "non-Federal" our every official act is governed by Federal statute or directive. As I said earlier, we work only on Federal programs. The Secretary of Agriculture, through subordinates, issues the regulations providing conditions of our employment. He delegates authority to issue instructions implementing the regulations. Under this authority handbooks are issued dealing with all program matters.

In addition to implementing the regulations, these handbooks serve as manuals of instructions for county office employees. They cover every administrative aspect of county office operation including employment and removal of personnel, budgeting funds, record handling, administrative services, and on and on. They set standards for classification of all positions in the county office, establish procedure for filling vacancies, rates of pay and minimum qualifications for all positions.

Also, off-the-job standards are set. Conflicts of interest are monitored in the same manner as in the case of those serving under Civil Service Statute. Also, disclosure and divestiture rules are the same with us as with them.

As far as Federal direction is concerned, there is no agency whose personnel is more adequately supervised. We receive instructions from the State ASCS office daily. Much of this has been reproduced verbatim as received from Washington. The district director, working out of the State office—under its supervision—and who is a career civil service appointee, visits each county office as often as is necessary to see that all directives are being observed to the letter.

In addition, auditors from USDA's Office of the Inspector General regularly audit all records and programs. There are many other facts establishing that we are as "federal" as the U.S. Mint, but each of you are well enough acquainted with these activities to make your own deduction without my taking up your time.

Even though all our actions are controlled and directed through Federal Mandate, we are not covered by Civil Service statute; however, we do enjoy all fringe benefits of the system. I want to thank you for helping us, at another time, obtain low-cost life insurance, health insurance, severance pay coverage and retirement benefits as others have in the career service. Also, you have included us in all pay adjustment legislation since 1960. We will always be grateful for the considerations you have given us.

We understand the legislation being considered—HR 3139—provides that ASCS county level employees who separate from their position to accept appointment in other positions within the Federal Government outside the U.S. Department of Agriculture will receive the following benefits:

- 1 County ASCS employees moving to positions under the Classification Act may 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 county ASCS employees shall be transferred with them in their employment under the Annual and Sick Leave Act on the same basis as transfers between leave systems provided in that act.
- 3 County ASCS employee service will be creditable service for determining annual leave earning rate for employees serving under the Annual and Sick Leave Act.
- 4 County ASCS employee service will be creditable service for seniority purposes in connection with the application of reduction-in-force procedures.

Currently the salary rate paid a county committee employee is not used in establishing the salary rate applicable to his appointment in a position under the Classification Act, outside USDA.

However, we are told the Classification Act does provide for protecting the salary rates of persons appointed from some other positions not covered by the Classification Act. I believe these are in the Foreign Service of the State Department as well as legislative and judicial employees.

Service as a county committee employee is not creditable service for purposes of the Annual and Sick Leave Act, but our leave regulations are the same as if we were covered by it. Annual and sick leave, thus accumulated, cannot be transferred with them when they accept positions under the Annual and Sick Leave Act.

A county employee with 15 years of county employee service earns 26 days annual leave each year. If this employee is appointed to a civil service position under the Annual and Sick Leave Act, he would earn only 13 days of annual leave each year. Provision for crediting his county service under the Annual and Sick Leave Act would allow this employee to continue earning 26 days of annual leave. This same employee would probably have a sizable annual and sick leave balance. The acceptance of a civil service position under current law requires that he forfeit

his sick leave balance and receive lump-sum payment for his annual leave. Keep in mind that such lump-sum payment would be made with Federal funds.

The section of the bill relating to the Veterans' Preference Act would credit county ASCS employee service for seniority purposes in connection with reduction-in-force actions.

Currently our employees entering civil service positions do not receive such credit. They are treated for reduction-in-force purposes as employees entering the Government service for the first time. This fact promotes a feeling of insecurity on the part of our employees considering transfers to civil service positions.

This committee, the 90th Congress and the President (in Public Law 90-367) provided these same benefits for us when we accept "federal" employment within the U.S. Department of Agriculture.

This experiment has proven very successful and, now, HR 3139 will—if enacted—extend the opportunity to a group of loyal Government employees equal treatment to that enjoyed by other Government employees.

Should there be those who tell you the enactment of this legislation would add "unwarranted additional costs to the government", we would say this is not so. Its enactment would not require additional appropriations and we feel savings will accrue, in that our people are fully trained with no need for basic training should they transfer.

Then, we say to those who argue the legislation would accord preferential treatment and set a precedent for a claim by other "non-federal" personnel, that our people are not in a non-federal category. When farm programs were brought into existence during the Great Depression, the Secretary of Agriculture chose to use a farmer-elected committee system as the vehicle for administering the AAA programs; an appointed committee system to administer Farmers Home Administration programs; and an elected board to channel Soil Conservation Service programs to the farmers. And, he chose to staff the other two agencies using Career Civil Service people, but staffed our agency outside Civil Service. Nine other Secretaries of Agriculture have continued this and today we work beside these USDA agencies under the same conditions. We serve the same farmers with federal programs in the same buildings during the same working hours and under the same conditions as these people. We are paid at the same rates with all federal funds; under the same job standards set by all federal people; earning leave and benefits exactly like they do; and, have the same insurance programs.

In addition, our employee's organization (NASCOE) works with ASCS and USDA under an employee-management agreement exactly like those organizations recognized through the President's Executive Order. It would be difficult to explain to us and the farmers we serve how we could be more "federal" than this. However, they have the additional benefits we are asking you for.

Finally—I want to point out—this legislation, if enacted, will not give us preferential treatment. It will only give us equal opportunity along with other Government employees to accept other government employment when a need arises. We want to emphasize that the legislation would not permit us to bypass any examination or other qualification requirement. We are as interested as you or anyone else, in maintaining high employee standards and would be the last group to ask for special treatment or relaxing of any requirements. Let me say, here, we only hope to be treated exactly like other Government employees in all matters.

I count it a privilege to have imposed on your time. The people I represent appreciate your tolerance and consideration.

Thank you, very much, for your kindness.

Mr. PHILLIPS. Mrs. Spellman, I would like to add to that. I haven't researched this, but it is my understanding that if I move into the U.S. Department of Agriculture from a county position, I have these benefits under the Federal law that was passed in 1968. After I stayed there awhile, if I move into another department, then I could continue to carry them. So, it looks like to me that I can carry these benefits to any other department, by going through USDA. I have not researched that. That is what I understand.

Mr. McCLUSKEY. I believe you are right. However, it goes back to those hearings. It was constantly reiterated that there is a uniqueness involved here between your group and the Department of Agriculture. That was the primary basis for the passage of that law. That uniqueness, the Civil Service Commission claims, does not exist with any other agency.

There are thousands upon thousands of employees that are paid with Federal funds. If we carry what we said earlier to its logical extension, then should we allow those people to come into the Federal Government as Federal employees just because they are paid Federal funds?

When you go into the county agricultural service, you take a competitive exam the same as the civil service. There is a uniqueness in your type of work in setting up this agency solely through the Department of Agriculture. It seems to tie you in almost one in the same with the Department of Agriculture and that was the primary basis that—

Mr. PHILLIPS. Mr. McCluskey, to get into a USDA position, we would have to take a civil service exam, either an open or a written exam.

Mrs. SPELLMAN. Into the Department of Agriculture? You wouldn't transfer in?

Mr. PHILLIPS. No; you have to qualify for this position. You would have to qualify to get on the civil service register. So, this wouldn't dilute the system of getting on the register—either through experience or through examination. We are not asking any special considerations.

Mr. McCLUSKEY. My main point is you still have hundreds of programs primarily funded with Federal funds. A lot of the members on this committee wonder, will this open up "Pandora's box"?

Mrs. SPELLMAN. This is a real problem. I can't give you a number of the groups that feel that they, too, should be covered in view of what we are discussing here today, but I can tell you we have heard from a good number of people. The real problem is how can we isolate this group from the others to show that there is some unique reason why this group receive special treatment. Initially, the primary basis for the passage of the law was the Department of Agriculture's special recruitment needs for experienced ASC personnel.

We would have to be able, I think, to show that there was a uniqueness on the part of this group that served as a differential from the hundreds of thousands of other people who might also feel that they should get equal treatment.

Mr. PHILLIPS. Basically, Mrs. Spellman, the problem the Department of Agriculture had amounted to the recruiting of experienced people. We have our national ASCS office here in Washington. We have an office in each State. All of these are—and our district directors—the States are divided into districts, and we have directors for several counties; all of these people are on civil service.

They were having problems getting people into the district director's job. The State office needed program specialists and administrative specialists but they could not recruit from the county offices and let the people carry their benefits with them. That was really the purpose of the law, to bring people into USDA.

Mr. JONES. Every person in our agency between the level where I serve and the administrator of ASCS are covered under civil service statutes.

Mr. McCLUSKEY. Mr. Jones, when you are serving before the county, do these employees contribute to social security?

Mr. PHILLIPS. No.

Mr. JONES. No.

Mr. McCLUSKEY. Do they contribute to any kind of State retirement?

Mr. JONES. No.

Mr. McCLUSKEY. So, there is absolutely no retirement fund outside of—

Mr. PHILLIPS. Civil service.

Mr. JONES. Civil service retirement.

Mr. PHILLIPS. Our appointments are basically the same, part time or informal; informal is under social security. Once they become a full-time career employee with us, they are on civil service retirement. There is no other fund involved at all.

I don't know of any other group that has a position we have of Federal life insurance, health insurance, civil service retirement, leave, and benefits under the Leave Act that the Congress put us under that pays exclusive to the Federal retirement fund.

Mr. McCLUSKEY. So, for the record, you have exactly the same benefits as every other Federal employee in the Department of Agriculture?

Mr. PHILLIPS. Yes, sir.

Mr. JONES. Yes. We are covered by the Tort Claims Act also.

Mr. McCLUSKEY. And you are not excluded from any particular benefits?

Mr. PHILLIPS. No, except civil service status. The main reason is that under the law that establishes the committee system, the county committee is authorized by law to hire and fire.

Mr. McCLUSKEY. How many county committee employees are there, total?

Mr. PHILLIPS. About 8, 600

Mr. McCLUSKEY. There are 250 ex-county employees now working for the Department of Agriculture approximately.

Mr. JONES. That many, we think, have transferred into the various States in the past 10 years since the law has become effective.

It has gone to other agencies of Government. There is an estimated 120 or 160, or something like that. Employment is a very low figure right now. There hasn't been the opportunities to move. We are hoping we don't run into a reduction-in-force situation anymore. We are not talking about an astronomical number of people. But, when it happens to one, it is very important to that one person that they be able to carry these things with them.

Mrs. SPELLMAN. I understand the importance to the people here. One thing that concerns many of us is to be able to keep it from spreading. To move in this direction, how do we keep this from happening in many other situations?

I know in my county we have people working on poverty programs, community action programs, and so forth, who feel that they, too, should be considered to be Federal employees, that is, should be given Federal benefits, because they look at this and say, why are we different from them?"

That would be our real problem, to be able to separate you from hundreds of thousands of others. There is no way to differentiate one group from the other.

Mr. JONES. It would be hard to convince the farmers that we serve that we are not just as Federal as they are. We are on the same basis as we deal with them. We represent the same Secretary of Agriculture as they do.

Mrs. SPELLMAN. I think I have had my questions answered. Is there anything else that we need to get into in this record? If not, we certainly thank you for coming.

Mr. PHILLIPS. Thank you, Mrs. Spellman, very much.

Mrs. SPELLMAN. The hearing is adjourned.

[Whereupon, at 10:25 a.m. the hearing was adjourned.]

[The statements and letters which follow were received by the subcommittee for inclusion in the record:]

STATEMENT OF HON. WILLIAM L. CLAY, A REPRESENTATIVE IN CONGRESS FROM
THE STATE OF MISSOURI

Madam Chairperson, I appreciate this opportunity to offer my views on H.R. 3139, a bill which would extend certain benefits to former employees of county committees which were established pursuant to section 8(b) of the Soil Conservation and Domestic Allotment Act, and for other purposes.

I want to express my thanks for the promptness with which the Subcommittee on Compensation and Employee Benefits has arranged to consider this legislation. You are to be commended.

H.R. 3139 would facilitate the hiring of former employees of the Agricultural and Soil Conservation Service (ASCS) county committees in competitive career service in the Executive branch. The bill extends the three provisions enacted in 1968 to all departments in the Executive branch—providing the transfer of annual and sick leave; creditable service for leave earning and reduction in force purposes; and highest previous rate of salary determination should a county committee employee be competitively selected for a position in any department or agency of the Executive branch.

For purposes of background, Madam Chairperson, the Agricultural Stabilization and Conservation Service (ASCS) was established by the Secretary of Agriculture in 1961. ASCS administers specified commodity and related land use programs designed for voluntary production adjustment, resource protection, and price, market, and farm income stabilization. In each State, ASCS operations are supervised by a State committee of three to five members appointed by the Secretary of Agriculture. A State executive director, appointed by the Secretary, and staff carry on day-to-day operations of the State office.

In each of approximately 2,800 agricultural counties, local ASCS programs are administered by a county committee of three farmer members who are elected to the committee by farmer-elected delegates to a county convention. The county committees employ necessary staff to carry on day-to-day operations of the county office. There are approximately 8,600 ASCS county committee employees in the United States.

County committee employees are not Federal employees although they do contribute to the civil service retirement fund. Regulations issued by the Secretary of Agriculture control most aspects of their employment, including classification of positions, rates of pay, and procedures for filling vacancies.

Public Law 90-367 enacted on June 29, 1968, provided certain benefits under which ASCS county committee employees could enter into Federal employment with the Department of Agriculture. These benefits included transferring annual and sick leave to the new position, creditable service for leave earning and reduction in force purposes, and the highest previous rate salary determination. Such former county committee employees, however, still must meet competitive selection procedures for positions in the Department.

Madam Chairperson, these employees are good people they are citizen participants. They make a significant contribution to the rural areas in which they live and work. They serve with dedication.

I want to point out that this legislation, if enacted, will not provide for preferential treatment. It will simply provide them with equal opportunity for other Government employees to accept other employment, if and when the need and opportunity arise. The legislation does not permit them to bypass any examinations or other qualification requirements. It simply assists these employees in reentering the mainstream of federal service in all areas.

Once again, I appreciate this opportunity to share my views with you this morning. I am confident that you will give the merits of this legislation due consideration.

Thank you.

MAY 27, 1977.

HON. GLADYS NOON SPELLMAN,
Longworth Building, Washington, D.C.

DEAR MADAM: As a new Legislative consultant for NASCOE representing the State of Maryland, I would like to express my appreciation to your subcommittee for holding a hearing to consider House Bill 3139.

I, myself as the ASCS County Executive Director in Prince George's and Anne Arundel counties and a native of the Eastern Shore, have gotten to hear many views throughout the State concerning this Bill.

It is the majorities contention that such a Bill is greatly needed. Especially so to allow persons released from duty (for example by Reduction in Force) who have many years Government service to be able to transfer, if qualified, into another agency with a vacancy and still maintain leave and benefits earned with their previous agency.

I sincerely hope that your committee will decide favorably on HR 3139 and urge Congress to act on the Bill at an early date.

Very truly yours,

R. THOMAS CROW, Jr.,
Legislative Consultant, D-MASCO.

STATEMENT OF HON. RICHARD H. ICHORD, A REPRESENTATIVE IN CONGRESS
FROM THE STATE OF MISSOURI

I am pleased to have this opportunity to submit testimony in support of legislation which would permit county office employees of the Agricultural Stabilization and Conservation Service to transfer their leave earning capacities, insurance, and seniority benefits to governmental departments other than USDA.

As you know, county committee employees are not Federal employees although they do contribute to the civil service retirement fund and regulations issued by the Secretary of Agriculture control most aspects of their employment, including classification of positions, rates of pay, and procedures for filling vacancies. Public Law 90-367 provided certain benefits under which ASCS county committee employees could enter into Federal employment with the Department of Agriculture. The purpose of this legislation is to broaden the coverage of the unique service-credit benefits under Public Law 90-367. Much of the experience gained by the employees of the county committees in meeting and dealing with the public and administering Government programs is transferable not simply to USDA but to any Government agency. Therefore, I firmly believe that former county employees should receive the same Federal benefits regardless of which Federal department employs them and I respectfully request that my colleagues give serious consideration to this proposal.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., June 1, 1977.

HON. GLADYS NOON SPELLMAN,
Chairperson,
Compensation and Employee Benefits Subcommittee.

REPRESENTATIVE SPELLMAN AND SUBCOMMITTEE MEMBERS: I very much appreciate the opportunity to submit to this statement in support of H.R. 3139. Introduced by Congressman Bill Clay, this bill would amend Title 5 of the U.S. Code by extending certain benefits to employees of county ASCS committees established pursuant to Section 8(b) of the Soil Conservation and Domestic Allotment Act.

I believe the employees are entitled to the benefits proposed under this bill and am confident that the new procedure would save the government a considerable amount of money by permitting experienced and capable employees to transfer to other agencies without loss of the benefits accrued under ASCS.

In my experience, I have found ASCS employees generally to be efficient, dedicated servants of the rural people. They perform a great service under sometimes difficult circumstances. I would urge the subcommittee to favorably consider H.R. 3139.

Sincerely,

STEPHEN L. NEAL,
U.S. Congressman.

STATEMENT OF HON. GEORGE M. O'BRIEN, A REPRESENTATIVE IN CONGRESS
FROM THE STATE OF ILLINOIS

Mrs. Spellman, I would like to lend my full support to H.R. 3139, which your subcommittee is now considering. I have sponsored a similar bill, H.R. 4965, which would amend Title 5 of the U.S. Code to allow employees of the Agricultural Stabilization and Conservation Service to transfer accrued benefits to new jobs within the federal government.

ASCS employees number about 8,500 nationwide and are officials of the federal government who are elected by local county boards. Although they are not civil servants, their jobs are graded and salaried under a system equivalent to the Civil Service system. Until the 90th Congress, ASCS employees could not carry their earned benefits to employment in any branch of the government, but the 90th Congress allowed for these employees to transfer their benefits to new positions within the Agriculture Department.

The legislation now under consideration would extend the transferable benefits to all other federal departments and agencies. Because ASCS employees are, indeed, employees of the federal government, I think it is only fair that they be able to retain benefits which they have earned, during the course of their employment, when they become positioned in a different department of agency.

STATEMENT OF HON. JOHN SLACK, A REPRESENTATIVE IN CONGRESS FROM
THE STATE OF WEST VIRGINIA

Madam Chairman, I appreciate the opportunity to come before this subcommittee today in support of H.R. 3139 which would, if enacted, extend certain benefits to former employees of the Agricultural Stabilization and Conservation Service county committees which were established pursuant to section 8(b) of the Soil Conservation and Domestic Allotment Act.

In some 2800 agricultural counties throughout the country, there are approximately 8600 ASCS employees who are not Federal employees but who contribute to the civil service retirement fund. In addition, these people are subject to regulations issued by the Secretary of Agriculture which govern such aspects of their employment as job classifications and rates of pay.

Presently, ASCS employees who wish to accept employment in the various departments of the executive branch cannot transfer to their new jobs certain accrued benefits such as annual and sick leave and highest previous salary rate determinations yet, as I have said, these employees contribute to the civil service retirement system and are subject to certain Federal regulations.

On a day-to-day basis Madam Chairman, these individuals administer such agricultural activities as commodity, resource protection and farm income programs. In the course of their work, they make a substantial contribution to the agriculture regions of this country and the people who farm these regions. Knowing the value of these contributions to people of my congressional district and those of other members, I urge the subcommittee to give this legislation every possible consideration.

Thank you.

STATEMENT OF HON. CHARLES THONE, A REPRESENTATIVE IN CONGRESS FROM
THE STATE OF NEBRASKA

Madame Chairman and Members of the Subcommittee; thank you for giving me the opportunity to express my interest in H.R. 3139 which is similar to H.R. 3830 which I introduced on February 22, 1977. This legislation would enable employees of county ASC Committees to transfer benefits to any civil service position rather than just the Department of Agriculture. This legislation provides for the transfer of annual and sick leave, for the crediting of service for leave earning and reduction in force purposes and for highest previous rate salary determination.

It would be my observation that these employees are as "federal" in their service as any other employees working for Uncle Sam and should receive the same recognition. If they are recognized for benefits within the Department of Agriculture, why not in other federal agencies.

Since there is little if any costs involved I see no reason to deny the transfer of these previously earned benefits for such a dedicated group of employees.

I am aware that there is a feeling that this legislation would set a precedent or provide preferential treatment, but I cannot agree with such thinking. These folks have served the rural areas of this Nation with great distinction, and we should correct the mistake made many years ago when it was decided to have these employees perform federal service under a different set of guidelines.

I would ask this Subcommittee to take early action to pass this legislation.

U.S. CIVIL SERVICE COMMISSION,
Washington, D.C., May 31, 1977.

Hon. ROBERT N. C. NIX,
Chairman, Committee on Post Office and Civil Service,
House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: This is in further reply to your request for the Commission's views on H.R. 2356, a bill "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." This report also applies to H.R. 3139, an identical bill.

The Commission recommends against enactment of these bills.

The purpose of H.R. 2356 and H.R. 3139 is to broaden the applicability of existing special benefits originally provided by Public Law 90-367, for former employees of county offices of the locally-elected, non-Federal Agricultural Stabilization and Conservation Committees who are appointed to positions in the Federal Government. These special benefits include certain preferential treatment in setting pay upon appointment, transfer of accumulated sick and annual leave, receiving full credit for prior non-Federal county service in determining the rate of annual leave accrual and for reduction-in-force purposes. The extraordinary benefits, recognizing non-Federal service, now apply only when these former county committee employees are appointed in the Department of Agriculture. H.R. 2356 and H.R. 3139 would extend such credit to their employment in any Federal agency. This would impose substantial unwarranted costs and result in considerable inequities as compared to benefits provided other employees brought into Federal service. It would also afford special advantages over those who have been career Federal employees, for example in a reduction-in-force. It would result in particularly serious inequities with respect to the earning of annual leave, inequities which would be a source of continuing dissatisfaction on the part of those employees whose prior non-Federal employment cannot be credited for leave purposes.

The intent of Congress on passing Public Law 90-367, permitting service credit for such purposes as setting pay and leave earning rates, was to strictly limit the provisions of that law to employment in the Department of Agriculture. Approximately 250 ASCS county employees have obtained employment with the Department of Agriculture since enactment of Public Law 90-367 in 1968. During this same period, it is estimated that 75-125 county ASCS employees obtained other Federal jobs. The purpose of that legislation was to assist that department in its recruitment of experienced, will-qualified persons serving in the Agricultural Stabilization and Conservation Committees' county offices, and it was justified on the grounds it would have no adverse effect on any other department or agency of the government, inasmuch as such agencies had no such recruitment requirements. H.R. 2356 and H.R. 3139 would be directly contrary to the express purposes of the earlier law.

The Civil Service Commission has opposed prior legislative proposals similar to H.R. 2356 and H.R. 3139, because they would have accorded preferential treatment not generally available to any other group. Because H.R. 2356 and H.R. 3139 would make the special treatment afforded former county committee employees generally applicable to their employment throughout the Federal service, its enactment in our view would open the way for other non-Federal personnel working in programs interrelated to Federal programs, or in Federally assisted programs, to claim similar benefits.

For the foregoing reasons, the Civil Service Commission strongly opposes passage of H.R. 2356 and H.R. 3139.

The Office of Management and 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,

ALAN K. CAMPBELL,
Chairman.

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C. June 1, 1977.

Hon. ROBERT N. C. NIX,
Chairman, Committee on Post Office and Civil Service,
Cannon House Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: This is in reply to the Committee's request for the views of this Office on H.R. 2356, "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."

The purpose of this bill is to broaden the coverage of the unique service-credit benefits P.L. 90-367 now provides former employees of county committees of the Agricultural Stabilization and Conservation Service who subsequently become employees of the Department of Agriculture. Under H.R. 2356 former ASCS county employees later employed by any Federal agency, not just the Department, would be entitled to longevity credit for non-Federal ASCS service in determining their basic pay, annual leave accrual rate and retention standing in reductions-in-force.

In its report, the Civil Service Commission states a number of reasons for strongly opposing enactment of this bill. The Commission notes that it would afford former ASCS employees special advantages over career Federal employees in reductions-in-force, and result in serious inequities in the earning of annual leave. We concur. It would be manifestly illogical and unfair to career employees in non-USDA agencies to allow others preferential treatment based on ASCS service with unique ties only to the Department of Agriculture. It was that Department's special recruitment needs for ASCS-experienced personnel which was the basis for P.L. 90-367. No such basis exists with respect to other departments and agencies.

Accordingly, for the reasons stated above and in the report of the Civil Service Commission, we strongly oppose enactment of H.R. 2356.

Sincerely,

JAMES M. FREY,
Assistant Director for Legislative Reference.

95TH CONGRESS
1ST SESSION

H. R. 3139

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 7, 1977

Mr. CLAY introduced the following bill; which was referred to the Committee on Post Office and Civil Service

A BILL

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 (a) section 5334(f) of title 5, United States Code, is amended by striking out "under the Department of Agriculture".

(b) The first sentence of section 6312 of title 5, United States Code, is amended by striking out "in the case of any officer or employee in or under the Department of Agriculture".

(c) Section 3502(a)(C) of title 5, United States Code, is amended by striking out "who is an employee in or under the Department of Agriculture".

SEC. 2. The amendments made by the first section of this Act shall take effect on the date of the enactment of this Act.

STATEMENT BY WAYNE K. TAYLOR, PRESIDENT, NATIONAL ASSOCIATION OF AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE, COUNTY OFFICE EMPLOYEES

I am Wayne K. Taylor, Muskegon County ASCS Executive Director, Muskegon Michigan and President of the National Association of ASCS County Employees.

The National Association of Agricultural Stabilization and Conservation Service Employees, commonly called NASCOE, is a voluntary organization of County ASCS employees—hereinafter referred to as County ASCS employees.

Approximately 96 percent of the more than 8,000 County ASCS employees from every Agricultural County of the nation are member of NASCOE. Each state has a state organization of County ASCS employees which is affiliated with NASCOE and has two members on NASCOE'S Board of Directors. The sole purpose of this organization is to promote the welfare of ASCS employees. NASCOE has national officers and an executive committee representing five geographic areas of the United States.

County ASCS Employees are employed by County ASC Committees established pursuant to Section 8(b) of the Soil and Domestic Allotment Act (as amended).

ASC Committees and their staffs administer Federal programs assigned to them by the Congress, Secretary of Agriculture, Executive Order, etc. Programs administered include but are not limited to: Marketing Quotas (tobacco and peanuts); Price Support; Cropland Adjustment; Wool Incentives; Agricultural Conservation; Forestry Incentives; Bee and Dairy Indemnity; Feed Grain, Wheat; and Cotton, including disaster provisions, etc.; as well as assisting other agencies upon specific request such as Bureau of Census and Federal Crop Insurance Corporation.

NASCOE supports legislation to amend Title 5, United States Code, to provide for grade retention benefits for employees whose positions are reduced in grade. We believe that even though a position classification may downgrade a given position, that the employee should be permitted to retain his grade and salary as long as he or she remains on the job.

Morale among dedicated workers can be shattered if downgrading occurs without some sort of protection. A downgrading can seriously affect an employee's career by setting him back in both rank and salary. Without full protection for the innocent employee who is performing a capable, competent job, downgrading can only weaken the merit and career system of our government employees.

Several reorganizations of major Federal Departments have been proposed as part of a program to streamline our Government and have it operate at peak efficiency. This is all well and good. However, we hope it will not permit hard working and dedicated employees to become pawns in such reorganization.

The opportunity to present this statement is appreciated by our organization and the County ASCS Employees it represents across this great Nation of ours.

