

**STATEMENT OF THE HONORABLE DANNY K. DAVIS
AT THE SUBCOMMITTEE ON CIVIL SERVICE
AND AGENCY ORGANIZATION
HEARING ON
ESPIRIT DE CORPS: RECRUITING AND RETAINING AMERICA'S
BEST FOR THE FEDERAL CIVIL SERVICE
February 11, 2004**

Chairwoman Davis, I look forward to working with you this session as we work to support and strengthen the civil service.

Given the increased demand by federal agencies and some Members of Congress for human capital flexibilities in the civil service system, I am not surprised that the first hearing of this session is to consider legislation that would give federal agencies flexibilities for recruitment and retention bonuses, relocation allowances, personnel management demonstration projects, training, and direct hire authority.

This hearing is timely. Last week we began to see the results of granting federal agencies human capital flexibilities that **do not** address the problems the flexibilities portend to correct.

The Federal Aviation Administration (FAA) received exemptions from Title V in 1995 so it could establish its own personnel system. Though the 1995 legislation initially exempted FAA from Chapter 71 of Title V, which sets forth the rules for collective bargaining and labor management relations, in 1995, Congress restored FAA's coverage under Chapter 71.

For reasons my staff is researching and trying to comprehend, Congress also created a separate bargaining procedure whereby if FAA labor and management reach an impasse in their negotiations, the matters being negotiated must be transmitted to Congress for a final determination. Last month, FAA transmitted their unresolved labor-management issues to Congress. If Congress does not act within 60 days, management's proposal for its personnel system is implemented.

Members of Congress and staff must get into the minutiae of a labor-management agreement and do so within 60 days or management automatically gets what it wants. This process clearly creates more problems than it solves.

Last year, Congressional Democrats and employee organizations saw the *wolf in sheep's clothing* and fought the human capital provisions in the Department of Defense (DOD) Reauthorization bill but to no avail. Last week, DOD briefed our staff on their draft proposal for its new personnel system. It was an outrage.

Under the draft proposal, DOD employees could still join unions, but under a new “fee-for-service” arrangement. Employees would pay a fee to contract with union representation. DOD argued it needed broad exemptions from existing personnel laws for “national security” reasons. What impact does union dues have on national security? The proposal also calls for excluding additional groups of employees from collective bargaining. No reasonable explanation was given for the exclusions.

Granting federal agencies flexibilities that **do not** address well-documented problems or are not clear solutions to these problems is a disservice to federal employees and the taxpayers.

We can and should do better by federal employees who have devoted their lives to serving the American public.