

EYES ONLY

DD/A Registry
The Personnel-17

OGC HAS REVIEWED.

OLC 76-1313
6 May 1976

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| DD/A Registry |
| 76 - 2319 |

MEMORANDUM FOR THE RECORD

SUBJECT: Status of CIARDS Amendments

1. On Friday, 7 May a clean bill with technical amendments to conform to the requirements of the new Budget Act will be introduced.
2. The bill has been calendared for full Committee consideration on Thursday, 13 May and if reported out on that date will meet the deadline of 15 May set for such legislation by the new Budget Act.
3. If the bill is taken up on 13 May, Congressman Stratton will move an amendment along the lines of requiring a certification by the Director upon retirement of an individual, that the individual's services are no longer needed. In light of this known move by Mr. Stratton, the Committee staff is drafting such an amendment and the Committee has given us an opportunity to suggest language which we may prefer and listing the reasons why any such amendment should be opposed.

OPTIONS

- a. We can ask that the bill not be considered on the 13th. Although the bill has already been calendared by the Committee, we have been assured that Chairman Hebert would remove it from the calendar if this is our wish and that in such a situation, Mr. Stratton would not thereafter move that the Committee consider it.
- b. We can fight the amendment in the Committee but even if we win there is no guarantee that Mr. Stratton would not move his amendment on the floor of the House with the attendant higher profile accorded floor action.

EYES ONLY

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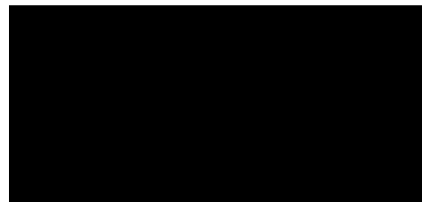
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c. Even if the amendment is approved by the Committee, it is possible that we can convince the Senate Committee of its deleterious affect and if the amendment is not approved in the Senate version of the bill, the matter would be left for the Conference Committee to resolve.

d. Brief the Director on the adverse impact of an amendment along the lines which Mr. Stratton proposes so that he could meet with Mr. Stratton before the critical date of 13 May, in an attempt to satisfy his concerns.

ACTION

- a. OLC and OGC -- Draft a fallback amendment.
- b. Personnel -- Draft a paper listing the key arguments against such an amendment.
- c. Early next week, preferably Monday, arrange session with Director and appropriate principals to arrive at a course of action.



Deputy Legislative Counsel

STATINTL

cc:
DCI
~~DDA~~
DD/OP
Acting/GC

EYES ONLY

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Impact of Congressman Stratton's
Proposed Amendment to CIARDS

Mr. Stratton's amendment would require the DCI to certify that an employee's service is no longer needed or that his usefulness has ended before retirement can be allowed under CIARDS.

This proposal - a drastic change to existing law - would have a serious impact on the Agency, its management of personnel and operations, and on CIARDS participants themselves.

1. Breaks faith with those employees who have earned - by special service - preferential retirement benefits over Civil Service Retirement, and have planned accordingly.
 - Many employees have earned CIARDS by serving in hazardous assignments, or suffered hardships at overseas posts, or committed their careers to specialized service, e.g., non-official cover.
 - Many of these employees willingly performed or even volunteered for such service because they knew they would earn special retirement benefits.
 - It would be an injustice to taint these employees with the label proposed. Even though their usefulness has not ended, these employees have earned the right to preferential benefits and should be allowed to retire voluntarily.
2. The amendment comes at a time when the Agency has suffered through the investigations and would demoralize the very group of employees for whom CIARDS was sought and enacted.
3. One basis for CIARDS was to recognize hardship or uniqueness of overseas service. These have increased even more because of disclosure of names of our overseas employees and the increasing threat of international terrorism.
4. We are finding it increasingly difficult to man certain overseas posts with essential skills, e.g., communicators. CIARDS has been used effectively as an incentive for overseas service. The situation would worsen without the CIARDS incentive.

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5. Original legislation was also sought as a management tool. By providing for early retirement, the Agency can maintain a young, dynamic and responsive work force in certain occupational categories in recognition of the demands placed on this group of employees.
 - The proposed amendment would reverse the current trend - reduction in the age of certain groups of employees - and will result in an aging of the group.
 - Longer tenure will create a "hump" and will frustrate management efforts to bring in younger employees at the entry level - an objective which is vital to the future effectiveness of the Agency.
 - It may be necessary to institute reductions-in-force, forcing the Agency to retire involuntarily groups of employees who are eligible to retire voluntarily without the onus and disgrace of being fired.
6. If Mr. Stratton's amendment is passed by the House, it obviously will become public knowledge. The action will send shock waves through the group of employees now eligible for voluntary retirement under existing law. Rather than run the risk that the Senate will not adopt the amendment, many eligible employees might decide to retire now. Many of them represent hard-to-get types or are serving in specialties requiring years of experience and training. Massive retirements within the group of current eligibles would cripple ongoing operations since replacements are not readily available, e.g., communicators, security types, case officers, NOC's, etc.

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Sec. 233. Any participant in the system who is at least fifty years of age and has rendered twenty years of service may on his own application and with the consent of the Director be retired from the Agency and receive benefits in accordance with the provisions of section 221 provided he has not less than ten years of service with the Agency of which at least five shall have been qualifying service; and provided further that consent shall not be granted if there is a need for the participant's continued service in a field which requires performance of qualifying service.

SENDER WILL CHECK CLASSIFICATION TOP AND BOTTOM

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OFFICIAL ROUTING SLIP

| TO | NAME AND ADDRESS | DATE | INITIALS |
|----|------------------------------------|------|----------|
| 1 | Deputy Director for Administration | | |
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Remarks:

Per our telecon this afternoon, Ben drafted the attached comments on the Stratton amendment. The original of the attached is with OLC.

FOLD HERE TO RETURN TO SENDER

| | |
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| FROM: NAME, ADDRESS AND PHONE NO. | DATE |
| Director of Personnel | 7 MAY 1976 |

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STATINTL

DD/Pers [REDACTED]:bkf
(7 May 1976)

Impact of Mr. Stratton's Amendment to CIARDS:

1. Breaks faith with employees who have earned, by special service, preferential retirement benefits over Civil Service Retirement.
2. Comes at a time when Agency has suffered through investigations and would demoralize the very group of employees the law was specifically intended to cover.
3. We are finding it increasingly difficult to man overseas posts with certain essential skills. Prospect of CIARDS has eased this difficulty. Would become serious management problem if ground rules are changed.
4. One basis for original legislation was to recognize hardships at overseas posts. Those have increased even more with the disclosure of names of overseas employees and an increase in international terrorism.
5. Original legislation was also sought as a management tool so that by providing early retirement, the service

could be maintained at a young, dynamic and responsive age level in view of demands placed on these personnel.

6. It would be unfair to taint these employees with requirement that the DCI find their services are no longer needed or that the Agency has no further need for them.