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ity. They are the ones who are losing. Is not that true?

Mr. BUSH. The Senator is absolutely correct.

Mr. MARTIN. Is it not also true that the businessman who wants to speculate is the man who wins by inflation?

Mr. BUSH. Mr. President, the inflationary times through which we have passed have been wonderful for the speculators. They have done well. I suspect that that fact has been partly responsible for the reluctance of some very wealthy people and speculators to fight inflation, because they have done very well under it. At some future time I should like to develop that point, because as I have often said, under inflation the rich become richer and the poor become poorer. Under inflation the value of the things one owns goes up, whereas the man who does not own any property does not enjoy the benefit of increase in value. However, the cost of living goes up, and his income remains the same. Moreover, as the value of the property, securities, or real estate which the individual owns goes up, his income from such property also goes up, and he is far better off under a 5 or 10 percent inflation than is the poor fellow who owns no property, and who is lucky if he obtains a raise after the inflation. That is why the rich become richer and the poor become poorer.

Mr. MARTIN. Mr. President, I sincerely trust that at sometime in the very near future, the distinguished and able Senator from Connecticut will develop the subject upon which he has just spoken. It is essential for the people of the United States to understand that we cannot remain solvent unless our dollar is sound.

If the Senator will permit me, I should like to give an illustration of what inflation means. A farmer in my own county came to me not long ago and said, "I should like to give you an illustration of what inflation has done to me. Ten years ago I bought \$1,000 worth of savings bonds. The other day I cashed them and got my \$1,000. They cost me \$750. At the time I bought those savings bonds I could have bought a Ford car or a Chevrolet car. However, now, with my \$1,000 I could not buy half a car."

Does not the Senator agree that that is a very good illustration of the situation?

Mr. BUSH. It is a very good illustration. An additional factor is that he was supposed to be getting a return on his money. However, the inflation was so great that the return withered with the capital. The Senator is absolutely correct. I am most grateful for his assistance.

Mr. President, I yield the floor unless there are some questions.

Mr. CARLSON obtained the floor.

Mr. BRICKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. Cooper in the chair). Does the Senator from Kansas yield for that purpose?

Mr. CARLSON. I yield.

Mr. BRICKER. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BRICKER. Mr. President, I ask unanimous consent that the order for a quorum call be rescinded and that further proceedings under the call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXEMPTION FROM ANNUAL AND SICK LEAVE ACT OF CERTAIN OFFICERS IN THE EXECUTIVE BRANCH

The Senate resumed the consideration of the bill (H. R. 4654) to provide for the exemption from the Annual and Sick Leave Act of 1951 of certain officers in the executive branch of the Government, and for other purposes.

Mr. CARLSON. Mr. President, the purpose of House bill 4654 is to settle a number of issues relating to the annual leave rights of and lump-sum payments for unused annual leave to employees in the executive branch of the Government. The bill deals not only with certain matters that have caused many of us great concern during recent weeks but, in addition, it contains provisions that will enable the heads of departments and agencies to adopt more economical and efficient practices in the scheduling of work assignments and vacation periods throughout the Federal service.

The bill accomplishes the following major objectives:

First. It removes high officials in the executive branch of the Government from the leave system applicable to Federal employees generally.

Second. It ends the granting of lump-sum payments to such exempted officials covering periods of service in the future.

Third. It settles two basic questions: First, which officers are entitled to the compensation attached to their office by virtue of their status as officers and, second, which officers are required to conform to the regular statutes and regulations governing hours of work and leaves of absence.

Fourth. It restores the annual leave accumulation provisions of the 1951 Leave Act by repealing section 401 of the Independent Offices Appropriation Act, 1953—Public Law 455, 82d Congress.

Mr. President, I desire at this time to explain in some little detail the background and importance of each of the four major objectives of this bill.

First, the removal of certain high officials from the leave system applicable to Federal employees generally.

The granting of leave of absence with pay to employees of the Government goes back to the act of March 3, 1893. From then until the act of March 14, 1936, with the exception of a temporary economy act, the statutes provided in substance that the head of a department might grant 30 days' annual leave with pay to each clerk or employee.

It was not until the act of 1936 that the right of officers, as distinguished from employees, to earn and accrue an-

nual leave was established. The 1936 act, in pertinent part, provided that—

All civilian officers and employees of the United States wherever stationed and of the District of Columbia, regardless of their tenure, in addition to any accrued leave, shall be entitled to 26 days' annual leave with pay each calendar year, exclusive of Sundays and holidays.

Subsequent to enactment of the 1936 act, the Comptroller General was asked for a decision as to whether the act was applicable to the Administrator, Wage and Hour Division, Department of Labor, who had been appointed by the President with the advice and consent of the Senate.

The Comptroller General on the basis of the language of the act and in the absence of any indication in the legislative history of the act that it was not intended to apply to cabinet officers, agency heads, or other appointive officials held in a decision rendered on November 14, 1939, that the official in question, being a civilian official of the United States and not expressly excepted from the terms of the statute, was entitled to annual leave with pay under the terms of the 1936 act.

Although under this act civilian officers and employees were entitled to earn and accrue unused leave, upon the termination of their services the accrued leave to the credit of such officials and employees could not be liquidated in a lump sum. Consequently, such officials and employees were carried on the payroll in a leave status until the expiration of their accrued leave and then terminated.

By the act of December 21, 1944, Congress provided for the liquidation of accumulated and accrued annual leave due an officer or employee upon separation from the service in a lump sum.

The reason for the enactment of the 1944 act as set forth in reports of the committees on civil service of the Senate and House are, in part, as follows:

The purpose of this bill is to authorize a lump-sum payment for accumulated annual or vacation leave due any officer or employee of the Government when separated from the Government (or in the event of death).

At the present time there is no authority in law to pay an employee in money for such leave as may be due him upon separation from the service. In order to receive the benefits of accumulated leave prior to separation from the service, the date of separation must be fixed at the expiration of such leave. Employees who are to be separated from the service therefore, must be carried on the payroll as nominal employees until they have received salary for the period covered by the accumulated leave.

The reports of the Senate and House Committees on Civil Service in connection with the 1944 Lump-Sum Act then state:

This bill would provide many benefits such as the problem of dual compensation; stop service credit on the last day of active duty; permit immediate recruitment of a successor to a separated employee; would make fund available to employees leaving the services after the war enabling them to return to their homes; would simplify and expedite clearance of records in closing out installations; would eliminate considerable

paperwork for payroll sections, and would save expenses to the Government.

After the 1944 act became law, the Comptroller General, in response to a question raised by the Federal Communications Commission with regard to the leave rights of a Commissioner, held as follows:

The Annual Leave Act of March 14, 1936, is applicable to all civilian officers and employees of the United States, with certain exceptions not here material. Also, the act of December 21, 1944, is applicable to any civilian officer or employee of the United States who is entitled to receive leave of absence with pay. Therefore, a Commissioner of the Federal Communications Commission, who is a civilian officer of the United States, clearly comes within the purview of both statutes.

In 1951 the leave laws applicable to civilian officers and employees were revised by enactment of the Annual and Sick Leave Act of 1951.

The provisions of the 1951 act, like the provisions of the 1936 Leave Act and the 1944 Lump-Sum Act, apply to Cabinet members, agency heads, and other officials as well as employees.

That, in brief, is the history of the leave and lump-sum rights of civilian officers and employees in the Federal service.

The disclosure recently that 215 high officials of the Government who left the service during the period November 1, 1952, to February 15, 1953, received lump-sum payments aggregating over \$700,000 on account of annual leave remaining to their credit indicated the need for reconsideration of the issues involved.

The Committee on Post Office and Civil Service, of which I have the honor to be chairman, is unanimous of the view that a formal leave system and the right to lump-sum payments on account of any unused leave growing out of such a system is not appropriate in the case of top-ranking officials in the Government. This conclusion is based on the premise that such officials can never divest themselves of their responsibilities even during periods of vacation or illness. In effect such officials are on duty at all times; thus, it is absurd, in the case of these officials, to pretend that attendance and leave records can be maintained and then allow them lump-sum payments for unused annual leave remaining to their credit when they leave such positions.

As indicated earlier this bill has four major objectives, the first of which is the removal of certain high officials from the leave system applicable to Federal employees generally.

Section 1 of the bill accomplishes this objective by removing from the Sick and Annual Leave Act of 1951, the following:

First. All Presidential appointees in the executive branch whose ratio of basic compensation exceeds the maximum of grade GS-18—presently \$14,800.

Second. All chiefs of mission in the Foreign Service and officers of similar rank in other agencies who are paid in accordance with the provisions of section 411 of the Foreign Service Act of 1946—\$15,000 to \$25,000 a year.

Third. Other officers that may be specifically designated by the President except postmasters, United States attorneys, or United States marshals.

There are approximately 225 Presidential appointees who will be exempted from the 1951 Leave Act under the first provision referred to above. There are between 70 and 80 chiefs of mission in the Foreign Service and between 15 and 25 comparable rank officers in other agencies—principally in the Mutual Security Administration—who will be exempted from the leave act under the second provision. Under the third provision the President has the authority—except with respect to postmasters, United States attorneys, and United States marshals—to remove from the 1951 Leave Act such other officers as he may designate. It has been indicated by the Chairman of the Civil Service Commission speaking on behalf of the President that a permissive provision of this kind is advisable and necessary to bring about the exclusion of officials comparable to those specifically exempted such as the Treasurer of the United States, the civilian Commissioners of the District of Columbia, etc. It is estimated that the number of officers designated by the President will number less than a hundred. Thus, in total, the bill removes the 400 to 500 top officials of the Government from the leave act.

As indicated, the second major objective of the bill is to end the entitlement of high officials to lump-sum payments covering periods of service in the future.

This objective is accomplished by exempting such officials from coverage under the 1951 Leave Act. By terminating their right to annual leave, they automatically lose any rights to lump-sum payments covering periods of future service.

The third major objective of the bill is the settlement of two basic questions: First, which officers are entitled to the compensation attached to their office by virtue of their status as officers. Second, which officers are required to conform to the regular statutes and regulations governing hours of work and leaves of absence.

Section 1 of the bill settles both of these questions. Officers who are exempted from the act would retain their present right to absent themselves from duty as they see fit but they would lose the present unwarranted added right to leave benefits and lump-sum payments. On the other hand, officers who are not exempted from the Leave Act would lose their freedom with respect to hours of work but would retain their statutory rights to annual leave and lump-sum payments for any such unused leave upon separation from the service.

The fourth and final major objective of the bill is the restoration of the leave accumulation provisions of the 1951 Leave Act. Those provisions permit a maximum accumulation of 60 days' annual leave by employees in the United States and 90 days by overseas employees with minor exceptions.

The committee firmly believes that as a general rule, agencies should restrict

the accumulation of annual leave by seeing to it that employees take regularly scheduled vacations. However, a reasonable amount of flexibility in the use and accumulation of annual leave is desirable for a number of reasons:

First. The committee is convinced, on the basis of testimony by the Civil Service Commission, the Bureau of the Budget, the General Accounting Office, and others, that the restriction on accumulations of annual leave is costly and unduly burdensome to administer. It is costly because (a) under certain circumstances when employees are forced to take time off or lose certain benefits to which they are entitled their work is done by others on an overtime basis, at overtime rates of pay; (b) it is necessary for agencies to maintain dual records on each employee which increases overhead; (c) its effect is reflected in higher turnover and lower employee morale.

Second. During emergencies or periods it may be advantageous to Government to restrict the use of leave on a partial or total basis within an agency or even throughout the Federal service as a whole. Under these conditions, if leave cannot be accumulated, administrative officials must either force employees to lose earned leave or must grant leave, which results in loss of production, and may require work by other employees at overtime rates of pay.

Third. Employees earn only 13 days annual leave during each of the first 3 years of their employment. During the 4th through the 15th years, they earn 20 days per year, and thereafter 26 days per year. Not all of this time is available for vacation purposes, for the reason that every absence from duty for any reason is charged to the employee's leave account. As a result many employees, particularly the newer ones, find it difficult and financially prohibitive to return to their homes for their vacations. The amount of annual leave earned remaining to their credit during any given year.

Fourth. Federal employees, unlike most employees in private employment, are not covered by the Federal unemployment-insurance program. The only financial protection against unemployment Federal employees have is the accumulated annual leave standing to their credit.

Fifth. The June 30 deadline date in the Thomas amendment precedes the normal summer vacation period. Thus, to avoid the forfeiture of earned leave, employees are compelled to schedule vacations at a time that is disadvantageous to the agency where they are employed because it causes an excess of leave-taking during the closing weeks of the fiscal year, when the workload is often at its peak.

Sixth. Another factor, and one not without considerable significance, is the 1951 Leave Act itself. This act has been in effect only a little over a year—since January 6, 1952, to be specific. Under its terms the vast majority of Federal employees received a drastic cut-back in the amount of annual and sick leave earned each year. Sick leave was cut

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from 15 to 13 days a year. Annual leave was reduced as follows:

(a) Employees appointed for less than 90 days, reduced from 2½ days a month to no leave at all.

(b) Employees with less than 3 years service, reduced from 26 days to 13 days a year.

(c) Employees with 3 but less than 15 years' service, reduced from 26 days to 20 days a year.

(d) Employees with over 15 years' service—no change.

These cuts as voted by the Senate in 1951, reduced the leave earnings of the 2¼ million Federal employees by 15,630,000 days, having a salary value of over \$275 million. Worded in another way, Federal employees were required to work 15 million days more, under the 1951 Leave Act, than they would have worked, had that act not been enacted. That measure was passed by the Senate the House of Representatives. I urged the Senate and the country to know that because of that Leave Act, the employees contributed \$275 million worth of work the Government would not have received if that act had not been changed by Congress.

The Post Office and Civil Service Committee believes that the reduced rate of leave earnings under the 1951 Leave Act is fair both to the employees and to the Government. It does believe, however, that a further restriction, such as that provided in the Thomas amendment, is neither necessary nor advisable.

In summary, on this point, repeal of section 401 of the Independent Offices Appropriation Act, 1953, and restoration of the accumulation provisions of the Annual and Sick Leave Act of 1951 would (a) enable agencies to adopt more efficient work schedules and economical practices in the granting of leaves of absence, (b) enable employees to take annual vacations during the normal season, (c) enable employees to establish a small amount of self-provided protection in the event of sudden unemployment through no fault of their own.

In connection with the four major objectives I have covered, the bill contains the following necessary technical provisions to assure that they are carried out as intended:

Subsection (s) of section 1 enables the President to authorize leaves of absence to chiefs of mission in the foreign service and comparable officers for use in the United States, its Territories and possessions. Under the 1951 Leave Act, such officers receive, in addition to annual and sick leave, home leave at the rate of 1 week for each 4 months' service abroad. Such home leave is not in the same category as annual leave, in that it must be used for that purpose only either during one or between two assignments abroad, and when it is not used, it cannot serve as the basis for any lump-sum payment. When such officers are removed from the 1951 Leave Act, they will lose their entitlement not only to annual and sick leave, but also to home leave. It is not necessary to provide them with annual and sick leave, because as officers they have free-

dom to absent themselves from duty. It is necessary, however, to provide statutory leaves of absence for use in the United States, its Territories and possessions, so that their travel cost can continue to be paid in the future, as at present.

Section 2 of the bill suspends the entitlement of officers taken out from under the 1951 Leave Act, as a result of enactment of the bill, to liquidation, by lump-sum payment at the time of or during their exemption from the act, of any leave to which they are entitled immediately prior to their exemption.

Such leave will remain frozen to the credit of the officer until first, he is separated from the service, in which case it will be liquidated at the rate of compensation he was receiving at the time of his exemption from the Leave Act; or second, he transfers to a position subject to the Leave Act, in which case it will be recredited to him.

Finally, the bill contains a perfecting change to the Annual and Sick Leave Act of 1951.

The 1951 Leave Act provides that employees may not have more than specified amounts of annual leave to their credit at the end of the last pay period occurring in the year. The end of the last pay period may occur on any date from December 20—as happened last year—to the end of the month. When it occurs before Christmas, some employees are forced to forfeit leave they might otherwise use over the Christmas and New Year's holidays. This can be overcome by correcting the 1951 Leave Act to provide that employees may not have more than specified amounts of annual leave to their credit at the beginning of the first pay period occurring in the year. This management of the leave year will permit the use of unused accrued leave over the holidays, while maintaining the advantages of pay-period accounting.

The committee believes that enactment of the bill as reported is highly desirable in the interest of economy and good management.

Mr. President, I sincerely hope the bill will be passed.

My colleagues will notice that various amendments are submitted to the bill, which is a House measure, and deals with only one subject. In the amendments we provide for the various changes.

So, Mr. President, I urge the passage of the bill.

Mr. WILLIAMS. Mr. President, will the Senator from Kansas yield?

Mr. CARLSON. I am glad to yield.

Mr. WILLIAMS. Is there in the bill any provision to prohibit the so-called firing-and-rehiring racket which was recently exposed—a plan whereby employees were being separated from the service and were paid for their annual leave, and then were being immediately reemployed, without forfeiting their annual leave?

Mr. CARLSON. Yes; there is. We think we have in the bill adequate provisions on that point, and we also feel that the General Accounting Office has made some very definite rulings on this particular phase of the matter. The dis-

tinguished junior Senator from South Carolina [Mr. JOHNSTON], the former chairman of the Post Office and Civil Service Committee, placed in the Record earlier this year, I believe, some correspondence he had on that subject with the General Accounting Office.

As a committee, we felt that the matter was well taken care of.

Mr. WILLIAMS. Mr. President, will the Senator from Kansas yield further?

Mr. CARLSON. I yield.

Mr. WILLIAMS. No doubt the Senator from Kansas is familiar with the amendment I offered a few days ago to one of the appropriation bills. That amendment provided that in the event an employee was separated from the service and received a lump-sum payment for his annual leave, and then was reemployed before the period covered by his annual leave had expired, he would be required to pay into the Treasury an amount equal to the unexpired portion of his annual leave.

Would the chairman of the committee accept an amendment which would prohibit that practice? I do not believe it is fully corrected in the bill as it now stands. I am sure the committee agrees with me that Congress never intended to endorse this practice when we passed the original law.

Mr. CARLSON. Our committee discussed that matter at some length. Personally, I am in accord with what the Senator from Delaware desires to do. If he believes that we have not taken care of the matter in this bill—and I certainly wish to take care of it—then I would not have objection, personally, to accepting his amendment and taking it to conference, with the distinct understanding that I am not familiar with the language of the amendment, although I am familiar with the principle he is trying to apply, with which I am in accord.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator from Kansas yield to me, to permit me to ask a question of the Senator from Delaware?

Mr. CARLSON. I yield.

Mr. JOHNSTON of South Carolina. Let me ask the Senator from Delaware what the amendment will do? Will it change the amount of leave Federal employees have already accumulated?

Mr. WILLIAMS. The amendment was prepared by the Legislative Counsel, and I think it accomplishes its purpose outlined but, if in conference it is found that a rewording of the amendment is needed, I would not object.

The purpose of the amendment is that in the event individual employees or a group of employees are separated from the service and receive lump-sum payments for their annual leave, and if, for example, they had 60 days annual leave coming to them, they are reemployed by the Government within the 60-day period, then to the extent that the 60-day period had not expired, they would pay back into the Treasury the amount represented by the unexpired portion.

This will prevent a repetition of the case which occurred in the Rent Stabilization Agency, where employees were

fired wholesale on Saturday night, and were reemployed on Monday morning, but in the meantime had received lump-sum payments for their accumulated annual leave.

If my amendment is adopted, and a similar incident occurs these employees could be reemployed only after they returned to the Treasury the lump-sum payments they had received for their accumulated annual leave—which I think such employees should do.

I repeat, the amendment merely provides that employees cannot draw their annual-leave payments and keep on working for the Federal Government.

Mr. CARLSON. Mr. President, as I have stated, personally I am in accord with what the Senator from Delaware is trying to do. I have had discussions with the General Accounting Office, which, after having studied the bill, has advised me that it would be glad to write a letter to the effect that the bill does take care of the matter.

As I say, I shall be willing to take the amendment to conference, where the proposal will be worked out with the conferees.

Mr. WILLIAMS. Then, Mr. President, I send the amendment to the desk.

Mr. JOHNSTON of South Carolina. Mr. President, I should like to make a statement about the matter with which the Senator from Delaware dealt a few months ago.

I was interested in it, and I wrote to the Comptroller General of the United States, asking for a modification of the former ruling. In reply, the Comptroller General advised that, having inquired into the matter further, a ruling had been made which prohibits the very thing to which the Senator from Delaware referred a few moments ago.

Mr. WILLIAMS. I understand that is correct, but, according to my information, there is still this situation: A man can be reemployed in a different position, under a different annual-leave system. For example, if he is presently holding a position as a permanent employe, and is transferred into temporary status, he would be under a different leave system. Temporary employees have a different leave system than that of permanent employees. There is therefore a question in the minds of some of those in the Comptroller General's Office as to whether the modified rule corrects that situation. Again I say the amendment would merely accomplish what we are all trying to do, and what the Comptroller General says must be done. I think it would afford an additional safeguard.

Mr. JOHNSTON of South Carolina. I think that was true until the Comptroller General made his last ruling, which, in a way, changed his former ruling. The last ruling will, I think, take care of the situation about which the Senator from Delaware has complained. I base my statement upon the letter of the Comptroller General to me and also upon the order which he enclosed therewith.

Mr. WILLIAMS. Perhaps that is true. But if we adopt this amendment we will preclude any possible chance that

some future Comptroller General will reverse that interpretation and return to the old interpretation.

Mr. JOHNSTON of South Carolina. I agree with the Senator from Delaware about that.

Mr. CARLSON. Mr. President, would the distinguished Senator from South Carolina agree that we might take this amendment to conference?

Mr. JOHNSTON of South Carolina. I think it might be well to take it to conference. If it is found in conference that there is any question of its constitutionality—a question which might be raised by the attorneys—of course, I know that the Senator from Delaware would not further insist upon it, or would modify the amendment in order to take care of the situation.

The PRESIDING OFFICER. The clerk will state the committee amendment which is in the nature of a substitute for the bill.

The CHIEF CLERK. It is proposed to strike out all after the enacting clause and insert in lieu thereof the following:

That section 202 of the Annual and Sick Leave Act of 1951 is amended by adding a subsection (c) as follows:

"(c) (1) This title shall not apply to the following officers in the executive branch of the Government: (a) persons appointed by the President by and with the advice and consent of the Senate, or by the President alone, whose rates of basic compensation exceed the maximum rate provided in the General Schedule of the Classification Act of 1949, as amended; (b) persons who receive compensation at one of the rates authorized in section 411 of the Foreign Service Act of 1946; and (c) such other officers (except postmasters, United States attorneys, and United States marshals) as may be designated by the President. No officer in the executive branch to whom this title applies shall be deemed to be entitled to the compensation attached to his office solely by virtue of his status as an officer.

"(2) The President, in his discretion, may authorize leaves of absence to persons who are exempted from this title pursuant to subsection (c) (1) (b) for use in the United States and its Territories and possessions."

Sec. 2. (a) The accumulated and current accrued annual leave to which any officer exempted from the Annual and Sick Leave Act of 1951 as a result of the enactment of this act is entitled immediately prior to the date this act becomes applicable to him shall be liquidated by a lump-sum payment at the rate of compensation which he was receiving immediately prior to such date only upon (1) the separation of such officer from the service, (2) the death of such officer, or (3) the transfer of such officer to a position under a leave system other than the leave system provided by the Annual and Sick Leave Act of 1951.

(b) In the event any such exempted officer, without any break in the continuity of his service, again becomes subject to the Annual and Sick Leave Act of 1951 upon the completion of his service as an exempted officer, such officer shall be recredited with the unused annual and sick leave standing to his credit at the time he was exempted from the Annual and Sick Leave Act of 1951.

(c) In the event any such exempted officer is separated from the service to enter upon active service in the Armed Forces or the merchant marine of the United States, such officer shall be entitled (1) to receive compensation covering the accumulated and current accrued annual leave to which he is entitled immediately prior to the date this act becomes applicable to him, or (2)

to elect to have such leave remain to his credit until his return from active service in the Armed Forces or the merchant marine.

Sec. 3 (a) Section 203 (c) of the Annual and Sick Leave Act of 1951 (65 Stat. 679) is hereby amended by striking out the words "end of the last complete biweekly pay period" and substituting the words "beginning of the first complete biweekly pay period."

(b) Section 203 (d) of the Annual and Sick Leave Act of 1951 is hereby amended by striking out the words "end of the last complete biweekly pay period" and substituting the words "beginning of the first complete biweekly pay period."

(c) Section 208 (a) of the Annual and Sick Leave Act of 1951 is amended by striking out the words "end of the last complete biweekly pay period" and substituting the words "beginning of the first complete biweekly pay period."

Sec. 4. The foregoing provisions of this act shall take effect on the first day of the first pay period which begins after the date of enactment of this act.

Sec. 5. Section 401 of the Independent Offices Appropriation Act, 1953 (Public Law 455, 82d Cong.), is hereby repealed.

Mr. WILLIAMS. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The clerk will state the amendment of the Senator from Delaware.

The CHIEF CLERK. On page 6, after line 18, it is proposed to insert:

Sec. 4. Under no circumstances shall any sums authorized or made available by this act be used to pay any civilian officer or employee (except an officer or employee stationed outside the continental United States) for any period of terminal leave in excess of 60 days; and if such officer or employee reenters the service within a period equal to that for which he was paid terminal leave he shall be required to refund to the United States an amount covering the period of accumulated unused.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Delaware [Mr. WILLIAMS] to the committee amendment.

Mr. CARLSON. Mr. President, we are willing to accept the amendment, and take it to conference.

The amendment to the amendment was agreed to.

Mr. CARLSON. Mr. President, I have prepared an amendment somewhat along the same line, which I ask to be made a part of the RECORD at this point.

The PRESIDING OFFICER. Is there objection?

There being no objection, the amendment intended to be proposed by Mr. CARLSON to the committee amendment was ordered to be printed in the RECORD, as follows:

On page 5, beginning with the word "only," in line 10, strike out down through line 14, and insert in lieu thereof the following: "in accordance with the act of December 21, 1944. However, no officer shall be considered, by reason of the enactment of this act, to have been transferred to a different leave system within the meaning of such act."

Mr. JENNER. Mr. President—
The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from Indiana?

Mr. CARLSON. I will be pleased to yield to the Senator, or, if he desires

S. 1046

AN ACT

All 65 Stat. 672.

To readjust postal rates.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I

Postal rates.

FIRST-CLASS MAIL

SECTION 1. (a) The rate of postage on each single postal card issued and sold under the provisions of section 3916 of the Revised Statutes (U. S. C., title 39, sec. 356), and on each portion of double postal cards issued and sold under the provisions of the Act of March 3, 1879 (U. S. C., title 39, sec. 358), shall be 2 cents: *Provided*, That on all single and double postal cards sold in quantities of fifty or more there shall be an additional charge of 10 per centum. The rate of postage on each private mailing or post card conforming to the conditions prescribed by the Act of May 19, 1898 (U. S. C., title 39, sec. 281), shall be 2 cents.

Postal cards.

20 Stat. 362.

30 Stat. 419.

(b) Except as provided in paragraph (a) of this section, the rate of postage on mail matter of the first class when mailed for local delivery at post offices where free delivery by carrier is not established and when the matter is not collected or delivered by rural or star route carriers, shall be 2 cents for each ounce or fraction thereof.

Rate of postage.

SECOND-CLASS MAIL

SEC. 2. (a) In the case of publications entered as second-class matter (including sample copies to the extent of 10 per centum of the weight of copies mailed to subscribers during the calendar year) when mailed by the publisher thereof from the post office of publication and entry or other post office where such entry is authorized, or when mailed by news agents (registered as such under regulations prescribed by the Postmaster General) to actual subscribers thereto or to other news agents for the purpose of sale, the total postage computed at the pound rates in effect under existing law and based on the bulk weight of each mailing shall be increased (1) by 10 per centum, beginning on April 1, 1952, (2) by an additional 10 per centum, based on the rates now in force, beginning on April 1, 1953, and (3) by an additional 10 per centum, based on the rates now in force, beginning on April 1, 1954: *Provided*, That publications having over 75 per centum advertising in more than one-half of their issues during any twelve months' period shall not be accepted for mailing as second-class matter and their entry shall be revoked, except that for the purpose of this proviso only, a charge made solely for the publication of transportation schedules, fares, and related information shall not be construed as constituting a charge for advertising: *Provided further*, That the rate of postage on newspapers or periodicals maintained by and in the interests of religious, educational, scientific, philanthropic, agricultural, labor, veterans' or fraternal organizations or associations, not organized for profit and none of the net income of which inures to the benefit of any private stockholder or individual, shall be 1½ cents per pound or fraction thereof, and the increases provided by this section shall not apply to such rate: *And provided further*, That existing rates shall continue in effect with respect to any religious, educational, or scientific publication designed specifically for use in school classrooms or in religious instruction classes. The publisher of any such newspaper, periodical, or publication before being entitled to such rate shall furnish proof

Nonapplicability.

Free-in-county
mailing.

of qualification to the Postmaster General at such times and under such conditions as the Postmaster General may prescribe.

(b) The free-in-county mailing privilege and the rates of postage on copies of publications of the second class when addressed for delivery within the county in which they are published and entered as such shall be the same as authorized by existing law: *Provided further*, That copies of a publication mailed at a post office where it is entered, for delivery by letter carriers at a different post office within the delivery limits of which the headquarters or general business office of the publisher is located, shall be chargeable with postage at the rate that would be applicable if the copies were mailed at the latter office, unless postage chargeable at the pound rates from the office of mailing is higher, in which case such higher rates shall apply.

Sample copies,
etc.

(c) In no case, except where the free-in-county mailing privilege is applicable, shall the postage on each individually addressed copy be less than one-eighth of 1 cent.

(d) The rate of postage on copies of publications having second-class entry mailed by others than the publishers or authorized news agents, sample copies mailed by the publishers in excess of the 10 per centum allowance entitled to be sent at the pound rates, and copies mailed by the publishers to persons who may not be included in the required legitimate list of subscribers, shall be 2 cents for the first two ounces and 1 cent for each additional two ounces or fraction thereof, except when the postage at the rates prescribed for fourth-class matter is lower, in which case the latter rates shall apply, computed on each individually addressed copy or package of unaddressed copies, and not on the bulk weight of the copies and packages.

THIRD-CLASS MAIL

Bulk mail.

SEC. 3. The rate of postage on third-class matter shall be 2 cents for the first two ounces or fraction thereof, and 1 cent for each additional ounce or fraction thereof up to and including eight ounces in weight, except that the rate of postage on books and catalogs, of twenty-four pages or more, seeds, cuttings, bulbs, roots, scions, and plants not exceeding eight ounces in weight shall be 2 cents for the first two ounces or fraction thereof and $1\frac{1}{2}$ cents for each additional two ounces or fraction thereof: *Provided*, That upon payment of a fee of \$10 for each calendar year or portion thereof and under such regulations as the Postmaster General may establish for the collection of the lawful revenue and for facilitating the handling of such matter in the mails, it shall be lawful to accept for transmission in the mails, separately addressed identical pieces of third-class matter in quantities of not less than twenty pounds, or of not less than two hundred pieces, subject to pound rates of postage applicable to the entire bulk mailed at one time: *Provided further*, That the rate of postage on third-class matter mailed in bulk under the foregoing provision shall be 14 cents for each pound or fraction thereof with a minimum charge per piece of 1 cent, except that in the case of books and catalogs of twenty-four pages or more, seeds, cuttings, bulbs, roots, scions, and plants the rate shall be 10 cents for each pound or fraction thereof with a minimum charge per piece of 1 cent: *Provided further*, That the minimum charge per piece of 1 cent specified in the foregoing proviso shall be increased to $1\frac{1}{2}$ cents on July 1, 1952: *Provided further*, That pieces or packages of such size or form as to prevent ready facing and tying in bundles and requiring individual distributing throughout shall be subject to a minimum charge of 3 cents each: *And provided further*, That the rates prescribed by this section shall not apply with respect to matter mailed by religious, educational, scientific, philanthropic, agri-

Nonapplicabil-
ity.

cultural, labor, veterans', or fraternal organizations or associations, not organized for profit and none of the net income of which inures to the benefit of any private stockholder or individual, and the existing rates shall continue to apply with respect to such matter.

BOOKS

SEC. 4. The rates of postage prescribed by subsections (d) and (e) of section 204 of the Postal Rate Revision and Federal Employees Salary Act of 1948 shall remain in effect until otherwise provided by Congress.

62 Stat. 1263.
39 U.S.C.
§ 292a.

SPECIAL DELIVERY

SEC. 5. Mail of any class shall be given the most expeditious handling and transportation practicable and immediate delivery at the office of address when, in addition to the regular postage, a special-delivery fee is prepaid thereon by means of special-delivery stamps or ordinary postage stamps, or in such other manner as the Postmaster General may prescribe, in accordance with the following schedule: Matter weighing not more than two pounds, if of the first class, 20 cents; if of any other class, 35 cents. Matter weighing more than two but not more than ten pounds, if of the first class, 35 cents; if of any other class, 45 cents. Matter weighing more than ten pounds, if of the first class, 50 cents; if of any other class, 60 cents.

REGISTERED MAIL

SEC. 6. (a) Mail matter shall be registered on the application of the party posting the same. The registry fees, which shall be in addition to the regular postage, and the limits of indemnity therefor within the maximum indemnity provided by this subsection, shall be as follows:

For articles having no intrinsic value and for which no indemnity is payable, 30 cents;

For registry indemnity not exceeding \$5, 40 cents;

For registry indemnity exceeding \$5 but not exceeding \$25, 55 cents;

For registry indemnity exceeding \$25 but not exceeding \$50, 65 cents;

For registry indemnity exceeding \$50 but not exceeding \$75, 75 cents;

For registry indemnity exceeding \$75 but not exceeding \$100, 85 cents;

For registry indemnity exceeding \$100 but not exceeding \$200, 95 cents;

For registry indemnity exceeding \$200 but not exceeding \$300, \$1.05;

For registry indemnity exceeding \$300 but not exceeding \$400, \$1.15;

For registry indemnity exceeding \$400 but not exceeding \$500, \$1.25;

For registry indemnity exceeding \$500 but not exceeding \$600, \$1.35;

For registry indemnity exceeding \$600 but not exceeding \$700, \$1.45;

For registry indemnity exceeding \$700 but not exceeding \$800, \$1.55;

For registry indemnity exceeding \$800 but not exceeding \$900, \$1.65;

For registry indemnity exceeding \$900 but not exceeding \$1,000, \$1.75: *Provided*, That for registered mail having a declared value in excess of \$25 a registry fee of not less than 55 cents shall be paid.

(b) For registered mail or insured mail treated as registered mail having a declared value in excess of the maximum indemnity covered by the registry or insurance fee paid there shall be charged additional fees (known as "surcharges") as follows: When the declared value

exceeds the maximum indemnity covered by the registry or insurance fee paid by not more than \$50, 2 cents; by more than \$50 but not more than \$100, 3 cents; by more than \$100 but not more than \$200, 4 cents; by more than \$200 but not more than \$400, 6 cents; by more than \$400 but not more than \$600, 7 cents; by more than \$600 but not more than \$800, 8 cents; by more than \$800 but less than \$1,000, 10 cents; and if the excess of the declared value over the maximum indemnity covered by the registry or insurance fee paid is \$1,000 or more, the additional fees for each \$1,000 or part of \$1,000 on articles destined to points within the several zones applicable to fourth-class matter shall be as follows:

For local delivery or for delivery within the first zone, 12 cents;

For delivery within the second zone, 14 cents;

For delivery within the third zone, 16 cents;

For delivery within the fourth zone, 17 cents;

For delivery within the fifth or sixth zones, 18 cents;

For delivery within the seventh or eighth zones, 19 cents: *Provided,*

That for registered mail or insured mail treated as registered mail of such kind or character that it may be carried at less than the maximum risk of loss in the mails, the Postmaster General may prescribe rules for determining upon what part of the declared value in excess of the maximum indemnity covered by the registry or insurance fee paid the additional fees shall be based.

RETURN RECEIPTS FOR REGISTERED MAIL

SEC. 7. Whenever the sender of any registered mail shall so request, and upon payment of a fee of 7 cents at the time of mailing or of 15 cents subsequent to the time of mailing, a receipt shall be obtained for such registered mail, showing to whom and when the same was delivered, which receipt shall be returned to the sender, and be received in the courts as prima facie evidence of such delivery: *Provided,* That upon payment of the additional sum of 24 cents at the time of mailing of any such registered mail, a receipt shall be obtained for such registered mail, showing to whom, when, and the address where the same was delivered, which receipt shall be returned to the sender, and be received in the courts as prima facie evidence of such delivery: *Provided further,* That no refund shall be made of fees paid for return receipts for registered mail where the failure to furnish the sender a return receipt or the equivalent is not due to the fault of the postal service.

FEEES FOR INSURED MAIL

SEC. 8. The fees for insurance, which shall be in addition to the regular postage, and the limits of indemnity therefor within the maximum indemnity provided by this section, shall be as follows: 5 cents for indemnification not exceeding \$5; 10 cents for indemnification exceeding \$5 but not exceeding \$10; 15 cents for indemnification exceeding \$10 but not exceeding \$25; 20 cents for indemnification exceeding \$25 but not exceeding \$50; 30 cents for indemnification exceeding \$50 but not exceeding \$100; 35 cents for indemnification exceeding \$100 but not exceeding \$200.

RETURNED RECEIPTS FOR INSURED MAIL

SEC. 9. Whenever the sender of an insured article of mail on which other than the minimum fee was paid shall so request, and upon payment of a fee of 7 cents at the time of mailing or of 15 cents subsequent to the time of mailing, a receipt shall be obtained for such insured mail, showing to whom and when the same was delivered, which receipt

shall be returned to the sender, and be received in the courts as prima facie evidence of such delivery: *Provided*, That upon payment of the additional sum of 24 cents at the time of mailing of any insured article of mail on which other than the minimum fee was paid, a receipt shall be obtained for such insured mail, showing to whom, when, and the address where the same was delivered, which receipt shall be returned to the sender, and be received in the courts as prima facie evidence of such delivery: *Provided further*, That no refund shall be made of fees paid for return receipts for insured mail where the failure to furnish the sender a return receipt or the equivalent is not due to the fault of the postal service.

FEEES FOR COLLECT-ON-DELIVERY MAIL

SEC. 10. The fees for collect-on-delivery service for sealed domestic mail matter of any class bearing postage at the first-class rate and for domestic third- and fourth-class mail matter shall, in addition to the regular postage and any other required fees, be as follows: 30 cents for collections and indemnity not exceeding \$5; 40 cents for collections and indemnity exceeding \$5 but not exceeding \$10; 60 cents for collections and indemnity exceeding \$10 but not exceeding \$25; 70 cents for collections and indemnity exceeding \$25 but not exceeding \$50; 80 cents for collections and indemnity exceeding \$50 but not exceeding \$100; 90 cents for collections and indemnity exceeding \$100 but not exceeding \$150; \$1 for collections and indemnity exceeding \$150 but not exceeding \$200.

REGISTERED COLLECT-ON-DELIVERY MAIL

SEC. 11. (a) The fee for collect-on-delivery service for registered sealed domestic mail of any class bearing postage at the first-class rate shall, in addition to the regular postage and any other required fees, be 80 cents for collections and indemnity not exceeding \$10; \$1.10 for collections and indemnity exceeding \$10 but not exceeding \$50; \$1.20 for collections and indemnity exceeding \$50 but not exceeding \$100; \$1.40 for collections and indemnity exceeding \$100 but not exceeding \$200. The maximum amount of charges collectible on any registered sealed domestic collect-on-delivery article shall be \$200.

(b) When indemnity in excess of \$200 is desired, the fee for such registered sealed domestic collect-on-delivery mail shall, in addition to the regular postage and any other required fees, be \$1.50 for indemnity exceeding \$200 but not exceeding \$300; \$1.60 for indemnity exceeding \$300 but not exceeding \$400; \$1.70 for indemnity exceeding \$400 but not exceeding \$500; \$1.80 for indemnity exceeding \$500 but not exceeding \$600; \$1.90 for indemnity exceeding \$600 but not exceeding \$700; \$2 for indemnity exceeding \$700 but not exceeding \$800; \$2.10 for indemnity exceeding \$800 but not exceeding \$1,000.

FEEES FOR SPECIAL SERVICES

SEC. 12. (a) The Postmaster General is authorized to prescribe by regulation from time to time the fees which shall be charged by the postal service—

- (1) for the registry of mail matter;
- (2) for the insurance of mail matter, or other indemnification of senders thereof for articles damaged or lost;
- (3) for securing a signed receipt upon the delivery of registered or insured mail matter and returning such receipt to sender;
- (4) for collect-on-delivery service;
- (5) for special-delivery service;

- (6) for special-handling service;
- (7) for the issuance of money orders;
- (8) for notice to publishers of undeliverable second-class mail, for notice of change of address, and for notice to addressee or sender of undeliverable third- or fourth-class matter, or of undeliverable second-class matter mailed at the transient rate.

(b) Regulations issued by the Postmaster General under subsection (a) shall, to the extent prescribed therein, supersede existing laws, regulations, and orders governing the fees for the services covered thereby.

JOINT COMMITTEE ON POSTAL SERVICE

Establishment. SEC. 13. (a) (1) There is hereby established a Joint Committee on the Postal Service (hereinafter referred to as the "joint committee"), to be composed of three members of the Committee on Post Office and Civil Service of the Senate, to be appointed by the President of the Senate, and three members of the Committee on Post Office and Civil Service of the House of Representatives, to be appointed by the Speaker of the House of Representatives.

(2) The chairman of the joint committee shall be the chairman of the Post Office and Civil Service Committee of the Senate, and the vice-chairman shall be the chairman of the Committee on Post Office and Civil Service of the House of Representatives. Vacancies in the membership of the joint committee shall not affect the power of the remaining members to execute the functions of the joint committee, and shall be filled in the same manner as the original selection. A majority of the members of the joint committee, or any subcommittee thereof, shall constitute a quorum for the transaction of business, except that a lesser number, to be fixed by the joint committee, shall constitute a quorum for the purpose of taking sworn testimony.

Study and investigation. (b) The joint committee, acting as a whole or by subcommittee, shall conduct a thorough study and investigation in respect of the following matters:

(1) Postal rates and charges in relation to the reasonable cost of handling the several classes of mail matter and special services, with due allowances in each class for the care required, the degree of preferment, priority in handling, and economic value of the services rendered and the public interest served thereby.

(2) The extent to which expenditures now charged to the Post Office Department for the following items should be excluded in considering costs for the several classes of mail matter and special services:

- (A) Expenditures for free postal services;
- (B) Expenditures in excess of revenues for international postal services;
- (C) Expenditures for subsidies for postal services pursuant to law or legislative policy of Congress;
- (D) Expenditures in excess of revenues, pursuant to the Act of June 5, 1930 (39 U. S. C. 793), not enumerated in the preceding subparagraphs (A), (B), or (C);
- (E) Expenditures for services of any character not otherwise enumerated herein which may be performed for other departments and agencies of the Government; and
- (F) Expenditures which may be justified only on a national welfare basis and not primarily as a business function.

46 Stat. 523.

(3) Expenditures for the Post Office Department by other Government agencies which should be considered in connection with the cost for the handling of the several classes of mail matter and special services, such as employees' retirement, use of Government buildings, and maintenance services.

(4) The extent, if any, to which Post Office Department expenditures in excess of revenue, for its various services and for the handling of various classes of mail, are justified as being in the public interest.

(c) (1) The joint committee, or any duly authorized subcommittee thereof, is authorized (A) to hold such hearings; (B) to sit and act at such places and times; (C) to require, by subpoena or otherwise, the attendance of such witnesses and the production of such books, papers, and documents; (D) to administer such oaths; (E) to take such testimony; (F) to procure such printing and binding; and (G) to make such expenditures, as it deems advisable. The cost of stenographic services to report such hearings shall not exceed 25 cents per hundred words. The provisions of sections 102 to 104, inclusive, of the Revised Statutes shall apply in the case of any failure of any witness to comply with a subpoena or to testify when summoned under authority of this section.

Powers.

Stenographic services.

2 U.S.C. §§ 192-194.

(2) The joint committee is authorized to appoint and fix the compensation of such personnel as it deems necessary to assist it in the performance of its functions. Such compensation shall not be fixed at a rate in excess of the maximum rate payable under section 202 (e) of the Legislative Reorganization Act of 1946, as amended, in the case of employees of standing committees, except that the joint committee may employ part-time consultants, experts, and technicians at a per diem rate not in excess of \$50. The joint committee may also contract for the service of accounting and management engineering firms to assist it in the performance of its functions. Insofar as practicable, the joint committee shall employ persons familiar with the operation of the postal service, accounting practices, or problems of public transportation and distribution with special reference to rate making in those fields. The chairman and vice chairman of the joint committee are authorized to assign from time to time the members of the staff of their respective committees to duties and responsibilities in connection with the operation of such joint committee.

Personnel, etc.

60 Stat. 835.
2 U.S.C. § 72a.

(d) The joint committee shall report from time to time to the committees of the Senate and House of Representatives from which the membership of the joint committee was appointed, and shall submit its final report to the Senate and the House of Representatives not later than January 15, 1953, of the results of its study and investigation together with such recommendations as to necessary legislation as it may deem advisable. Upon the submission of such final report the joint committee shall cease to exist.

Reports to Congress.

Termination of committee.

(e) There is hereby authorized to be appropriated not in excess of \$100,000 to carry out the purposes of this section, to be disbursed by the Secretary of the Senate on vouchers signed by the chairman and vice chairman of the joint committee.

Appropriation authorized.

REPEAL OF EXISTING PROVISIONS

SEC. 14. All existing laws or portions thereof, inconsistent or in conflict with this title, are hereby amended or repealed.

APPLICATION TO GUAM

SEC. 15. This Act shall have the same force and effect within Guam as within other possessions of the United States.

EFFECTIVE DATE

SEC. 16. This title shall take effect on the first day of the third calendar month following the calendar month in which it is enacted,

except the rates herein provided for second-class mail shall take effect on the first day of the second quarter beginning after the approval of this Act.

Annual and Sick Leave Act of 1951.

TITLE II

SEC. 201. This title may be cited as the "Annual and Sick Leave Act of 1951".

COVERAGE AND EXEMPTIONS

SEC. 202. (a) Except as provided in subsection (b), this title shall apply to all civilian officers and employees of the United States and of the government of the District of Columbia, including officers and employees of corporations wholly owned or controlled by the United States.

(b) (1) This title shall not apply to—

(A) teachers and librarians of the public schools of the District of Columbia;

(B) part-time officers and employees (except hourly employees in the field service of the Post Office Department) for whom there has not been established a regular tour of duty during each administrative workweek;

(C) temporary employees engaged on construction work at hourly rates;

(D) employees of the Canal Zone Government and the Panama Canal Company when employed on the Isthmus of Panama;

(E) commissioned officers of the Public Health Service;

(F) commissioned officers of the Coast and Geodetic Survey;

(G) doctors, dentists, and nurses in the Department of Medicine and Surgery of the Veterans' Administration;

(H) officers and employees of the Senate and House of Representatives; and

(I) officers and employees of any corporation under the supervision of the Farm Credit Administration of which corporation any member of the board of directors is elected or appointed by private interests.

(2) This title, except section 203 (g), shall not apply to alien employees who occupy positions outside the several States and the District of Columbia.

(3) Section 204 of this title shall not apply to officers and members of the Metropolitan Police and the Fire Department of the District of Columbia.

ANNUAL LEAVE

Accrual rate.

SEC. 203. (a) Officers and employees to whom this title applies shall be entitled to annual leave with pay which shall accrue as follows—

(1) one-half day for each full biweekly pay period in the case of officers and employees with less than three years of service,

(2) three-fourths day for each full biweekly pay period (except that the accrual for the last full biweekly pay period in the year shall be one and one-fourth days) in the case of officers and employees with three but less than fifteen years of service, and

(3) one day for each full biweekly pay period in the case of officers and employees with fifteen years or more of service.

In determining years of service for the purposes of this subsection, there shall be included all service creditable under the provisions of section 5 of the Civil Service Retirement Act of May 29, 1930, as amended, for the purposes of an annuity under such Act and the determination of the period of service rendered may be made upon the basis of an affidavit of the employee. In the case of an officer or employee who is not paid on the basis of biweekly pay periods, the

46 Stat. 472.
5 U.S.C. § 707.

leave provided by this title shall accrue on the same basis as it would accrue if such officer or employee were paid on the basis of biweekly pay periods.

(b) Any change in the rate of accrual of annual leave by an officer or employee under the provisions of this section shall take effect as of the beginning of the pay period following the pay period, or corresponding period in the case of an officer or employee who is not paid on the basis of biweekly pay periods, in which such officer or employee completes the prescribed period of service.

(c) The annual leave provided for in this section, which is not used by an officer or employee, shall accumulate for use in succeeding years until it totals not to exceed sixty days at the end of the last complete biweekly pay period, or corresponding period in the case of an officer or employee who is not paid on the basis of biweekly pay periods, occurring in any year. Accumulation, limitation.

(d) Notwithstanding the provisions of subsection (c), a maximum accumulation not to exceed ninety days at the end of the last complete biweekly pay period, or corresponding period in the case of an officer or employee who is not paid on the basis of biweekly pay periods, in any year is authorized to the following categories of employees of the Federal Government, other than officers and employees in the Foreign Service of the United States under the Department of State, stationed outside the several States and the District of Columbia: Employees outside U.S.

(1) Persons directly recruited or transferred from the United States by the Federal Government.

(2) Persons employed locally but (A) who were originally recruited from the United States and have been in substantially continuous employment by other Federal agencies, United States firms, interests, or organizations, international organizations in which the United States Government participates, or foreign governments, and whose conditions of employment provide for their return transportation to the United States, or (B) who were at the time of employment temporarily absent from the United States for purposes of travel or formal study and maintained residence in the United States during such temporary absence.

(3) Persons who are not normally residents of the area concerned and who are discharged from the military service of the United States to accept employment with an agency of the Federal Government.

(e) Where an officer or employee to whom the provisions of subsection (d) are applicable, or who is in the Foreign Service of the United States under the Department of State, and whose post of duty is outside the several States and the District of Columbia returns to any such State or the District of Columbia on leave, the leave granted pursuant to this Act shall be exclusive of the time actually and necessarily occupied in going to and from his post of duty and such time as may be necessarily occupied in awaiting sailing or flight. The provisions of this subsection shall not apply with respect to more than one period of leave in any twenty-four month period.

(f) Officers and employees in the Foreign Service of the United States under the Department of State may be granted leave of absence, without regard to any other leave provided by this title, for use in the United States, its Territories or possessions, at a rate equivalent to one week for each four months of service outside the several States and the District of Columbia. Such leave may be accumulated for future use without regard to the limitation in subsection (c) but no such leave which is not used shall be made the basis for any terminal leave or lump-sum payment. Foreign Service.

Alien employees outside U.S. (g) Alien employees who occupy positions outside the several States and the District of Columbia may, in the discretion of the head of the department or agency concerned, be granted leave of absence with pay not in excess of the amount of annual and sick leave allowable under this title in the case of citizen employees.

Granting of leave. (h) The annual leave provided for in this section, including such leave as will accrue to any officer or employee during the year, may be granted at any time during such year as the heads of the various departments and independent establishments may prescribe.

Service requirement. (i) Notwithstanding the provisions of subsection (a), an officer or employee shall be entitled to annual leave under this title only after having been employed currently for a continuous period of ninety days under one or more appointments without break in service. In any case in which an officer or employee completes a period of continuous employment of ninety days there shall be credited to him an amount of annual leave equal to the amount which, but for this subsection, would have accrued to him under subsection (a) during such period.

SICK LEAVE

SEC. 204. (a) Officers and employees to whom this title applies shall be entitled to sick leave with pay, which shall accrue on the basis of one-half day for each full biweekly pay period.

(b) The sick leave provided for in this section, which is not used by an officer or employee during the year in which it accrues, shall accumulate and be available for use in succeeding years.

(c) Not to exceed thirty days sick leave may be advanced in cases of serious disability or ailments and when required by the exigencies of the situation.

GENERAL PROVISIONS

Days of leave. SEC. 205. (a) The days of leave provided for in this title shall mean days upon which an employee would otherwise work and receive pay, and shall be exclusive of holidays, and all nonworkdays established by Federal statute or by Executive or administrative order.

Pay-period employment. (b) An employee shall be considered for the purposes of this title to have been employed for a full biweekly pay period if he shall have been employed during the days within such period, exclusive of holidays and all nonworkdays established by Federal statute or by Executive or administrative order, which fall within his basic administrative workweek.

Part-time employees. (c) Part time officers and employees, unless otherwise excepted, shall be entitled on a pro rata basis to the benefits provided by sections 203 and 204 of this title.

Rural carriers. (d) The authorized absence of a rural carrier on Saturdays which occur within or at the beginning or end of a period of sick or annual leave of five or more days' duration (or four days' duration if a holiday falls within or at the beginning or end of the period of sick or annual leave) shall be without charge to such leave or loss of compensation. Saturdays occurring in a period of annual or sick leave taken in a smaller number of days may at the option of the carrier be charged to his accrued leave and when so charged he shall be paid for such absence.

REGULATIONS

SEC. 206. The Civil Service Commission is authorized to prescribe such rules and regulations as may be necessary to provide for the administration of this title.

REPEALS

All 65 Stat. 682.

SEC. 207. (a) The following Acts or parts of Acts are hereby repealed:

- (1) The Act entitled "An Act to provide for vacations to Government employees, and for other purposes", approved March 14, 1936 (49 Stat. 1161). 5 U.S.C. §§ 29a, 30b-30e, 30f.
- (2) The Act entitled "An Act to standardize sick leave and extend it to all civilian employees", approved March 14, 1936 (49 Stat. 1162). 5 U.S.C. §§ 30f-30k, 30m.
- (3) Section 6 of the Act entitled "An Act to reclassify the salaries of postmasters, officers, and employees of the Postal Service; to establish uniform procedure for computing compensation; and for other purposes", approved July 6, 1945, as amended (59 Stat. 435). 39 U.S.C. § 856.
- (4) The paragraph under the heading "Public Printing and Binding" in the Act entitled "An Act making appropriations for sundry civil expenses of the government for the fiscal year ending June thirtieth, eighteen hundred and ninety-seven, and for other purposes", approved June 11, 1896 (44 U. S. C. 45), relating to leaves of absence of employees of the Government Printing Office. 29 Stat. 453.
- (5) The third proviso in the Act of August 29, 1916 (34 U. S. C. 513). 39 Stat. 557.
- (6) Sections 931 and 932 of the Foreign Service Act of 1946. 60 Stat. 1028.
- (7) Section 601 of the Independent Offices Appropriation Act, 1952. 22 U.S.C. §§ 1146, 1147.
- (b) Section 2 of the Act entitled "An Act to provide for the promotion of substitute employees in the postal service, and for other purposes", approved April 15, 1947 (61 Stat. 40), is amended by striking out the words "and leave". 39 U.S.C. § 862d.

SAVING PROVISION

SEC. 208. (a) In any case in which—

- (1) the amount of accumulated annual leave carried over into the calendar year 1952 by an officer or employee under provisions of law applicable to such officer or employee on December 31, 1951, is in excess of the amount allowable under the applicable provisions of section 203, or
- (2) the amount of accumulated annual leave to the credit of an officer or employee who is subject to the provisions of section 203 (d) and who becomes subject to the provisions of section 203 (c) is in excess of the amount allowable under section 203 (c), such excess shall remain to the credit of such officer or employee until used, but the use during any year of an amount of leave in excess of the aggregate amount which shall have accrued during such year shall automatically reduce the maximum allowable accumulation at the end of the last complete biweekly pay period in any year until the accumulation of such officer or employee no longer exceeds the amount prescribed in the applicable provisions of section 203.
- (b) An officer or employee heretofore subject to a system of leave administered on a calendar-day basis shall be deemed to have to his credit on the effective date of this title five-sevenths day of leave chargeable as provided in section 205 (a) for each calendar day's leave to his credit on such date.
- (c) No officer or employee shall be considered, by reason of the enactment of this title, to have been transferred to an agency under a different leave system within the meaning of the Act entitled "An Act to provide for the payment to certain Government employees for accumulated or accrued annual leave upon their separation from Government service", approved December 21, 1944 (5 U. S. C. 61d). 58 Stat. 845.

Postal service.
Annual and sick
leave.
65 Stat. 682.
65 Stat. 683.

(d) Any person who served during the period from December 1, 1950, to January 6, 1952, as an employee in the postal service, other than a substitute rural carrier, under a temporary or indefinite appointment for not less than ninety days and who shall not have been separated from the postal service prior to January 6, 1952, shall be deemed to have earned annual leave at the rate of fifteen days per year and sick leave at the rate of 10 days per year, and for such purposes shall receive credit for one-twelfth of a year for each whole calendar month he was carried on the roll as a temporary or indefinite employee during such period.

EFFECTIVE DATE

65 Stat. 268. SEC. 209. This title shall take effect on January 6, 1952, except that paragraph (7) of section 207 (a) shall take effect as of the date of enactment of the Independent Offices Appropriation Act, 1952.
Approved October 30, 1951.