

John W. Douglass, president and chief executive officer of the Aerospace Industries Association of America, testified that the private sector, which his organization represents, can provide valuable skills and experience in assisting NASA. While the private sector also faces a shortage of younger professionals with the requisite skills, "industry has the flexibility to move engineers and managers among programs depending on customer needs, a key advantage for NASA in a constrained budget environment," Douglass said.

"Work contracted to the private sector also offers the agency the benefit of civil-military integration since so many aerospace companies maintain research and production lines in both sectors," he noted.

The hearing witnesses' prepared testimony is available at <http://www.house.gov/science/hearings/space06/june%2013/index.htm>.

Human Capital

Union Criticizes Staffing Cuts, Low Budget In Wake of SSA Disability Service Improvement

The Social Security Administration cannot provide better service to the American public under its Disability Service Improvement (DSI) plan if it continues to engage in staffing and budget cuts, according to the president of the National Council of SSA Field Operations Locals, who addressed a House subcommittee June 15.

"SSA employees are dedicated to providing the highest quality of service to the public in a compassionate manner," Witold Skwierczynski told the House Ways and Means Subcommittee on Social Security. "However, the severe cuts in budget and staff have had a detrimental effect on employee morale and, also, the ability for SSA to fulfill public service demands."

He noted that despite a 12.6 percent increase in SSA's workload over the last five years, with a 2.7 percent increase in fiscal year 2005, Congress appropriated \$300 million less for the agency than proposed in the Bush administration's FY 2006 budget request.

According to Skwierczynski, his union, an American Federation of Government Employees affiliate, represents approximately 50,000 SSA employees who work in field offices, hearings and appeals offices, program service centers, teleservice centers, and regional quality assurance offices across the country.

The June 15 hearing addressed SSA's DSI plan, implemented in a final rule issued March 31 (71 Fed. Reg. 16424, 3/31/06), which aims to improve the disability determination process.

According to prepared testimony by SSA Commissioner Jo Anne B. Barnhart, under DSI the State Disability Determination Services will continue to make an initial decision. However, the plan establishes a Medical and Vocational Expert System to aid SSA adjudicators in making timely and accurate decisions, and creates the position of Federal Reviewing Official to review state agency determinations.

In addition, while individuals retain the right to a *de novo* hearing before an administrative law judge, DSI creates a Decision Review Board to review such decisions, eventually to replace the current Appeals Council, Barnhart said.

The plan will be phased in gradually, beginning in the agency's Boston region August 1.

DSI Ineffective if Staffing Low. SSA employees and their union do not approve of the plan and Barnhart's staffing policies, Skwierczynski said.

"Ms. Barnhart does not have the support or the buy-in of SSA workers. In fact, SSA employees overwhelmingly oppose this disability plan," he said.

One problem, Skwierczynski noted, was the agency's failure to consult employees and their union representatives prior to developing and implementing DSI.

"The record should be clarified with regards to Commissioner Barnhart's statement that she met with the organizations that represent SSA employees. She did. She held one meeting with all six SSA AFGE presidents for the purpose of introducing her plan. That was three years ago. Ms. Barnhart was not receptive to our constructive criticisms," Skwierczynski said.

According to Skwierczynski, the current SSA hiring plan, announced in February, would replace only one field office employee for every eight who depart.

"Why are such cuts necessary if SSA has the resources to implement Disability Services Improvement, which is a system that has never been tested and will cost billions of dollars to implement?" Skwierczynski questioned. "If there are insufficient claims representatives and technical experts to take and process initial claims, all the DSI improvements in the world won't improve the system."

The hearing witnesses' prepared testimony is available at <http://waysandmeans.house.gov/hearings.asp?formmode=detail&hearing=485>.

Veterans' Preference

Interim Rule Expands Definition of Veteran To Conform With Recent Defense Legislation

The Office of Personnel Management June 9 issued an interim rule that updates the definition of veteran under regulations requiring veterans' preference in federal employment (71 Fed. Reg. 22275, 6/9/06).

According to the supplementary information included in the June 9 *Federal Register*, OPM noted that the fiscal year 2006 defense authorization act, signed into law Jan. 6, 2006, altered the definition of veteran to include "individuals who served on active duty for more than 180 consecutive days, other than for training, any part of which occurred during the period beginning September 11, 2001, and ending on the date prescribed by Presidential proclamation or by law as the last day of Operation Iraqi Freedom."

OPM is revising its regulatory definition in accordance with this provision, and also is including those on active duty between Aug. 2, 1990, and Jan. 2, 1992, as established in the FY 1998 defense authorization act.

In addition, OPM said, the FY 2006 defense statute clarifies that veterans' preference is available to those discharged from active duty as opposed to being separated, provided that other qualifications also are met. The interim rule makes this change both to the regulatory definition of veteran and the definition of disabled veterans.