May 17, 1976.

Honorable John Hanson Briscoe Speaker of the House of Delegates State House Annapolis, Maryland 21404

Dear Mr. Speaker: `

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed House Bill 538.

This bill provides for the transfer of certain clerical and administrative employees of the Soil Conservation Districts to the State Merit System as employees of the State Soil Conservation Committee within the Department of Agriculture.

New Section 9M, added by the bill to Article 64A, provides that any Soil Conservation District may, with the concurrence of the State Soil Conservation Committee, have all of its clerical and administrative employees who (1) "are currently supported by State funds", (2) were employed on June 30, 1976, and (3) are otherwise eligible, appointed under the State Merit System as employees of the Committee assigned to the District. Application to the Secretary of Personnel is required, but his approval is not. The funding for these positions may be on a cost sharing arrangement with local governments, but any such arrangement must be agreed to by the county.

At the present time, these people are employed by the Soil Conservation Districts, although the State, through grants, contributes 50% of the cost of their salaries. If they are transferred to the State merit system and thereby become State employees, the State will be required to pay the \$145,000 now paid by the counties plus an estimated amount of \$45,000 for fringe benefits. This will, of course, be in addition to the \$167,000 now contributed by the State to the Districts. Whether and to what extent the counties will agree to contribute to this total cost is at best conjectural.

The Soil Conservation Districts are local units, generally coextensive with county boundaries. The soil conservation program is one of both State and local interest, and the State is already contributing its fair share toward the program.

I recognize that the employees involved would like to have the advantage of the fringe benefits available to State employees, and it may well be that they should. There may be ways of providing these or similar benefits, however, short of having the State intrude into another