

**The original documents are located in Box 61, folder “1976/10/11 S3050 Coast Guard Overseas Leasing Authority” of the White House Records Office: Legislation Case Files at the Gerald R. Ford Presidential Library.**

### **Copyright Notice**

The copyright law of the United States (Title 17, United States Code) governs the making of photocopies or other reproductions of copyrighted material. Gerald R. Ford donated to the United States of America his copyrights in all of his unpublished writings in National Archives collections. Works prepared by U.S. Government employees as part of their official duties are in the public domain. The copyrights to materials written by other individuals or organizations are presumed to remain with them. If you think any of the information displayed in the PDF is subject to a valid copyright claim, please contact the Gerald R. Ford Presidential Library.

Exact duplicates within this folder were not digitized.

**APPROVED**  
**OCT 11 1976**

§ 10/11/76

**THE WHITE HOUSE**  
**WASHINGTON**

**ACTION**

**Last Day: October 13**

*Posted*  
*10/12/76*

**MEMORANDUM FOR THE PRESIDENT**

**FROM: JIM CANNON** *Jim Cannon*

**SUBJECT: S. 3050 - Coast Guard Overseas Leasing Authority**

*archives*  
*10/12/76*

Attached for your consideration is S. 3050, sponsored by Senators Magnuson and Pearson.

The enrolled bill would authorize the Secretary of Transportation to lease housing facilities in foreign countries on a multi-year basis when needed for Coast Guard personnel.

Additional information is provided in OMB's enrolled bill report at Tab A.

OMB, Max Friedersdorf, Counsel's Office (Kilberg), NSC and I recommend approval of the enrolled bill.

RECOMMENDATION

That you sign S. 3050 at Tab B.





EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

OCT 6 1976

MEMORANDUM FOR THE PRESIDENT

Subject: Enrolled Bill S. 3050 - Coast Guard Overseas  
Leasing Authority  
Sponsors - Sen. Magnuson (D) Washington and  
Sen. Pearson (R) Kansas

Last Day for Action

October 13, 1976 - Wednesday

Purpose

Authorizes the Secretary of Transportation to lease housing facilities in foreign countries on a multi-year basis when needed for Coast Guard personnel.

Agency Recommendations

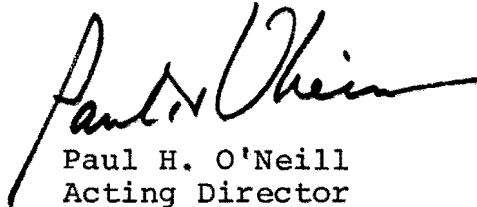
Office of Management and Budget	Approval
Department of Transportation	Approval
Department of State	Approval
Department of Defense	No objection

Discussion

Section 2675 of Title 10 of the U.S. Code authorizes the military departments within the Department of Defense to enter into multi-year leases for real property located in foreign countries when it is needed for military purposes, including housing. Section 475(a) of Title 14, which applies to the Coast Guard, authorizes only one-year leases on real estate, whether it is located in the United States or in a foreign country. Because of cost considerations and the fact that one-year leases are not always available, the Coast Guard has handled its foreign leases in the past on a reimbursable basis from the Secretaries of the military departments under their authority.

The Department of Transportation proposed legislation to extend the authority of the military departments to DOT. S. 3050 would accomplish the same purpose by amending DOT's Title 14 authority to provide that in the case of foreign leases, the Coast Guard may enter into multi-year leases for housing for periods of up to five years.

DOT anticipates a saving in staff time with this authority, since Coast Guard personnel have had to negotiate for their overseas leased quarters and then work out an interservice agreement with DOD. The enrolled bill would eliminate the necessity for such an interservice agreement.



Paul H. O'Neill  
Acting Director

Enclosures

THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.:

Date: October 7

Time: 1145am

FOR ACTION: NSC/S *JK*  
Judy Hope *JK*  
Max Friedersdorf *JK*  
Bobbie Kilberg *JK*

cc (for information):  
Jack Marsh  
Jim Connor  
Ed Schmults  
*McCluskey n.o.*

FROM THE STAFF SECRETARY

DUE: Date: October 8

Time: 500pm

SUBJECT:

S.3050-Coast Guard Overseas Leasing Authority

ACTION REQUESTED:

- For Necessary Action
- For Your Recommendations
- Prepare Agenda and Brief
- Draft Reply
- For Your Comments
- Draft Remarks

REMARKS:

please return to judy johnston, ground floor west wing

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

K. COLE, JR.  
For the President

To-  
J. Johnston  
10-7-76  
11:00 a.m.



EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

OCT 6 1976

MEMORANDUM FOR THE PRESIDENT

Subject: Enrolled Bill S. 3050 - Coast Guard Overseas  
Leasing Authority  
Sponsors - Sen. Magnuson (D) Washington and  
Sen. Pearson (R) Kansas

Last Day for Action

October 13, 1976 - Wednesday

Purpose

Authorizes the Secretary of Transportation to lease housing facilities in foreign countries on a multi-year basis when needed for Coast Guard personnel.

Agency Recommendations

Office of Management and Budget	Approval
Department of Transportation	Approval
Department of State	Approval
Department of Defense	No objection

Discussion

Section 2675 of Title 10 of the U.S. Code authorizes the military departments within the Department of Defense to enter into multi-year leases for real property located in foreign countries when it is needed for military purposes, including housing. Section 475(a) of Title 14, which applies to the Coast Guard, authorizes only one-year leases on real estate, whether it is located in the United States or in a foreign country. Because of cost considerations and the fact that one-year leases are not always available, the Coast Guard has handled its foreign leases in the past on a reimbursable basis from the Secretaries of the military departments under their authority.



THE SECRETARY OF TRANSPORTATION

WASHINGTON, D.C. 20590

OCT 1

Honorable James T. Lynn  
Director  
Office of Management and Budget  
Washington, D.C. 20503

Dear Mr. Lynn:

Reference is made to your request for the views of the Department of Transportation concerning S. 3050, an enrolled bill.

"To authorize the Secretary of Transportation, when the Coast Guard is not operating as a service in the Navy, to lease, for military purposes structures and their associated real property located in a foreign country."

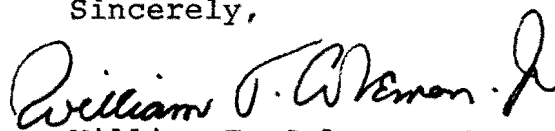
The enrolled bill amends section 475(a) of title 14, United States Code, to authorize the Secretary to enter into multi-year leases, not exceeding five years, for housing facilities in foreign countries.

Section 2675 of title 10, United States Code, authorizes the Secretaries of the military departments to enter into multi-year leases for property located in foreign countries. Currently, the Coast Guard is occupying family housing in foreign countries under leases obtained by the Secretaries of the military departments exercising that authority. This Department sponsored legislation which would have extended that authority to the Secretary of Transportation, on behalf of the Coast Guard, thus eliminating the necessity for obtaining these leases through the Department of Defense.

The House revised our proposal and instead amended section 475(a) of title 14, relating to the leasing and rental of housing. This accomplishes the full intent of our original proposal. It will not impose any additional personnel or budgetary requirements upon this Department. Administration of our housing program is simplified since the Secretary may make future overseas leases directly in lieu of through other agencies.

This Department supports the enrolled bill and recommends that the President sign it.

Sincerely,

  
William T. Coleman, Jr.



DEPARTMENT OF STATE

Washington, D.C. 20520

**OCT 5 1976**

Dear Mr. Lynn:

This letter is in response to Mr. Frey's request, dated September 30, for the Department's views on S.3050, a bill to authorize the Coast Guard to lease housing facilities abroad on a multi-year basis.

Since the Department of State is not responsible for leasing properties abroad for the Coast Guard, and only occasionally are Coast Guard and Foreign Service posts located in the same foreign cities, the Department of State has no direct interest in this bill and, certainly, no reason to oppose it.

The Department's experience in leasing abroad is that multiple-year leasing, by determining future-year rental costs at current prices, helps greatly in holding down the costs of housing overseas. It can also reduce time otherwise lost in renegotiating leases or in finding new houses to lease.

The Department recommends approval of S.3050.

Sincerely,

A handwritten signature in cursive script that reads "Kempton B. Jenkins".

Kempton B. Jenkins  
Acting Assistant Secretary  
for Congressional Relations

Enclosure:

Correspondence Returned.

The Honorable  
James T. Lynn, Director,  
Office of Management and Budget.





DEPARTMENT OF THE NAVY  
OFFICE OF THE SECRETARY  
WASHINGTON, D. C. 20350

1 October 1976

Dear Mr. Lynn:

Your transmittal sheet dated September 30, 1976, enclosing a facsimile of an enrolled bill of Congress, S. 3050, "To authorize the Secretary of the Department in which the Coast Guard is operating to lease housing facilities for Coast Guard personnel in a foreign country on a multi-year basis," and requesting the comments of the Department of Defense, has been received. The Department of the Navy has been assigned the responsibility for the preparation of a report expressing the views of the Department of Defense.

The purpose of S. 3050 is to authorize the Secretary of the Department in which the Coast Guard is operating to lease housing facilities for Coast Guard personnel in a foreign country on a multi-year basis, thereby granting the Secretary concerned the same authority as is presently exercised by the Secretaries of other Military Departments. At present, Section 475 (a) of title 14, United States Code, restricts the Coast Guard to single year leases for housing in foreign countries, a restriction which is time-consuming and economically disadvantageous to the Coast Guard.

The approval of this legislation would result in no increase in the budgetary requirements of the Department of Defense.

The Department of the Navy, on behalf of the Department of Defense, interposes no objection to the approval of S. 3050.

Sincerely yours,

A handwritten signature in black ink, appearing to read "David R. Macdonald".

David R. Macdonald  
Under Secretary of the Navy

Honorable James T. Lynn  
Director, Office of Management  
and Budget  
Washington, D. C. 20503



THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR: JIM CAVANAUGH  
FROM: MAX L. FRIEDERSDORF *M.L.F.*  
SUBJECT: S. 3050 - Coast Guard Overseas  
Leasing Authority

The Office of Legislative Affairs concurs with the agencies that the Coast Guard Overseas Leasing Authority be signed.

Attachments

THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.:

Date: October 7

Time: 1145am

FOR ACTION: NSC/S  
Judy Hope  
Max Friedersdorf  
Bobbie Kilberg

cc (for information):  
Jack Marsh  
Jim Connor  
Ed Schmults  
Steve McConahey

FROM THE STAFF SECRETARY

DUE: Date: October 8

Time: 500pm

SUBJECT:

S.3050-Coast Guard Overseas Leasing Authority

ACTION REQUESTED:

For Necessary Action

For Your Recommendations

Prepare Agenda and Brief

Draft Reply

For Your Comments

Draft Remarks

REMARKS:

please return to judy johnston, ground floor west wing

*approved Kilberg 10/6/76*

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

James M. Cannon  
For the President

THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.:

Date: October 7

Time: 1145am

FOR ACTION: NSC/S  
Judy Hope  
Max Friedersdorf  
Bobbie Kilberg

cc (for information):  
Jack Marsh  
Jim Connor  
Ed Schmults  
Steve McConahey

FROM THE STAFF SECRETARY

DUE: Date: October 8

Time: 500pm

SUBJECT:

S.3050-Coast Guard Overseas Leasing Authority

ACTION REQUESTED:

For Necessary Action

For Your Recommendations

Prepare Agenda and Brief

Draft Reply

For Your Comments

Draft Remarks

REMARKS:

please return to judy johnston, ground floor west wing

*Appraisal.*  
*JH*  
*10/8/76*  
*10:00am.*

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

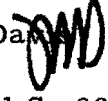
James M. Cannon  
For the President

MEMORANDUM

NATIONAL SECURITY COUNCIL

5623

October 8, 1976

MEMORANDUM FOR: JAMES M. CANNON  
FROM: Jeanne W. Dan   
SUBJECT: Enrolled Bill S. 3050

The NSC Staff concurs in Enrolled Bill S. 3050-Coast  
Guard Overseas Leasing Authority.

## COAST GUARD OVERSEAS LEASING AUTHORITY

---

JUNE 21 (legislative day, JUNE 18), 1976.—Ordered to be printed

---

Mr. MAGNUSON, from the Committee on Commerce,  
submitted the following

### REPORT

[To accompany S. 3050]

The Committee on Commerce, to which was referred the bill (S. 3050), to authorize the Secretary of Transportation, when the Coast Guard is not operating as a service in the Navy, to lease for military purposes structures and their associated real property located in a foreign country, having considered the same, reports favorably thereon with amendments and recommends that the bill do pass.

#### PURPOSE

The purpose of the bill is to authorize the Secretary of Transportation, on behalf of the Coast Guard, to enter into multi-year leases of real property and associated structures necessary for military purposes and located outside of the United States.

#### BACKGROUND AND NEED

Section 2675(a) of title 10, United States Code, authorizes the Secretaries of the military departments within the Department of Defense to acquire for military purposes by lease, structures and real property not on a military base located in foreign countries. Under section 2675(b), leases with an annual rental in excess of \$250,000 must be submitted to the Committees on Armed Services of the Senate and House of Representatives thirty days prior to their consummation.

The Secretary of Transportation does not have such authority to enter into leases in foreign countries on behalf of the Coast Guard. In instances wherein the Coast Guard must acquire housing for its members and their dependents stationed outside the United States, the Secretary of Transportation is required to obtain leased property

through the Department of Defense on a reimbursable basis. This bill would eliminate that requirement by permitting the Secretary of Transportation to negotiate directly for foreign realty. The existing conditions and limitations applicable to the Secretaries of the military departments would also apply to the Secretary of Transportation. The legislation would require Coast Guard and other military department leases in foreign countries with annual rental in excess of \$250,000 to be submitted to appropriate committees of the Senate and House of Representatives which have jurisdiction over the various departments.

#### COMMITTEE ACTION

Following introduction of S. 3050 on February 26, 1976 by Senators Magnuson and Pearson (by request of the Secretary of Transportation), the Committee issued public notice on March 11, 1976 that it was considering the bill. Interested parties were invited to submit written statements on the bill. However, none were received.

On June 2, 1976 the Committee ordered the legislation as amended favorably reported without objection.

#### ESTIMATED COSTS

Pursuant to the requirements of section 252 of the Legislative Reorganization Act of 1970, the Committee estimates that there will be no additional cost to the Government as a result of the enactment of this legislation.

#### CHANGES IN EXISTING LAW

In compliance with subsection (4) of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill as reported are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

#### TITLE 10

##### § 2675. Leases; foreign countries; structures not on a military base

(a) Notwithstanding any other provision of law, the Secretary concerned **[of a military department]** *or of the department in which the Coast Guard is operating* may acquire by lease, in any foreign country, structures and real property relating thereto that are not located on a military base and that are needed for military purposes. A lease under this section may not be for a period of more than five years.

(b) A lease may not be entered into under this section if the average estimated annual rental during the term of the lease is more than \$250,000 until after the expiration of thirty days from the date upon which a report of the facts concerning the proposed lease is submitted to the *appropriate* committees **[on Armed Services]** of the Senate and House of Representatives.

(c) A statement in a lease that the requirements of this section have been met, or that the lease is not subject to this section, is conclusive.

#### TEXT OF S. 3050 AS REPORTED

To authorize the Secretary of Transportation, when the Coast Guard is not operating as a service in the Navy, to lease for military purposes structures and their associated real property located in a foreign country

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 2675 of title 10, United States Code, is amended as follows:

(1) The first sentence of subsection (a) is amended by inserting immediately after the words "of a military department" the following: "or of the department in which the Coast Guard is operating".

(2) Subsection (b) is amended—

(a) by striking the words "on Armed Services" between the words "Committees" and "of"; and

(b) by inserting the word "appropriate" between the words "the" and "Committees".

○

## COAST GUARD OVERSEAS HOUSING LEASES

---

SEPTEMBER 16, 1976.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

---

Mrs. SULLIVAN, from the Committee on Merchant Marine and Fisheries, submitted the following

### REPORT

[Including cost estimate of the Congressional Budget Office]  
[To accompany S. 3050]

The Committee on Merchant Marine and Fisheries, to whom was referred the bill (S. 3050) to authorize the Secretary of Transportation, when the Coast Guard is not operating as a service in the Navy, to lease for military purposes structures and their associated real property located in a foreign country, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

The amendments are as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

That section 475(a) of title 14, United States Code, is amended by inserting, immediately after the first sentence, a new sentence to read as follows: "When any such lease involves housing facilities in a foreign country, the lease may be made on a multi-year basis, for a period not to exceed five years."

Amend the title to read:

To authorize the Secretary of the Department in which the Coast Guard is operating to lease housing facilities for Coast Guard personnel in a foreign country on a multi-year basis.

#### PURPOSES OF THE LEGISLATION

The purpose of the bill is to authorize the Secretary of the Department in which the Coast Guard is operating to enter into leases of housing facilities for the use of Coast Guard personnel, assigned to duty in foreign countries, on a multi-year basis.

#### BACKGROUND

The Coast Guard family housing leasing program is handled generally under the provisions of section 475 of title 14, United States



Code. As a part of the authority under that section, the Secretary of the Department in which the Coast Guard is operating is authorized to lease housing facilities at or near Coast Guard installations, for assignment as public quarters to military personnel and their dependents, upon a determination by the Secretary that there is a lack of adequate housing facilities at or near such installations. Expenditures for the rental of such housing facilities may not exceed the average authorized for the Department of Defense in any year, except where the Secretary finds that the average is so low as to prevent rental of necessary facilities in some areas, in which event he is authorized to reallocate existing funds to high cost areas so that the rental expenditures in such areas may exceed the average.

In connection with the lease arrangements authorized under the section, the Secretary has been limited to leases on a one year basis, in view of the provisions of law which prohibit contracts for the payment of money in advance of appropriations made for such purpose, unless such contract or obligation is authorized by law. In addition, although the authority refers to leasing at or near Coast Guard installations, wherever located, the section has been interpreted as not being applicable to leases outside the United States.

Since the Coast Guard maintains small detachments in several overseas areas, related primarily to its merchant vessel inspection and Loran missions, the limitations now existing in the housing program pose a problem for Coast Guard personnel who are required to obtain housing in foreign countries, in areas where adequate, reasonably priced housing is not readily available. In order to solve that problem, the Secretary has entered into agreements with the Secretaries of the military departments who, under the provisions of section 2675 of title 10, United States Code, have the authority to enter into multi-year leases of structures and other real property in foreign countries, such leases to be limited to periods of not more than five years. Pursuant to those agreements, the Secretaries of the military departments have obtained leases for the benefit of the Coast Guard, on a reimbursable basis, leased family housing in various foreign countries, including the Philippines, Singapore, the United Kingdom, and West Germany. While these arrangements have worked, they have required a process which, in some cases, has been awkward, as well as time-consuming. For instance, in the Shetland Islands, where Coast Guard personnel operate a Loran facility, there are no personnel of any of the military departments present, and the arrangements must be handled through personnel stationed in London. In addition, to operate under this reimbursable system requires additional paperwork, as well as the time and attention of personnel of other departments.

In order to streamline the handling of this continuing need, the Secretary of Transportation submitted a legislative proposal which would extend to the Secretary of Transportation, when the Coast Guard is not operating as a service in the Navy, the same authority under 10 U.S.C. 2675 as is presently held by the Secretaries of the military departments. It would not only clarify the Secretarial authority in entering into leases in foreign countries, but would also

provide for that authority being exercised on a multi-year basis, a feature not only desired in general by the lessors involved, but also advantageous to the Coast Guard on a cost basis.

#### SENATE ACTION

S. 3050 was introduced by Senator Warren G. Magnuson, by request, on February 26, 1976, and referred to the Committee on Commerce. In its consideration, the Committee on Commerce issued a public notice on March 11, 1976, that it was considering the bill and invited interested parties to submit statements. No statements were received pursuant to the notice, and the Committee thereafter, on June 2, 1976, without formal hearing, ordered the bill reported, with technical amendments. As amended, the bill was passed by the Senate, by voice vote, on June 25, 1976. As passed by the Senate, the bill was received by the House on June 28, 1976, and was referred to the Committee on Merchant Marine and Fisheries and thereafter, to the Subcommittee on Coast Guard and Navigation.

#### COMMITTEE ACTION

On Tuesday, August 3, 1976, the Subcommittee on Coast Guard and Navigation held hearings on the bill, together with the companion bill, H.R. 11408, which had been introduced in the House by the Honorable Leonor K. Sullivan, on January 20, 1976. Testimony was received from a single witness, representing the United States Coast Guard. In his testimony, the witness reviewed the present personnel housing program and testified that overseas housing lease arrangements, undertaken through agreements with the military departments, have generally worked satisfactorily, but that such arrangements have, in the view of the Coast Guard, unnecessarily involved the personnel of those departments and, in some cases, have been awkward and time-consuming. When questioned as to the exact purpose of the proposal, the witness stated that the new authority sought for the Secretary related to housing needs only, and that the proposal was addressed to satisfying that need.

The Subcommittee met on Wednesday, September 1, 1976, to consider the bills in mark-up session and elected to act on S. 3050, deferring the companion bill, H.R. 11408, indefinitely. In considering the provisions of the bill, the Subcommittee determined that an extension of the Secretary's authority was justified. However, it further determined that the proposed solution of amending title 10, extending to the Secretary the existing authority of the Secretaries of the military departments for entering into leases of real property and structures in foreign countries, was not the preferred method of meeting the demonstrated need.

In the first place, the section sought to be amended refers to real property generally, an authority considerably broader than housing leases. Secondly, under the provisions of the section, reports to the cognizant Committees of the Congress are not required unless the annual rental involved exceeds \$250,000. Since Coast Guard housing

leases overseas average less than \$5,000 per year, it is obvious that no leasing under the Coast Guard housing program would trigger the report requirement. Finally, the authority contained in title 10 is related to "military purposes", and the justification for Coast Guard personnel housing in overseas areas as a "military purpose" seems, at best, doubtful.

The Subcommittee, therefore, decided to propose amendatory language to the basic housing leasing authority of the Secretary contained in 14 U.S.C. 475(a), by providing that any such lease in a foreign country can be made on a multi-year basis, for a period not to exceed five years. The provisions of 14 U.S.C. 475(f) would require the Secretary to report annually on the utilization of this new authority, as a part of the general authority exercised under the section. After adopting the amendment, and a further amendment which would amend the title consistent with the new version, the Subcommittee, by unanimous voice vote, ordered the bill reported to the Full Committee, with a recommendation that, as so amended, it be passed.

In mark-up session on Tuesday, September 14, 1976, the Committee on Merchant Marine and Fisheries, by unanimous voice vote, and consistent with the action of the Subcommittee, adopted a single amendment to the bill by striking all after the enacting clause and inserting in lieu thereof the language recommended by the Subcommittee. It further adopted the amendment to the title as recommended by the Subcommittee. As so amended, it ordered the bill reported to the House, by unanimous voice vote.

#### SECTIONAL ANALYSIS

The bill, as amended, consists of one section, which would amend 14 U.S.C. 475 by inserting, after the first sentence in subsection (a), a new sentence which would provide that when the Secretary of the Department in which the Coast Guard is operating leases housing facilities in a foreign country, for assignment as public quarters to military personnel and their dependents, such leases may be made on a multi-year basis for a period not to exceed five years.

#### COST OF THE LEGISLATION

Pursuant to clause 7 of rule XIII of the Rules of the House of Representatives, the Committee declares that the legislation involves no additional costs. It merely clarifies and extends an authority in one section of law which, at present, is being exercised under other provisions of law.

#### COMPLIANCE WITH CLAUSE 2(1)(3) OF RULE XI

With respect to the requirements of clause 2(1)(3) of rule XI of the Rules of the House of Representatives—

- (A) No oversight hearings were held on this subject;
- (B) The requirements of section 308(a) of the Congressional Budget Act of 1974 are not applicable to this legislation;

(C) The Director of the Congressional Budget Office has furnished the Committee with an estimate and comparison of cost for S. 3050, pursuant to section 403 of the Congressional Budget Act of 1974. That submission is as follows:

CONGRESS OF THE UNITED STATES,  
CONGRESSIONAL BUDGET OFFICE,  
Washington, D.C., September 1, 1976.

HON. LEONAR K. SULLIVAN,  
Chairman, Committee on Merchant Marine and Fisheries,  
U.S. House of Representatives, Washington, D.C.

DEAR MADAME CHAIRMAN: Pursuant to Section 403 of the Congressional Budget Act of 1974, the Congressional Budget Office has reviewed S. 3050, a bill to authorize the Secretary of Transportation, when the Coast Guard is not operating as a service in the Navy, to lease for military purposes structures and their associated real property located in a foreign country.

Based on this review, it appears that no additional cost to the government would be incurred as a result of enactment of this bill.

Sincerely,

ALICE M. RIVLIN, *Director.*

and

(D) The Committee has received no report from the Committee on Government Operations of oversight findings and recommendations arrived at, pursuant to clause 2(b)(2) of rule X.

#### INFLATIONARY IMPACT STATEMENT

Pursuant to clause 2(1)(4) of rule XI of the Rules of the House of Representatives, the Committee declares that the bill has no inflationary impact.

#### DEPARTMENTAL REPORTS

At the time this report was filed, there had been no reports received from any governmental agency.

#### CHANGES IN EXISTING LAW

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, as amended, changes in existing law made by the bill, as reported, are shown as follows (new matter is printed in italic, existing law in which no change is proposed is shown in roman):

#### 14 U.S.C. 475(a)

#### § 475. Leasing and hiring of quarters; rental of inadequate housing.

(a) The Secretary of the Department in which the Coast Guard is operating is authorized to lease housing facilities at or near Coast Guard installations, wherever located, for assignment as public quarters to military personnel and their dependents, if any, without

rental charge upon a determination by the Secretary, or his designee, that there is a lack of adequate housing facilities at or near such Coast Guard installations. *When any such lease involves housing facilities in a foreign country, the lease may be made on a multi-year basis, for a period not to exceed five years.* Such public housing facilities may be leased on an individual or multiple-unit basis. Expenditures for the rental of such housing facilities may not exceed the average authorized for the Department of Defense in any year except where the Secretary of the Department in which the Coast Guard is operating finds that the average is so low as to prevent rental of necessary housing facilities in some areas, in which event he is authorized to reallocate existing funds to high-cost areas so that rental expenditures in such areas exceed the average authorized for the Department of Defense.

○

# Ninety-fourth Congress of the United States of America

AT THE SECOND SESSION

*Begun and held at the City of Washington on Monday, the nineteenth day of January,  
one thousand nine hundred and seventy-six*

## An Act

To authorize the Secretary of the Department in which the Coast Guard is operating to lease housing facilities for Coast Guard personnel in a foreign country on a multi-year basis.

*Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That section 475 (a) of title 14, United States Code, is amended by inserting, immediately after the first sentence, a new sentence to read as follows: "When any such lease involves housing facilities in a foreign country, the lease may be made on a multi-year basis, for a period not to exceed five years."*

*Speaker of the House of Representatives.*

*Vice President of the United States and  
President of the Senate.*