

The original documents are located in Box 65, folder “10/17/76 HR15813 To Amend the Act Establishing the Commission on Security and Cooperation in Europe” 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 Gerald R. Ford donated to the United States of America his copyrights in all of his unpublished writings in National Archives collections.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 17 1976
APPROVED

8/10/17/76

THE WHITE HOUSE
WASHINGTON
October 15, 1976

ACTION

Last Day: October 18

MEMORANDUM FOR THE PRESIDENT
FROM: JIM CANNON *Art Cannon*
SUBJECT: H.R. 15813 - To amend the Act Establishing
the Commission on Security and Cooperation
in Europe

Attached for your consideration is H.R. 15813, sponsored
by Representative Fascell and three others.

Section 502(b) of the Mutual Security Act of 1954 makes local
currencies owned by the United States available without
appropriation, to members of congressional committees and
committee employees traveling on official business. This
section makes unlimited amounts of excess currencies available,
and makes up to the equivalent of \$75 per day of non-excess
currencies available, exclusive of transportation costs. The
only requirement associated with the use of these funds is
that each committee member or employee must report to the
committee chairman the amounts and dollar values of the
local currencies expended as well as the amounts of
expenditures from appropriated funds.

The enrolled bill would amend the Act establishing the
Commission on Security and Cooperation in Europe, which you
approved on June 30, 1976, by deeming the Commission a standing
committee of the Congress for purposes of section 502(b) of
the Mutual Security Act of 1954. This would allow the
Commission members and employees, including its three
Executive branch members, to use these unappropriated local
currencies in their travels.

A detailed discussion of the provisions of the enrolled bill
and complete agency comments is provided in OMB's enrolled
bill report at Tab A.



Agency Recommendations

The Department of State and the Office of Management and Budget recommend approval of the enrolled bill.

The Department of Commerce has no objection. The Departments of Defense and Justice defer to agencies directly involved.

The Department of the Treasury recommends disapproval of the enrolled bill.

Staff Recommendations

Max Friedersdorf	"Recommend pocket veto for this Fascell Subcommittee legislation"
Bill Seidman	Disapprove
Counsel's Office (Lazarus)	No objection
NSC	Recommend approval
Robert Hartmann (Smith)	Recommend approval

Recommendation

I recommend approval of H.R. 15813. In addition to the reasons outlined by OMB for recommending approval, a veto would be perceived by the American Jewish community and others as an effort to hamper the work of the Commission. A number of Jewish community leaders have called to urge your approval of this measure.

Decision

Sign H.R. 15813 at Tab B.

Veto H.R. 15813 and sign Memorandum of Disapproval at Tab C which has been cleared by Doug Smith.



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

OCT 11 1976

MEMORANDUM FOR THE PRESIDENT

Subject: Enrolled Bill H.R. 15813 - To amend the Act
establishing the Commission on Security and
Cooperation in Europe
Sponsors - Rep. Fascell (D) Florida and 3 others

Last Day for Action

October 18, 1976 - Monday

Purpose

Enables the Commission on Security and Cooperation in Europe to use government-owned, non-appropriated, foreign currencies by deeming the Commission a standing committee of the Congress.

Agency Recommendations

Office of Management and Budget	Approval
Department of State	Approval
Department of Commerce	No objection
Department of Defense	Defers to agencies directly involved
Department of Justice	Defers to agencies directly involved
Department of the Treasury	Disapproval (Memoran- dum of Disapproval attached)

Discussion

Section 502(b) of the Mutual Security Act of 1954 makes local currencies owned by the United States available, without appropriation, to members of congressional committees

and committee employees traveling on official business. This section makes unlimited amounts of excess currencies available, and makes up to the equivalent of \$75 per day of non-excess currencies available, exclusive of transportation costs. The only requirement associated with the use of these funds is that each committee member or employee must report to the committee chairman the amounts and dollar values of the local currencies expended as well as the amounts of expenditures from appropriated funds.

This enrolled bill would amend the Act establishing the Commission on Security and Cooperation in Europe, which you approved on June 3, 1976, by deeming the Commission a standing committee of the Congress for purposes of section 502(b) of the Mutual Security Act of 1954. This would allow the Commission members and employees, including its three Executive Branch members (one each from State, Defense, and Commerce), to use these unappropriated local currencies in their travels.

In its enrolled bill letter, the Treasury Department recommends that you disapprove H.R. 15813. In the Memorandum of Disapproval which accompanies its letter, Treasury states three reasons for their opposition to H.R. 15813:

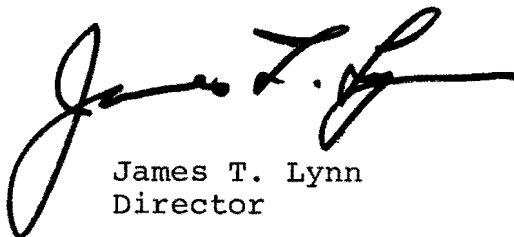
- (1) expenses of Executive Branch employees should be paid out of appropriated funds;
- (2) approval would establish a precedent that might result in requests from similar bodies to use these unappropriated funds on the same terms; and,
- (3) since the local currencies utilized would otherwise be available for conversion to dollars, H.R. 15813 would further reduce the dollar receipts of the United States Treasury.

Taking the opposite view in its enrolled bill letter, the Department of State recommends that you approve H.R. 15813. State points out that the House Committee on International Relations, in its report on the bill originally establishing

the Commission, stated the Committee's intention to use these unappropriated local currencies for Commission travel. The letter further notes that State, which is responsible for administering these funds, informally advised the Committee that the legality of using section 502(b) funds for the Commission was questionable because of the Commission's inclusion of Executive Branch members. Subsequently, as State's letter advises, H.R. 15813 was introduced and passed (without hearings) to establish the availability of section 502(b) funds for Commission travel. Finally, the letter states:

"It is the view of the Department of State that certain aspects of CSCE Commission travel raise legal and policy questions which must be resolved in consultation with the Congressional members of the CSCE Commission before such travel occurs. However, the Department has no objection per se to the use of local currencies under Section 502(b) for CSCE Commission travel."

We have some overall concerns about the use of section 502(b) funds and we may, in the future, pursue legislation to restrict or eliminate the use of these unappropriated funds. H.R. 15813, however, does not provide an appropriate vehicle for pursuing these broader concerns. We, therefore, agree with State's approval recommendation, especially in view of the House Committee's intention, expressed in its report on the bill originally establishing the Commission, that the Commission would be entitled to use section 502(b) funds for its travel expenses. In addition, there is only one European currency (that of Poland) which the United States owns in excess and which would, therefore, be available in unlimited amounts to the Commission, and that currency will be declared non-excess in the near future. Finally, disapproval of H.R. 15813 might be misconstrued as an attempt to undermine the activities of the Commission rather than as a good-faith effort to assure the responsible management of Federal monies.



James T. Lynn
Director

Enclosures

MEMORANDUM OF DISAPPROVAL

I am withholding my approval from H.R. 15813, a bill "To amend the Act of June 3, 1976, relating to the Commission on Security and Cooperation in Europe."

The bill would amend section 7 of the Act entitled "An Act to establish a Commission on Security and Cooperation in Europe" (Public Law 94-304) to provide that the Commission shall be deemed to be a standing committee of the Congress for the purposes of section 502(b) of the Mutual Security Act of 1954 (22 U.S.C. 1754(b)) and shall be entitled to use funds in accordance with that section. Under section 502(b), local currencies owned by the United States must be made available without charge to any appropriation to members of Congressional committees and their staffs for their expenses abroad while on official Committee business. Such persons are authorized to obtain up to \$75 per day per person exclusive of transportation costs, from United States owned local currency accounts, or unlimited amounts if the currency is in excess of United States Government requirements as determined by the President.

The members of the Commission on Security and Cooperation in Europe include three representatives of the Executive Branch, one each from the Departments of State, Defense, and Commerce. In view of the fact that the expenses of Executive Branch officials are paid for out of appropriated funds, it would be inappropriate to make these other funds available to such persons. Further, the extension of the availability of section 502(b) funds to members of a Commission would invite other similar bodies to request access to such funds on the same terms. Because expenditures pursuant to section 502(b) are financed out of local currency receipts which would otherwise be available for conversion to dollars, the overall effect of this legislation would be to reduce further the dollar receipts of the United States Treasury.

H.R. 15813 would establish an unwise precedent for the future availability of United States owned local currency and would result in unwarranted loss of dollar receipts to the United States Treasury. I therefore return without my approval H.R. 15813.

THE WHITE HOUSE,

THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.:

Date: October 12

Time: 130pm

FOR ACTION: NSC/S
Max Friedersdorf *veto*
Bobbie Kilberg *ok*
Bill Seidman *veto*
Paul Leach *ok*

cc (for information): Jack Marsh
Ed Schmults
Steve McConahey *def u*

FROM THE STAFF SECRETARY

DUE: Date: October 14

Time: noon

SUBJECT:

H.R.15813-To amend the Act establishing the commission on Security and Cooperation in Europe

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. R. COLE, JR.
For the President



THE WHITE HOUSE

AC MEMORANDUM

WASHINGTON

LOG NO.:

Date: October 12

Time: 130pm

FOR ACTION: NSC/S
Max Friedersdorf
Bobbie Kilberg
Bill Seidman
Paul Leach
FROM THE STAFF SECRETARY

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

DUE: Date: October 14

Time: noon

SUBJECT:

H.R.15813-To amend the Act establishing the commission on Security and Cooperation in Europe

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

*Recommend ~~disapprove~~ disapproval
~~dis~~ packet into for This
 Foscull subcommittee legislation.*

mef

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
Staff Secretary

THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.:

Date: October 12

Time: 130pm

FOR ACTION: NSC/S
Max Friedersdorf
Bobbie Kilberg
Bill Seidman
Paul Leach

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

FROM THE STAFF SECRETARY

DUE: Date: October 14

Time: noon

SUBJECT:

H.R.15813-To amend the Act establishing the commission on Security and Cooperation in Europe

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

*DISAPPROVE
RMB*

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
Staff Secretary to the President

THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.:

Date:

October 12

Time:

130pm

FOR ACTION:

NSC/S
Max Friedersdorf
Bobbie Kilberg
Bill Seidman
Paul Leach

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

FROM THE STAFF SECRETARY

DUE: Date:

October 14

Time:

noon

SUBJECT:

H.R.15813-To amend the Act establishing the commission
on Security and Cooperation in Europe

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

No objection
K. Lazarus
10/13

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

Thomas M. Cannon
President

MEMORANDUM

NATIONAL SECURITY COUNCIL

5704

1976 OCT 15 AM 11 22
October 15, 1976

MEMORANDUM FOR: JAMES M. CANNON
FROM: Jeanne W. Davis *JWD*
SUBJECT: H. R. 15813

The NSC Staff concurs with the proposed enrolled bill H. R. 15813-
To amend the Act establishing the commission on Security and
Cooperation in Europe.



DEPARTMENT OF STATE

Washington, D.C. 20520

OCT 8 1976

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

Dear Mr. Lynn:

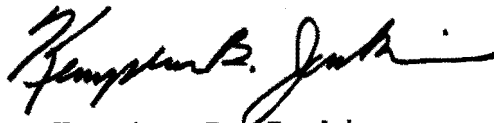
I am writing in regard to Mr. James Frey's request of October 5, 1976, for comments and recommendations related to H.R. 15813, "An Act to Amend the Act of June 3, 1976 Relating to the Commission on Security and Cooperation in Europe."

This bill is essentially a technical amendment to the June 3, 1976 Act (PL 94-304) so as to permit the CSCE Commission created under that Act to draw upon local currencies made available for use by "appropriate committees of the Congress engaged in carrying out their duties . . ." under Section 502(b) of the Mutual Security Act of 1954, as amended. The Report of the House Committee on International Relations on PL 94-304 indicated that it was the intention, at least of that Committee, to have Section 502(b) funds made available to the CSCE Commission for its official travel. However, it was the informal view of the Department of State, which is responsible for administering funds made available under Section 502(b), that the existing legal authority for such use of 502(b) funds was at best questionable. When the Department's informal legal views were communicated to the Chairman of the CSCE Commission, it was apparently decided to introduce this legislation which was passed by both Houses of the Congress without objection on October 1. If approved, it would clearly establish the availability of Section 502(b) funds for CSCE Commission travel.

It is the view of the Department of State that certain aspects of CSCE Commission travel raise legal and policy questions which must be resolved in consultation with the Congressional members of the CSCE Commission before such travel occurs. However, the Department has no objection per se to the use of local currencies under Section 502(b) for CSCE Commission travel.

Accordingly, we believe that this amendment establishing the necessary legal authority for such use of the funds is not objectionable, and recommend that the President sign the proposed Act.

Sincerely,

A handwritten signature in black ink, appearing to read "Kempton B. Jenkins". The signature is fluid and cursive, with a prominent initial "K" and a long, sweeping underline.

Kempton B. Jenkins
Acting Assistant Secretary
for Congressional Relations



**GENERAL COUNSEL OF THE
UNITED STATES DEPARTMENT OF COMMERCE**
Washington, D.C. 20230

OCT 7 1976

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

Attention: Assistant Director for Legislative Reference

Dear Mr. Lynn:

This is in reply to your request for the views of this Department concerning H.R. 15813, an enrolled enactment

"To amend the Act of June 3, 1976, relating to the Commission on Security and Cooperation in Europe."

The purpose of H.R. 15813 is to amend Public Law 94-304, which established the Commission on Security and Cooperation in Europe, so as to permit the use of excess foreign currency by the Commission in connection with travel expenses outside of the United States.

This Department would have no objection to approval by the President of H.R. 15813.

Enactment of this legislation will not involve the expenditure of any funds by this Department.

Sincerely,

A handwritten signature in black ink, appearing to be "J. Smith", written over the typed name "General Counsel".

General Counsel





GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE

WASHINGTON, D. C. 20301

8 October 1976

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

Dear Mr. Lynn:

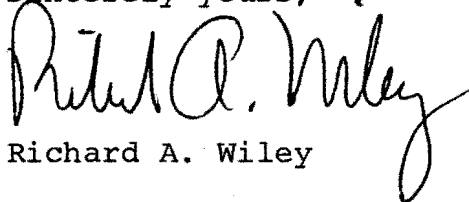
Reference is made to your request for the views of the Department of Defense on the Enrolled Enactment of H.R. 15813, 94th Congress, "To amend the Act of June 3, 1976, relating to the Commission on Security and Cooperation in Europe."

H.R. 15813, as passed by the Congress, would amend Public Law 94-304, approved on June 3, 1976, to permit the Commission established thereunder to use, without charge to appropriations made for the Legislative Branch, certain funds for local currency expenses incurred in connection with the travel of the Commission. These funds are specified in section 502(b) of the Mutual Security Act of 1954, as amended (22 USC 1754(b)) as: (1) foreign excess currencies owned by the United States; and (2) "any other local currencies owned by the United States in amounts not to exceed the equivalent of \$75 per day per person exclusive of the actual cost of transportation". Since the Commission's travel would be expected to occur in Europe, and since most, if not all, European currency owned by the United States are not excess to US Government requirements, the local currency funds required for the travel of the Commission would, for the most part, have to be purchased by the Executive Branch using funds appropriated or otherwise available to it (i.e., the second category mentioned).

Section 7 of Public Law 94-304 authorizes \$350,000 to be appropriated each fiscal year for the expenses of the Commission. The local currencies which would be made available for Commission travel by H.R. 15813 would be in addition to the funds annually appropriated to the Commission.

Since Department of Defense funds are not used to purchase foreign currencies required under section 502(b) of the Mutual Security Act of 1954, as amended, the Department of Defense defers to the recommendations of those departments or agencies whose funds would be used for such purchases as to whether the President should approve H.R. 15813, 94th Congress.

Sincerely yours, .

A handwritten signature in cursive script, appearing to read "Richard A. Wiley". The signature is written in dark ink and is positioned to the right of the typed name.

Richard A. Wiley

Department of Justice
Washington, D.C. 20530

October 7, 1976

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

Dear Mr. Lynn:

This is in response to your request for the views of this Department on H.R. 15813, an enrolled bill to amend the Act of June 3, 1976, relating to the Commission on Security and Cooperation in Europe. The bill provides that for purposes of section 502(b) of the Mutual Security Act, 22 U.S.C. 1754(b), the Commission shall be deemed to be a standing committee of the Congress and shall be entitled to use funds in accordance with such section.

The effect of the bill is to make certain local currencies owned by the United States in foreign countries available to the Commission. We understand that there has been a dispute involving GAO as to whether the Commission is eligible to use such funds under existing law. Although it in some ways resembles a congressional committee, the Commission consists of twelve members of Congress and three executive branch members appointed by the President from the Departments of State, Defense and Commerce. (See P.L. 94-304, §3.)

We defer to the agencies directly involved as to whether the President should sign this bill.

Sincerely,



Michael M. Uhlmann
Assistant Attorney General
Office of Legislative Affairs



THE DEPUTY SECRETARY OF THE TREASURY

WASHINGTON, D.C. 20220

October 11, 1976

Director, Office of Management and Budget
Executive Office of the President
Washington, D. C. 20503

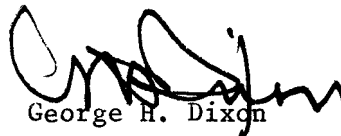
Attention: Assistant Director for Legislative
Reference

Sir:

This letter responds to your request for the views of this Department on the enrolled enactment of H.R. 15813, "To amend the Act of June 3, 1976, relating to the Commission on Security and Cooperation in Europe."

The Department recommends that the President withhold his approval of the enrolled enactment. A Memorandum of Disapproval is enclosed.

Sincerely yours,



George H. Dixon

Enclosure

file 10/15 - 2:45 pm

THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.:

Date: October 12

Time: 130pm

FOR ACTION: NSC/S
Max Friedersdorf
Bobbie Kilberg
Bill Seidman
Paul Leach

cc (for information): Jack Marsh
Ed Schmults
Steve McConahey *difu*

FROM THE STAFF SECRETARY

DUE: Date: October 14

Time: noon

SUBJECT:

H.R.15813-To amend the Act establishing the commission on Security and Cooperation in Europe

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

10/15 - Copy sent for researching

10/15 - Researched copy returned, mm

GRF
Victory, dated
[Signature]

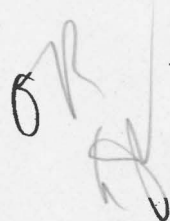
MEMORANDUM OF DISAPPROVAL

I am withholding my approval from H.R. 15813, a bill "To amend the Act of June 3, 1976, relating to the Commission on Security and Cooperation in Europe."

The bill would amend section 7 of the Act entitled "An Act to establish a Commission on Security and Cooperation in Europe" (Public Law 94-304) to provide that the Commission shall be deemed to be a standing committee of the Congress for the purposes of section 502(b) of the Mutual Security Act of 1954 (22 U.S.C. 1754(b)) and shall be entitled to use funds in accordance with that section. Under section 502(b), local currencies owned by the United States must be made available without charge to any appropriation to members of Congressional committees and their staffs for their expenses abroad while on official Committee business. Such persons are authorized to obtain up to \$75 per day per person exclusive of transportation costs, from United States owned local currency accounts, or unlimited amounts if the currency is in excess of United States Government requirements as determined by the President.

The members of the Commission on Security and Cooperation in Europe include three representatives of the Executive Branch, one each from the Departments of State, Defense, and Commerce. In view of the fact that the expenses of Executive Branch officials are paid for out of appropriated funds, it would be inappropriate to make these other funds available to such persons. Further, the extension of the availability of section 502(b) funds to members of a Commission would invite other

H.R. 15813 would establish an unwise precedent for the future availability of United States owned local currency and would result in unwarranted loss of dollar receipts to the United States Treasury. I therefore return without my approval H.R. 15813.

Handwritten initials or signature in the right margin, possibly reading 'OR' followed by a flourish.

The White House

October , 1976

Rec 10/15/76 2:45 pm

THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.:

Date: October 12

Time: 130pm

FOR ACTION:

NSC/S
Max Friedersdorf
Bobbie Kilberg
Bill Seidman
Paul Leach

cc (for information):

Jack Marsh
Ed Schmults
Steve McConahey dfa

FROM THE STAFF SECRETARY

397
to Rep 2:59
10/15 9Am

to DJS
10/15 5:00
9Am

DUE: Date: October 14

Time: noon

SUBJECT:

H.R.15813-To amend the Act establishing the commission on Security and Cooperation in Europe

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

ok mub

MEMORANDUM OF DISAPPROVAL

[Handwritten signature]
I am withholding my approval from H.R. 15813, a bill "To amend the Act of June 3, 1976, relating to the Commission on Security and Cooperation in Europe."

[Handwritten signature]
The bill would amend section 7 of the Act entitled "An Act to establish a Commission on Security and Cooperation in Europe" (Public Law 94-304) to provide that the Commission shall be deemed to be a standing committee of the Congress for the purposes of section 502(b) of the Mutual Security Act of 1954 (22 U.S.C. 1754(b)) and shall be entitled to use funds in accordance with that section. Under section 502(b), local currencies owned by the United States must be made available without charge to any appropriation to members of Congressional committees and their staffs for their expenses abroad while on official Committee business. Such persons are authorized to obtain up to \$75 per day per person exclusive of transportation costs, from United States owned local currency accounts, or unlimited amounts if the currency is in excess of United States Government requirements as determined by the President.

[Handwritten signature]
The members of the Commission on Security and Cooperation in Europe include three representatives of the Executive Branch, one each from the Departments of State, Defense, and Commerce. In view of the fact that the expenses of Executive Branch officials are paid for out of appropriated funds, it would be inappropriate to make these other funds available to such persons. Further, the extension of the availability of section 502(b) funds to members of a Commission would invite other

H.R. 15813 would establish an unwise precedent for the future availability of United States owned local currency and would result in unwarranted loss of dollar receipts to the United States Treasury. I therefore return without my approval H.R. 15813.

The White House

October , 1976



DEPARTMENT OF STATE

Washington, D.C. 20520

OCT 8 1976

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

Dear Mr. Lynn:

I am writing in regard to Mr. James Frey's request of October 5, 1976, for comments and recommendations related to H.R. 15813, "An Act to Amend the Act of June 3, 1976 Relating to the Commission on Security and Cooperation in Europe."

This bill is essentially a technical amendment to the June 3, 1976 Act (PL 94-304) so as to permit the CSCE Commission created under that Act to draw upon local currencies made available for use by "appropriate committees of the Congress engaged in carrying out their duties . . ." under Section 502(b) of the Mutual Security Act of 1954, as amended. The Report of the House Committee on International Relations on PL 94-304 indicated that it was the intention, at least of that Committee, to have Section 502(b) funds made available to the CSCE Commission for its official travel. However, it was the informal view of the Department of State, which is responsible for administering funds made available under Section 502(b), that the existing legal authority for such use of 502(b) funds was at best questionable. When the Department's informal legal views were communicated to the Chairman of the CSCE Commission, it was apparently decided to introduce this legislation which was passed by both Houses of the Congress without objection on October 1. If approved, it would clearly establish the availability of Section 502(b) funds for CSCE Commission travel.

It is the view of the Department of State that certain aspects of CSCE Commission travel raise legal and policy questions which must be resolved in consultation with the Congressional members of the CSCE Commission before such travel occurs. However, the Department has no objection per se to the use of local currencies under Section 502(b) for CSCE Commission travel.

Accordingly, we believe that this amendment establishing the necessary legal authority for such use of the funds is not objectionable, and recommend that the President sign the proposed Act.

Sincerely,

A handwritten signature in cursive script, appearing to read "Kempton B. Jenkins".

Kempton B. Jenkins
Acting Assistant Secretary
for Congressional Relations



GENERAL COUNSEL OF THE
UNITED STATES DEPARTMENT OF COMMERCE
Washington, D.C. 20230

OCT 7 1976

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

Attention: Assistant Director for Legislative Reference

Dear Mr. Lynn:

This is in reply to your request for the views of this Department concerning H.R. 15813, an enrolled enactment

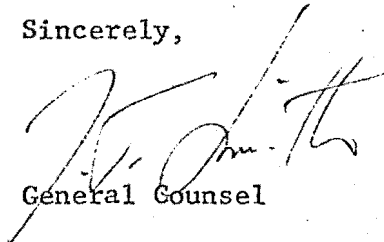
"To amend the Act of June 3, 1976, relating to the Commission on Security and Cooperation in Europe."

The purpose of H.R. 15813 is to amend Public Law 94-304, which established the Commission on Security and Cooperation in Europe, so as to permit the use of excess foreign currency by the Commission in connection with travel expenses outside of the United States.

This Department would have no objection to approval by the President of H.R. 15813.

Enactment of this legislation will not involve the expenditure of any funds by this Department.

Sincerely,



General Counsel



MEMORANDUM OF DISAPPROVAL

I am withholding my approval from H.R. 15813, a bill "To amend the Act of June 3, 1976, relating to the Commission on Security and Cooperation in Europe."

The bill would amend section 7 of the Act entitled "An Act to establish a Commission on Security and Cooperation in Europe" (Public Law 94-304) to provide that the Commission shall be deemed to be a standing committee of the Congress for the purposes of section 502(b) of the Mutual Security Act of 1954 (22 U.S.C. 1754(b)) and shall be entitled to use funds in accordance with that section. Under section 502(b), local currencies owned by the United States must be made available without charge to any appropriation to members of Congressional committees and their staffs for their expenses abroad while on official Committee business. Such persons are authorized to obtain up to \$75 per day per person exclusive of transportation costs, from United States owned local currency accounts, or unlimited amounts if the currency is in excess of United States Government requirements as determined by the President.

The members of the Commission on Security and Cooperation in Europe include three representatives of the Executive Branch, one each from the Departments of State, Defense, and Commerce. In view of the fact that the expenses of Executive Branch officials are paid for out of appropriated funds, it would be inappropriate to make these other funds available to such persons. Further, the extension of the availability of section 502(b) funds to members of a Commission would invite other similar bodies to request access to such funds on the same terms. Because expenditures pursuant to section 502(b) are financed out of local currency receipts which would otherwise be available for conversion to dollars, the overall effect of this legislation would be to reduce further the dollar receipts of the United States Treasury.

H.R. 15813 would establish an unwise precedent for the future availability of United States owned local currency and would result in unwarranted loss of dollar receipts to the United States Treasury. I therefore return without my approval H.R. 15813.

The White House

October , 1976

MEMORANDUM OF DISAPPROVAL

I am withholding my approval from H.R. 15813, a bill "To amend the Act of June 3, 1976, relating to the Commission on Security and Cooperation in Europe."

The bill would amend section 7 of the Act entitled "An Act to establish a Commission on Security and Cooperation in Europe" (Public Law 94-304) to provide that the Commission shall be deemed to be a standing committee of the Congress for the purposes of section 502(b) of the Mutual Security Act of 1954 (22 U.S.C. 1754(b)) and shall be entitled to use funds in accordance with that section. Under section 502(b), local currencies owned by the United States must be made available without charge to any appropriation to members of Congressional committees and their staffs for their expenses abroad while on official Committee business. Such persons are authorized to obtain up to \$75 per day per person exclusive of transportation costs, from United States owned local currency accounts, or unlimited amounts if the currency is in excess of United States Government requirements as determined by the President.

The members of the Commission on Security and Cooperation in Europe include three representatives of the Executive Branch, one each from the Departments of State, Defense, and Commerce. In view of the fact that the expenses of Executive Branch officials are paid for out of appropriated funds, it would be inappropriate to make these other funds available to such persons. Further, the extension of the availability of section 502(b) funds to members of a Commission would invite other similar bodies to request access to such funds on the same terms. Because expenditures pursuant to section 502(b) are financed out of local currency receipts which would otherwise be available for conversion to dollars, the overall effect of this legislation would be to reduce further the dollar receipts of the United States Treasury.

H.R. 15813 would establish an unwise precedent for the future availability of United States owned local currency and would result in unwarranted loss of dollar receipts to the United States Treasury. I therefore return without my approval H.R. 15813.

THE WHITE HOUSE,

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 amend the Act of June 3, 1976, relating to the Commission on Security and Cooperation in Europe.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 7 of the Act entitled "An Act to establish a Commission on Security and Cooperation in Europe", approved June 3, 1976 (Public Law 94-304), is amended—

- (1) by inserting "(a)" immediately after "SEC. 7."; and
- (2) by adding at the end thereof the following new subsection:
"(b) For purposes of section 502(b) of the Mutual Security Act of 1954, the Commission shall be deemed to be a standing committee of the Congress and shall be entitled to use funds in accordance with such sections."

Speaker of the House of Representatives.

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