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THE WHITE HOUSE

WASHINGTON

July 1, 1976

0-11112

MEMORANDUM FOR: PAUL O'NEILL
FROM: PHIL BUCHEN *P.*

Attached is correspondence between Chrysler and GSA concerning GSA's interpretation and implementation of the Buy American Act. Insofar as GSA and DOD have procurement regulations which treat differently the same Canadian auto products, I believe it would be appropriate for the Office of Federal Procurement Policy to look into this issue. I do not favor one interpretation over the other, but I do wonder whether the Federal Government should have such inconsistencies in its procurement policy.



THE WHITE HOUSE

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July 1, 1976

MEMORANDUM FOR: PAUL O'NEILL

FROM: PHIL BUCHEN *P.*

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May 26, 1976

Mr. W. C. Hoffarth
General Services Administration
Federal Supply Service
Crystal Mall, Bldg. 4, Room 921
Washington, D.C. 20406

Dear Bill:

Chrysler Corporation continues to be quite concerned over certain aspects of the Buy American Act, specifically as they apply to our medium tonnage trucks built at our Windsor Truck Plant in Canada. It would be greatly appreciated if you could clarify to us GSA's rulings in certain areas of this Act which have posed a problem to our company and are directly responsible for our failing to respond to certain solicitations.

First, a clarification of the word "component" as used in the Buy American Act is requested. It is Chrysler's position that truck models assembled at the Windsor Truck Plant which contain more than 50% U.S.-manufactured parts and assemblies, which are subsequently shipped to a domestic body builder for completion and whose value exceeds 50% of the completed unit, should not be considered as a single foreign-made component subject to a 6% penalty.

Secondly, an explanation of GSA's position that a complete unit, manufactured at the Windsor Truck Plant and containing more than 50% U.S.-made components, be subjected to a 6% penalty. Chrysler Corporation's viewpoint is that such a vehicle should not be assessed an additional 6% at the time of bid evaluation based on the fact that the majority of parts, assemblies, and components are U.S.-produced.

Finally, Chrysler must take issue with GSA's apparent position that it is more important where a vehicle is assembled rather than the percentage of domestically produced parts, assemblies, and components used in the final unit. The basic intent of the Buy American Act appears open to question when it is possible to have a vehicle assembled domestically and containing 51% U.S. components considered a "domestic end product" but yet have a Windsor-produced unit with 75% U.S. content be considered foreign and subject to a 6% penalty.



GSA's rulings and interpretations concerning the Buy American Act as set forth in the Federal Procurement Regulations not only serve to restrict bidding but also appear to be in direct conflict with the U.S.-Canadian Automotive Trade Agreement, one of the purposes of which is to expand trade in automotive products between the United States and Canada. In addition, the military (TACOM) accepts Windsor-built vehicles, regardless of percentage of content, the same as domestically produced vehicles with no penalty of any type imposed.

Your statements and clarifications regarding the foregoing points would be of great assistance. Thank you for your continued cooperation.

Very truly yours,

F. R. Henderson
Manager, Federal Government
Vehicle Sales

FRH:msh

cc: ✓ Mr. Philip W. Buchen
Counsel to the President

The Hon. William S. Broomfield

The Hon. Elford A. Cederberg

Mr. Calvin J. Collier
Chairman, Federal Trade Commission



JUN 15 1976

Mr. F. R. Henderson
Manager, Federal Government Vehicle Sales
Chrysler Motors Corporation
1100 Connecticut Avenue, NW
Washington, D. C. 20036

Dear Frank:

This is in response to your letter dated May 26, 1976, regarding our position on the application of the Buy American Act to vehicles assembled in Canada.

Canadian goods and other foreign items are being evaluated in accordance with the Buy American Act as it is implemented by the Federal Procurement Regulations, FPR Subpart 1-6.1.

Under FPR Section 1-6.101(a), the term, "Components" is defined as "...articles, materials and supplies which are directly incorporated in end products". In the case of manufactured products the Buy American Act is applied to the end product itself and to the components directly incorporated in the end product, but is not applied to the supplies that are used in the manufacture of such component. Thus, an end product, in accordance with 1-6.101(d), is domestic in origin if (1) it is manufactured in the United States and (2) the cost of its components which are manufactured in the United States exceeds 50 percent of the cost of all its components.

If a completed vehicle is manufactured in Canada, it will be considered foreign regardless of the percentage of its domestic components or supplies. Similarly, if a component is manufactured in Canada it will also be viewed as a foreign component regardless of the percentage of domestic supplies which were used in manufacturing the component.

In instances where your firm indicates that it will offer a vehicle that is partially built in Canada, such as a cab and chassis, and then shipped into the United States for mounting of a body or other components and the value of the body or other components is less than 50 percent of the total cost of the completed vehicle, the Buy American differential will be applicable because the Canadian produced cab and chassis is a foreign component and the value of the component exceeds 50 percent of the total cost of the vehicle.



In regard to your statement that our interpretation of the Buy American Act restricts competition, I call to your attention our previous conversations wherein you were advised that one of your major competitors also builds its cab and chassis in Canada and the Buy American differential is applied. The purpose of our conversation, from my viewpoint, was an attempt to convince your firm to bid its Canadian built vehicles to induce competition since both bids would be evaluated equally as far as the Buy American differential was concerned.

Further, we do not find that our application of the Buy American differential to Canadian built vehicles is in conflict with the United States-Canadian Automotive Trade Agreement of January 16, 1965, (Congressional Record of January 22, 1965, Vol. III - Part 1, Page 1061). The agreement between the United States and Canada concerning automotive products appears to be primarily directed towards the liberalization of United States and Canadian automotive trade through the elimination of customs duties and related tariff barriers. In our opinion, however, nothing in the agreement nor in the Automotive Products Trade Act of 1965 (79 Stat. 1016), providing for the implementation of the agreement, affords a basis for our disregard of the provisions of the Buy American Act and Executive Order No. 10582 in connection with automotive procurements. In fact, we consider the "Agreement" as applying to normal commercial trade rather than to Government procurements.

We are aware that the Department of Defense, particularly for vehicles purchased for the military through TACOM, does not consider Canadian built vehicles as foreign made items and therefore does not apply the Buy American Act to them. However, the Department of Defense and the General Services Administration are governed by two separate sets of regulations, which are respectively, the Armed Services Procurement Regulations (ASPR) and the Federal Procurement Regulations (FPR). As stated in ASPR Section 6-103.5, the Secretaries of the Department of Defense have determined that, with certain exceptions, application of the Buy American Act restrictions to Canadian goods would be inconsistent with the public interest. However, the Administrator of the General Services Administration has not made such a determination, and the FPR treats Canadian goods as any other foreign goods (FPR Section 1-6.101).

We understand that you are seeking to obtain a similar implementation of the Buy American Act under the Federal Procurement Regulations through channels other than this office. If you are successful in obtaining a change in our regulations, this office, of course,



will evaluate future offers in accordance with any such revision. However, our present decision is as stated in the preceding paragraphs.

If you have any further questions regarding this matter please contact us.

Sincerely,

(Signed) W. C. Hoffarth

W. C. HOFFARTH
Chief, Heavy Vehicles Branch

cc: Official File - Buy American Act
Reading File - FYPH

FY

FYP

LPO

FB

FV - Mr. Philip G. Read

FPP

WCH:9/14/76
FYPH:WCHOFFARTH:npb:16-78188:6/14/76

CONCURRENCE:

LPO *WCH 6/15/76* DATE _____

FYP *H. A. Higdon* DATE *6/15/76*



THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.:

Date: July 26

Time: 400pm

FOR ACTION: Dick Parsons
~~Ken Lazarus~~
 Robert Hartmann
 Max Friedersdorf

cc (for information): Jack Marsh
 Jim Cavanaugh
 Ed Schmults

FROM THE STAFF SECRETARY

DUE: Date: July 27

Time: 930am

SUBJECT:

First 1977 Special Message under the Impoundment
 Control Act of 1974

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

Counsel's Office has no strong objection to this rescission proposal but requests that the President be advised that Senator Hruska (ranking Republican on the relevant Senate Appropriations Subcommittee) has communicated his opposition to the proposal (copy of letter attached). In view of Senator Hruska's position and the absence of authority to reserve any of these funds due to the unique nature of the Corporation, the proposal can only have symbolic utility -- there is simply no chance of Congressional acceptance of the proposed rescission.

Ken Lazarus 7/27/76

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



EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

JUL 26 1976

SIGNATURE

MEMORANDUM FOR:

THE PRESIDENT

FROM:

James T. Lynn

SUBJECT:

First 1977 Special Message under
the Impoundment Control Act of 1974

The first 1977 special message under the Impoundment Control Act of 1974 is attached for your signature.

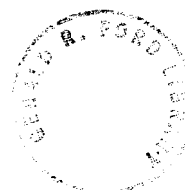
In the message, you propose rescission of \$45 million appropriated above your \$80 million budget request for payment to the Legal Services Corporation (LSC). The funds were appropriated in the State, Justice, and Commerce, the Judiciary, and Related Agencies Appropriation Act, 1977 (P.L. 94-362).

The rescission proposal would, if accepted by the Congress, have the following program effects: (1) prevent increased grantee staff salaries, (2) prevent expansion of LSC's administrative staff, and (3) delay greater geographic coverage for the program until evaluations are completed by LSC for all of its existing legal services grantees. The proposed rescission would also reduce outlays in 1977 by \$40 million and 1978 by \$5 million.

RECOMMENDATION

I recommend that this proposal be transmitted to the Congress not later than July 28, 1976. The timing of transmittal for this proposed rescission has a special sensitivity. Our General Counsel is of the opinion that funds appropriated for payment to LSC (an independent, non-profit corporation) may not be reserved by OMB. In order for the 45 day congressional consideration period to be completed before the funds become available on October 1, 1976, the proposed rescission must be transmitted before the beginning of August.

Attachment



TO THE CONGRESS OF THE UNITED STATES:

In accordance with the Impoundment Control Act of 1974, I herewith propose rescission of \$45 million in budget authority appropriated for payment to the Legal Services Corporation.

Approval of this rescission proposal will reduce Federal spending by \$45 million over 1977 and 1978. The proposed rescission would prevent unneeded expansion of Legal Services Corporation activities and delay greater geographic coverage until program evaluations are completed.

The details of the proposed rescission are contained in the attached report.

THE WHITE HOUSE,



CONTENTS OF SPECIAL MESSAGE
(in thousands of dollars)

<u>Rescis- sion #</u>	<u>Item</u>	<u>Budget Authority</u>
	Other Independent Agencies	
	Legal Services Corporation	
R77-1	Payment to the Legal Services Corporation.....	45,000

* * * * *

Summary of Special Messages
for FY 1977
(Amounts in thousands of dollars)

	<u>Rescissions</u>	<u>Deferrals</u> <u>1/</u>
First special message.....	45,000	---

1/ Deferrals for fiscal 1977 cannot be proposed until October 1, 1976, in accordance with section 1013 of P.L. 93-344.

PROPOSED RESCISSION OF BUDGET AUTHORITY

Report Pursuant to Section 1012 of P.L. 93-344

Agency Legal Services Corporation	New budget authority (P.L. <u>94-362</u>)	\$ <u>125,000,000</u>
Bureau	Other budgetary resources	_____
Appropriation title & symbol Payment to the Legal Services Corporation - 8160501	Total budgetary resources	<u>125,000,000</u>
OMB identification code: 31-22-0501-0-1-751	Amount proposed for rescission	\$ <u>45,000,000</u>
Grant program <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Legal authority (in addition to sec. 1012): <input type="checkbox"/> Antideficiency Act <input type="checkbox"/> Other _____	
Type of account or fund: <input checked="" type="checkbox"/> Annual <input type="checkbox"/> Multiple-year _____ (expiration date) <input type="checkbox"/> No-year	Type of budget authority: <input checked="" type="checkbox"/> Appropriation <input type="checkbox"/> Contract authority <input type="checkbox"/> Other _____	

Justification

A rescission of appropriation authority under Section 1012 of the Impoundment Control Act of 1974 (P.L. 93-344) is proposed for \$45 million for the Legal Services Corporation (LSC). The funds for LSC were appropriated in the Departments of State, Justice, Commerce, the Judiciary, and Related Agencies Appropriation Act, 1977 (P.L. 94-362).

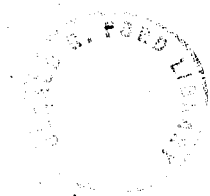
For fiscal year 1977 LSC requested, independent of the Administration, a \$60.3 million budget increase (above the \$80 million Administration request) primarily to fund higher grantee attorney salaries and administrative expenses and expand the legal services programs' geographic coverage. The Administration's budget request for LSC was made in the context of other competing priorities within the 1977 Budget.

This rescission for the additional amount appropriated over the Budget reflects the following considerations:

- (1) In its first year of existence (1976) the Corporation received a 29% increase in its appropriation level over the previous year's funding for the legal services program. The 1977 add-on represents another 35% increase over the 1976 appropriation. 1/
- (2) Factors which should reduce the 1977 funding level below the 1976 appropriated level include:
 - 1/ Prior to 1976, the legal services program was administered by the Community Services Administration.



- (a) One-time costs in 1976 which will not need to be incurred in 1977, such as start-up organizational costs, special projects (e.g., back-up center study), and non-recurring supplemental funding for certain grantees.
 - (b) Savings which should be achieved in 1977 by directly conducting activities formerly handled by back-up centers.
 - (c) Reduced administrative costs for grantees due to the greater availability of well-qualified lawyers in the labor market.
- (3) Administrative overhead costs are projected by LSC to rise by over 80% in only two years at a time when reductions in such costs for regular Federal agencies have been urged by the President and within the Congress.
- (4) Consideration by the Congress should be given to other sources of legal services for those who cannot afford private counsel. For example, under authority of Section 308 of Title III of the Older Americans Act of 1965, as amended, \$1,125,000 of fiscal year 1977 funds have been reserved for the development of State level legal services activities for the aging. In addition, legal services programs can be sponsored by State and local governments through the Social Services (Title XX) and General Revenue Sharing programs. Private sponsorship of legal services (e.g., State and local legal aid societies, foundations, donated legal assistance, reduced fees for low income clients, etc.) should also be reviewed before major funding increases are approved for LSC.
- (5) The Administration has urged that prior to any significant expansion of the legal services program, LSC evaluate its existing legal services grantees. Such evaluations, subject to public comment and review, should use standardized criteria and appraise grantees' quality, determine their needs, and assess the resources available from alternate providers. Furthermore, LSC's mandated studies on the existing staff-attorney program and alternative methods of delivery of legal services should also be completed in fiscal year 1977 before additional programs are funded.



Estimated Effects

This rescission proposal for \$45 million will prevent increased grantee staff salaries and an expansion of LSC's administrative staff. Greater geographic coverage for the program will be delayed until evaluations based on standardized criteria are completed by LSC for all of its existing legal services grantees.

Outlay Effect (estimated in millions of dollars)

Comparison with President's 1977 Budget:

1. Budget outlay estimate for 1977.....	82.8
2. Outlay savings, if any, included in the budget outlay estimate	-0-

Current Outlay Estimates for 1977:

3. Without rescission	125.7
4. With rescission	85.7
5. Current outlay savings (line 3-line 4).....	40.0

Outlay Savings for 1978	5.0
Outlay Savings for 1979	-0-

RELATED AGENCIES

Legal Services Corporation

PAYMENT TO THE LEGAL SERVICES CORPORATION

Of the funds appropriated under this head in the Departments of State, Justice, and Commerce, the Judiciary, and Related Agencies Appropriation Act, 1977, to enable the Department of the Treasury to make payment to the Legal Services Corporation to carry out the purposes of the Legal Services Corporation Act of 1974 (P.L. 93-355), \$45,000,000 are rescinded.

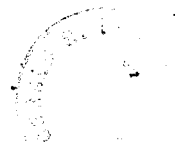


THE WHITE HOUSE
WASHINGTON

7/26/76

TO: JIM CAVANAUGH


Robert D. Linder



OMB

THE WHITE HOUSE

WASHINGTON

July 27, 1976

Dear Roman:

This is in response to your letter of July 22, relating to the Fiscal 1977 appropriation for the Legal Services Corporation.

Pursuant to your request, the President has been apprised of your opposition to a rescission of the \$45 million appropriated above the \$80 million budget request. Additionally, I wanted to advise you of the fact that due to the unique nature of the Legal Services Corporation, OMB has not reserved and does not intend to reserve any of the funds appropriated to the Corporation, an independent, non-profit entity. Thus, even assuming a rescission proposal under the Impoundment Control Act of 1974, the full appropriation will be available to the Corporation, absent affirmative Congressional action, as of October 1, 1976, the first day of the new fiscal year.

I shall arrange to have you informed as soon as a decision is reached on the rescission proposal.

With best wishes,

Sincerely,



Philip W. Buchen
Counsel to the President

The Honorable Roman L. Hruska
United States Senate
Washington, D. C. 20510

cc: Max Friedersdorf - For Direct follow-up when decision is reached on the rescission proposal.

✓ Jim Lynn - FYI



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HENRY BELLMON, OKLA.

United States Senate

COMMITTEE ON APPROPRIATIONS
WASHINGTON, D.C. 20510

July 22, 1976

JAMES R. CALLOWAY
CHIEF COUNSEL AND STAFF DIRECTOR

Mr. Philip W. Buchen
Counsel to the President
The White House
Washington, D. C.

Dear Phil:

It is my understanding that the President may recommend rescission of \$45 million from the Fiscal 1977 appropriation for the Legal Services Corporation. This would mean a proposed reduction from \$125 million to \$80 million.

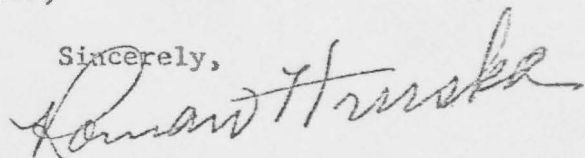
Your good offices were most helpful in the recent decision not to propose a rescission of the Corporation's \$4.3 million Fiscal 1976 supplemental appropriation. I am again asking your assistance to head off this latest action.

As the ranking Republican member of the responsible appropriation subcommittee, I have given careful attention to the Corporation's request. I know the board chairman personally and have consulted carefully with him regarding the program's plans and funding levels. Although I had reservations about the authorizing legislation, I am convinced that the program is operating responsibly within the law. The \$125 million appropriation has my support. It is a responsible level for the forthcoming fiscal year.

Although I understand the difficult budget priority choices facing the President, I do not believe this proposed rescission is constructive. I do hope my concern will receive careful consideration.

With kind personal regards,

Sincerely,



Roman L. Hruska
United States Senator
Nebraska



RLH:dpj

THE WHITE HOUSE

WASHINGTON

LOG NO.:

SMB

ACTION MEMORANDUM

Date: July 31, 1976

Time:

FOR ACTION:

Max Friedersdorf
Alan Greenspan
Bob Hartmann

cc (for information): Jim Cannon

Jack Marsh
Dave Gergen
Jim Lynn

Phil Buchen

FROM THE STAFF SECRETARY

DUE: Date: Tuesday, August 3

Time: 10 A.M.

SUBJECT:

Brent Scowcroft memo 7/31/76 re
Defense Budget Message

ACTION REQUESTED:

For Necessary Action

For Your Recommendations

Prepare Agenda and Brief

Draft Reply

For Your Comments

Draft Remarks

REMARKS:

I favor the middle option of forwarding a message
that outlines only a more limited supplemental.

P.W.B.

Philip W. Buchen
Counsel to the President

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.

Jim Connor
For the President



MEMORANDUM

THE WHITE HOUSE

WASHINGTON

ACTION

CONFIDENTIAL - GDS

July 31, 1976

MEMORANDUM FOR: THE PRESIDENT
FROM: BRENT SCOWCROFT *BS*
SUBJECT: Defense Budget Message

Jim Lynn has forwarded to you the attached defense budget message asking Congress for a \$2.4 billion reinstatement of deleted FY 1977 programs, a \$1.1 billion cut of those unrequested funds added by the Congress, and \$1.4 billion in additional funding to cover legislative inaction on our various defense economy proposals and a new request for recruiting funding.

I strongly support the programs for which funding is requested, but I do believe I should point out the possibility of some political difficulties which could be created by the all-inclusive aspect of the message in its present form. Therefore, in weighing your decision, I believe you should consider the following factors.

There are two general public perceptions of the defense budget -- the positive aspect of security and the negative element of high costs.

Based upon the FY 1977 Defense Authorization Bill which you recently signed, we are on particularly strong ground on both of these aspects. The defense budget provides for important improvements in U.S. military capability across the board, in land, sea, and air forces for strategic and general purpose roles. This argument is solid even given the changes made in certain programs (most notably shipbuilding) by Congress. For the first time in almost a decade, you have (in FY 1976 and FY 1977) increased our annual real dollar investment in national defense.

On the cost side, we have taken steps to save over \$3 billion next year alone and \$23 billion in the next five years through various economy measures. To the extent that Congress fails to act on that portion of these items requiring new legislation, we have a strong argument to take to the public as to Presidential budgetary restraint and Congressional inaction and perpetuation of inefficiency.

CONFIDENTIAL - GDS

WIM 5/8/00



We will maintain this dual position of strength whether or not there is a budget supplemental. Turning to the supplemental itself, I am concerned that its net results could turn out to be negative. While there is no doubt we are on strong ground in this message regarding such program as the AEGIS ships, the inclusion of virtually all the items cut from the original request (\$2.4 billion out of approximately \$2.9 billion) may alienate borderline supporters in Congress. This package would seem to constitute a degree of argument with legislative budget adjustments unprecedented in recent history. By strong implication we are saying that all our requests were critically important and none of the Congressional action was tolerable -- in other words, it is a 100 percent insistence on our judgment. This potentially antagonistic implication is reinforced by the message's challenge that Congress additionally delete the \$1.1 billion in programs added to our original request or accept responsibility for their cost implications when added on top of our own large reclama.

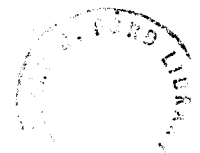
A resubmission of this size and at this time could hamper our otherwise strong position that Congress has not exercised fiscal constraint and is risking renewed inflationary trends. You have told Congress and the public that the defense economies we proposed are critical and must be acted upon now in order to allow savings in FY 1977. You have already sent the Congress a strong message on this in your signing statement for the FY 77 Defense Authorization Bill.

Conversely, limiting your reclama to the really critical items -- the AEGIS ships (DDG-47 destroyer) and the CSGN Nuclear Strike Cruiser advanced procurement funding--would highlight your ongoing and forceful actions to continue to improve our military capability. It would dramatize your position on strengthening capability and at the same time reduce the negative aspects of budget size. In sum, it may be that to include restoration of the many other small program cuts is not worth the potential political price.

RECOMMENDATION

That you indicate your decision on the attached budget supplemental message

- _____ Approve the message (sign the message at Tab A)
- _____ Forward a message outlining a more limited supplemental (AEGIS and economies).
- _____ Defer sending a message.



OMB

THE WHITE HOUSE

WASHINGTON

August 6, 1976

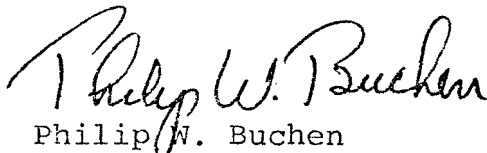
Dear Mr. Andersen:

This is in response to your letter of July 15 regarding the proposed Omaha Federal Office building.

As you know, the Office of Management and Budget is charged with the responsibility of reviewing such proposals. Accordingly, I have referred your letter to that office for a substantive response. I understand OMB conducts a careful and detailed review of such proposals, which takes some time. However, they have assured me that they will proceed diligently on this matter.

Thank you for your expression of interest in this proposal, and please give my personal regards to Jim Paxson.

Sincerely,



Philip W. Buchen
Counsel to the President

Mr. Harold W. Andersen
President
Omaha World-Herald
World-Herald Square
Omaha, Nebraska 68102



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

AUG 5 1976

MEMORANDUM FOR: PHILIP BUCHEN
FROM: ^{PS} DANIEL P. KEARNEY
SUBJECT: Public Inquiry - Harold W. Andersen

We received a letter similar to the attached from Mr. Andersen directly. We have prepared a reply, a copy of which is also attached. Since Mr. Andersen has gone to the trouble of sending at least three letters on this subject, we thought that a more satisfactory response from his point of view would be to send the one substantive response from OMB, and acknowledgement responses from the other persons to whom he has written directly. For your convenience, we have attached an acknowledgement response for your signature.

Attachments

#257 H/EG

THE WHITE HOUSE
WASHINGTON

July 26, 1976

MEMORANDUM FOR: ~~PAUL O'NEILL~~ *Hearney*

FROM: PHILIP BUCHEN *P.*

Could you please advise me on
the attached?

Attachment

Omaha World-Herald

The Newspaper of the Midlands

HAROLD W. ANDERSEN
President

July 15, 1976

World-Herald Square
Omaha, Nebraska 68102
(402) 444-1000

Mr. Philip W. Buchen
White House Counsel
The White House
1600 Pennsylvania Avenue, N.W.
Washington, D. C. 20500

Dear Mr. Buchen:

I have written James Lynn and Richard Cheney to ask their help in expediting an Omaha federal office building. At the suggestion of Jim Paxson, known to you through his efforts to preserve President Ford's birthsite here in Omaha, I write to ask if you, too, could help to move the office building project along quickly.

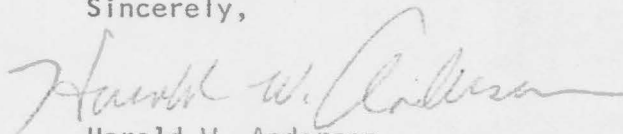
In April, the General Services Administration sent to OMB a prospectus for a \$27,000,000, 321,000-square-foot federal office building and a \$3,600,000 refurbishing of an existing federal office building. GSA had established a strong need for the project and assigned it a high priority.

For many years The World-Herald has spearheaded efforts to revitalize downtown Omaha. We believe that the proposed office building is a crucial part of a major downtown rebuilding effort, stimulated mostly by the private sector, that could arrest the spread of urban sprawl.

The proposed federal office building would fulfill a demonstrated need for space for federal agencies. It would also complement the community's efforts to redevelop the city's core.

Anything you could do to help would be appreciated very much.

Sincerely,



Harold W. Andersen

HWA:DK





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

Mr. Harold W. Andersen
President
Omaha World-Herald
World-Herald Square
Omaha, Nebraska 68102

Dear Mr. Andersen:

Thank you for your letter of July 15 to the Director concerning the proposed Federal office building in downtown Omaha.

We are presently evaluating the General Services Administration's prospectus for this project. We recently requested and received additional data from GSA to assist us in this assessment. The information you supplied in your letter on construction activity in the private sector provides an additional set of facts which will be helpful.

We appreciate your interest in this proposal as President of Downtown Omaha, Inc. Thank you for taking the time to inform us of your views.

Sincerely yours,

Acting Director



Omaha World-Herald

The Newspaper of the Midlands

DIRECTOR'S
CORRESPONDENCE

HAROLD W. ANDERSEN
President

MANAGEMENT BUDGET

July 15, 1976

World-Herald Square
Omaha, Nebraska 68102
(402) 444-1000

Action to:	
Reply for:	MR. Veary
Control No.:	0416
Due Date:	7-30
Info Copies:	

Mr. James T. Lynn
Director
Office of Management and Budget
The White House
1600 Pennsylvania Avenue, N.W.
Washington, D. C. 20500

Dear Mr. Lynn:

I write to ask for your help in expediting a new federal office building in downtown Omaha.

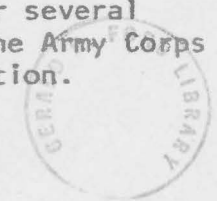
The Omaha World-Herald, for many years, has spearheaded efforts to renovate the downtown area. I know the Ford Administration shares this newspaper's hope that by revitalizing the nation's central cities, the country can slow the flight of business to the suburbs and the resultant urban sprawl, with its adverse effects on energy efficiency, affordable housing and environmental health.

As president of Downtown Omaha, Inc., an organization of 175 businessmen, professional people and downtown property owners dedicated to economic development and promotion, I have taken a special interest in a handful of highly justifiable construction projects.

The private sector has shown its confidence in the downtown area by investing more than \$120,000,000 since 1965. In the last few weeks, firm plans have been made for a \$14,000,000, 120,000-square-foot state office building and education center; a \$20,000,000, 350,000-square-foot utility company office building; a 200,000-to-300,000-square-foot office building combined with a 1,000-car parking garage; and a \$1,500,000 addition to the convention center. The prospects for substantial development that would arrest downtown deterioration are very bright.

We were encouraged to learn that in April the General Services Administration sent to the Office of Management and Budget a prospectus for a \$27,000,000, 321,000-square-foot federal office building to be built in downtown Omaha, together with a \$3,600,000 refurbishing of an existing federal office building. GSA had concluded that there was a demonstrated need for the project. We understand that GSA gave it a very high priority.

The progress of this project through the federal establishment has not kept pace with the pressure on GSA to find first-class space for several government agencies. Recently the Missouri River Division of the Army Corps of Engineers set in motion a move from downtown to a suburban location.



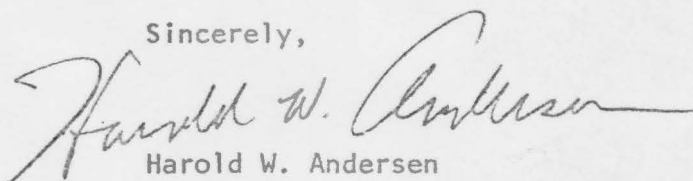
Mr. James T. Lynn
July 15, 1976
Page Two

With GSA having publicly announced plans for a new federal office building in February, 1975, owners of older downtown buildings realize that leases with federal agencies would be short-term. Therefore, these owners cannot justify the expense of modifying their buildings for GSA's unique specifications.

If your office could expedite the federal office building, it would not only be fulfilling a demonstrated need for space, but it would also be playing a key role in supporting the private redevelopment of our city's core.

We would appreciate anything you can do.

Sincerely,



Harold W. Andersen

HWA:DK



OMB

THE WHITE HOUSE

WASHINGTON

August 7, 1976

MEMORANDUM FOR: BARRY ROTH
FROM: PHIL BUCHEN *P.*
SUBJECT: CIA BUILDING

At your request, I did talk to Tony Lapham on August 3rd about either cutting down the cost of the proposed project or having his office render an opinion that, because funds for the project have already been appropriated, no prospectus for the building is required. I assume he will get back in touch with either you or me on the matter. So that your file is complete, I enclose the Ogilvie memorandum to Jack Marsh.

Attachment



OMB

THE WHITE HOUSE

WASHINGTON

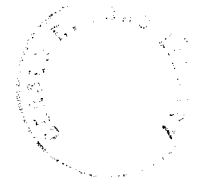
August 11, 1976

MEMORANDUM FOR: DON OGILVIE

FROM: PHIL BUCHEN *P.*

Attached is a copy of a memorandum sent to me by John E. Murphy, Deputy Administrator of the Agency for International Development. I would like to arrange a meeting next week on this subject and would appreciate your being able to attend. I have also sent a copy of this to Assistant Attorney General Scalia and will ask him to participate also.

Attachment



THE WHITE HOUSE

WASHINGTON

November 17, 1976

MEMORANDUM FOR: DAN KEARNEY

FROM: PHILIP BUCHEN *P.W.B*

Attached is a recent letter to me from Judge Noel Fox to which is attached a letter written to him by Cal Collier when he was Associate Director for Economics and Government.

I would appreciate your responding to Judge Fox with a copy to me.

cc: William Seidman

Attachments

THE WHITE HOUSE

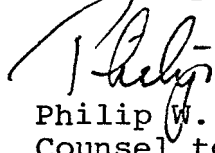
WASHINGTON

November 17, 1976

Dear Noel:

After receiving your letter concerning the court space situation in the new Federal Building in Grand Rapids, I immediately passed it on to Mr. Daniel Kearney, Cal Collier's successor. I have asked him to respond directly to you, and he will keep me informed.

Sincerely,



Philip W. Buchen
Counsel to the President

The Honorable Noel P. Fox
Chief Judge
United States District Court
Western District of Michigan
Grand Rapids, Michigan 49502



THE WHITE HOUSE

WASHINGTON

November 29, 1976

MEMORANDUM FOR:

JIM CONNOR
~~PHIL BUCHEN~~

FROM:

BOBBIE KILBERG BK

THROUGH:

PHILIP BUCHEN P

SUBJECT:

Quadrennial Commission Report

The Counsel's Office approves Jim Lynn's memo on the above subject.

However, we would suggest that Peter Peterson's press conference not be held at the White House in order to assure that the press clearly understands that the President has not studied or committed himself to the Committee's recommendations.

Attachment



THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.:

Date: November 29, 1976

Time:

FOR ACTION:

cc (for information): FYI-Bill Nicholson

<u>Phil Buchen</u>	Alan Greenspan
Jim Cannon	Jerry Jones
Max Friedersdorf	Ron Nessen
Jack Marsh	

FROM THE STAFF SECRETARY

DUE: Date: COB Today

Time:

SUBJECT: James T. Lynn memo, 11/29/76 re Quadrennial Commission Report

ACTION REQUESTED:

- | | |
|---|--|
| <input type="checkbox"/> For Necessary Action | <input checked="" type="checkbox"/> For Your Recommendations |
| <input type="checkbox"/> Prepare Agenda and Brief | <input type="checkbox"/> Draft Reply |
| <input checked="" type="checkbox"/> For Your Comments | <input type="checkbox"/> Draft Remarks |

REMARKS:

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.

Jim Connor
For the President



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

NOV 29 1976

MEMORANDUM FOR: THE PRESIDENT
FROM: James T. Lynn
SUBJECT: Quadrennial Commission Report

The Quadrennial Commission on Executive, Legislative, and Judicial Salaries has been operating for several weeks, and it is clear that the members are doing a commendably thorough and conscientious job under the chairmanship of Peter Peterson. They have completed their public hearings and are now drafting their report. During this process, the Chairman will be touching base with key Congressmen and perhaps others. The Commission is planning to review a first draft within the next few days and is hoping to have its final meeting on November 30, with delivery of the printed report shortly thereafter.

If you concur, Chairman Peterson wants to release the formal report as soon as it has been delivered to you. He would like to be able to hold a press conference and commence, in earnest, a public education campaign concerning the desperate need to do something about executive and judicial compensation. For this purpose, he really will need to be free to use the Commission's report.

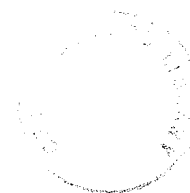
We believe it is in your best interests to let the report go public in advance of submitting your own executive salary recommendations in the budget. Mr. Peterson is willing, and it would seem preferable, to let the expected controversy focus on him for a month or more before you make your recommendations. Of course, if asked, you probably would want to indicate your continued support for some adjustment without committing yourself to anything very specific. This provides time for you to better gauge public and media reaction and to consult with the congressional leadership on your recommendations. Chairman Peterson would expect to do what he can to enlist understanding and support both prior to and after your decision and up to the point of congressional action on your recommendations.



The main argument for withholding a report such as this would be to give you time to review it and formulate a position before its release. In this case, there seem no compelling reasons for doing so. On the contrary, because of the great interest in the subject, there is strong likelihood of leaks or damaging speculation if the report is not released. We believe it best that the Commission's findings and rationale be made available, along with their actual recommendations. Otherwise, congressional and other opponents are likely to take advantage of the opportunity to begin criticizing the recommendations without the counter-balancing effect of the Commission's findings. In short, there are serious risks in delay, with little or nothing to be gained.

It would be appropriate and useful for you to receive the report personally from the Chairman and, perhaps the entire Quadrennial Commission of nine. This could be followed immediately by a meeting of the Chairman with the press in the White House. Pete Peterson or Ron Nessen could emphasize that you have not studied or committed yourself to the Commission's recommendations.

Since Peterson needs an answer by the Commission's next meeting on the 30th, I plan to inform him that I believe this general approach will be acceptable to you, unless you advise me otherwise before the 30th.



January 14, 1977

O.M.B.
(See
Fisher,
Joseph L.)

Dear Congressman Fisher:

After carefully considering your request that the President seek by Executive Order to extend the coverage of 5 U.S.C. Section 6103(c), we have come to the conclusion that it would be inadvisable for the President to attempt to go beyond the expressed intent of Congress.

You mentioned that an earlier Executive Order issued just prior to the 1973 Inauguration date may constitute a precedent for extending the application of the statute. However, on careful analysis of the situation at that time, we find that such Executive Order attempted to meet circumstances not covered by the statute, namely where the Inauguration Day came on a Saturday when most Federal employees were not regularly scheduled to work. The Order at the conclusion of Section 1 specifically provided that the statute remained applicable to employees who were regularly scheduled to work on January 20, 1973, and therefore would not alter or expand the effect of the statute for the day specified in the statute.

I trust this explanation clarifies our views under the present statutory situation. Possibly you will want to have the statute amended prior to the next Inauguration Day.

Sincerely,

Philip W. Buchen
Counsel to the President

The Honorable Joseph L. Fisher
U. S. House of Representatives
Washington, D. C. 20515

, Jack Marsh, Dick Cheney,

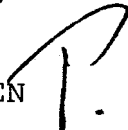
bcc: Bill Nichols
Paul O'Neill, Ed Preston



THE WHITE HOUSE
WASHINGTON

January 12, 1977

MEMORANDUM FOR: WILLIAM NICHOLS

FROM: PHILIP W. BUCHEN 

SUBJECT: Request from Congressman Fisher
that the President Issue an
Executive Order for January 20,
1977

Attached at TAB A is a copy of 5 U.S.C. Section 6103.

Congressman Fisher calls attention to the fact that subsection c of that statute omits Loudoun and Prince William Counties and certain cities in the Washington area where Federal employees are entitled to a holiday on Inauguration Day. He points out that this discrepancy was corrected by Former President Nixon with Executive Order 11696 at TAB B.

The Congressman is requesting that a similar Order be issued by President Ford applying to January 20, 1977. In view of the short time available, I would appreciate your early decision on whether to recommend such a step and your proceeding to provide for assurance of such an Executive Order if it is acceptable to the President.

Attachments

cc: Jack Marsh
Jim Lynn
Dick Cheney

