

The original documents are located in Box 35, folder “Office of Management and Budget - General (1)” of the Philip Buchen Files at the Gerald R. Ford Presidential Library.

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**MEMORANDUM
OF CALL**

TO: _____

YOU WERE CALLED BY— YOU WERE VISITED BY—

OF (Organization) _____

PLEASE CALL → PHONE NO. CODE/EXT. _____

WILL CALL AGAIN IS WAITING TO SEE YOU

RETURNED YOUR CALL WISHES AN APPOINTMENT

MESSAGE

5/20/68
W.C.
OK



RECEIVED BY	DATE	TIME

OMB

Monday 8/19/74

1:10 I checked with Tom about the memo from Bob Marik attaching the Memorandum for Federal Regional Council Chaimen. He sees no objection.

*You will want to call
Bob Marik*



THE WHITE HOUSE
WASHINGTON

Eva:

Please check
with Tom on this
so I can call
R. Marik on Monday
to give him necessary
signal on how to
proceed. Note we
have missed Marik's
Friday deadline,

P.



8/16

THE WHITE HOUSE
WASHINGTON

Copy has gone
to Tom Whitehead



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

August 15, 1974

NOTE FOR PHIL BUCHEN

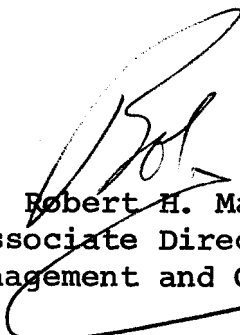
This is the communication to the Federal Regional Councils which we discussed briefly over the telephone on Wednesday. The Regional Directors of the domestic departments and agencies are generally appointed by their respective Secretaries. One of their number in each region is formally designated by the President as the Chairman of the Federal Regional Council, a collegial body whose purpose is to coordinate Federal programs and activities in the field.

The current chairmen were appointed in June for FY 1975. Several have been calling in to ask whether they should submit their resignations. My office is their principal point of contact in the Executive Office of the President.

The attached memorandum is intended to communicate more directly to them what I believe the President has been saying to the incumbent appointees in Washington. Before sending it out, I wanted to be sure you concurred in its spirit and language. Naturally, if you felt that an official closer to the President should sign it, that would be fine.

I would like to be able to send it out by COB Friday.

Thanks very much.



Robert H. Marik
Associate Director for
Management and Operations

cc: Clay Whitehead

EXECUTIVE OFFICE OF THE PRESIDENT

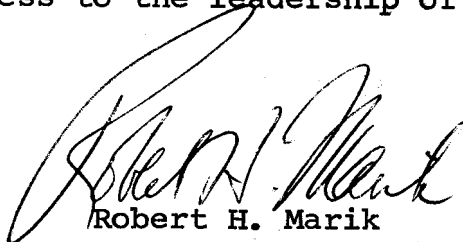
OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

MEMORANDUM FOR FEDERAL REGIONAL COUNCIL CHAIRMEN

As you know, President Ford has demonstrated his commitment to New Federalism by his recent White House meetings with representatives of the governors, mayors and county officials. In those meetings, as well as on other occasions, he has clearly set the tone of communication and coordination. These are the areas in which the Federal Regional Councils are uniquely equipped to represent the new Administration, as you have done so well in prior years.

The President has asked that each of us, as appointed officials, not submit a pro forma resignation, but stay on to support him and maintain the continuity of government during this difficult transition period. I hope that all of you will join with me in rededicating ourselves to the tasks which have been set for the Federal Regional Councils and in our responsiveness to the leadership of President Ford.



Robert H. Marik
Associate Director for
Management and Operations

OMB

11/12/74 letter from Roy Ash to Elmer Staats re
OMB proposals for Mexican border law enforcement.

filed in T/w/a Justice file and in GAO file

11/14/74 given to Areeda:

'Is this a matter in which you have a concern?
Was the subject raised by Saxbe when you and
Don R. met with him?

P



OMB

November 26, 1974

MEMORANDUM FOR: WILLIAM N. WALKER
FROM: PHILIP W. BUCHEN
SUBJECT: OMB Associate Director for
Management and Operations Vacancy

I understand that Bob Marik, OMB Associate Director for Management and Operations, is leaving government early next month. Bob has been a key person in supporting the work of the Domestic Council Committee on the Right of Privacy as well as OMB's official Liaison Representative to the Committee. Because of the importance of Bob's position at OMB (responsibility for information systems and reports clearance) I believe that the qualifications of his successor should include a sensitivity to the privacy issue and a positive attitude toward the President's commitment to further progress in this field.



THE WHITE HOUSE

WASHINGTON

January 21, 1975 .

MEMORANDUM FOR: Don Rumsfeld

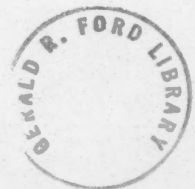
FROM: Phil Buchen *T.W.B.*

SUBJECT: Advisory Committee Act and
complaints by former OMB employee,
Chet Warner

About January 7, I was advised of this employee's resignation effective January 10, 1975, on grounds that OMB and various agencies under delegation of authority from the President had failed to carry out the intent of the Act. I received a complete report of OMB efforts from 12/3/75 to 1/4/75 to evaluate Warner's complaints, and by the end of this month OMB expects to have the results of a current study and recommendations for sharpening up compliance with the Act based upon an outline of points to be resolved, which I have read. Warner had earlier advocated appointment of a new Special Assistant to the President with a staff to take lead responsibility for administering the Act, and the underlying reason for his vociferous complaining may have been that this proposal was not blessed by his superiors in OMB.

The subject is a complex one, and my judgment is that OMB is moving expeditiously to overcome whatever problems remain in administering the Act. I have alerted Paul O'Neill to keep us advised.

cc: John Marsh
Dick Cheney



THE WHITE HOUSE
WASHINGTON

OMB

February 12, 1975

MEMORANDUM FOR:

JAMES T. LYNN

FROM:

PHILIP BUCHEN

P.W.B.

SUBJECT:

Douglas W. Metz

As you move to filling vacancies on your staff, I recommend that you give careful consideration to Douglas W. Metz, who is described in the attached document.

I brought Doug into the Government from the Washington office of Booz, Allen & Hamilton, Inc. to be my deputy for the staff of the Domestic Council Committee on the Right of Privacy and I worked closely with him from April-August, 1974. Especially because OMB now has responsibility under the Privacy Act, his experience should be very valuable in this area. He is generally a very capable administrator and because of his legal education, has a lawyer's approach to problem solving.

I am thinking particularly that you might want to consider him to fill Bob Marik's old position. If you have any questions about Doug, I would be glad to answer them or try to find out the information.

Attachment



DOUGLAS W. METZ

Mr. Douglas W. Metz is currently serving as Acting Executive Director of the Cabinet-level Domestic Council Committee on the Right of Privacy on leave of absence as a vice president of Booz, Allen & Hamilton, Inc. He succeeded Mr. Philip W. Buchen upon Mr. Buchen's appointment as Legal Counsel to the President. With Booz, Allen, Mr. Metz was responsible for directing management consulting assignments for public agencies and private institutions in the United States and overseas.

Prior to joining the firm, Mr. Metz served as a Congressional administrative and legislative assistant. His military service includes duty as a Judge Advocate with the United States Air Force.

Mr. Metz received an A. B. degree in Political Science from Colgate University, graduating magna cum laude. He received a J. D. degree from the Law School of Wayne State University and served as an editor of its Law Review.

Mr. Metz is admitted to law practice in Michigan, the District of Columbia, the U. S. Court of Military Appeals, and the U. S. Supreme Court. Professional memberships include the American Bar Association, American Judicature Society, the American Society for Public Administration, the Judge Advocates Association, of which he has served as a director, and Phi Beta Kappa.



THE WHITE HOUSE
WASHINGTON

OMB
O'Neill

February 12, 1975

MEMORANDUM FOR:

PAUL O'NEILL

FROM:

PHILIP BUCHEN

P.W.B.

SUBJECT:

Consumer Protection Agency

From the office of John Byington in the office of Virginia Knauer, I have received a copy of your communication of February 3, 1975 addressed to Roy Ash.

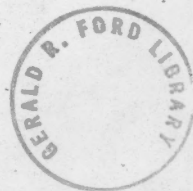
I would appreciate your giving this prompt consideration, because I am sure the President would like to move on this initiative. If there are any aspects of the proposal which concern you, I would be happy to discuss them with you.

Attachment



A NOTE FROM
S. JOHN BYINGTON

Phil
This Privacy
Proclamation now
seems finally back
on the track - see
attached. If you
get a chance ^{internally},
please give it a push.
Thanks SJB



THE WHITE HOUSE

WASHINGTON

February 3, 1975

Mr. Roy L. Ash
Director, Office of Management and
Budget
Executive Office of the President
Washington, D. C.

Dear Mr. Ash:

Pursuant to 1 C.F.R. section-19.1 and 19.2, I am enclosing herewith a proposed Presidential Proclamation on the Consumer Privacy Code for your consideration.

The Code has its origin in the activities of the Domestic Council Committee on the Right of Privacy. Task Force #2 of that Committee was headed by my Deputy, S. John Byington, and dealt primarily with credit reporting and credit information. The Task Force spent a considerable period of time last summer and fall researching this area and considering various options that would allow the consumer to better understand credit reporting and the uses of credit information. The Task Force consulted with representatives of the insurance industry, banks, retail department stores, credit reporting agencies, and consumer groups while developing the enclosed Consumer Privacy Code.

The Code provides seven privacy rights for consumers which would be voluntarily adopted by large and small companies in the four major credit using fields noted above. Because of the varying methods of credit information use for each industry, each adopting company would issue its own interpretation of what each of these general rights mean with regard to its own operations and would disseminate these interpretations to its customers as well as indicating its status as a subscriber to the Consumer Privacy Code.



Mr. Roy L. Ash
Page 2

Our office would, of course, be available to assist in the preparation of any company's implementation of the Code. Subscribers would keep and report on statistics resulting from the operation of the Code within their company.

The Code applies voluntarily to members of the insurance, banking, credit card and retail industries a number of provisions of the Fair Credit Reporting Act which are presently applicable only to credit reporting agencies. It will provide a basis upon which business will have an opportunity to further enhance its reputation of assistance to and fairness with its customers and upon which a true statistical base can be established to determine whether statutory changes to the Fair Credit Reporting Act are actually needed.

This Proclamation, because of its voluntary nature, does not have a basis in statutory law or a prior Executive Order. Instead, the President's inherent authority to seek voluntary action by cooperating members of the private sector serves as the basis for the Proclamation.

As you know, this Code was approved in draft form at the last formal meeting of the Domestic Council Committee on the Right of Privacy chaired by Vice-President Gerald Ford on July 10, 1974. Subsequently, the final wording has been worked out with Philip Buchen, Counsel to the President, Doug Metz, Acting Executive Director of the Domestic Council's Committee on the Right of Privacy and Paul Theis, Executive Editor, Editorial Office.

Although this Proclamation was originally intended to be issued in September or October 1974, it was determined to be in the President's best interest to wait until some time after the November 1974 Congressional elections and the conclusion of the 93rd Congress. Now that both events have passed, companies and consumer groups are anxiously awaiting the issuance of the Proclamation.

In conjunction with the President's signing ceremony, the implementation plan includes having a number of top

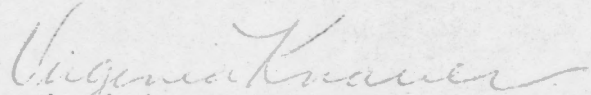


Mr. Roy L. Ash
Page 3

corporate executives simultaneously participate by signing the Code to initiate a drive for involving other companies. We look forward to participating in working out the details.

I encourage you to expeditiously approve the enclosed Proclamation for subsequent transmittal to the President. Please feel free to contact my Deputy, S. John Byington, at 245-6158 or 395-3682 or Douglas Metz, Acting Executive Director of the Domestic Council's Committee on the Right of Privacy at 395-3254 if further information is necessary.

Sincerely yours,



Virginia H. Knauer
Special Assistant to the President
for Consumer Affairs



PROCLAMATION: CONSUMER PRIVACY CODE

Today's marketplace is more and more involved with information about consumers.

Each week, millions of business decisions to grant loans, to sell insurance, to give credit and to provide many other services are based almost entirely upon information which consumers volunteer about themselves.

Both the consumer and the businessman are served by this form of exchange.

Yet, as we have all come to realize, our system is not free of danger. When a consumer volunteers private information in order to gain greater freedom and resulting benefits in the marketplace, he can also sacrifice a significant part of his own personal freedom and privacy.

Some authorities believe that the advent of computers, without adequate safeguards, has now made the threat to personal privacy especially acute. According to estimates, more than 150 million Americans now have identifiable personal information stored in computers across the country.



It is essential that we strike a new and clearer balance between the proper, legitimate needs of the marketplace and the equally important rights of privacy. Such rights should be clearly identified so that all parties in consumer transactions may be aware of them and conduct themselves accordingly.

The time has now come, I believe, to take this step through voluntary action by American business.

NOW, THEREFORE, I, GERALD R. FORD, President of the United States of America, in order to assure consumers their rights of privacy, do hereby call upon American businesses to subscribe voluntarily to the following Consumer Privacy Code:

- *To collect only necessary information about consumers;
- *To use only legitimate methods to obtain such information;
- *To take reasonable steps to assure that the information is reliable;
- *To inform the consumer what general uses may be made of the information;
- *To advise the consumer, upon request, of the nature of the information relied upon for denial of a benefit;



*To give the consumer the opportunity to correct or explain that information; and,

*To protect the consumer against unauthorized use of the information.

IN WITNESS, WHEREOF, I have hereunto set my hand this _____ day of _____ in the year of our Lord Nineteen Hundred Seventy-Five and of the independence of the United States of America, the One Hundred Ninety-Ninth.

GERALD R. FORD



FMB

THE WHITE HOUSE
WASHINGTON

February 18, 1975

MEMORANDUM FOR: JAMES LYNN

FROM:

PHILIP BUCHEN *P.W.B.*

Attached is a letter from a good friend of mine, knowledgeable on the subject, opposing a career status for the FAA Administrator.

Attachment

Letter from Bruce Sundlem



omb

THE WHITE HOUSE
WASHINGTON

March 11, 1975

MEMORANDUM FOR:

KEN LAZARUS

FROM:

PHILIP BUCHEN

P.W.B.

SUBJECT:

Executive, Legislative and
Judicial Pay

Following our conversation about the President's desire to have our office and OMB develop further alternative proposals regarding the compensation situation of the judiciary, I enclose copies of the memo from Jim Lynn to the President which preceded the meeting with Chief Justice Burger and a copy of the earlier memo from Roy Ash to the President.

Attachments





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

MEMORANDUM FOR THE PRESIDENT

FROM: JAMES T. LYNN

SUBJECT: Executive, Legislative and Judicial Pay

I understand you will be meeting with Chief Justice Burger on Monday to discuss judicial pay.

Undoubtedly the Chief Justice will raise some of the following points:

- There has been an enormous rise in the cost of living (over 44.5 percent) since the last executive, legislative and judicial pay raise (1969).
- A number of Federal judges have resigned, giving pay as their major reason.
- Federal judges are recruited from the legal profession where incomes are very high. To get good judges, judicial pay must be higher than it is now.
- A growing number of newspapers, both large and small, have editorially endorsed pay raises for Federal judges.

All of the above statements are true. The pay situation, as you know, is serious. But, with the exception of the editorial comments, most of the statements can be made for executives and Members of Congress as well. The pay of top officials in all three branches, we believe, must be addressed jointly. We do not see how you could reasonably advocate pay increases for judges, but ignore executives.



Several judges have put forward the idea that to solve the pay problem all you would have to do is include recommended raises in the next budget you send to Congress and those rates would become effective 30 days later, barring congressional disapproval. We do not believe it could be done that simply. As we read it, the law provides for such recommendations only after the specially established Quadrennial Commission makes its report to you. The next Commission will be established, under the law, in 1976 with your recommendations being included in the budget which will be sent to Congress in January of 1977.

Current Position

You have considered a number of proposals which would offer some relief to the pay situation. You recently indicated your approval of one of these proposals--the one contained in Roy Ash's November 12, 1974 memorandum to you (copy attached). This would allow all Federal employees--including the officials whose pay has been unchanged--to receive an increase this year up to the limit of 5 percent you are proposing on Federal salaries. Further, you would propose legislation to establish a system for annual adjustments for executive, legislative and judicial pay by a procedure such as the comparability one for General Schedule employees. Your decision has not been communicated to anyone outside the Executive Office.

For the purposes of this meeting, I recommend that you invite the Chief Justice to state the specifics of the problem and his proposed solution and then ask for comment by the congressional delegation. If it seems appropriate you may want to try out your decision as an idea with this group to obtain their reaction. I doubt that you will want to disclose your decision in this forum.

General Background

The General Accounting Office recently issued a Report to Congress, entitled "Critical Need for a Better System for Adjusting Top Executive, Legislative and Judicial Salaries." It recommends an annual pay adjustment similar to the one you have approved. The latest U.S. News and World Report (3-10-75) had a two-page article generally sympathetic to the executive pay problem.

Attachment



COST OF 5-PERCENT PAY INCREASES

Number	Position or Level	Current Level	Total Cost
LEGISLATIVE:			
2	House Speaker and Vice President	\$ 62,500	\$ 6,250
4	Majority and Minority Leaders	49,500	9,900
538	Members of Congress and others	42,500	1,143,250
	Subtotal		\$ 1,159,400
JUDICIARY:			
1	Chief Justice	62,500	3,125
8	Associate Justices	60,000	24,000
97	Circuit Court Judges	42,500	206,125
403	District Court Judges	40,000	806,000
	Subtotal		\$ 1,039,250
EXECUTIVE:			
11	Level I	60,000	33,000
53	Level II	42,500	112,625
102	Level III	40,000	204,000
347	Level IV	38,000	659,300
271	Level V	36,000	487,800
	Subtotal		\$ 1,496,725
15,250	All (including Military) frozen at \$36,000		27,450,000
	Total salary increases		\$ 31,145,375
	Estimated benefit cost		2,491,636
	TOTAL COST		\$ 33,637,005



THE WHITE HOUSE

WASHINGTON

1

January 28, 1975

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR: ROY L. ASH
FROM: JERRY H. JONES
SUBJECT: Executive, Judicial and
Legislative Pay

Your memorandum to the President of January 2 on the above subject has been reviewed and the decision was to go with a 5% option when others get it.

cc: Don Rumsfeld



THE WHITE HOUSE

WASHINGTON

January 2, 1975

ACTION

MEMORANDUM FOR: THE PRESIDENT

FROM:

~~Roy L. Ash~~

SUBJECT:

Executive, Judicial and Legislative Pay

I. BACKGROUND

At the end of your discussion of the above subject with the Congressional Leaders recently, you indicated that you would get back to them on the matter before they reconvened. Consequently, a decision must be reached before then on the course you will take on this controversial issue.

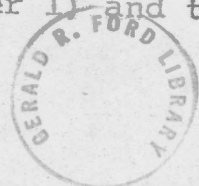
Moreover, Senator McGee, who is Chairman of the Senate Post Office and Civil Service Committee, has requested a meeting with you on the same subject. He wants a large meeting with senior members of House and Senate Committees and the Congressional Leaders of both parties in attendance. His purpose would be to decide collectively what, if any, legislation is feasible.

II. OPTIONS

In addition to the options presented you in my memo of November 12 on this subject (copy attached) another one is now available. It ties to the tentative decision you reached to hold this year's pay comparability increases for Federal employees to 5%.

III. RECOMMENDATION

As you cover the Federal pay decision in your State of the Union Message, the language could be broadened to state that a 5% increase will be given to all Federal employees, to those on the General Schedule at their normal adjustment date (October 1) and to



the Executive Level employees, who have received no increases for 5 years, on April 1. Then, also, you could propose that Executive Level pay hereafter be adjusted annually by a procedure such as the comparability one for General Schedule employees. (The basis for such a plan has been worked out with Hill staff.)

If you favor this approach, you could quietly advise Senator Scott and Congressman Rhodes of this Executive pay decision as you near the Message date and ask them to inform the rest of the Congressional Leaders. This will fulfill your promise to get back to them. Then, I would recommend that you not have a large meeting with Senator McGee but, instead, meet with him privately, or with a very few others, to discuss your position.

_____ Approve

_____ Disapprove

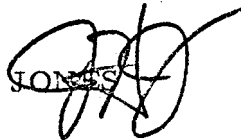
Attachment



THE WHITE HOUSE
WASHINGTON

April 15, 1975

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR: JIM LYNN
FROM: JERRY H. JONES 
SUBJECT: Implementation of New
Congressional Budget Act

Your memorandum to the President of April 9 on the above subject has been reviewed and your recommendation -- meet with the joint leadership to urge them to establish detailed budget targets for each sub-Committee of the Appropriations Committees and for each other Committee handling spending bills -- was approved, with the following notation:

-- with firm guidelines.

Please follow-up with the appropriate action.

Thank you.

cc: Don Rumsfeld
~~Phil Buchen~~
Jim Cannon
Robert T. Hartmann
Jack Marsh
Max Friedersdorf
Bill Seidman



FMB

THE WHITE HOUSE
WASHINGTON, D.C.
April 21, 1975

Dear Roy:

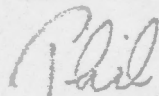
A few weeks ago Shirley Key called to my attention the fact that there had been a delay in shipping certain materials which had been segregated as your files. As a result, I have had the matter investigated.

We are in a difficult situation because of the Court Restraining Order against removal from the White House of any materials which might possibly be determined to be Presidential materials of the Nixon Administration. This relates to both originals and copies of documents.

I am enclosing a report made by people who advise me on my obligations under the Restraining Order. My opinion is that any departure from these recommendations would require court approval, which I do not believe we can get at this stage in the proceedings.

We shall proceed to send the boxes which are recommended for release to you, and I hope you can wait for disposition of the other boxes until an appropriate stage in the court proceedings.

Sincerely yours,



Philip W. Buchen
Counsel to the President

Honorable Roy L. Ash
655 Funchal Road
Los Angeles, California 90024

Enclosure



<u>Box No.</u>	<u>General Content</u>	<u>Recommendation</u>
1	Books and pamphlets	Release to Ash
2	Files from Nixon Administration, mostly on Management by Objective - 1973	Hold or send to GSA
3	Looseleaf books on President's Advisory Council on Executive Organization (Ash was Chairman of this group in 1969 and 1970 for President Nixon). This material was brought back to the White House by Ash. Mostly copies, but with some originals.	Hold or send to GSA
4	Books and pamphlets	Release to Ash
5	Files from Nixon Administration, mostly copies of budget matters.	Hold or send to GSA
6	Files from Ford Administration: Budgets Management by Objective Congressional Staff Directory	To Special Files to go with Ford Files
7	Personal papers, pamphlets and books.	Release to Ash



THE WHITE HOUSE
WASHINGTON

April 17, 1975

MEMORANDUM FOR: PHIL BUCHEN
FROM: BILL CASSELMAN
SUBJECT: Roy Ash Materials

Attached is a general review, along with my recommendations, of the contents of the seven (7) boxes that Roy Ash would like returned to him. While it may not seem particularly fair to Roy, I do not believe that any questionable materials can be sent to him in view of the ongoing litigation, particularly while you remain subject to a TRO.

Enclosure



THE WHITE HOUSE

WASHINGTON

May 9, 1975

*OMB
(Tenn.
Valley
Auth.)*

MEMORANDUM FOR: JIM LYNN

FROM: PHIL BUCHEN

T.W.B.

SUBJECT: TVA Allegations

Attached are copies of a recent letter to the Attorney General and my letter of acknowledgment. Kindly take any action you determine appropriate.

Thank you.



THE WHITE HOUSE

WASHINGTON

May 9, 1975

Dear Mr. Garner:

This is to acknowledge your letter of April 18 to Attorney General Levi setting forth your dissatisfaction with certain operations of the Tennessee Valley Authority.

I have requested a review of the allegations set forth in your letter and appreciate your concern in writing.

Sincerely,



Philip W. Buchen
Counsel to the President

Mr. Bill Garner
Route 4, Box 354
Scottsboro, Alabama 35768



THE WHITE HOUSE
WASHINGTON

May 5, 1975

MEMORANDUM FOR: KEN LAZARUS

FROM: PHIL BUCHEN

P.W.B.

Kindly review the attached memo from John C. Keeney at Justice and let me have your comments and suggestions. Also, please prepare a proposed acknowledgement to Mr. Garner's letter from me.

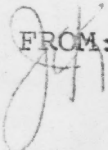
Attachment



Department of Justice
Washington 20530

May 1 1975

MEMORANDUM FOR PHILIP BUCHEN
COUNSEL TO THE PRESIDENT

 FROM: John C. Keeney
Acting Assistant Attorney General
Criminal Division

Attached is a letter dated April 18, 1975, which was addressed to the Attorney General by one Bill Garner of Scottsboro, Alabama. Mr. Garner requests that the Attorney General conduct a full-scale investigation of the Office of Management and Budget in connection with its relation to the Tennessee Valley Authority. Since the letter is concerned with Administration policy rather than violations of law, it is referred to your office for whatever action you deem appropriate. We have not acknowledged Mr. Garner's letter.

Attachment



APR 21

April 18, 1975

8 31 AM '75

DEPT. OF JUSTICE
RECEIVED

DEPUTY ATTORNEY GENERAL
DEPUTY ATTORNEY GENERAL

Honorable Edward H. Levi
Attorney General of the United States
Department of Justice
Constitution Avenue between 9th and 10th Streets
Washington, D. C. 20530

Dear Mr. Levi:

As you may know, due to their lack of reliability, there has been an enormous slump in the demand for nuclear power plants. In order to keep the nuclear industry alive, the Tennessee Valley Authority continues to construct and plan nuclear power plants that it does not need.

The TVA is attempting to operate three nuclear units at Brown's Ferry, Alabama; is constructing two nuclear units at Bellefonte, Alabama; two units at Sequoyah, Tennessee and two more at Watts Bar, Tennessee. It has an application pending to construct four more nuclear units near Nashville, Tennessee.

Last week, over the protest of TVA Director Bill Jenkins, the other two directors of the TVA announced plans to construct two more nuclear plants in Tennessee and two nuclear plants in Mississippi. Director Jenkins pointed out that these plants were not needed, and also stated that he learned for the first time on April 11th, that the TVA planned to ask that its borrowing power be increased from five billion dollars to twenty billion dollars.

As to the need for TVA to produce more power, from 1970 through 1972 the peak load on the system decreased. Though the amount of electricity sold in 1973 increased slightly, 1974 sales decreased from 1973.

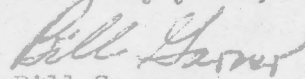
Why does TVA continue to build nuclear plants when it is obvious that they are not needed on the TVA system? Why does TVA wish its debt limit increased when it does not have a legitimate need to borrow more money? I am sure that you are aware of the fact that Gerald Ford, like his predecessor, Richard Nixon, is totally committed to help the nuclear industry stay in business. Chairman Aubrey J. Wagner of the Tennessee Valley Authority is a political appointee of Richard Nixon and a political protege of Senator Howard Baker, another advocate of nuclear power at any cost.

A Birmingham newspaper has uncovered the fact that negotiations over increasing TVA's bonding authority have been going on between TVA and the Office of Management and Budget for six to eight months. Congressman Robert E. Jones of Alabama has apparently been leading the clandestine movement.

7
4

When Gerald Ford assumed Office as President of the United States, he pledged an open administration and promised the American people that his presidency would not operate in secret. The facts given above make it clear that the Office of Management and Budget, which is apart of the Executive Office of the President, is operating in secret behind the backs of the people of the Tennessee Valley including one of the three directors of the Tennessee Valley Authority itself. Consequently, I request that you conduct a full scale investigation of the activities of the Office of Management and Budget in connection with the above.

Sincerely yours,



Bill Garner
Route 4, Box 354
Scottsboro, Alabama 35768

CC:

Senator Jennings Randolph, Chairman
Senate Public Works Committee

Senator Mark O. Hatfield
Public Works Subcommittee of Senate Appropriations Committee



Budget Matters - Legal
Question



Tuesday 7/15/75

Meeting
7/18/75
2 p.m.

2:45 Director Lynn's office called to reschedule the meeting on Congressional threat to the concept of the President's budget ---- for 2 p.m. on Friday 7/18.

cc: Mr. Hills



Monday 7/14/75

Meeting
7/16/75
12:30 p.m.

5:30 Mr. Hills had asked us to see if the meeting in Director Lynn's office -- on Congressional threat to the concept of the President's budget -- might be changed back to 12 o'clock on Wednesday 7/16 (as it was originally scheduled).

However, Director Lynn's secretary indicated that the Cabinet meeting would probably last until close to 12:30 anyway -- and, since the other participants had already adjusted their schedules to the 12:30 time, it would be preferable to stay with the 12:30 scheduling.

cc: Mr. Hills





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

June 26, 1975

INFORMATION

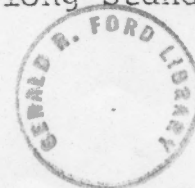
MEMORANDUM FOR: THE PRESIDENT
FROM: JAMES T. LYNN
SUBJECT: CONGRESSIONAL THREAT TO CONCEPT
OF PRESIDENT'S BUDGET

The Congressional Budget and Impoundment Control Act of 1974 made significant changes in the system of Presidential control over budget execution (i.e., "impoundments"). Although the Act also changed the way the Congress acts on the President's Budget, it did not change the basic concept that the annual budget represents the President's proposals. This "Executive Budget" concept has existed since the passage of the first Budget and Accounting Act in 1921.

However, there has been a growing trend in the Congress toward requiring concurrent agency submission of annual budget requests directly to the Congress at the same time the requests are submitted to OMB. This trend represents a threat to the concept of an Executive Budget as we have known it, since it establishes a direct relationship between the agencies and the Congress that could interfere with the budget decision-making process within the Executive Branch.

Attached at Tab A is a summary of major Congressional action in this area, beginning with the legislation creating the Consumer Product Safety Commission in 1972 and continuing through the Trade Act in January 1975. The latter Act goes beyond provisions for concurrent submission by requiring the President to submit budget proposals of the International Trade Commission without revision. (This reflects the ultimate danger in submitting unreviewed agency requests to Congress--it may lead to making the agency requests "untouchable" by the President.)

Congressional proposals for concurrent budget submissions have been considered for the last several decades, but until recently met with no success. Executive Branch opposition to these proposals has been consistent. A synopsis of the long-standing



Executive Branch position is set forth at Tab B, based on the statutory and administrative considerations that must be taken into account.

We may be faced with Congressional forays on this matter several times during the 94th Congress, particularly as it concerns the independent regulatory commissions. Enactment of such provisions for a significant portion of the budget would clearly undermine the President's authority to direct the activities of the Executive Branch. For this reason and the reasons set forth at Tab B, I will recommend veto of any bill -- although the legislation may be otherwise desirable-- if a concurrent-submission provision is included in it.

Attachments



PROVISIONS IN LAW REQUIRING
CONCURRENT SUBMISSION OF AGENCY
BUDGET REQUESTS TO BOTH OMB AND THE CONGRESS

- The Consumer Product Safety Commission (CPSC) was created by Public Law 93-573 of October 27, 1972. Section 27(k)(1) of that law specifies that:

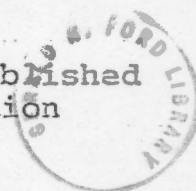
"Whenever the Commission submits any budget estimate or request to the President or the Office of Management and Budget, it shall concurrently transmit a copy of that estimate or request to the Congress."

- The effect of Public Law 93-328 (June 30, 1974) on the U.S. Postal Service is similar to that of concurrent submission requirements. Under that law, the original Postal Service budget request must be included in the President's budget, without revision, along with the President's recommendations to the Congress.
- The Commodity Futures Trading Commission was created by Public Law 93-463 of October 23, 1974. Section 101(a)(9)(A) of that law states that:

"Whenever the Commission submits any budget estimate or request to the President or the Office of Management and Budget, it shall concurrently transmit copies of that estimate or request to the House and Senate Appropriations Committees and the House Committee on Agriculture and the Senate Committee on Agriculture and Forestry."

- The Privacy Protection Study Commission was established by Public Law 93-579 of December 31, 1974. Section 5(a)(5)(A) of that law specifies that:

"Whenever the Commission submits any budget estimate or request to the President or the Office of Management and Budget, it shall concurrently transmit a copy of that request to Congress."



- 2
- Under Public Law 93-633 of January 3, 1975, the National Transportation Safety Board was removed from any administrative controls of the Department of Transportation and made an independent agency. Section 304(b)(7) of the law provides that:

"Whenever the Board submits or transmits any budget estimate, budget request, supplemental budget estimate, or other budget information ... to the President or to the Office of Management and Budget, it shall concurrently transmit a copy thereof to the Congress."

- Public Law 93-618 of January 3, 1975, changed the name of the U.S. Tariff Commission to the U.S. International Trade Commission. Section 175(a)(1) of that law did not require concurrent budget submissions to OMB and the Congress, but mandated an even more substantial change:

"Effective with respect to the fiscal year beginning October 1, 1976, for purposes of the Budget and Accounting Act, 1921 (31 U.S.C. 1 et seq.), estimated expenditures and proposed appropriations for the United States International Trade Commission shall be transmitted to the President on or before October 15 of the year preceding the beginning of each fiscal year and shall be included by him in the Budget without revision, and the Commission shall not be considered to be a department or establishment for purposes of such Act."

- Bills have been introduced in all the recent sessions of the Congress to extend the CPSC concurrent-submission arrangement to all the independent regulatory commissions (e.g., SEC), and to certain other quasi-regulatory agencies (e.g., EPA). To date, none has been enacted.



BASES FOR OPPOSITION TO SUBMISSION
OF AGENCY BUDGET REQUESTS CONCURRENTLY TO OMB
AND THE CONGRESS

• The concept of the President's Budget, as established in the Budget and Accounting Act of 1921 and confirmed in the Congressional Budget Act of 1974, involves the ability of the President to evaluate the competing claims and requests of Federal departments and agencies and arrive at a total budget amount that is coordinated and consistent in all its parts. Once the President's Budget is transmitted to the Congress, it is to be evaluated both in its constituent parts and as a whole; any change to one of its components must be reflected in a change in the total, or in another component. It is inequitable to establish permanently a privileged status for only selected agencies and permit those agencies to present an uncoordinated request to the Congress before the President presents a coordinated request for all agencies.

During the time between submissions of such selected agencies' requests to the Congress and submission of the President's Budget to the Congress several months later, the privileged agencies can lobby for their programs in disregard of other agencies' needs, overall national objectives, or the resources available. This encourages narrowly focused inductive budgeting, in which small sums are determined and added together to arrive at a total, and almost certainly will result in larger budgets. This process of induction is inconsistent with the deductive budgeting encouraged by the Congressional Budget Act of 1974, by which totals and subtotals are determined first, within which the various smaller pieces must fit.

• The principle of the confidentiality of Executive Branch inter- and intra-agency communications preliminary to decisionmaking must be preserved. Without such temporary confidentiality prior to transmittal of the budget, the process of candid, wide-ranging discussion among decision-makers and administrators would break down; objectivity would be more difficult and officials would be distracted by external pressures. The courts have long recognized the principle of preserving the confidentiality of advice, opinions, and recommendations received by administrators from their subordinates, as a requirement for efficient and expeditious conduct of government.



- It may be assumed that if agencies' annual budget requests, unreviewed and unevaluated against competing demands, are submitted to the Congress, they will also become public knowledge among lobbyists and pressure groups. Such persons can be expected to use the requests as a basis for lobbying pressures on members of both the Executive and the Legislative Branches. Rational decisionmaking would become much more difficult in this atmosphere, especially since countervailing pressures from representatives of other groups--having alternative demands for the funds--would not be present. If budgetary decisions are to reflect the best objective judgment of the Executive, they must be made in an atmosphere free from the pressure of special interests that may accompany advance disclosures. This absence of advance disclosure can have a cooperative and objective impact on the agencies as well. No one becomes wedded to a position, as often happens if that position is made public. Thus, in these formative stages, there exists the possibility of reconsideration and objectivity that would tend to disappear by advance disclosure.
- Concurrent submission would tend to pit agency heads against the President. It would focus attention on the wrong place--i.e., the increment by which the President adjusted agency budget requests. Instead, the focus should be on what the agency is planning to do, and how it plans to do it.
- It is important that the responsibilities of the Executive Branch for preparing the budget and of the Legislative Branch for reviewing and enacting the budget be kept entirely separate. Premature disclosure of agencies' budget requests would inject the Congress--directly or indirectly--into the considerations leading to presentation of the completed budget. For example, an executive agency, knowing of a difference of opinion between the President and members of Congress, could not help being influenced by that fact; both the size of the initial agency request and the arguments made during the Executive Branch deliberations on that request would be affected.
- Concurrent submission to the Congress affects only the timing of the disclosure of agency budget requests to OMB; it does not affect the amount of information available to the Congress during consideration of the President's Budget. Information concerning agency



requests is available under current procedures anyway, immediately after the President's Budget is transmitted to the Congress, at the time Congressional consideration of the budget begins. Further, the Congressional Budget Act of 1974 requires, beginning in 1975, that the President provide the Congress with a "Current Services" Budget each November, which will furnish preliminary information on aggregate levels of upcoming budget year costs of current programs. To the extent that the Appropriations Committees wish to get an early start on the upcoming budget, the Current Services Budget will provide appropriate advance information without involving premature disclosure of agency requests to OMB.





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

JMB

JUL 15 1975

MEMORANDUM FOR: PHILIP BUCHEN
FROM: JAMES J. LYNN
SUBJECT: Your draft letter to Senators Javits
and Nelson
Ref: Your memo of 7/9/75

I have no objections to your draft response (attached) -
looks right on the mark to me.

Attachment



Dear Senator Javits and Senator Nelson:

On behalf of the President, I would like to acknowledge receipt of your letter dated June 26 expressing your concern for those young Americans who filed late applications to participate in the President's Program for the Return of Draft Evaders and Military Deserters. Also, I have reviewed the news clipping which you attached describing the particular circumstances of one late applicant.

The manner in which the President's Program was structured and the way it was to function necessitated a cut-off date for the filing of applications, the setting of which was once altered for the purpose of further publicizing and emphasizing the need to take timely action. Even now the Clemency Board is still busily engaged in processing a huge volume of applications filed before the prescribed deadline. It is not feasible to allow all late applications also to be processed. For instance, out of fairness to every potential applicant who has not acted simply because of the previously set deadline, a new future date with reasonably adequate notice would be required, and then the Program would have to be reopened in its entirety.

Thank you for indicating your interest in the disposition of these late applications.

Sincerely,

Philip Buchen



HARRISON A. WILLIAMS, JR., N.J., CHAIRMAN
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STEWART E. MCCLURE, STAFF DIRECTOR
ROBERT E. NAGLE, GENERAL COUNSEL

United States Senate

COMMITTEE ON
LABOR AND PUBLIC WELFARE
WASHINGTON, D.C. 20510

June 26, 1975

The Honorable Gerald R. Ford
The White House
Washington, D. C.

Dear Mr. President:

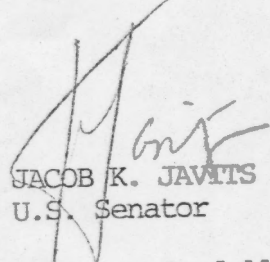
We are writing with respect to young men who want to participate in the clemency program but who failed to meet the March 31st deadline. According to the Clemency Board, there are several hundred young men in this category.

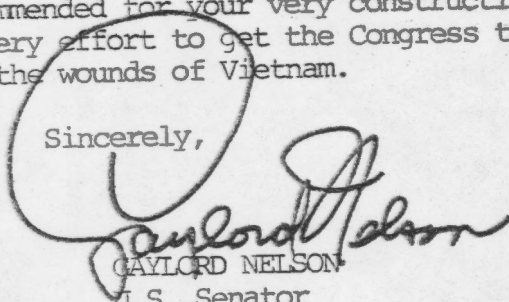
We have stated on numerous occasions that we believe that your promulgation of the clemency program last summer was a very constructive step toward healing the deep and bitter wounds caused by the Vietnam conflict. For that reason we have introduced a bill to continue that program with certain modifications. The Senate Government Operations Committee has stated that there will be hearings on this measure, and we are hopeful that at some point in the near future Congress will pass appropriate legislation.

In the meantime, it seems to us that people who have already indicated their desire to participate in the program should be given that opportunity. The administrative costs would be minimal. The benefits to human lives would be immeasurable. We think it would be most unfortunate if people who share your desire for reconciliation were turned away while they wait for the legislative process to take hold. We are particularly concerned about their situation in light of newspaper reports that one draft evader was placed in jail when he returned to the United States on the mistaken assumption that he could apply for clemency after March 31st. A copy of that report is enclosed. Also, we regret the small numbers -- compared to the total involved -- so far reached by the program.

Again, we think you should be commended for your very constructive steps in this area. We will make every effort to get the Congress to stand with you in trying to bind up the wounds of Vietnam.

Sincerely,


JACOB K. JAVITS
U.S. Senator


JAYLORD NELSON
U.S. Senator

cc: Hon. Charles Goodell
Hon. Edward H. Levi



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Amnesty Group Wages Drive To Free Queens War Resister

By PAUL L. MONTGOMERY

NEW YORK TIMES

Thursday, May 15, 1975

Groups seeking unconditional amnesty for war resisters are mounting a campaign in behalf of a 32-year-old Queens man who is one of a handful of Americans still in jail for refusing to serve in Vietnam.

The draft resister, Andrew Davis, has been in the Federal House of Detention on West Street since April 10. He had returned to the United States from Canada to take advantage of President Ford's clemency program, but missed the March 31 deadline. Since he had fled the country after conviction on a draft charge in 1969, he was arrested as a fugitive and is being held without bail.

get clemency if they agreed to a year of two of "alternate service" in public-service jobs.

About 600 men were freed from jails or military stockades under the program, and many fugitives turned themselves in. It is believed that the only war resisters remaining in jail are Mr. Davis and a few others, perhaps three or four, who refused the clemency program.

Mr. Davis said that pressing business in Toronto prevented him from returning to the United States until after the March 31 deadline but that someone in the United States consulate in Toronto had told him he would still be eligible for clemency.