The original documents are located in Box 3, folder "Congress - Falsifying Committee Transcripts" of the Richard B. Cheney Files at the Gerald R. Ford Presidential Library.

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THE WASHINGTON POST Wednesday, October 6, 1976

Appropriations Staffer Quits

The staff director of a Senate Appropriations Subcommittee has resigned after disclosure that hearings on which a \$56 billion bill was based were never held.

Aides said the director, Harley M. Dirks, submitted his resignation in a letter to Sen. Warren Mag of the budget hearings and make it available to sennuson (D-Wash.), chairman of the subcommittee on ators and their staffs in near-record time. nuson (D-Wash.), chairman of the subcommittee on labor and health, education and welfare.

Magnuson was enroute to Seattle and could not be reached for comment. But a Magnuson aide said the senator had accepted Dirks' resignation. Dirks cited personal reasons for quitting, the aide said, "but obviously it had to do with the so-called phony-hearing thing."

Columnist Jack Anderson disclosed several weeks ago that the printed record of subcommittee hearings last winter on the budget requests for the Labor-HEW departments was faked - that the hearings were never held.

The 4.500 pages of transcript contained written testimony submitted by witnesses and written remarks by members of the subcommittee. The transcript was sprinkled with occasional remarks, in an apparent attempt to make it appear the hearings were held.

At one point, for example, the transcript has Magnuson gaveling a subcommittee session to order and welcoming witnesses.

Dirks, in a letter to subcommittee members on June 30, said changes in the way testimony was hansidled had allowed printers to prepare a full transcipt

Dirks' office said he was on vacation and he could not be reached after his resignation was disclosed. Further details were not available.

The Magnuson subcommittee has jurisdiction over the second largest appropriation bill in the federal government. The \$56.5 billion version for the fiscial year that began Oct. I was enacted last week over President Ford's veto.



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THE WHITE HOUSE

WASHINGTON

October 6, 1976



MEMORANDUM FOR:

DICK CHENEY

FROM:

JACK MARSE

The attached is a very interesting story and is raising many eyebrows here in Washington.

It provides an opportunity for the President to raise a real question about the way Congress conducts its business.

It may be that the Minority Members of the Committee or staff either knew or cooperated in this matter which may account for Senator Brook's admonition.

It is felt that you should be aware of this.

Notwithstanding these admonitions, Max and I feel the matter is worth pursuing and comment by the President if further inquiries confirm the story.

cc: Max Friedersdorf

October 6, 1976

MEMORANDUM FOR:

MAX FRIEDERSDORF

FROM:

JOE JENCKES

SUBJECT:

Harley Dirks' resignation

Attached is the article on Harley Dirks that appeared in the Washington Post this morning. I have talked with Pete Bonner, Minority Counsel and Senator Young's chief man on the Committee as well as Gar Kaganowich, Senator Brooke's man on the Appropriations Committee's Labor and Health Subcommittee.

Pete Bonner tells me that it is clear that the majority, headed by Harley Dirks, has the responsibility and control over transcripts. It is also true that transcripts were falsified to make it appear that a live hearing took place when in fact there was no such hearing. Both Pete and Gar recommended caution in using this for political purposes. Pete stated that other Senators on the Committee might come to Magnuson's defense if the subject were made political. Such Senators as Young, Brooke, Stennis and McClellan would back Magnuson. Pete claimed that this was an isolated incident and that Harley Dirks has been fired -- that should be the end of it.

Gar just called me after talking with Senator Brooke. Senator Brooke told him the following:

"It is not good political judgment to make an issue out of this."

Senator Brooke will not be a party to any such efforts and in the strongest terms suggests we do nothing.