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THE WHITE HOUSE
WASHINGTON

File
Presidential
Assistance Protection
Act.

Rm 106

Jim Purcell

Lynn May

Jim Jordan

Barry Roth ✓

William Skidmore

4/9

Attached is DOD's proposed statement
on H.R. 1244. May I have your comments
by noon today.

Thanks.



OFFICE OF THE SECRETARY OF DEFENSE

8 APR 75

Memo For BILL SKIDMORE

Bill:

Rm 7202
New 803

Attached is our position
report. It was sent to Jim Heyde
& Marty Hoffmann and discussed
it with him.

Pete Kempf



HEARINGS ON H.R. 1244, A BILL TO ESTABLISH
PROCEDURES AND REGULATIONS FOR CERTAIN
PROTECTIVE SERVICES PROVIDED BY THE
UNITED STATES SECRET SERVICE

SUBCOMMITTEE ON LEGISLATION AND NATIONAL
SECURITY OF THE HOUSE COMMITTEE ON
GOVERNMENTAL OPERATIONS

HOUSE OF REPRESENTATIVES

APRIL 10, 1975

STATEMENT BY:
ROBERT T. ANDREWS
SPECIAL ASSISTANT TO THE
GENERAL COUNSEL
OFFICE OF THE SECRETARY
OF DEFENSE

Mr. Chairman and Members of the Subcommittee:

The Department of Defense appreciates your invitation to appear before the Subcommittee on Legislation and National Security to present its views on H.R. 1244 and on the amendments adopted by the House Judiciary Committee. Accompanying me is Colonel Peter Kempf, United States Air Force, who is assigned to the Office of the Secretary of Defense. In that capacity, he oversees the employment of Department of Defense resources in support of the United States Secret Service.

H.R. 1244

H.R. 1244 establishes procedures and regulations for certain protective services provided by the United States Secret Service. While a number of its provisions relate to matters outside the jurisdiction of the Defense Department, there are three provisions which have an immediate effect on the DoD-Secret Service arrangements for protective support. The first is Section 2(1) which provides that the Secret Service shall reimburse the Department of Defense and the Coast Guard for protective services rendered, subject to certain exceptions. The second provision is Section 8 which requires the Department of Defense to transmit a detailed report of expenditures made pursuant to this Bill. The third provision is Section 10 which repeals Section 2 of Public 90-331 relating to assistance provided the Secret Service by other Departments and Agencies.

The Department of Defense supports the objectives of the Bill,



specifically the provisions noted above. As the House Judiciary Report 94-105 noted, "The provisions of this Bill are intended to give force to the principle that fiscal accountability for public expenditures should reside in the agency having the authority to obligate those expenditures".

Department of Defense - Department of the Treasury Agreement

On June 6, 1968, Congress enacted Public Law 90-331, "Joint Resolution - To Authorize the United States Secret Service to Furnish Protection to Major Presidential or Vice Presidential Candidates". Section 2 of that law requires Federal Departments and Agencies to assist the Secret Service in the performance of its protective duties under Section 18 U.S.C. 3056 and in the performance of its duties to protect major Presidential and Vice Presidential candidates under Section 1 of that Act.

In recognition of these responsibilities, the Secretary of Defense and the Secretary of the Treasury entered into an agreement on June 11, 1968, for the purpose of providing procedures and delineating in more specific terms the logistical assistance and other support the Department of Defense will provide to the Secret Service. On July 15, 1968, the Department of Defense issued Department of Defense Directive 3025.13, "Employment of Department of Defense Resources in Support of the United States Secret Service". Neither the Defense-Treasury Agreement nor the Defense Directive address whether or not reimbursement would be required. The result was that Defense periodically submitted requests to the Secret Service

for reimbursement for facilities, equipment and services rendered to the Secret Service. As a general rule, Secret Service denied any responsibility to reimburse, although on occasion it did pay the operational costs of aircraft furnished to the Secret Service.

H.R. 1244 makes plain that reimbursement is intended as a general rule. It would also require Secret Service to make a detailed report of these expenditures to the Committees named in the Bill. It would likewise require the Department of Defense to submit a detailed report of its expenditures except when the support is provided to the President or the Vice President under the exception clause of Section 2(1).

It may be useful at this point to describe the categories of persons who are subject to Secret Service protection. For ease of description, I will divide the list of persons eligible for protection into four categories:

The first category includes the President and his immediate family, the President-elect, the Vice President and his immediate family and the Vice-President elect.

The second category consists of the former President and his wife, the widow of a former President and the minor children of a former President.

The third category of persons eligible for protection is the visiting heads of foreign states, other distinguished foreign visitors to the United States and official United

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States representatives performing missions abroad. The fourth category of persons qualifying for protection is major Presidential and Vice Presidential candidates as determined by the Advisory Committee established by Section 1 of Public Law 90-331.

Effect of Reimbursement Provision

H.R. 1244 provides that the Secret Service will reimburse the Department of Defense for all protective services rendered to categories one through four, except when the protection is provided the President or Vice President, and then only under the circumstances to be described hereafter. This provision is consistent with the Department's general policy of requiring any other Federal agency to which support is provided to reimburse for the costs incurred. The statutory authority for this policy is 31 U.S.C. 686, the so-called Economy Act, under which Defense makes available its unique capabilities to the remainder of the Federal Government when it is determined to be in the national interest and beneficial to overall governmental economy.

The Department seeks reimbursement only for incremental costs, i.e., the costs over and above the costs to the Department for maintaining a given capability in support of its military mission. The reimbursement cost would not include military salaries, purchase of military equipment or other costs normally incurred in the operation of the Military Departments. It would

include, for example, incremental aircraft operation and maintenance costs, rental cars, the services of explosive ordnance disposal personnel, and other specialized services in direct support of the Secret Service.

It should be emphasized that incremental costs are in most cases readily identifiable. Attachment A to this statement lists the kinds of services rendered to the Secret Service during the 1972 Presidential campaign pursuant to Public Law 90-331. Attachment B lists the costs incurred in providing explosive ordnance disposal services to the Secret Service in 1973 and 1974, exclusive of that provided directly to the President and Vice President.

The Department of Defense does not consider the reach of H.R. 1244, as modified by the Judiciary Committee, to extend to those services that the Department provides directly to the President as Commander-in-Chief. In that role, the President looks to the Department of Defense to provide him necessary equipment, services and facilities to fulfill certain of his national security responsibilities. These include communications, aircraft, personnel and certain types of physical security devices. These are provided directly to the President, not the Secret Service, even though the Secret Service may exercise a degree of operational control. These services are considered to be appropriate Defense Department expenditures, unlike support provided to the Secret Service for other of its protectees. This rationale also applies to the Vice President as the primary Presidential successor. Accordingly, if the temporary support is provided directly to

the President or Vice President and that support is incidentally assisting is exempt from the requirement for reimbursement.

The mechanics of properly accounting for support provided other agencies are rather simple and straight forward. As noted earlier, the chargeable costs are incremental and in a majority of cases clearly evident, such as rental cars, aircraft support for a non-military mission, etc. In those few cases where there may be some doubt as to the proper division of costs, they are negotiated with the agency concerned. To date, except for the Secret Service, there have been no situations that could not be resolved. With the reimbursement provision language now proposed by the House Judiciary Committee, the Department of Defense anticipates no difficulty in reaching accord with the Secret Service as to the proper division of costs.

In summary, the Department of Defense supports the objectives of H.R. 1244 as being consistent with sound management and fiscal policy. Should the Committee have any questions or require any additional information for the record, Colonel Kempf and I would be pleased to respond.

**PRESIDENTIAL AND VICE PRESIDENTIAL CANDIDATES
DURING
ELECTION YEAR PERIOD, JANUARY-NOVEMBER 1972**

| <u>Cost Elements</u> | <u>Army</u> | <u>Navy</u> | <u>Air Force</u> | <u>DCA</u> | <u>Total</u> |
|---|--------------------|------------------|-------------------|-------------------|--------------------|
| CATEGORY I | | | | | |
| Military Labor: | | | | | |
| Personnel Services | \$ 571,806 | \$ 43,291 | \$ 166,244 | \$ 46,099 | \$ 827,440 |
| Subsistence & Qtrs | | 2,600 | 102 | | 2,702 |
| Aircraft Operations | | 907 | | | 907 |
| Motor Vehicle Trans | | | 91 | | 91 |
| | <u>\$ 571,806</u> | <u>\$ 46,798</u> | <u>\$ 166,437</u> | <u>\$ 46,099</u> | <u>\$ 831,140</u> |
| CATEGORY II | | | | | |
| Incremental Costs: | | | | | |
| Personnel Services | \$ | \$ 1,068 | \$ 3,302 | \$ 12,527 | \$ 16,897 |
| Subsistence & Qtrs | | 270 | | | 270 |
| Travel | 614,107 | 6,557 | 333,112 | 44,997 | 998,773 |
| Trans of Things | 1,029 | | 404 | | 1,433 |
| Aircraft Operations | 79,380 | 8,022 | | | 87,402 |
| Motor Vehicle Trans | | | 3,003 | 41,933 | 44,936 |
| Consumable Material | 4,276 | | 798 | 5,420 | 10,494 |
| Investment Equipment | | | 229 | | 229 |
| Communications | | | 1,497 | 237,504 | 239,001 |
| Clothing Allowances | 25,414 | | 4,100 | | 29,514 |
| Other (Toll Calls, & Generator, Room & Trailer Rentals) | 153 | 272 | 1,350 | | 1,775 |
| | <u>\$ 724,359</u> | <u>\$ 16,189</u> | <u>\$ 347,795</u> | <u>\$ 342,381</u> | <u>\$1,430,724</u> |
| CATEGORY III | | | | | |
| Total Costs: | | | | | |
| Personnel Services | \$ 571,806 | \$ 44,359 | \$ 169,546 | \$ 58,626 | \$ 844,337 |
| Subsistence & Qtrs | | 2,870 | 102 | | 2,972 |
| Travel | 614,107 | 6,557 | 333,112 | 44,997 | 998,773 |
| Trans of Things | 1,029 | | 404 | | 1,433 |
| Aircraft Operations | 79,380 | 8,929 | | | 88,309 |
| Motor Vehicle Trans | | | 3,094 | 41,933 | 45,027 |
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| | <u>\$1,296,165</u> | <u>\$ 62,987</u> | <u>\$ 514,232</u> | <u>\$ 388,480</u> | <u>\$2,261,864</u> |

NOTE: CATEGORY II expenses are those items which the Department of Defense considers as reimbursable (see statement).

***U.S. ARMY INCREMENTAL EXPLOSIVE
ORDNANCE DISPOSAL (EOD) COSTS**

| <u>Reporting Commands</u> | <u>EOD Costs</u> | |
|---------------------------------|-------------------|-----------------------------|
| | <u>1973</u> | <u>1974</u> |
| Military District of Washington | | \$ 1,282.00 |
| Force Command | | 17,094.00 |
| Health Service | 3,050.00 | |
| Training and Doctrine Command | <u>446,823.00</u> | <u> </u> |
| | TOTALS: | \$ 22,376.00 |

* These figures are illustrative of our ability to break out detailed incremental costs and do not represent the total DoD costs in support of the U.S.S.S. These figures represent only expenditures within the continental United States.

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SUBCOMMITTEE ON LEGISLATION AND NATIONAL
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HOUSE OF REPRESENTATIVES

APRIL 10, 1975

STATEMENT BY:
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SPECIAL ASSISTANT TO THE
GENERAL COUNSEL
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PRESIDENTIAL AND VICE PRESIDENTIAL CANDIDATES
DURING
ELECTION YEAR PERIOD, JANUARY-NOVEMBER 1972

| Cost Elements | <u>Army</u> | <u>Navy</u> | <u>Air Force</u> | <u>DCA</u> | <u>Total</u> |
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*U.S. ARMY INCREMENTAL EXPLOSIVE
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