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of the Philip Buchen Files at the Gerald R. Ford Presidential Library.**

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Crackpot

Monday 7/21/75

9:50 A man called to give a message to you:

"William Kendall of the White House staff was placed under citizens' arrest by telephone call to the White House detail of the Secret Service at 6 p.m. yesterday for violating Section 1015 of Title 18 U.S. Code in the context of the suspension of the Supreme Court Case -- anti-genocide case 745075."

Then he asked to be transferred to Bill Casselman.

He said the matter is serious and urgent; there's one unlawful death every five minutes.

Dawn took the

call —

*says he's a
Crackpot* —

*apparently calls
every day.*





Emergency

State of Connecticut
HOUSE OF REPRESENTATIVES
STATE CAPITOL
HARTFORD, CONNECTICUT 06115

VITO M. MAZZA
ONE HUNDRED FIFTEENTH DISTRICT

416 THIRD AVENUE
WEST HAVEN, CONN. 06516

Dec. 26, 1975

Mr. William Gully
White House
Washington, D.C.

Dear Bill:

I do not think that I or Beth Ann or her Family have the proper words to express the gratification that we have for you, Phil Buchen and especially the President, for the tremendous help that you gave her in an hour of crisis.

The response the Beth Ann has been nothing short of phenomenal. Calls and letters have been coming in from all over the United States.

President Ford is a man of Integrity, honesty, sincerity and above all tremendous compassion. His deeds will be remembered by millions of people and we can never forget what he has done for the rest of our lives. I have indicated to the President, in a previous letter, that I would like to provide a copy of the completed Trust agreement and a full account by the C.P.A.'s as soon as the drive is completed.

It would be an honor for me to someday be in the presence of President Ford.

I hope that we have followed your instruction to the letter from this end and I hope we did not cause you or your staff any serious problems.

Again, sincere thanks from myself and the family of Beth Ann and if I can be of further service to you or the President, please write or call me. Thank you.

Sincerely

Vito M. Mazza

Vito M. Mazza
TRUSTEE (BETH ANN CAMERON FUND)
Tel. Bus. 203-497-4512
Res 203-933-5156



cc Mr. P. Buchen

December 31, 1975

To: Max Friedersdorf

From: Eva

I showed Mr. Marsh a copy of
this letter and he asked me to
send you a copy for your
information.



Saturday, December 20, 1975

The Washington Star

She Fears Santa Won't Find Her

NEW HAVEN (AP) — Eight-year-old Beth Ann Cameron is afraid Santa Claus won't find her this



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ITEM WITHDRAWAL SHEET
WITHDRAWAL ID 00684

Collection/Series/Folder ID No. : 001900167
Reason for Withdrawal : DR, Donor restriction
Type of Material : NOT, Notes
Description : re private citizen who wanted to
talk to the President about his arrest
Creation Date : 02/1976
Date Withdrawn : 05/11/1988

THE WHITE HOUSE
WASHINGTON

Eva,
Perhaps you
will want to
think about
^{not} giving this to
Mr. B.

Bobbie says a
state matter &
we shouldn't get
involved.



Henry Gould, a member of the Episcopal Church and also a healer, called inquiring whether he might get a letter from the President seconding the motion that he be at the bedside of Karen Quinlan on April 15. It will be a year on that date since she was ill.

He can be reached in New York at 212-966-7552. He has more to say -- he believes the Lord is calling him to do this, etc.



Emergencies

Wednesday 4/14/76

1:15 I called Richard Ault's office and find that Dr. Brooks' family had been checking elsewhere and that it seemed almost impossible that there could be a burial in Arlington. The service will be tomorrow -- so they have decided not to pursue it further. They will bury him in Massachusetts.

Mr. Ault was in touch with the Under Secretary's office and they have received word that the request had been turned down.



Tuesday 4/13/76

7:15

Richard Ault, Director of Support at the Smithsonian, called to talk with you concerning the possibility of getting Dr. Robert Brooks (of the Smithsonian) interred at Arlington Cemetery.

381-5104

He had called Jeanne Holm, who referred him to Ted Marrs, who suggested he should talk with you.

(^{Dr. Brooks}
Formerly Assistant Secretary of the Army)

Mr. Ault is a retired Air Force General.



Teton
Dam



FOR IMMEDIATE RELEASE

JUNE 11, 1976

OFFICE OF THE WHITE HOUSE PRESS SECRETARY

THE WHITE HOUSE

REMARKS OF THE PRESIDENT
UPON SIGNING THE
SUPPLEMENTAL APPROPRIATIONS REQUEST
FOR TETON DAM DISASTER RELIEF

THE OVAL OFFICE

12:00 NOON EDT

I am today sending to the Congress a request for an appropriation of \$200 million to provide payments for the victims of flood damage caused by the collapse of the Teton Dam in Idaho. If additional funds are required, I will request further appropriations later.

These funds will complement our ongoing Federal disaster assistance to provide further relief for injuries and damages inflicted by the flood. Claims will be administered by the Department of Interior in accordance with regulations to be issued by the Secretary and will be available to claimants at relief centers now in operation.

I urge the Congress to act promptly on my appropriation request to insure that the victims of this tragic catastrophe can rebuild their lives and rebuild their communities.

I am directing all Cabinet officers and heads of appropriate Federal agencies to work in close cooperation with the Department of Interior and the Federal Disaster Assistance Administration to deliver this and other Federal disaster assistance to the people and to the communities unfortunately affected by this tragic catastrophe.

END (AT 12:02 P.M. EDT)



FOR IMMEDIATE RELEASE

JUNE 11, 1976

Office of the White House Press Secretary

THE WHITE HOUSE

STATEMENT BY THE PRESIDENT

I am today sending to the Congress a request for an appropriation of 200 million dollars to provide payments for the victims of the flood damage caused by the collapse of the Teton Dam in Idaho. If additional funds are required, I will request further appropriations later.

These funds will complement on-going Federal disaster assistance to provide further relief for injuries and damages inflicted by the flood. Claims will be administered by the Department of Interior, in accordance with regulations to be issued by the Secretary, and will be available to claimants at relief centers now in operation.

I urge the Congress to act promptly on my appropriation request to ensure that the victims of this tragic catastrophe can rebuild their lives and communities.

I am also directing all Cabinet officers and heads of appropriate Federal agencies to work in close cooperation with the Interior Department and the Federal Disaster Assistance Administration to deliver this and other Federal disaster assistance to the people and communities injured by the flood.

#



THE WHITE HOUSE
WASHINGTON

June 11, 1976

MEMORANDUM FOR: JIM CANNON
PAUL O'NEILL
KEN LAZARUS
R.
FROM: PHIL BUCHEN

Attached is material which came
from the Department of Interior
relative to the basis for the
appropriation of funds to pay
claims arising out of the failure
of the Teton River Dam.



January 26, 1915

March 3, 1915

PARK

disposition under laws relating to national parks and are not covered by the reclamation fund, as provided by the Act of July 19, 1919. C.L. 866, 20.

ed shall affect any valid laws of the United States, other purpose whatsoever, or entryman to the full with the primary purposes hundred and one, applicable is and the national forests n applicable to the lands ebruary 26, 1931, 46 Stat.

in the Text. The Act of enth, nineteen hundred and e to the location of rights- tain national parks and the ts for irrigation and other red to in the text, appears ological order.

*

Id Congress. H.R. Rept. No.

205

SUNDY CIVIL EXPENSES APPROPRIATIONS ACT FOR 1916

[Extracts from] An act making appropriations for sundy civil expenses of the Government for the fiscal year ending June thirtieth, nineteen hundred and sixteen, and for other purposes. (Act of March 3, 1915, ch. 75, 38 Stat. 822)

* * * * *

RECLAMATION SERVICE

The following sums are appropriated out of the special fund in the Treasury of the United States created by the Act of June seventeenth, nineteen hundred and two (Thirty-second Statutes, page three hundred and eighty-eight), and therein designated "the reclamation fund":

[Damage payments.]—For * * * payment of claims for damage to or loss of property, personal injury, or death arising out of activities of the Bureau of Reclamation; * * * (38 Stat. 859)

EXPLANATORY NOTES

Provision Repeated; Evolution of wording. A provision for the payment of damage claims has appeared in each annual appropriation act for the Bureau of Reclamation beginning with the Act of March 3, 1915. The shortened form shown above was first used in the Act of September 6, 1930, 44 Stat. 687. It has been carried in each subsequent annual Interior Department Appropriation Act through fiscal year 1955, and thereafter in each annual Public Works Appropriation Act through the most recent one, the Act of October 15, 1966, 80 Stat. 1008.

As first enacted in 1915, the provision read: "payment of damages caused to the owners of lands or private property of any kind by reason of the operations of the United States, its officers or employees, in the survey, construction, operation, or maintenance of irrigation works, and which may be compromised by agreement between the claimant and the Secretary of the Interior."

The appropriation act for fiscal year 1927 and subsequent acts inserted the word "other" before "private property" and added "or such officers as he may designate" at the end. The appropriation act for fiscal year 1939 and subsequent acts dropped the last clause "and which may be compromised by agreement between the claimant and the Secretary of the Interior or such officers as he may designate." The appropriation act for fiscal year 1948 and subsequent acts revised the provision to read "payment of claims for damage to or loss of property, personal injury, or death,

arising out of the survey, construction, operation or maintenance of works by the Bureau of Reclamation". The Act of September 6, 1950, substituted "activities of" for the phrase "the survey, construction, operation or maintenance of works by".

Comparable Provision, Indian Irrigation Projects. The Act of February 20, 1929, 42 Stat. 1252, 25 U.S.C. § 388, provides for similar payment in connection with Bureau of Indian Affairs irrigation works.

Remedy Solely Discretionary. The remedies provided by the appropriation acts and the Act of February 20, 1929, have been construed to be matters entirely within the discretion of the Secretary of the Interior, rather than statutory rights to compensation. Solicitor White Opinion, 60 I.D. 451, 454 (1950); *Bill Powers*, TA-271 (Ir.), 71 I.D. 237 (1964).

Procedures for Administrative Determinations. Each Regional Solicitor is authorized to determine, under the annual Public Works Appropriation Act, claims not exceeding \$15,000 for damage to or loss of property, personal injury, or death arising from activities of the Bureau of Reclamation. The Regional Solicitor is likewise authorized to make determinations for claims under \$15,000 arising from the survey, construction, operation or maintenance of irrigation works on Indian irrigation projects. Appeal lies to the Solicitor, upon written notice of appeal filed with the Regional Solicitor within 30 days of receipt of the determination. Solicitor's Regulation No. 5, amended October 5, 1965.



March 3, 1915

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SUNDY CIVIL APPROPRIATIONS ACT, 1916

Relation to Tort Claims. The annual appropriation acts, and the Act of February 20, 1929, 45 Stat. 1252, 25 U.S.C. § 388, relating to claims for damages caused by Indian irrigation projects, provide only for the administrative determination of claims which do not sound in tort, as the Federal Tort Claims Act is considered to provide the exclusive remedy for all tort claims. As a matter of procedure, when a claim is submitted for administrative determination it is considered under both the annual Public Works Appropriation Act and the Federal Tort Claims Act, to determine if a remedy is available under either Act. For cases and determinations involving tort claims, see the Act of June 25, 1948, herein and notes thereunder.

Relation to Claims for Taking of Property. Where the reclamation activities result in a "taking of" property, rather than

in "damages to" property (admittedly a difficult distinction to draw), the landowner is entitled to just compensation under the Fifth Amendment to the Constitution. If such property is not acquired by the Bureau of Reclamation by purchase or condemnation, the property owner may bring suit under the Tucker Act in the Court of Claims or the United States District Court. Selected cases are noted herein under the Fifth Amendment to the Constitution, and extracts from the Tucker Act appear herein in the Appendix.

Editor's Note, Annotations of Administrative Determinations. The annotations of administrative determinations which follow should not be considered an exhaustive treatment, as the proceedings in this field are voluminous. However, an attempt has been made to select illustrative decisions spanning the range of fact situations.

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1. Direct causation

The Government is not liable under the Federal Tort Claims Act for property damage resulting from water escaping through a sudden break in an irrigation canal which was constructed according to plans prepared by engineers based upon the best engineering practices available, and inspected regularly with reasonable diligence and skill after being placed in operation. However, the Government at its discretion may compensate injured parties in these circumstances under the Interior Department Appropriation Act where the cause of the damage is shown to be the direct result of activities of the Bureau of Reclamation. *Northern Pacific Railway Co., et al.*, T-560 (Ir.) (May 10, 1954).

Where action of claimant in removing dirt from banks of irrigation ditch was shown to have been a proximate cause of a break in the ditch resulting in the flooding of his land, no damages may be recovered against the United States under appropria-

tion act provision available therefor. *C. F. Burbridge*, M-32045 (January 30, 1951).

Recovery for alleged damages was denied when the claimant failed to show by a preponderance of the evidence that alleged contamination of his spring was caused by an increase in the alkaline or salt content of irrigation waters pumped, "damages resulting from remote or consequent causes" being held not to come within the purview of the statute. *Columbia Basin Irrigation Co.*, M-31669 (November 19, 1942).

2. Floods

The Government is not liable, under the Federal Tort Claims Act, for damage caused to crops by a flood diverted to claimant's land by the existence of a Bureau of Reclamation canal because the original decision to build the laterals without placing diversions under them was within the discretionary function exception of the Act. *Flood Control Act*, 33 U.S.C. § 702c, and immunity statute, applicable only when liability would exist without it, and as there was no liability, the Flood Control Act did not bar the payment of claims under the Public Works Appropriation Act. In this instance the flood waters would not have been diverted onto claimant's land but to the lateral, thus the damage done was a direct result of non-tortious activities of the Bureau of Reclamation. Claim allowed. *Powers*, TA-271 (Ir.) 71 I.D. 237 (1954).

Where flooding of land was the result of a rainstorm of unprecedented or cloud-like proportions, and not the result of a direct act or omission, or negligence in construction, operation or maintenance of a drainage ditch, claimants cannot recover.

March 3,

from the Gov.
S. L. Torke
1942).

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"to" property (admittedly a action to draw), the landowner just compensation under the ment to the Constitution. If is not acquired by the Bureau on by purchase or condemnation property owner may bring suit Tucker Act in the Court of Claims States District Court. Se are noted herein under the ment to the Constitution, and the Tucker Act appear herein idix.

Note. Annotations of Admin- determinations. The annotations tive determinations which fol- ot be considered an exhaustive s the proceedings in this field bus. However, an attempt has to select illustrative decisions e range of fact situations.

vision available therefor. *C. E. M-*32045 (January 30, 1943) for alleged damages was denied claimant failed to show by a fair ace of the evidence that alleged on of his spring was caused by in the alkaline or salt content of waters pumped, "damages re- a remote or consequent causes" not to come within the purview rute. *Columbia Basin Orchard* 69 (November 19, 1942).

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from the Government for property damaged. *S. L. Tooke, et al.*, M-31871 (August 22, 1942).

No recovery may be had against the United States where it was shown that the operation of certain reservoirs of a Government irrigation project did not cause the flooding of claimants' lands during a severe rainstorm but that in fact they reduced, im- peded and retarded the flood waters of a creek above the reservoirs; that large quantities of water were not suddenly released from the reservoirs; that the reservoirs were operated efficiently and in such manner as to utilize the available storage capacity to the fullest possible extent for the regulation and control of the flood waters; and that but for the reservoirs, the flood waters in the creek, and the damage resulting therefrom, would have been appreciably greater. *Lenora Simpson, et al.*, M-30564 (February 16, 1940).

Claims filed against the United States by landowners on the west side of the Rio Grande River who alleged that the Alamo levee, constructed by the United States in 1933 on the east side of the River, had caused their lands to be flooded, were disallowed, the Under Secretary of the Interior holding that the alleged damaged lands were a part of the flood plain of the Rio Grande River which would be flooded independently of the Alamo levee, and that the United States had a right to construct the levee to protect its property against floods in the River even if such construction should result in damage to the lands on the opposite side of the river. *Norberto Butler, et al.*, August 29, 1935.

Floods of unprecedented occurrence and volume are acts of God over which the Government has no control and for which it cannot be held liable. *Palmyra Longuemare, et al.*, February 21, 1930.

3. Canal breaks

Damage caused by flooding when a canal break occurred due to gopher burrowing could not be compensated under the Public Works Appropriation Act since the break was not directly caused by the activities of the Bureau of Reclamation. *Wilbur B. Cassidy and Mary A. Cassidy, and Farmers Insurance Group*, TA-235 (Ir.), 69 I.D. 193 (1962).

When a canal dike breaks because of the activities of ground squirrels, the direct cause of the break is the presence of *ferae naturae*, over which the United States has no control, thus no liability can attach. *Anna Barnes*, 57 I.D. 584 (1942).

Damages caused by water escaping from a Government canal to railroad trestles and

embankments is compensable under the annual appropriation act as the direct result of activities of the Bureau of Reclamation. *Northern Pacific Railway Co., et al.*, T-560 (Ir.) (May 10, 1954).

Flooding caused by tumbleweeds, which sank and rolled along the bottom of a culvert of an irrigation lateral, clogging a drain and causing claimant's land to be overflowed, was held to have resulted from the manner in which the canal was maintained by the Government, to be "damage due to unavoidable causes in which the element of negligence does not appear," and claimant accordingly was permitted to recover for damage resulting therefrom. *George H. Munro*, M-31573 (January 24, 1942).

4. Canal seepage

When an award for damage to property is rendered as a result of seepage from an irrigation canal, and that award is based on the permanent depreciation in value of the property due to the seepage, no additional award may be rendered unless the extent or intensity of the seepage has increased since the first award to a degree which has caused further permanent depreciation in the value of the property. *Norma Streit, et al.*, T-1100 (Ir.) (Febrary 4, 1964). For the earlier award, see *Arnold Streit*, T-476 (Ir.) (Supp.), 62 I.D. 12 (1955).

Claimant contended that seepage water from Bureau of Reclamation ditches and canals had rendered grazing land useless and caused damage to cattle from falls suffered by ice formation. The record showed several other sources for the seepage, however, namely heavy irrigation and rainfall on adjacent upland farms and two springs in the area; therefore the claim was denied. The damages must be the direct result of activities of the Bureau of Reclamation, which required in this context that seepage water from project facilities alone, without contribution from other sources, be sufficient to cause the damage. *Howard D. Galletine*, T-980 (Ir.), 67 I.D. 191 (1960).

Claimant had conveyed the right of way for a canal to the United States, which subsequently caused damage to the basement of his home and his crops by seepage. Upon a showing of damage directly caused by activities of the Bureau of Reclamation, measured by the difference in appraisal value of the property with and without the seepage condition, compensation was made to claimant, past rulings to the contrary being reversed. *Arnold Streit*, T-476 (Ir.) (Supp.), 62 I.D. 12 (1955).



5. Reservoir water releases and escapes

The claimant contended the formation of accumulated ice jams, caused by the fluctuation of river flow in the winter resulting from irregular power releases made through the powerplant, damaged his irrigation diversion dam. However, previous ice jams had developed on the river during periods of continuous water release from the powerplant, ice jams had occurred during the same winter on nearby rivers with no apparent relationship to continuous or fluctuating flows, and reservoir intake records showed the natural flow of the river would have varied over 550 per cent during the period the damage occurred. Therefore, it could not be established that damage to claimant's dam was the direct result of non-tortious activities of employees of the Bureau of Reclamation. *Hanover Irrigation District, TA-256 (Ir.)* (February 20, 1964).

Spillway gates at a Bureau of Reclamation dam gave way, permitting a large volume of water to escape from the dam. Failure of the gates was traced to a defective anchor bolt common to two of the gates, but even a close inspection would not have revealed the defect, therefore there was no negligence on the part of the Government. An award for damage claims for flooded lands could be made from the current Interior Department Appropriation Act (1951), however, even though the damage occurred in 1942, as Congress has provided no statute of limitations for this discretionary power. Solicitor White Opinion, 60 I.D. 451 (1950).

The Government was held not liable for damage caused by flooding when an unprecedented accumulation and flow of heavy ice loosened the structure and caused a dam to break where it was shown that the dam was properly designed and constructed to withstand such pressure as it would be likely to meet based on past experience. *Nashua Booster Club, et al., M-30446* (September 13, 1940).

Where a large volume of water from a reservoir was discharged in order to clean and repair it, causing a greatly increased flow of water in the river below the dam and reservoir which overflowed the banks of the river and resulted in damage to owners of adjoining lands, it was held that the one was a direct consequence of the other and that claimants could therefore recover. Dec. Comp. Treasury, June 15, 1915.

6. Livestock losses

Claimant's damages were caused by loss of livestock through drowning in an unfenced irrigation canal. Applicable state law,

which determined the result for a negligence theory of liability under the Federal Tort Claims Act, did not require a landowner to fence his land or be liable to the owner of livestock injured while upon that land, therefore the claim was denied under the Federal Tort Claims Act. A long-established policy of the Department did not consider livestock drowning in irrigation facilities to be the direct results of Government employees' activity, thus the claim was denied under the statute relating to claims for damage caused by Indian irrigation works. *John C. Brock, TA-249 (Ir.)*, 70 I.D. 397 (1963). For other determinations under the appropriation acts denying awards in cattle drowning cases, see *D. Jones, TA-185 (Ir.)* (April 23, 1959); *Ray Strouf, TA-180 (Ir.)* (February 5, 1959); *Alfred Koeltzow, TA-18 (Ir.)* (July 25, 1949).

7. Indian irrigation projects

The criteria for an award under the annual Public Works Appropriation Acts and those for awards under the Indian project act are the same, thus determinations made under the one may be used as precedent for the other. Therefore, a claim for losses of livestock by drowning in an Indian irrigation project canal must be denied. *John C. Brock, TA-249 (Ir.)*, 70 I.D. 397 (1963).

Realignment of telephone poles brought about through wind action after the footings of the poles had been softened by submersion in water, and through the action of informed during the winter in lifting the poles from their settings, in an area inundated by the construction of the Wild Horse Dam on the Duck Valley irrigation project, Nevada, held due to direct acts of Bureau of Indian Affairs employees in the survey, construction, operation or maintenance of irrigation projects for which damages were recoverable under the 1929 act. *Eureka County Telephone and Telegraph Co., M-31026* (January 17, 1941).

8. Land purchase contract release clause

Where there was no indication that original appraisals of a canal right of way purchased by the Government were increased because of inclusion in the contract of a clause requiring claimant to accept purchase price as full payment for all damages, and no evidence that future damage was within the contemplation of the party when the purchase price was paid, then upon proof of damage by canal leakage, compensation will be allowed. *George Streit, T-476 (Ir.)* (Supp.), 62 I.D. (1955).

Notwithstanding an agreement in a land-purchase contract to accept the

March 3, 1915
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March 3, 1915

SUNDY CIVIL APPROPRIATIONS ACT, 1916

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he result for a negligence under the Federal Tort of require a landowner to be liable to the owner while upon that land, was denied under the Act. A long-established rment did not consider in irrigation facilities results of Government ; thus the claim was tute relating to claims by Indian irrigation ock, TA-249 (Ir.), 70 or other determinations priation acts denying owning cases, see *Dale r.* (April 23, 1959); 80 (Ir.) (February 6, zelzow, TA-18 (Ir.).

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in award under the Appropriation Acts and under the Indian project us determinations made be used as precedent for e, a claim for losses of ng in an Indian irrigatiust be denied. *John C.*, 70 I.D. 397 (1963). Telephone poles brought action after the footings en softened by submerrough the action of ice inter in lifting the poles in an area inundated of the Wild Horse Dam ey irrigation project, direct acts of Bureau employees in the survey, on or maintenance of r which damages were the 1929 act. *Elko nd Telegraph Co.*, M-941).

contract release clauses no indication that the a canal right of way Government were inclusion in the contract claimant to accept the payment for all damage that future damage contemplation of either chase price was fixed, lamage by canal seepill be allowed. *Arnold* (Supp.), 62 I.D. 12

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chase price as full payment for all damages for entry upon the property and the construction, operation and maintenance of reclamation works thereon, a vendor may be awarded damages under the provisions of the annual Interior Department appropriation act when the contract gives the vendor the right of possession until a certain date, and before that date the Bureau of Reclamation overflows the land and destroys the crops growing upon it. *Ruth O. Wiles*, T-462 (Ir.), 61 I.D. 109 (1953).

9. Wells

Claimants alleged their water wells went dry as a result of the construction of a drainage ditch by the Bureau of Reclamation. The record showed the wells went dry within a short time after the drainage ditch was constructed, the wells had supplied water for several years before the ditch was constructed, substantial water was encountered during construction of the ditch past claimant's properties, and the water table had been lowered noticeably since construction. This was enough to constitute a *prima facie* case in favor of the causal relationship between the ditch construction and the drying up of the wells; and in the absence of rebuttal evidence, and particularly because of the difficulty in drawing conclusions with mathematical certainty regarding subterranean water, this showing entitled claimants to recovery under the current Public Works Appropriation Act. *Ed Brewer, et al.*, TA-253 (Ir.), 71 I.D. 84 (1964).

10. Silting

Where silt, exposed by the lowering of the water surface of a Bureau Reservoir, was blown over adjacent lands by the prevailing winds, no claim for damage resulting therefrom could be allowed because the damage was not the direct result of the operation of Government employees. *W. E. Bartlett, et al.*, 57 I.D. 415 (1941).

11. Subirrigated lands

Diversion by the Government of waters of a lake, thereby depriving meadowland of its moisture derived from subirrigation, even though the land was not contiguous to the meander line of the lake, constitutes a valid claim for damages within the contemplation of the appropriation act provision. However, where the meadowland is damaged by the diversion of waters of a lake, the landowner is not entitled to general damages to his remaining lands, as incidental to the damage to the former, if the latter were not directly benefited by those waters prior to their diversion. *George W. Myers and Lillie A. Myers*, 49 L.D. 106 (1922).

12. Property, what constitutes

Claimants sought damages because the construction and operation of a reclamation project had increased the volume of water in a lake, thereby diluting its dissolved mineral content and making claimant's business of extracting salts from the water more expensive. The claim was denied on the grounds no valid property right was damaged, since claimant had never appropriated the dissolved minerals in the lake or obtained a license or permit from the city or state for that purpose. *Roxie Thorson and Marie Downs*, T-710 (Ir.), 63 I.D. 12 (1956).

13. Transfer of facilities

A damage claim submitted for seepage from a canal which resulted in waterlogging land belonging to claimants was undisputed insofar as the damage or its cause was concerned. However, responsibility for the operation and maintenance of the structures was transferred to the Department of Agriculture by agreements made under the Water Conservation and Utilization Act, as soon as the Bureau of Reclamation had finished constructing the main and branch canals and the laterals. The Bureau of Reclamation's original plans called for construction of drainage systems also, anticipating the seepage problem, but its responsibilities for construction were terminated before these structures were built. Therefore, the funds appropriated for the Bureau of Reclamation should not be charged with damages resulting from a failure by other entities to fully execute a plan of construction the Bureau was not allowed to complete. *Marilynn Truscott and Solveig C. Evans*, T-453 (Ir.), 61 I.D. 88 (1953).

14. Fire

Claimant may recover damages from the United States for property damage resulting from a forest fire which occurred during the construction of a reservoir where the forest fire resulted from a shift of the wind during land-clearing operations by burning and was not due to negligence on the part of Government employees. *The Shevlin-Hixon Co.*, 58 I.D. 189 (1942).

Claimant may recover damages from the United States for property damage where during the burning of dry willows necessary to the maintenance of an irrigation ditch a sudden wind came up and carried the fire into adjacent cut-over meadow lands. *Race Harney*, M-31661 (February 4, 1942).

15. Roads and bridges

Damages for the extraordinary use of a public highway bridge by Government personnel in the course of constructing the various units of the Kendrick project,



March 3, 1915

Wyoming, are compensable from funds made available in the Interior Department Appropriation Act, 1934, for the payment of claims for damage to property arising out of activities of the Bureau of Reclamation. The measure of damages for injury to a public highway bridge ordinarily is the cost of repairing the injured bridge. How-

ever, where the bridge is out of date and has become a safety hazard because of the extraordinary use which causes the damage, the estimated cost of repairs may be applied against the cost of a new bridge designed to meet present day traffic requirements. *Claim of Natrona County, Wyoming*, T-512(Ir.), 61 I.D. 264 (1935).

* * * * *

[Jackson Lake enlargement.]—Jackson Lake enlargement work, Idaho-Wyoming: For maintenance, operation, continuation of construction, and incidental operations, conditioned upon the deposit of this amount by the Kuhn Irrigation and Canal Company and the Twin Falls Canal Company to the credit of the reclamation fund, \$476,000; (38 Stat. 860).

EXPLANATORY NOTE

Provision Repeated. A similar provision is contained in the Sundry Civil Expenses Appropriation Act for 1917, approved July 1, 1916, 39 Stat. 304.

* * * * *

[Expenditures and obligations not to exceed appropriations or amount in reclamation fund.]—Under the provisions of this Act no greater sum shall be expended, nor shall the United States be obligated to expend, during the fiscal year nineteen hundred and sixteen, on any reclamation project appropriated for herein an amount in excess of the sum herein appropriated therefor, nor shall the whole expenditures or obligations incurred for all of such projects for the fiscal year nineteen hundred and sixteen exceed the whole amount in the "reclamation fund" for that fiscal year. (38 Stat. 860)

EXPLANATORY NOTES

Provision Repeated. A similar provision is contained in each subsequent annual Sundry Civil Expenses Appropriation Act through fiscal year 1922, and each annual Interior Department Appropriation Act thereafter through the Act of October 12, 1949, 63 Stat. 781.

Cross Reference. Section 16 of the Reclamation Extension Act of August 17, 1914, 38 Stat. 690, provides that after July 1, 1915, no expenditures shall be made out of the reclamation fund except out of appropriations made by Congress. The Act appears herein in chronological order.

* * * * *

[Interchange of appropriations.]—Ten per centum of the foregoing amounts shall be available interchangeably for expenditure on the reclamation projects named; but not more than ten per centum shall be added to the amount appropriated for any one of said projects. (38 Stat. 861)

EXPLANATORY NOTE

Provision Repeated. This provision is repeated in each subsequent annual Sundry Civil Expenses Appropriation Act through fiscal year 1922 and each annual Interior Department Appropriation Act thereafter through the Act of October 12, 1949, 63 Stat. 781, with the following modifications:

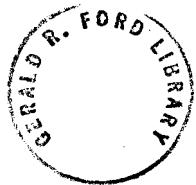
The Act of May 24, 1922, 42 Stat. 57, and subsequent acts include additional authority for emergency repairs; and the Act of July 1, 1946, 60 Stat. 367, and subsequent acts insert the words "for construction and maintenance projects" after "going amounts."

* * * * *



File #

STATEMENT BY THE PRESIDENT FOR FUNDS
TO BE APPROPRIATED FOR DISASTER VICTIMS
OF TETON DAM, JUNE 11, 1976



+1-

I AM TODAY SENDING TO THE CONGRESS A REQUEST FOR
AN APPROPRIATION OF 200 MILLION DOLLARS TO PROVIDE PAYMENTS
FOR THE VICTIMS OF THE FLOOD DAMAGE CAUSED BY THE COLLAPSE
OF THE TETON DAM IN IDAHO. IF ADDITIONAL FUNDS ARE REQUIRED,
I WILL REQUEST FURTHER APPROPRIATIONS LATER.

THESE FUNDS WILL COMPLEMENT ON-GOING FEDERAL
DISASTER ASSISTANCE TO PROVIDE FURTHER RELIEF FOR INJURIES
AND DAMAGES INFILCTED BY THE FLOOD. CLAIMS WILL BE
ADMINISTERED BY THE DEPARTMENT OF INTERIOR, IN ACCORDANCE
WITH REGULATIONS TO BE ISSUED BY THE SECRETARY, AND WILL BE
AVAILABLE TO CLAIMANTS AT RELIEF CENTERS NOW IN OPERATION.



I URGE THE CONGRESS TO ACT PROMPTLY ON MY APPROPRIATION REQUEST TO ENSURE THAT THE VICTIMS OF THIS TRAGIC CATASTROPHE CAN REBUILD THEIR LIVES AND COMMUNITIES.

I AM ALSO DIRECTING ALL CABINET OFFICERS AND HEADS OF APPROPRIATE FEDERAL AGENCIES TO WORK IN CLOSE COOPERATION WITH THE INTERIOR DEPARTMENT AND THE FEDERAL DISASTER ASSISTANCE ADMINISTRATION / TO DELIVER THIS AND OTHER FEDERAL DISASTER ASSISTANCE TO THE PEOPLE AND COMMUNITIES INJURED BY THE FLOOD.

END OF TEXT



THE WHITE HOUSE
WASHINGTON

DECISION

June 11, 1976

MEMORANDUM FOR THE PRESIDENT

FROM: JIM CANNON

SUBJECT: Request for Appropriation to Compensate
Victims of the Flood Caused by the
Collapse of the Teton Dam

Attached is a memorandum from Jim Lynn recommending that you approve an appropriation request for \$200 million to provide compensation for victims of the above disaster. The funds are to be administered by the Department of Interior, but will be made available to claimants through existing Federal relief centers in the affected area.

The Justice Department, and the General Counsels of Interior and OMB, as well as Phil Buchen, attest to the legality of this measure.

The following concur in the recommendation:

Department of Justice
Department of Interior
Federal Disaster Assistance Administration
OMB (O'Neill)
Phil Buchen, Jack Marsh, Robert Hartmann, Jim Cannon

DECISION

APPROVE _____

DISAPPROVE _____





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

June 11, 1976

ACTION

MEMORANDUM FOR: THE PRESIDENT
O'Brien

FROM: James T. Lynn

SUBJECT: Proposed Supplemental Appropriations for the Department of the Interior.

Attached for your signature is a supplemental appropriation request for the Department of the Interior in the amount of \$200,000,000 for fiscal year 1976.

The additional funds are needed to make payments to victims of the Teton Dam disaster to compensate them for losses incurred which otherwise would not be covered under existing disaster relief programs.

Although the Justice Department advises that the Federal Government is not legally liable for payment of damages, restitution to individuals under existing Reclamation law without regard to legal liability is warranted in this unique case.

Interior funds can be used for payment of damages, and we have determined it to be the simplest approach with the least potential adverse consequences. Administrative procedures will be established to avoid payment for damages covered by other Federal insurance and disaster assistance payments, by private insurance or suits against third parties. Damage settlements can begin immediately using existing funds.

Estimates of damage cost are only tentative at this time and it will be several weeks before we can expect a reasonably accurate estimate. I believe that a supplemental amount of \$200,000,000 for residual damages not covered by disaster assistance payments will be acceptable evidence of our good faith and will carry the program until we have a better estimate of actual cost.



I have discussed this approach with Senator McClure who assures me that it is an acceptable course of action. He believes it may be preferable to the bill he has introduced.

The effect of this supplemental will be to increase outlays by an amount up to \$200,000,000 in the transition quarter.

Recommendation

I recommend that you sign the letter transmitting the proposed budget supplements to Congress.

Attachments



THE WHITE HOUSE
WASHINGTON

The Speaker of the
House of Representatives

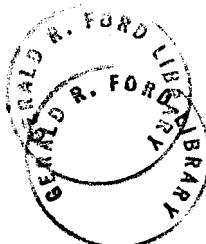
Sir:

I ask the Congress to consider a supplemental appropriation for the Department of the Interior in the amount of \$200,000,000 for the fiscal year 1976, to provide reimbursement for damages suffered from the failure of the Teton Dam.

The details of this proposal are set forth in the enclosed letter from the Director of the Office of Management and Budget. I concur with his comments and observations.

Respectfully,

Enclosure





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

The President

The White House

Sir:

I have the honor to submit for your consideration a proposal for a supplemental appropriation in the amount of \$200,000,000 for the fiscal year 1976 for the Department of the Interior. Details of this proposal are contained in the enclosure to this letter.

I have carefully reviewed this proposal and I am satisfied that it is necessary at this time. I recommend, therefore, that this proposal be transmitted to the Congress.

Respectfully,

James T. Lynn
Director

Enclosure



DEPARTMENT OF THE INTERIOR

BUREAU OF RECLAMATION

Construction and Rehabilitation

For an additional amount for "Construction and rehabilitation", to remain available until expended; \$200,000,000; provided, that this additional amount may be made available without reimbursement: Provided further, that this appropriation is for the payment of claims for damages to or loss of property, personal injury or death proximately resulting from the failure on June 5, 1976 of the Teton River dam, in accordance with such rules and regulations of the Secretary of the Interior as may be necessary and proper for the purpose of administering such claims and of determining the amounts to be allowed pursuant to this appropriation and the persons entitled to receive the same: Provided further, that nothing herein shall be construed to impose any liability on the United States or to allow for payment of claims that are paid or payable from any other source, public or private.

These funds are needed to provide compensation for damages caused by the recent failure of the Teton Dam in Idaho without regard to the proximate cause of the failure.



FACT SHEET

Teton Dam, Idaho

The 300 foot Teton Dam located on the Teton River in Southeastern Idaho failed Saturday morning June 5, 1976.

The Teton Dam and reservoir, authorized for construction in 1964 following Congressional hearings, are the principal features of the Teton Project, a multipurpose water resources development project, constructed by the Bureau of Reclamation for flood control, power generation, recreation and supplemental irrigation water supply for 110,000 acres of farm lands in the upper Snake River Valley.

Following authorization in 1964 the Bureau of Reclamation developed detailed engineering and design specifications. Construction of the \$102 million project begun in 1969 was over 60% complete when the dam, which was essentially complete, failed releasing over 250,000 acre feet of water.

Accurate estimates of property damage are not available but damage costs could reach \$1 billion. Extensive damage to agricultural crops, the major source of income for the area, is confirmed. The town of Rexburg, located 15 miles below the dam received extensive damage when 3/4 of the town was inundated.

The extent of personal injury and damage to property is not as yet known, 10 deaths have been reported, 40 to 60 people are now reported missing. Nearly 2000 injuries were treated and released, and 10 people remain hospitalized.

President Ford immediately declared the area below the dam a disaster area.

The Federal Disaster Assistance Administration, has now established 4 assistance centers in Rexburg, St. Anthony's, Idaho Falls and Black Foot. Assistance is also being provided by the Food and Drug Administration, the Small Business Administration, HEW, the Federal Highway Administration, the Farmers Home Administration, the Corps of Engineers, Economic Development Administration and other Federal, State and Local organization.

Secretary of the Interior Kleppe and Governor Andrus have named a 6-man non-Federal panel of nationally recognized authorities in the field of engineering to determine the cause of the dam failure.



THE WHITE HOUSE

WASHINGTON

June 10, 1976

MEMORANDUM FOR PHIL BUCHEN
PAUL O'NEILL
BOB ORBEN

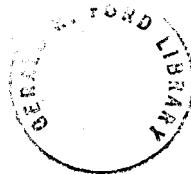
FROM: LYNN MAY

SUBJECT: Presidential Statement on Idaho Disaster

Attached is a proposed Presidential statement announcing his program to compensate victims of the collapse of the Federal dam on the Teton River. I developed this statement with the help of Don Crabill's staff in OMB.

I would appreciate your review and comments on the proposed statement as soon as possible. Thanks.

Attachment



DRAFT 6/10/76

Lynn May

I am today calling for an appropriation of \$200 million to provide compensation for the victims of the tragic flood caused by the collapse of the Bureau of Reclamation dam on the Teton River in Idaho. If additional funds are required, I will request further appropriations later.

These funds will complement on-going Federal disaster assistance to compensate for injuries and damages inflicted by the flood. Claims will be administered by the Department of Interior, under terms of existing Reclamation Law, and will be available to claimants at relief centers now in operation.

I urge the Congress to act promptly on my appropriation request to ensure that the victims of this unfortunate catastrophe can rebuild their lives and communities.

I am also directing all appropriate Cabinet Officers and Heads of Federal Agencies to work in close cooperation with the the Interior Department and the Federal Disaster Assistance Administration to deliver this and other Federal disaster assistance to the people and communities injured by the flood.



THE WHITE HOUSE

WASHINGTON

June 10, 1976

MEMORANDUM FOR:

PHIL BUCHEN

FROM:

KEN LAZARUS

SUBJECT:

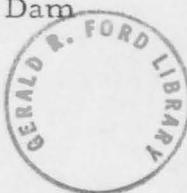
Lynn Memorandum/ Damages
for Teton Dam Victims

My review of Jim Lynn's memorandum on the subject noted above leads me to agree with his conclusions and recommendations, notwithstanding that the memorandum is not an optimum model of clarity. My thinking in this regard develops along the following lines:

(1) The basic rub here develops over humanitarian concerns to assist these people and the conflicting state of our law which by 33 U.S.C. § 702c clearly provides Federal immunity from any suit in these circumstances. Moreover, any judgment in this regard must necessarily be colored by the inevitability of legislative action mandating comprehensive assistance in the event the President fails to act.

(2) Current disaster relief provisions authorize outright grants to individuals not to exceed \$5,000 per person and such further loan assistance as may be warranted in circumstances of this type. However, such programs require 25 percent matching funds by the State. With regard to the Teton Dam disaster, the Governor of Idaho has made clear that he considers the damage to be totally a Federal responsibility and has indicated that he would therefore decline the opportunity to participate in disaster relief assistance programs. This fact obviously should have been noted in the memorandum.

(3) Two other options identified here, i.e., Tort Claims settlements and substantive legislation relating to the Teton Dam



disaster, would be unreasonably slow, would raise difficult management problems and, in the case of the potential Tort Claims solution, would necessarily involve a somewhat strained interpretation of existing law.

(4) Lynn's recommendation that the problem be handled under existing Interior Department authority to compensate for damages without regard to liability is clearly the way to go in these circumstances. This authority is set forth in P. L. 94-180. By this recommendation, Lynn proposes that Congress add \$200 million to this line item in the next Supplemental Appropriations Act. Under the authority Interior would be able to satisfy each of the concerns set forth at page 3 of the Lynn memorandum. OMB is supported in this recommendation by the Departments of Interior and Army and by the litigation personnel at the Department of Justice.

In conclusion, although I recognize your concern with the presentation made in this memorandum, I believe that most of your misgivings flow from the inartful composition of the paper. I feel reasonably comfortable with the final recommendation made.



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

MEMORANDUM FOR:

THE PRESIDENT

FROM:

James T. Lynn

SUBJECT:

Handling of Damages for
Teton Dam

Issue: This memorandum presents for your decision:

- (1) whether as a matter of public policy, victims of the Teton Dam failure should be paid in full for damages suffered despite the strong likelihood that the Federal Government is not legally liable for damages under present law, and if so,
- (2) what mechanism should be used for any compensation in light of the adverse precedents set by any feasible approach.

Background: Estimates of damage cost still range between \$200 million and \$1 billion. It will be several weeks before we can expect a reasonably accurate estimate.

Interior estimates that more than half of the damage may be to public facilities covered by 100% grants under existing disaster assistance authorities.

Full restitution for damage to private property and individuals cannot be made under existing Federal disaster assistance authorities, which is appropriate in that they are designed to cover disasters in no way caused or preventable by the Federal Government.

There is continuous pressure from Idaho and their Congressional delegation to make a commitment soon to cover all damages on the assumption that the Federal Government is clearly liable.

The Department of Justice advises that we should not proceed on the assumption that the Federal Government is legally liable



for payment of damages for the following reasons:

- Existing law provides Federal immunity from suit over failures of flood control projects, which Teton Dam has been determined by the courts to be, and
- Construction of the dam is clearly a discretionary act which is specifically excepted from liability under the Federal Tort Claims Act, and
- There is small likelihood that a negligence case can be made.

Interior reinforces the last point based on the engineering reviews of the project to date, the outcome of prior litigation over plans for Teton Dam, and the fact that the actual failure cause cannot be determined for several months because of tunnelling work required for such determination.

Issue #1 - Given that the Federal Government is not liable for damages in the strict legal sense, should provision nevertheless be made to pay all damages as a matter of public policy?

Pros: It is perceived by the victims and the general public that the Federal Government must be at fault since the Dam was planned and managed by the Federal Government and there was no known act of God or nature that can be demonstrated to have caused the failure. Therefore compensation for damages should be paid by the Federal Government.

Regardless of the soundness of the Federal case from a legal standpoint, there is little likelihood of convincing the public that there was no misfeasance, malfeasance, or negligence involved in the failure. Many dams have been built without failure, and many more complex technical feats achieved successfully. Thus, maintenance of public credibility calls for payment.

There is little doubt that public sentiment strongly supports full compensation for damage and therefore little chance of successfully avoiding full compensation should it be deemed desirable to do so.



Cons: The existing claims and flood project immunity laws are soundly based and setting them aside in this case can lead to repetition of such action as standard practice. This could lead to massive outlays in cases not so clear as this e.g. where the operation of flood gates or bypasses causes damage to some in order to protect many more, or where a flood control work malfunctions under flood conditions.

Special action in this case will also be cited as precedent for expanding our disaster assistance programs in future natural disasters on either a general or a one-time basis, natural disasters that are clearly beyond the power of the Federal Government to either cause or prevent.

Issue #2 - What mechanism should be used for damage payment?

Each of four identified options has disadvantages and each poses specific precedental problems. Factors common to all are

- Legal liability should not be assumed until established in court.
- We should avoid payment for damage covered by insurance or suits against third parties.
- We should avoid double jeopardy, i.e., both a gratuitous payment and a damage assessment should Federal liability later be established in court.
- We should avoid changing general law solely to cover a unique situation.
- We should minimize potential adverse consequences of precedent.
- We should avoid compromising our ability to recover damages from contractors should they be deemed negligent.
- We should provide for prompt payment and simple administration.



Four options have been identified as follows:

1. Handle under existing Tort claims law.
2. Handle under existing Interior authority to compensate for damages without regard to liability.
3. Propose new legislation providing gratuitous payments to cover damages resulting from the Teton Dam failure.
4. Propose general amendments to existing disaster assistance legislation to cover all Teton damages.

These options are compared in detail on the attachments, but in summary -

- Option 1 may not really be feasible because it can be overturned by a court test of liability which we are very likely to win. It is also the slowest and most cumbersome.
- Option 2 appears simplest and effective, has least adverse potential precedents, and can be supported by appropriations only. It is endorsed by Interior, Justice, and OMB, and is acceptable to HUD.
- Option #3 - has same advantages as option 2, but would require both authorization and appropriation, with greater opportunity for Christmas Treeing, precedent, and possible delay. It is a close second choice of Interior, Justice, and OMB, but possibly the preferred choice of HUD.
- Option #4 - is feasible but has most undesirable precedential value. It is not supported by any Executive Branch advisers, but may be the approach selected by Congress.



Conclusion and recommendation:

Issue 1: Virtually all your advisers recommend that full damages be paid and that the Administration move quickly to gain credit for that position, most leverage on Congress, and early start on Administration in the field.

Issue 2: I recommend option 2 as the mechanism, and will provide the papers for transmitting an appropriation request to Congress today if you wish. I would suggest \$200 M for residual damages not covered by disaster assistance payments, with the understanding that more may be required later.

Decision? Support reimbursement for damages without conceding liability Yes _____

No _____

As mechanism, choose option _____

Provide for \$200 M \$ _____ M
or \$ _____ M



Comparison of Options for Damage Payment

OPTION 1

Deal with the problem of compensation under existing "Claims" law. Under this option, the Federal Government would not concede legal liability, but would settle claims out of court on the thesis that the Federal Government might be liable.

PRO

1. Would not establish legislative precedents
2. Would require only supplemental appropriations and not a substantive legislative proposal
3. Would work within established administrative and legal mechanisms

CON

1. Adjudication of claims by Interior, Justice and GAO is a time-consuming process and would not provide prompt assistance
2. The probability of an eventual court suit is high and a court is highly likely to rule that the federal government is not liable, for the reasons cited by the Department of Justice. Out of court settlements should then cease and, if it were decided that relief was to be provided anyway, other means of compensation would then have to be devised
3. Congress may wish to enact substantive legislation anyway, over which we would have little influence



OPTION 2

Deal with the problem of compensation under existing Reclamation law with supplemental appropriation. Under the present Interior appropriations act, payments of claims arising out of Reclamation projects can be made without regard to legal liability.

PRO

1. Would minimize legal and practical precedents
2. Would require only appropriations, thus, limiting possible scope of what will be enacted
3. Avoids problem of concession of liability
4. Would probably meet most public demands for equity
5. Option of litigation is left to claimants who elect to pursue that course
6. As opposed to utilizing existing claims laws, an adverse court decision would still allow payments to continue out of appropriation
7. Could be structured to work within present Interior and disaster assistance mechanisms

CON

1. Sets a practical precedent for use of this general claims provision for claims of this magnitude
2. Would require substantial coordination with other Federal departments
3. Congress may wish to enact substantive legislation anyway
4. As a primarily administrative approach, probably more susceptible to abuse through overpayment than a judicial approach



OPTION 3

New legislation specifically limited to the Teton disaster and designed so as not to specify any federal liability. The proposed legislation could provide payments for: death and non-insured physical injury; and non-insured property losses directly caused by the flooding that are not eligible for other federal grant programs (e.g. eligible for loan programs). The legislation would not provide payments for: damages for mental anguish; and opportunities foregone.

PRO

1. This option is the least risky legislative alternative and reduces the risks of having more costly general disaster relief legislation enacted
2. Avoids opening up existing disaster relief assistance legislation to "Christmas Tree" amendments
3. Would probably meet most public demands for equity
4. Avoids problem of concession of liability
5. While the legislation would be specifically targeted to the Teton Dam disaster, the existing disaster assistance program apparatus could be utilized in processing assistance
6. Legislation drafted so as to limit windfalls to claimants
7. Satisfies Congressional urge for legislative solution

CON

1. Could be treated by Congress as precedent calling for specially tailored legislation for each disaster.
2. Despite specificity of legislation, legal and programmatic precedents are more likely to emerge than under options 1 or 2
3. Subject to potential "Christmas Treeing" or to conversion to general legislation



OPTION 4

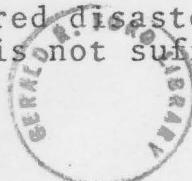
Propose amendments to existing disaster assistance legislation to provide compensation by grants to make individuals "whole" (defined in legislative proposal). These amendments could include: 100% grants to those not currently eligible; partial or complete disaster loan forgiveness for individuals and businesses.

PRO

1. Would probably meet most public demands for equity
2. Additional assistance has been provided through devices such as loan forgiveness provisions in disasters before April 20, 1973-therefore has precedent
3. Works within existing program and administrative apparatus
4. Satisfies Congressional urge for legislative solution

CON

1. Additional assistance provided for this unusual disaster would have to be provided for all future natural disaster declarations
2. The longest range and most costly budgetary implications would result from this option
3. Abuses that led to the repeal of loan forgiveness probably would recur based on experience with earlier disasters, e.g., Hurricane Agnes, L.A. earthquake, etc. Loan forgiveness caused many to overestimate their disaster damage up to the maximum amount forgiven
4. Tampers with existing natural disaster assistance legislation which was strongly supported by the previous Administration, and achieved only after prolonged review and considerable legislative difficulty
5. Invites "Christmas Tree" amendments, especially if another disaster occurs during congressional consideration
6. Applying these changes to all future declared disasters acknowledges that the current legislation is not sufficiently comprehensive



ITEM WITHDRAWAL SHEET
WITHDRAWAL ID 00685

Collection/Series/Folder ID No. : 001900167
Reason for Withdrawal : DR,Donor restriction
Type of Material : NOT,Notes
Description : re private citizen's complaints about the government
Creation Date : 10/22/1976
Date Withdrawn : 05/11/1988