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THE WHITE HOUSE

WASHINGTON

December 16, 1974

MEMORANDUM FOR

ROY ASH
~~BOB~~ HARTMANN
JOHN MARSH
PAUL O'NEILL

SUBJECT

MEETING OF DOMESTIC COUNCIL
COMMITTEE ON COMMUNITY DEVELOPMENT
TUESDAY, DECEMBER 17, 1974
3:30 p.m. (one hour)
The Cabinet Room

FROM

TOD HULLIN *TH*

I. PURPOSE

To discuss the possible simplification or consolidation of Federal Planning Assistance Programs in preparation for State of the Union proposals.

II. BACKGROUND

Secretary Lynn, as Chairman of the Domestic Council Committee on Community Development, has convened an inter-agency task force to review Federal Planning Assistance Programs. HUD Assistant Secretary David Meeker heads that task force which includes representatives from Agriculture, Commerce, EPA, HUD, Interior, Justice, Labor, Transportation, CEQ, HEW, OMB and the Domestic Council.

Attached for your review (Tab A) is a background paper prepared by Secretary Lynn which outlines the various aspects of Federal Planning Assistance Programs. Each Department/agency has had an opportunity to review this paper which reflects their views and comments. Following this meeting, Secretary Lynn will prepare a final options paper for review.

III. PARTICIPANTS

Secretary Butz
Secretary Dent
Secretary Lynn
Secretary Morton
Secretary Brennan
Secretary Brinegar
Under Secretary Carlucci
Deputy Attorney General Silberman
EPA Administrator Train
OMB Director Ash
CEQ Chairman Peterson
HUD Assistant Secretary Meeker
Paul O'Neill, OMB
John Marsh, White House
Bob Hartmann, White House
Ken Cole, Domestic Council
Jim Cavanaugh, Domestic Council
Tod Hullin, Domestic Council

IV. AGENDA

- A. The President - Brief introductory remarks
- B. Secretary Lynn - Summary of Federal Planning Assistance Programs
- C. General discussion led by the President
- D. The President - Closing remarks

A



TOWARD RATIONALIZING FEDERAL PLANNING ASSISTANCE

I. PURPOSE

The purpose of this paper is to highlight and summarize various aspects of Federal planning assistance in preparation for a Presidential meeting.

II. CURRENT FEDERAL POLICY

The current Federal policy is to provide planning assistance to state and local government and independent specialized planning units through a large variety of comprehensive and functional planning grants. Over the years, this policy has evolved into four major components.

1. Link Planning with Implementation. Congressional and Executive Branch policy has been that Federally assisted planning work should be, in part, the basis on which state and local decisions are made in carrying out Federally imposed responsibilities or in using Federal assistance. This policy is closely tied to the justification that planning grants help ensure that substantially larger amounts of Federal aid - for highway construction, urban development, health, manpower training and other domestic activities - are "protected", in the sense that adequate local planning and analysis has preceded specific decisions on investment of Federal grant funds.
2. Build and Maintain Substate Districts and Areawide Planning. In the past 10 years or so, a consistent Federal policy has been to promote the establishment of areawide planning organizations and processes, in recognition of the fact that many of the public problems which Federal aid is supposed to address, e.g., crime prevention, better transportation systems, provision of low and moderate cost housing, exist on a geographic scale larger than most cities and counties.

3. Simplify Planning Assistance. A more recent Federal policy has been to promote the streamlining of forms and procedures used in making planning grants, both to reduce Federal program management work and to lighten the paper work burdens of the grantees.
4. Support Elected Officials. The most recent expression of Federal policy on planning assistance is the emphasis on helping elected executives -- Mayors, County Managers and Governors, and to a limited extent legislative bodies -- plan and manage more capably. This policy has evolved partly in recognition of the extensive Federal assistance given in the past to technical and functional planning staffs and organizations which now tend to dominate local and state policy-making.

III. BACKGROUND

There are approximately 112 Federal planning assistance programs accounting for close to \$750 million per year. At the present time there are 39 major Federal planning programs accounting for approximately \$442 million. Collectively, these programs represent an uncoordinated piecemeal system of Federal planning assistance. Table I attached lists these programs.

There are two types of planning assistance:

- (1) functional, designed to develop a specific system of facilities or services, and
- (2) comprehensive which is concerned with the development of unified services as a basis for integrating the separate functional systems.

Currently, Federal assistance heavily favors functional planning by a 4 to 1 margin. In Fiscal Year 1974, about \$351.3 million went for functional planning such as health and highways, and about \$90.7 million for comprehensive planning, which is more closely related to the policy making for which chief elected officials are responsible.

The array of major Federal planning programs will continue to change. Since late 1972, at least four new authorities were created: Coastal Zone Management, Fire Protection, Economic Adjustment, and Community Development planning as an eligible activity under Title I of the HUD Act of 1974.

It is likely that the domestic political agenda will continue to emphasize issues of national and individual well-being; thus the Congress may be expected to continue proposing, selectively, new planning assistance program authorities and/or funding along such lines as for energy conservation, rural development and economic adjustment.

The Administration has taken several initiatives over the past half dozen years to streamline planning assistance, at least partially and on a demonstration basis. These steps include Integrated Grant Administrations, joint funding procedures, unified grantee work programs, and Federal inter-agency agreements on common regulations. But there has been no government-wide effort to simplify the programs in a consistent, across-the-board manner.

IV. PROBLEMS CREATED BY PRESENT FEDERAL SYSTEM OF PLANNING ASSISTANCE

The present Federal Planning Assistance System creates a number of problems. There is no attempt here to prioritize the problems except to say that "inadequate" support of state and local elected officials is seen by most agencies as a more serious problem than "program overlap". The problems created include:

- inadequate support of state and local elected officials;
- dominance of functional planning as opposed to comprehensive planning and management capacity building;
- inconsistency of statutory and administrative requirements;
- absence of uniform, common planning requirements;
- overlapping of programs.

1. Inadequate Support for State and Local Elected Officials

The inadvertent, cumulative effect of expansion in the numbers of Federal planning programs has been to undermine elected officials' ability to formulate and carry out unified policies for their communities. In the area of planning, the Federal government in effect has often been working contrary to the interests and leadership roles of elected officials and heavily in favor of specialists and technicians, not deliberately, to be sure, but effectively. This has occurred because most Federal planning grants typically support single-purpose functional planning, performed by highly specialized technicians who work with advisory or policy boards that generally react to, rather than guide, the technical planning. Thus, both the process of policy making for streets, sewers, air quality maintenance, etc., and ultimately the related investment decisions which determine community growth patterns, are often made in a vacuum without the full, continuing participation of both elected officials and planners.

Further, there is no fully satisfactory source of Federal planning assistance for elected officials to use to coordinate all the functional planning supported by the numerous Federal programs. For years, the HUD 701 Comprehensive Planning Assistance Program has served as a primary vehicle for support for elected officials. But the 701 funds available must also be spread among other eligible activities, e.g., housing, disaster, and impact planning.

2. Dominance of Functional Planning

The essential feature of the system of Federal planning programs is that they build up and support specialized technical bureaucracies at the state, areawide and local levels. Planning is sometimes, but not always, tied to implementation through being a prerequisite to project funding and construction or use of permit powers. Each functional system operates according to its own internal logic, rather than in the context of such overall state or local development policy as may be formulated by elected officials.

This is not an attempt to downgrade the importance of functional planning. Most of the agencies that participated in the drafting of this paper felt that there is a need to strengthen the planning and management capacity of elected officials, but some agencies felt that reducing the relative import of functional programs was not a wise step in accomplishing that.

A few programs have been or promise to be extremely dominant, particularly because they are tied to implementation authorities. For example, in the past DOT's highway planning and research activities (funded cumulatively at an estimated \$1.1 billion from 1946 through 1975) have been judged to be more influential than any other functional program in determining state and local growth policies. EPA's expanding waste treatment management planning program, though modest in obligations (about \$125-150 million for two years of program operations, FY 74-75), could become a dominant planning influence on growth policy in the future. Like the highway program, it is backed up by a multi-billion dollar construction grant program.

3. Inconsistency of Statutory and Administrative Requirements

Inevitably, each new planning program is created with its own statutory and administrative requirements to reflect the interests of the authorizing Congressional subcommittees, the administering bureaucracy and the beneficiary group.

Consequently, there is great variation in the specific requirements governing use of planning funds, application approval and review procedures, project monitoring, citizen and consumer participation, the role and representation of advisory and policy boards, and the required means and extent of coordination across functional intergovernmental and intra-governmental lines.

This condition of inconsistent requirements is generally accepted as a fact of life by most program recipients. For the states, larger cities and metropolitan agencies, inconsistent requirements are a tolerable burden -- they simply hire a "grant coordinator" to worry about it all. But for many smaller towns and nonmetropolitan agencies, inconsistency among requirements often leads to more serious problems of lost opportunities for effective use of Federal aids.

It should be noted that each of the Federal Regional Councils, at the direction of the Under Secretaries Group, has undertaken demonstrations to improve planning coordination. Two general approaches are used: Implementation of OMB Circular A-95 as a means to increase the coordination of local and state grant applications and work programs, and coordination of planning within specific program areas. For example, these include: The aging, youth services, economic development, employment of the Integrated Grant Administration (IGA) technique.

4. Absence of Uniform, Common Planning Data and Assumptions

A major obstacle to unified policy making by elected officials is the absence of a common set of planning data and assumptions that would be used by all or most Federally assisted functional planning agencies. Planning for single purposes - highways, health, water supply, schools, housing, etc. - is usually based on differing sets of data about population and the local economy and on differing local assumptions about future growth. Thus, although functional planners and their policy bodies may sometimes attempt to use common data and policy assumptions on a voluntary basis, the overall pattern tends to be one of basic inconsistencies among the various types of state, areawide, and local level recipients of technical functional planning assistance. Further, the data and policy assumptions of special purpose planners are often at variance from those of state and local elected officials.

Although Federal policy is to encourage the use of common data and assumptions, there is no overall Federal requirement to do so. A great number of Federally initiated administrative approaches have been tried to promote this condition, including Federal interagency agreements, unified work programs, substate districting, and staff sharing. Progress to date has been incremental (involving a few functional planning programs) and localized (where participants are willing to coordinate).

5. Overlapping of Programs

For example, basic activities such as data collection and identification of local planning issues are eligible activities under several programs. Or again, work related to land use planning is permitted or required under numerous programs, including the HUD 701, DOT highway and mass transit, EPA waste treatment, DOC economic development and coastal zone management, and WRC state level water resources programs. The HUD-DOT and HUD-EDA agreement and the currently proposed HUD-EPA agreement are efforts to eliminate at least some of the overlap and conflict through interagency coordination.

V. SUMMARY OF POLICY OPTIONS

This summary of options does not address itself to private sector involvement in Federally-assisted planning. Additionally, a policy decision should be based on a more complete and systematic inventory and evaluation of the present programs, practices and regulations.

1. Maintain Current Policy

The current system of providing Federal planning assistance to state and local governments and independent specialized planning units through a large variety of comprehensive and functional grant programs would be retained and continued.

2. Simplify Administration of Existing Planning Programs

Certain actions could be implemented across the board administratively without changes in the law. The actions include:

A. Use of a Lead Planning Agency. The Federal policy would be to recognize, insofar as the various laws allow, a single agency at the state, areawide and local levels, to administer multiple Federal planning funds. The chief executive's office (Mayor, County Manager or Governor) would be the Federally preferred lead unit for general purpose governments.

- B. Common Work Program. A common work program is one that several recipient planning agencies develop and agree to follow in utilizing Federal planning funds.
- C. Standardization of Procedures and Applications Requirements. This has been partially accomplished through OMB Circular 102 which provides for a standard application package but more work needs to be done in this area.
- D. Common Substantive Requirements. Under this option, an attempt would be made to develop a set of common planning program requirements insofar as the laws permit.

These action options for administrative simplification of planning programs would promote coordination of technical planning activities, reduce paper work for grantees, and provide some limited opportunity to link elected officials' policy making activities with functional planning work. But in view of existing statutory restrictions, no strong role for elected officials would be fostered.

3. Consolidate Existing Programs

This option consists of assigning program management responsibilities and funding to one Federal agency for two or more planning programs authorized by separate statutes and directed to more than one Federal agency.

Any proposals to consolidate programs should be based on a well thought out, systematic analysis of the public needs served by each program, its cost effectiveness, and the similarities and differences between it and other programs.

A specific rationale would be needed for effective program consolidation. Two rationales appear most feasible:

- package the programs to be consistent with existing and proposed Federal block grant programs for domestic purposes;
- package the programs to reflect the functional concerns of general purpose governments, e.g., social services, transportation, public safety, etc.

In general, the advantages of consolidating programs into related packages include: Extending the block grant philosophy to planning programs; forcing grantees to coordinate better within each functional area; and achieving greater cost-effectiveness by eliminating redundant technical planning activities. On the other hand, program consolidation would reduce duplication only within each group, not among them. It would correct neither the problem of inadequate support for elected officials nor their need to unify all functional planning under one policy umbrella. And there would be strong resistance from established interest groups.

Not the least of the obstacles to program consolidation is the fragmentation of Congressional Committee responsibilities. For example, the House Public Works and Banking and Currency Committees handle 11 and 4 programs, respectively. Any proposal to consolidate planning programs will cut across these Committees' jurisdictions.

4. Establish a New Planning Program as a Focal Point for Other Programs

Under this option, legislation would be introduced to create a "Unified Planning and Management Assistance Program". The purposes of this new program would be (1) to provide flexible assistance to general units of government and "umbrella" areawide agencies for policy planning and unified program development and evaluation activities; and (2) to serve as a focus around which variable statutory requirements (dealing with such factors as minimum elements of a planning process, citizen involvement, environmental imports, and role of elected officials) of functional planning programs could be adjusted.

The program would include:

- financial support for the overall policy-making activities of chief executives and legislatures;
- a uniform and simple set of basic requirements for elements of a planning and management process, citizen involvement, equal opportunity and environmental considerations;
- provisions for a standardized data base and planning/forecasting assumptions about private and public sector growth;
- a Congressional-approved schedule for bringing the planning requirements of other functional programs into conformance with this legislation over "x" years.

Just as the Uniform Relocation Act helped to stop proliferation of Congressionally-formulated requirements, this option can halt or retard Congressional spawning of more fragmented planning programs and requirements. This option would also elevate comprehensive policy making as an important Federal concern; provide greater consistency between functional, technical planning and community planning; and leave functional planning programs operative, thus avoiding Congressional and interest group struggles to preserve vested interests.

There are a number of sub-options on how to get such a law into place -- e.g., a new program on top of all others, a new program to replace 701 and/or other similar planning, or as amendments to 701. Given the interest group pressures, it won't be easy.

5. Promote Increased Capacity of State and Local Governments

It is also possible to put the entire topic of planning program rationalization into the broader context of the Administration's "capacity building" policy to strengthen state and local chief executive management abilities. In that regard, an additional option is to promote increased capacity through demonstration projects, information sharing, experimentation with new management techniques, and similar approaches, rather than focusing on the more narrow Federal planning programs per se.

TABLE 1

SUMMARY OF MAJOR PLANNING ASSISTANCE PROGRAMS AND AUTHORITIES

Federal assistance for planning can be classified in different ways. Some assistance is provided by separately enabled and funded programs; other assistance is available as an eligible activity chargeable to grant funds primarily used for provision of services or construction activity. Some domestic grant programs have planning requirements, but no counterpart funds for planning work the grantee must undertake in order to meet those requirements. Federal planning assistance may also be classified as to the type of eligible recipient, or the type of planning to be performed i.e., 1) planning for specific projects or facilities, 2) planning for a system of projects (functional planning) or 3) planning for the overall physical, social and economic development of the grantee's jurisdiction (comprehensive planning).

These differences in classification explain the variable descriptions that have been put forth as to how many Federal planning programs there actually are. A National Journal article of October 1974 cited 112 programs totaling \$750 million. This appears to include both planning grant programs and domestic aid programs that have planning requirements. For several years, HUD studies have cited about two dozen programs, costing in the range of \$300-400 million, which are commonly understood to be the major functional and comprehensive planning grant programs. A House Appropriations Committee Study of April 1974, cites 49 authorities which are essentially planning grant programs per se or domestic aid programs that have planning as an eligible activity.

This study utilizes the House Appropriation Committee framework and updates it with current information from each Federal department. The updating entails deletion of planning authorities which have become inactive or for which no funding is available.

PART A

PROGRAMS SCHEDULED TO BE OPERATIVE THROUGH FY 75

<u>For Comprehensive Planning</u>	FY 74 Obligations (in millions)
HUD: Comprehensive Planning Assistance	\$ 74.8
HUD: State Disaster Plans and Programs	.4
DOC: Title III Economic Development Districts	7.7
DOC: Title V Regional Action Planning Commissions	3.3
DOC: Title IX Economic Adjustment	-0-
ARC: Local Development Districts	3.5
DOI: Indian Tribal Government Operations	<u>1.0</u>
	90.7
 <u>For Functional Planning</u>	
<u>Transportation</u>	
DOT: Highway Planning and Research	82.1
DOT: Airport Systems	8.4
DOT: Urban Mass Transportation Technical Studies	37.6
ARC: Appalachian Highway Planning and Research	<u>1.1</u>
	129.2

Physical Environmental

DOC:	Coastal Zone Management	7.2	
DOI:	State Outdoor Recreation	2.1	
DOI:	State Historic Preservation	2.3	
HUD:	Community Development Planning	-0-	
EPA:	Section 201 Waste Treatment Facilities	30.0	(est.)
EPA:	Section 207 Solid Waste Treatment	3.0	
EPA:	Section 208 Areawide Waste Treatment	13.5	
EPA:	Air Pollution Control Agency Support	5.2	
EPA:	Water Quality Control Agency Support	16.0	
WRC:	State Water and Related Land Resources	3.1	
USA/CE:	Urban Studies "Program"	7.0	
			89.4

Health

HEW:	Comprehensive Health Planning	26.8	
HEW:	Regional Medical Programs	5.0	
HEW:	Health Facilities Construction	4.4	
HEW:	Comprehensive Alcoholism Services	1.7	
- HEW:	Alcoholism Prevention and Treatment	.2	
HEW:	Drug Abuse Community Program	1.7	
- HEW:	Drug Abuse Prevention	.6	
ARC:	Appalachian Demonstration Health Planning	2.9	(est.)
			43.3

Education

HEW:	State Equalization Plans	-0-	
HEW:	Post-Secondary Education Statewide and Comprehensive Planning Grants	1.6	
			1.6

Human Development and Social Services

HEW:	Special Programs for the Aging	12.0	
HEW:	Developmental Disabilities	3.0	
- ARC:	Appalachian Child Development Planning	-0-	
			15.0

Public Safety

- DOJ:	Comprehensive Planning for Law Enforcement	50.0	
DOC:	Master Plans for Fire Prevention Control	-0-	
HEW:	Youth Development and Delinquency Prevention	2.1	
			52.1

Manpower

DOL:	Comprehensive Employment and Training (FY Funding via CAMPS)	20.7	
			20.7
TOTAL	39 programs	442.0	

PART B

PROGRAMS AUTHORIZED, BUT INOPERATIVE FOR FY 75

		<u>Comment</u>
<u>For Comprehensive Planning</u>		
1. USDA:	Rural Development Assistance	No FY 74-75 appropriations request
<u>For Functional Planning</u>		
2. USDA:	Areawide Water and Sewer	New funding terminated in January 1973
3. EPA:	River Basin Planning	New funding terminated in June 1973; replaced by Sec. 208 Waste Treatment Program

- 4. HEW: Higher Education Facilities New funding terminated June 1972
- 5. DOL: Cooperative Area Manpower Plng. Now being replaced by CETA
- 6. HEW: Narcotic Addiction and Drug Abuse No new funding in FY 74/75
- 7. HEW: Community Mental Health Centers No new funding in FY 75

PART C

PROGRAMS PENDING ENACTMENT IN FY 75

For Functional Planning

- 1. HEW: Health Resources Planning Would combine 5 related program authorities
- 2. HEW: Title XX Social Security Amendments Act (replaces Title 4A of Social Security Act) Would combine planning components of current catagorical programs designed to get people off of welfare i.e., child care, day care, training, etc.
- 3. HEW: Allied Services Act Would combine planning components of plethora of small catagorical human resources programs, i.e., mental retardation, alcoholism, housing, child development, etc.

Source: House Appropriations Committee, Report of Survey and Investigations Staff, April 1974 updated by HUD:CPD:UPCS Staff November 1974.

THE WHITE HOUSE
WASHINGTON

January 14, 1975

MEMORANDUM FOR: BOB HARTMANN
PHIL BUCHEN
JACK MARSH

FROM: DICK CHENEY *D*

Attached is a paper prepared by Roy Ash on the role of the Domestic Council.

NB *ll*
gr You should read this prior to the meeting currently scheduled for 5:00 PM, Wednesday, January 15th, to discuss the same subject.

Attachment



THE WHITE HOUSE
WASHINGTON

January 13, 1975

MEMORANDUM FOR: THE PRESIDENT
FROM: ROY L. ASH
SUBJECT: The Domestic Council

As a part of determining the Vice President's role in the Domestic Council it is necessary to restate the functions of the Council.

Originally, the Domestic Council was conceived as a small top level group to develop and deal with doctrinal level policy regarding social issues. Further, the word "Domestic" was used to mean "social", in contrast to and separate from "economic", although the two overlap somewhat. Together, the National Security Council, the Domestic Council for social matters, and the Economic Policy Board for economic matters, can provide the President with broad and high level policy advice across virtually all issues of government.

It was contemplated that the Domestic Council would deal with highest order "macro policy", rather than become involved in operations, or detailed program development or policy application. There are adequate operational and program development capabilities in the White House Staff, OMB, and the agencies. Quite different kinds of people, operating in quite different modes, are needed for the quite different kinds of functions.

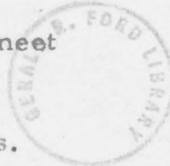
Since 1970, the Domestic Council has not fulfilled its prescribed role; instead, it has become an operating arm of the White House Staff. This is the time to clarify its function and in the process improve the workings of the President's Office and Staff.

I recommend the role of the Domestic Council be to:

Assess current and future national social problems and needs;

Develop and propose to the President policy alternatives to meet them;

Provide policy advice on national social issues and programs.



Much of this is akin to the Critical Choices Commission work but limited to the social area, there being the other two policy advisory groups working in parallel on international and economic matters.

As the Domestic Council becomes manned to perform this role, the operational activities it is now engaged in can be placed where they can better serve the President.

Specifically, its present staff coordination function can better be performed by the Staff Secretary; its legislative liaison activities parallel those of the Congressional Relations office and should be performed there; its Presidential events scheduling activities should be carried out by the other White House offices whose own responsibilities relate to the event to be scheduled - with public groups by the Office of Public Liaison, with Congressional groups by the Office of Congressional Relations, with agency heads by the NSC, Economic Policy Board, Domestic Council, or OMB as appropriate to the subject.

Pub?

The present Intergovernmental Relations function of the Council doesn't appropriately belong in the Council as such, but could properly be performed by the Vice President's Office, separate from his Domestic Council role. *Jim Cannon had this role for Gov. Rockefeller. jc*

In summary, if the Domestic Council function is defined as above, then it would not only be appropriate for the Vice President to become Vice Chairman of the Council, but he could also be expected to add immeasurably to policy development.

If, on the other hand, the Council were to continue in its present form, it would be most unusual for a Vice President to be an integral part of the operating cycle of the White House and operationally interposed between the President and other members of the Executive Branch.

THE WHITE HOUSE

WASHINGTON

January 17, 1975

JH

MEMORANDUM FOR:

Robert Hartmann ✓
James T. Lynn
John Marsh
Donald Rumsfeld

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

SUBJECT: Domestic Council

Here is a draft memorandum for the President for your review and suggestions before it is submitted.

Attachments



THE WHITE HOUSE

WASHINGTON

January 17, 1975

MEMORANDUM FOR THE PRESIDENT

FROM: PHILIP BUCHEN

SUBJECT: DOMESTIC COUNCIL

This review of the Domestic Council and of matters to be considered for your approval arises from (i) the need for you to fill a vacancy about to occur in the position of Executive Director of the Council, (ii) your desire to involve the Vice President actively in functions of the Council and its staff, and (iii) the urgency of having the Council and its staff operate effectively and without letdown on policy matters in this critical period of the current session of Congress and to plan further initiatives to be taken not later than early 1976 and over a longer period.

Under Tab A is a draft memorandum for your consideration that incorporates suggestions earlier proposed to you in a conference with your Cabinet Level Advisers and Jim Lynn. Principal issues to be resolved before determining on the final form and content of the document to be issued are:

1. Memorandum or Executive Order. No legal reason exists for issuing an Executive Order, and I recommend a memorandum because it requires less formality and can more readily be changed.

Approve _____ Disapprove _____

2. Membership of Council. The mandatory membership is shown under Tab B and includes, beside the President and Vice President, all heads of Cabinet Departments except State and Defense. Those presently on the Council are listed under Tab C.

In addition, the former President had at one time included by name his Counsellors Armstrong and Harlow and by title his Counsellor for Domestic Affairs, also the Director of the Energy Policy Office and the Deputy Director of OMB. However, these added officials are not now regarded as members of the Council, and their inclusion at one time appears to have arisen from special circumstances no longer existing. It is recommended that all officials listed under Tab C be included except for the Director of ACTION. The draft memorandum (Tab A) lists them by title at the beginning, and deals in the text with persons on your immediate staff who should get involved in some respects during the course of their regular duties by so indicating without making them members of the Council proper. Those included who are not heads of Cabinet Departments should be retained if you agree that they are needed to serve on certain task forces of the Council and that to expect their involvement would be inconsistent with eliminating them now from membership.

Approve _____ Change by adding _____
by deleting _____

3. Committee Structure of Council. Present Committees, as earlier created by memoranda from the former President, are shown under Tab D. If, as has been recommended to you, you choose to have ad hoc task forces created from time to time, your memorandum should abolish the Committee structure. However, I am advised by Ken Cole that to do away with the Community Development Committee you may offend certain interests in Congress which had wanted to force creation of an additional Council on Urban Development but which were forestalled by the establishment of this Committee under the Domestic Council. Also, I am advised that veterans' organizations put great stock in the Committee on Veterans Services. Therefore, I recommend maintaining only those Committees and eliminating the rest. The Committee on Privacy you know about, and I recommend that it and its staff be maintained for the time being.

Approve _____ Change as follows: _____

4. The Staff Structure. The present staff is headed by an Executive Director who is also Assistant to the President for Domestic Affairs, as the reorganization plan requires. It also has a Deputy Director (James H. Cavanaugh) and four Associate Directors separately designated for:

- (a) Human Resources
- (b) Natural Resources
- (c) Community Development
- (d) General Government

In addition, there is an Associate Director for Intergovernmental Relations, which position relates to Executive Order 11690 under which the former President delegated to the Executive Director of the Domestic Council the additional responsibilities of assisting the President with respect to intergovernmental relations generally and of filling certain specified functions in that respect (Tab E).

It is recommended that in addition to the required top staff position there be a Deputy as at present plus a new Associate Director for future policy planning. In Tab A the title "Associate Director of the Council for Future Programs" is proposed but certain other titles would be equally appropriate. If there should be another parallel position in connection with day-to-day policy functions, another new position would be necessary but otherwise such function would fall to the Deputy.

Approve:

- (a) One new position with title of

- (b) A second new position with title of

- (c) Or as follows:

5. The Role of the Vice President. Having in mind the language of the Reorganization Plan (Tab B) which calls for the Executive Director to be your Assistant and to perform such functions as you direct and having in mind the relationship of the Council Director and staff to other officials and operations under your direct control, the recommended role of the Vice President has been stated as provided in the draft memorandum (Tab A) in the second last paragraph on page 2.

Approve _____

Change as follows:

January 17, 1975

MEMORANDUM FOR: THE VICE PRESIDENT
THE ATTORNEY GENERAL
SECRETARY OF AGRICULTURE
SECRETARY OF COMMERCE
SECRETARY OF HEALTH, EDUCATION
AND WELFARE
SECRETARY OF HOUSING AND
URBAN DEVELOPMENT
SECRETARY OF THE INTERIOR
SECRETARY OF LABOR
SECRETARY OF TRANSPORTATION
SECRETARY OF THE TREASURY
CHAIRMAN OF THE COUNCIL OF
ECONOMIC ADVISORS
DIRECTOR, OFFICE OF MANAGEMENT
AND BUDGET
ADMINISTRATOR OF VETERANS AFFAIRS
ADMINISTRATOR OF THE ENVIRONMENTAL
PROTECTION AGENCY
CHAIRMAN, COUNCIL ON ENVIRONMENTAL
QUALITY

SUBJECT: Domestic Council

In order to help me carry out my responsibilities for domestic policy formulation, particularly in the light of our present national urgencies, I want to have the Domestic Council exert full efforts to carry out all policy functions contemplated for it when it was established in 1970. The Council is basically to serve as a Cabinet-level forum for both discussion and action on the many policy matters that cut across departmental jurisdictions and under my direction to integrate the various aspects of domestic policy into a consistent whole. Among the specific policy functions in which the Council is intended to take the lead are these:

- Assessing national needs, collecting information and developing forecasts, for the purpose of defining national goals and objectives.

- Identifying alternative ways of achieving these objectives, and recommending consistent, integrated sets of policy choices.
- Providing rapid response to Presidential needs for policy advice on pressing domestic issues.
- Coordinating the establishment of national priorities for the allocation of available resources.
- Maintaining a continuous review of the conduct of ongoing programs from a policy standpoint, and proposing reforms as needed.

These functions involve policy development which sets intermediate and long-range goals, and they involve responsibilities for the regular review of current programs and for helping to resolve immediately pressing issues. The various aspects of our national needs and various immediate issues are related to the respective jurisdictional concerns of different members of the Council, and within the Council an appropriate committee or task force composed of those members most directly concerned should be organized to address a particular need or type of issue.

It is important that the Council and its staff carry out equally well both its longer-range policy planning functions and its day-to-day responsibilities for providing policy advice to the President and review of ongoing programs. Therefore, I have asked the Vice President in my behalf to review regularly and to advise me concerning the operations of the Council and its staff so as to help assure that both basic purposes of the Council are adequately fulfilled. I designate the Vice President to be Vice Chairman of the Council and to preside, in my absence, over meetings of the Council and over meetings of committees or task forces of the Council, with full power to subdelegate his authority.

I am at this time directing that the Council shall continue to be composed of such officers of the Executive Branch as are designated at the beginning of this memorandum. I may in the future direct changes in the composition of the Council as provided in the reorganization plan by which the Council was established. No members of the White House staff with Cabinet rank or Assistants to the President with responsibility

for matters to be dealt with by the Council are included as members of the Council, because they are expected as part of their regular assignments to participate as appropriate in the functions of the Council and its staff.

In order to revise the Committee structure which was in effect prior to my becoming President, I am directing that no Committee of the Council be continued as such except for:

- The Committee on Community Development
- The Committee on Veterans Services
- The Committee on Privacy

and that the purposes of the other former Committees be carried out by task forces to be formed as needed to deal with specific programs, needs, or issues.

I am appointing _____ to become the Executive Director of the Council and Assistant to the President.

In addition, I am making these appointments: _____
to become Deputy Director of the Council and _____
to become Associate Director of the Council for Future Programs.

B

REORGANIZATION PLANS

PART II. DOMESTIC COUNCIL

Sec. 201. Establishment of the Council. (a) There is hereby established in the Executive Office of the President a Domestic Council, hereinafter referred to as the Council.

(b) The Council shall be composed of the following:

The President of the United States
The Vice President of the United States
The Attorney General
Secretary of Agriculture
Secretary of Commerce
Secretary of Health, Education, and Welfare
Secretary of Housing and Urban Development
Secretary of the Interior
Secretary of Labor
Secretary of Transportation
Secretary of the Treasury

and such other officers of the Executive Branch as the President may from time to time direct.

(c) The President of the United States shall preside over meetings of the Council: *Provided*, That, in the event of his absence, he may designate a member of the Council to preside.

Sec. 202. Functions of the Council. The Council shall perform such functions as the President may from time to time delegate or assign thereto.

Sec. 203. Executive Director. The staff of the Council shall be headed by an Executive Director who shall be an assistant to the President designated by the President. The Executive Director shall perform such functions as the President may from time to time direct.

PART III. TAKING EFFECT

Sec. 301. Effective date. The provisions of this reorganization plan shall take effect as provided by section 906(a) of title 5 of the United States Code, or on July 1, 1970, whichever is later.

MESSAGE OF THE PRESIDENT

To the Congress of the United States:

We in government often are quick to call for reform in other institutions, but slow to reform ourselves. Yet nowhere today is modern management more needed than in government itself.

In 1933, President Franklin D. Roosevelt proposed, and the Congress accepted a reorganization plan that laid the groundwork for providing managerial assistance for a modern Presidency.

The plan placed the Bureau of the Budget within the Executive Office of the President. It made available to the President direct access to important new management instruments. The purpose of the plan was to improve the administration of the Government—to ensure that the Government could perform “promptly, effectively, without waste or lost motion.”

Fulfilling that purpose today is far more difficult—and more important—than it was 30 years ago.

Last April, I created a President's Advisory Council on Executive Organization and named to it a distinguished group of outstanding experts headed by Roy L. Ash. I gave the Council a broad charter to examine ways in which the Executive Branch could be better organized. I asked it to recommend specific organizational changes that would make the Executive Branch a more vigorous and more effective instrument for creating and carrying out the programs that are needed today. The Council quickly concluded that the place to begin was in the Executive Office of the President itself. I agree.

TITLE 5—APPENDIX II

REORGANIZATION PLAN NO. 2 OF 1970

1970, 35 F.R. 7959, 84 Stat. 2085

and Transmitted by the Senate and the House of Representatives in Congress Assembled, February 9, 1970, Pursuant to the authority of Chapter 9 of Title 5 of the United States Code [in this title].

OFFICE OF MANAGEMENT AND BUDGET; DOMESTIC COUNCIL

OFFICE OF MANAGEMENT AND BUDGET

Transfer of functions to the President. There are transferred to the President of the United States all functions (including reorganization plan) in the Bureau of the Budget of the Bureau of the Budget.

Office of Management and Budget. (a) The Bureau of the Budget of the Office of the President is hereby designated as the Office of Management and Budget.

Director of the Bureau of the Budget and Deputy Director of the Budget, and the offices of Assistant Director of the Budget which are established by statute, are hereby designated Director of the Office of Management and Budget, Deputy Director of the Office of Management and Budget, and Assistant Directors of the Office of Management and Budget.

Officers of the Office of Management and Budget. (b) The Director shall appoint and remove all officers, as determined from time to time by the Office of Management and Budget (hereinafter referred to as the Office). Each such officer shall be appointed by the approval of the President, under the classification and title as the Director shall from time to time direct. Such officers shall receive compensation at the rate now or hereafter provided for such offices and positions at Level V of the Executive Schedule (5 U.S.C. 5316).

Delegation of authority. (c) The Director shall exercise the authority of the President and the Director shall exercise the authority of the President from time to time delegate to the Director, under the direction of the President, the direct administration of the Office of Management and Budget.

Functions of the Office of Management and Budget. (d) The Director shall perform such functions as the President may from time to time direct.

Acting Director. (e) In the absence or disability of the Director (or during the absence or disability of the Director in the event of a vacancy in the office of Deputy Director of the Office of Management and Budget (hereinafter referred to as the Office) the President may from time to time designate) shall exercise the authority of the Director or in the office of Director.

Records. (f) The records, property, personnel, and unexpended balances, available or to be made available, allocations, and other funds of the Bureau of the Budget on the taking effect of the provisions of this reorganization plan shall be transferred to the Office of Management and Budget.



The past 30 years have seen enormous changes in the size, structure and functions of the Federal Government. The budget has grown from less than \$10 billion to \$200 billion. The number of civilian employees has risen from one million to more than two and a half million. Four new Cabinet departments have been created, along with more than a score of independent agencies. Domestic policy issues have become increasingly complex. The interrelationships among Government programs have become more intricate. Yet the organization of the President's policy and management arms has not kept pace.

Over three decades, the Executive Office of the President has mushroomed but not by conscious design. In many areas it does not provide the kind of staff assistance and support the President needs in order to deal with the problems of government in the 1970s. We confront the 1970s with a staff organization geared in large measure to the tasks of the 1940s and 1950s.

One result, over the years, has been a tendency to enlarge the immediate White House staff—that is, the President's personal staff, as distinct from the institutional structure—to assist with management functions for which the President is responsible. This has blurred the distinction between personal staff and management institutions; it has left key management functions to be performed only intermittently, and some not at all. It has perpetuated outdated structures.

Another result has been, paradoxically, to inhibit the delegation of authority to Departments and agencies.

A President whose programs are carefully coordinated, whose information system keeps him adequately informed, and whose organizational assignments are plainly set out, can delegate authority with security and confidence. A President whose office is deficient in these respects will be inclined, instead, to retain close control of operating responsibilities which he cannot and should not handle.

Improving the management processes of the President's own office, therefore, is a key element in improving the management of the entire Executive Branch, and in strengthening the authority of its Departments and agencies. By providing the tools that are needed to reduce duplication, to monitor performance and to promote greater efficiency throughout the Executive Branch, this also will enable us to give the country not only more effective but also more economical government—which it deserves.

To provide the management tools and policy mechanisms needed for the 1970s, I am today transmitting to the Congress Reorganization Plan No. 2 of 1970, prepared in accordance with Chapter 9 of Title 5 of the United States Code.

This plan draws not only on the work of the Ash Council itself, but also on the work of others that preceded—including the pioneering Brownlow Committee of 1936, the two Hoover Commissions, the Rockefeller Committee, and other Presidential task forces.

Essentially, the plan recognizes that two closely connected but basically separate functions both center in the President's office: policy determination and executive management. This involves (1) what government should do, and (2) how it goes about doing it.

My proposed reorganization creates a new entity to deal with each of these functions:

- It establishes a Domestic Council, to coordinate policy formulation in the domestic area. This Cabinet group would be provided with an institutional staff, and to a considerable degree would be a domestic counterpart to the National Security Council.
- It establishes an Office of Management and Budget, which would be the President's principal arm for the exercise of his managerial functions.

The Domestic Council will be primarily the Office of Management and Budget will *how we do it, and how well we do it.*

DOMESTIC COUNCIL

The past year's experience with the Council has shown how immensely valuable a Cabinet forum for both discussion and action on interdepartmental jurisdictions.

The Domestic Council will be chaired by the President. In the plan, its membership will include the Vice President, the Secretary of the Treasury, the Secretary of the Interior, the Secretary of Agriculture, the Secretary of Commerce and Welfare, Housing and Urban Development, and the Attorney General. I also intend to name the Director of the Office of Economic Opportunity as a member of the Cabinet, the Postmaster General as a member of the Executive Branch, and I hope that the Congress will adopt my proposal for the Post Office Department, a self-sufficient department which the President could add other Executive Branch offices. The Council will be supported by a staff which will also be one of the President's personal staff but will have its own identity, being established on a permanent, institutional basis to develop and employ the "institutional continuity" which is to be maintained, and if experienced in the policy-making process.

There does not now exist an organized staff charged with advising the President on the domestic area. The Domestic Council will fill that need. It will also be charged with integrating the domestic policy into a consistent whole.

Among the specific policy functions in which the Council is to take the lead are these:

- Assessing national needs, collecting data, and making forecasts, for the purpose of defining national policy.
- Identifying alternative ways of achieving national goals, and recommending consistent, integrated sets of policies.
- Providing rapid response to Presidential requests on pressing domestic issues.
- Coordinating the establishment of national programs, and the utilization of available resources.
- Maintaining a continuous review of the national situation from a policy standpoint, and proposing corrective action.

Much of the Council's work will be accomplished through project committees. These might take a variety of forms, including planning groups or advisory bodies, with varying degrees of formality, and can be set up to deal with program areas or with specific problems. They will have staff support on Department and agency matters, and will be supported by the Council's own staff and that of the Office of Management and Budget.

Establishment of the Domestic Council during the past year with the Council for the Environment and the Commission on the Environment and the Office of Management and Budget as the principal key to the operation of these Councils will be consolidated into the Domestic Council. The functions of their various subcommittees will be consolidated into the Domestic Council. The functions of their various subcommittees of the Domestic Council will be consolidated into the Domestic Council, using access to the Domestic Council staff.



seen enormous changes in the size, structure and organization of the Federal Government. The budget has grown from \$100 billion to 200 billion. The number of civilian employees has grown from 10 million to more than two and a half million. Four new departments have been created, along with more than a dozen new agencies. Domestic policy issues have become more complex because of the interrelationships among Government programs. Yet the organization of the President's Executive Office has not kept pace.

The Executive Office of the President has mushroomed in size and design. In many areas it does not provide the necessary assistance and support the President needs in order to carry out his responsibilities as of government in the 1970s. We confront a reorganization geared in large measure to the tasks

of the past years, has been a tendency to enlarge the staff—that is, the President's personal staff, as well as the organizational structure—to assist with management functions. This has blurred the distinction between the staff and management institutions; it has left key functions to be performed only intermittently and some not at all. Outdated structures.

Furthermore, paradoxically, to inhibit the delegation of authority to the various agencies.

Programs are carefully coordinated, whose informants are not adequately informed, and whose organizational structure is not set out, can delegate authority with security and whose office is deficient in these respects will not be able to retain close control of operating responsibilities and will not handle.

Improvement processes of the President's own office, as well as in improving the management of the entire Executive Office, strengthening the authority of its Departments and Agencies, and the tools that are needed to reduce duplication and to promote greater efficiency throughout, this also will enable us to give the country not only a more economical government—which it de-

velopment tools and policy mechanisms needed for transmitting to the Congress Reorganization Plan No. 1 in accordance with Chapter 9 of Title 5 of the

not only on the work of the Ash Council itself, but also on the others that preceded—including the pioneering Hoover Commission, the two Hoover Commissions, the Rockefeller Presidential task forces.

Recognizes that two closely connected but basically distinct functions enter in the President's office: policy determination and policy implementation. This involves (1) what government it goes about doing it.

Reorganization creates a new entity to deal with each of

the Domestic Council, to coordinate policy formulation and implementation. This Cabinet group would be provided with staff, and to a considerable degree would be a part of the National Security Council. The Office of Management and Budget, which would be the principal arm for the exercise of his managerial func-

The Domestic Council will be primarily concerned with *what* we do; the Office of Management and Budget will be primarily concerned with *how* we do it, and *how well* we do it.

DOMESTIC COUNCIL

The past year's experience with the Council for Urban Affairs has shown how immensely valuable a Cabinet-level council can be as a forum for both discussion and action on policy matters that cut across departmental jurisdictions.

The Domestic Council will be chaired by the President. Under the plan, its membership will include the Vice President, and the Secretaries of the Treasury, Interior, Agriculture, Commerce, Labor, Health, Education and Welfare, Housing and Urban Development, and Transportation, and the Attorney General. I also intend to designate as members the Director of the Office of Economic Opportunity and, while he remains a member of the Cabinet, the Postmaster General. (Although I continue to hope that the Congress will adopt my proposal to create, in place of the Post Office Department, a self-sufficient postal authority.) The President could add other Executive Branch officials at his discretion.

The Council will be supported by a staff under an Executive Director who will also be one of the President's assistants. Like the National Security Council staff, this staff will work in close coordination with the President's personal staff but will have its own institutional identity. By being established on a permanent, institutional basis, it will be designed to develop and employ the "institutional memory" so essential if continuity is to be maintained, and if experience is to play its proper role in the policy-making process.

There does not now exist an organized, institutionally-staffed group charged with advising the President on the total range of domestic policy. The Domestic Council will fill that need. Under the President's direction, it will also be charged with integrating the various aspects of domestic policy into a consistent whole.

Among the specific policy functions in which I intend the Domestic Council to take the lead are these:

- Assessing national needs, collecting information and developing forecasts, for the purpose of defining national goals and objectives.
- Identifying alternative ways of achieving these objectives, and recommending consistent, integrated sets of policy choices.
- Providing rapid response to Presidential needs for policy advice on pressing domestic issues.
- Coordinating the establishment of national priorities for the allocation of available resources.
- Maintaining a continuous review of the conduct of ongoing programs from a policy standpoint, and proposing reforms as needed.

Much of the Council's work will be accomplished by temporary, ad hoc project committees. These might take a variety of forms, such as task forces, planning groups or advisory bodies. They can be established with varying degrees of formality, and can be set up to deal either with broad program areas or with specific problems. The committees will draw for staff support on Department and agency experts, supplemented by the Council's own staff and that of the Office of Management and Budget.

Establishment of the Domestic Council draws on the experience gained during the past year with the Council for Urban Affairs, the Cabinet Committee on the Environment and the Council for Rural Affairs. The principal key to the operation of these Councils has been the effective functioning of their various subcommittees. The Councils themselves will be consolidated into the Domestic Council; Urban, Rural and Environment subcommittees of the Domestic Council will be strengthened, using access to the Domestic Council staff.



Overall, the Domestic Council will provide the President with a streamlined, consolidated domestic policy arm, adequately staffed, and highly flexible in its operation. It also will provide a structure through which departmental initiatives can be more fully considered, and expert advice from the Departments and agencies more fully utilized.

OFFICE OF MANAGEMENT AND BUDGET

Under the reorganization plan, the technical and formal means by which the Office of Management and Budget is created is by re-designating the Bureau of the Budget as the Office of Management and Budget. The functions currently vested by law in the Bureau, or in its director, are transferred to the President, with the provision that he can then re-delegate them.

As soon as the reorganization plan takes effect, I intend to delegate those statutory functions to the Director of the new Office of Management and Budget, including those under section 212 of the Budget and Accounting Act, 1921.

However, creation of the Office of Management and Budget represents far more than a mere change of name for the Bureau of the Budget. It represents a basic change in concept and emphasis, reflecting the broader management needs of the Office of the President.

The new Office will still perform the key function of assisting the President in the preparation of the annual Federal budget and overseeing its execution. It will draw upon the skills and experience of the extraordinarily able and dedicated career staff developed by the Bureau of the Budget. But preparation of the budget as such will no longer be its dominant, overriding concern.

While the budget function remains a vital tool of management, it will be strengthened by the greater emphasis the new office will place on fiscal analysis. The budget function is only one of several important management tools that the President must now have. He must also have a substantially enhanced institutional staff capability in other areas of executive management—particularly in program evaluation and coordination, improvement of Executive Branch organization, information and management systems, and development of executive talent. Under this plan, strengthened capability in these areas will be provided partly through internal reorganization, and it will also require additional staff resources.

The new Office of Management and Budget will place much greater emphasis on the evaluation of program performance: on assessing the extent to which programs are actually achieving their intended results, and delivering the intended services to the intended recipients. This is needed on a continuing basis, not as a one-time effort. Program evaluation will remain a function of the individual agencies as it is today. However, a single agency cannot fairly be expected to judge overall effectiveness in programs that cross agency lines—and the difference between agency and Presidential perspectives requires a capacity in the Executive Office to evaluate program performance whenever appropriate.

The new Office will expand efforts to improve interagency cooperation in the field. Washington-based coordinators will help work out interagency problems at the operating level, and assist in developing efficient coordinating mechanisms throughout the country. The success of these efforts depends on the experience, persuasion, and understanding of an Office which will be an expeditor and catalyst. The Office will also respond to requests from State and local governments for assistance on intergovernmental programs. It will work closely with the Vice President and the Office of Intergovernmental Relations.

Improvement of Government organization, information and management systems will be a major function of the Office of Management and

Budget. It will maintain a continuous review of the structures and management processes of the Executive Branch and recommend needed changes. It will take the information systems to provide the President with data that he needs but does not now get. When the plan is launched, it will seek to ensure that they are grafted onto existing organizational structures in a proper and appropriate manner. Resistance to organizational change is a major barrier to effective government; the new Office will take steps to ensure that the organization keeps abreast of program needs.

The new Office will also take the lead in the development of career executive talent through the least of the President's needs as Chief Executive Officer of the Executive Office for insuring that talent is used to the full extent of their abilities. Effective executive manpower development have been a system for forecasting the needs for executive leadership potential. Both are crucial to the success of the Government, whether private or public.

The Office of Management and Budget will assist the President on the development of new talent, to motivate, deploy, and evaluate the men and women in the top ranks of the civil service, in the broadest sense. It will not deal with individuals, but will rely on the Civil Service Commission and the Department of Management and Budget to administer these programs. Under the new Office of Management and Budget there will be joint responsibility for executive talent is well utilized wherever it is needed, in the Executive Branch, and to assure that executive talent meet not only today's needs but those of the future. Finally, the new Office will continue the functions now performed by the Bureau of the Budget, including agency reactions on all proposed legislation, and the coordination to carry out the President's program. The new Office will also continue the Bureau's work of improving and coordinating

SIGNIFICANCE OF THE CHANGES

The people deserve a more responsive and efficient Government. The times require it. These changes will help provide it.

Each reorganization included in the plan is necessary to accomplish one or more of the purposes set forth in Section 901(a) of Title 5 of the United States Code. The plan is responsive to Section 901(a) (1), "to improve the efficiency of the laws, the more effective management of its agencies and functions, and the execution of the public business;" and Section 901(a) (3), "to improve the operations of the Government to the fullest extent practicable."

The reorganizations provided for in this plan will result in the appointment and compensation of new officers, and the rates of compensation of those officers will be comparable to those fixed for other officers in the Executive Branch who have similar responsibilities.

While this plan will result in a modest increase in the number of officers, its strengthening of the Executive Office of the President will result in significant indirect savings, and at the same time people actually receive the return they deserve for the Government spends. The savings will result from these changes will provide throughout the Executive Branch from curtailing the waste that results when



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DOMESTIC COUNCIL

Gerald R. Ford, The President of the United States
Nelson A. Rockefeller, The Vice President of the United States
Secretary of Housing and Urban Development
William Simon, Secretary of the Treasury
Peter J. Brennan, Secretary of Labor
Caspar W. Weinberger, Secretary of Health, Education & Welfare
Rogers C.B. Morton, Secretary of the Interior
Frederick B. Dent, Secretary of Commerce
Earl L. Butz, Secretary of Agriculture
Secretary of Transportation
The Attorney General
Alan Greenspan, Chairman, Council of Economic Advisors
Director, Office of Management and Budget
Richard L. Roudebush, Administrator of Veterans' Affairs
Russell E. Train, Administrator of the Environmental
Protection Agency.
Russell W. Peterson, Chairman, Council on Environmental
Quality
Michael P. Balzano, Jr., Director of ACTION

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May 14, 1974

DOMESTIC COUNCIL COMMITTEES

The following Domestic Council Committees are Cabinet level working groups chaired by an appropriate Cabinet Officer, tasked with responsibility for developing, coordinating and presenting all domestic policy issues to the President. The Committees ensure that as much responsibility for policy formation as possible rests with the Cabinet.

I. NATURAL RESOURCES

A. The Committee on Environmental Resources

Chairman: Secretary of the Interior
Vice Chairman: Secretary of Agriculture
Members: Attorney General, Secretary of Commerce,
Director of the OMB, Chairman of the
Council on Environmental Quality,
Administrator of EPA, Under Secretary
of the Army

B. The Committee on Land Use

Chairman: Secretary of the Interior
Vice Chairman: Secretary of HUD
Members: Secretary of the Treasury, Attorney General,
Secretary of the Interior, Secretary of
Agriculture, Secretary of Commerce,
Secretary of Housing and Urban Development,
Secretary of Transportation, Director of OMB,
Chairman of the Council of Economic Advisers,
Administrator, Environmental Protection
Agency, Chairman of the Council on Environ-
mental Quality, Administrator of the General
Services Administration

II. COMMUNITY DEVELOPMENT

A. The Committee on Community Development (rotating chairmen)

Chairman Rural Development Committee: Secretary of
Agriculture
Chairman Urban Development Committee: Secretary of
HUD

Chairman: Transportation Policy Development Committee:
Secretary of Transportation

Members: Secretary of Treasury, Secretary of Commerce,
Secretary of Labor, Director of OMB, and
Secretary of HEW.

B. The Committee on Civil Rights Policy

Chairman: Attorney General

Members: Secretary of Defense, Secretary of Labor,
Secretary of HEW, Secretary of HUD,
Director of OMB,

C. The Committee on the Bicentennial

Chairman: Counsellor to the President Armstrong

Members: Secretary of State, Secretary of Treasury,
Secretary of the Interior, Secretary of
Commerce, Director of OMB, Administrator
of the Bicentennial Commission.

II. HUMAN RESOURCES

A. The Committee on Health Insurance

Chairman: Secretary of HEW

Members: Secretary of Defense, Secretary of Commerce,
Secretary of HUD, Director of OMB,
Administrator of Veterans Affairs, Director
of the Cost of Living Council.

B. The Committee on Income Security

Chairman: Secretary of HEW

Members: Secretary of Agriculture, Secretary of
Labor, Secretary of HUD, Director of
OMB, Administrator of Veterans Affairs,
Director of ACTION, Chairman of the U.S.
Civil Service Commission

C. The Committee on Aging

Chairman: Secretary of HEW

Members: Secretary of Agriculture, Secretary of
Commerce, Secretary of Labor, Secretary
of HEW, Secretary of HUD, Secretary of

Transportation, Director of OMB,
Administrator of Veterans Affairs,
Director of ACTION, Chairman of
U.S. Civil Service Commission.

D. The Committee on Veterans Services

Chairman: Administrator of Veterans Affairs
Members: Secretary of HEW, Secretary of Labor,
Deputy Secretary of DOD, Director of
ACTION, Director of OMB, Director of
Domestic Council

IV. LAW ENFORCEMENT AND DRUG ABUSE

A. The Committee on Drug Abuse (rotating chairman)

Chairman of Committee on Enforcement: Attorney
General
Chairman of Committee on Treatment: Secretary
of HEW
Members: Secretary of Treasury, Secretary of
Defense, Secretary of State, Secretary
of Labor, Secretary of HUD, Secretary
of Transportation, Director of OMB,
Administrator of Veterans Affairs,
Director of the Special Action Office
for Drug Abuse Prevention.

B. The Committee on Crime Prevention and Rehabilitation

Chairman: Attorney General
Members: Secretary of the Treasury, Secretary of
Commerce, Secretary of Labor, Secretary
of HEW, Secretary of HUD, Director of
OMB.

C. The Committee on the Virgin Islands

Chairman: Undecided
Members: Attorney General, Secretary of Interior,
Secretary of Labor, Secretary of HEW,
Secretary of HUD, Director of OMB.

D. The Committee on Privacy

Chairman: Vice President

Members: Secretary of the Treasury, Secretary of Defense, Secretary of HUD, Attorney General, Secretary of Labor, Secretary of HEW, Chairman of the Civil Service Commission, Director of OMB, Director of Office of Telecommunications Policy, Director of Consumer Affairs

The Committee on Illegal Aliens

Chairman: Attorney General

Members: Sec. of State, Sec. of the Treasury, Sec. of Agriculture, Sec. of Commerce, Sec. of Labor, Sec. of HEW, Assistant to the President Baroody, Director of the Office of Management and Budget.

occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term."



THE WHITE HOUSE,
December 1, 1972.

EXECUTIVE ORDER 11689

Extending Diplomatic Privileges and Immunities to the Mission to the United States of America of the Commission of the European Communities and to Certain Members Thereof

By virtue of the authority vested in me by the Act of October 18, 1972 (Public Law 92-499), and as President of the United States, I hereby extend to the Mission to the United States of America of the Commission of the European Communities, and to the officers of that Mission assigned to Washington to represent the Commission to the Government of the United States and duly notified to and accepted by the Secretary of State, and to their families, the same privileges and immunities, subject to corresponding conditions and obligations, as are enjoyed by diplomatic missions accredited to the United States and by members of the diplomatic staffs thereof.



THE WHITE HOUSE,
December 5, 1972.

Title 3--The President

EXECUTIVE ORDER 11690

Delegation of Certain Functions to the Executive Director of the Domestic Council

By virtue of the authority vested in me by the Constitution and statutes of the United States, Part II of Reorganization Plan No. 2 of 1970, and as President of the United States, it is ordered as follows:

SECTION 1. *Functions of Council.* In addition to the Director of the Domestic Council to intergovernmental relations:

(1) serve as the coordinating Federal-State-local problems; Vice President by executive governments;

(2) identify and report mental problems of a Federal nature;

(3) explore and report strengthening the headquarters field offices as they relate to

(4) maintain continuity Federal departments and

(5) review procedures affording State and local on Federal assistance programs propose methods of strengthening

SEC. 2. *Administrative agencies, and interagency and intergovernmental relations.* extend full cooperation and his responsibilities under to assist all Federal departments between them and the executive and local governments.

(b) The head of each Federal an appropriate official within or agency to serve, upon request in carrying out Federal-State

SEC. 3. *Construction.* Not subjecting any department, executive branch of the Federal function vested by law in c

SECTION 1. *Functions of the Executive Director of the Domestic Council.* In addition to the functions heretofore assigned, the Executive Director of the Domestic Council shall assist the President with respect to intergovernmental relations generally. In addition, he shall:

(1) serve as the coordinator for the prompt handling and solution of Federal-State-local problems brought to the attention of the President or Vice President by executive and legislative officers of State and local governments;

(2) identify and report to the President on recurring intergovernmental problems of a Federal interdepartmental and interprogram nature;

(3) explore and report to the President on ways and means of strengthening the headquarters and interagency relationships of Federal field offices as they relate to intergovernmental activities;

(4) maintain continuing liaison with intergovernmental units in Federal departments and agencies; and

(5) review procedures utilized by Federal executive agencies for affording State and local officials an opportunity to confer and comment on Federal assistance programs and other intergovernmental issues, and propose methods of strengthening such procedures.

SEC. 2. *Administrative Arrangements.* (a) All Federal departments, agencies, and interagency councils and committees having an impact on intergovernmental relations, and all Federal Executive Boards, shall extend full cooperation and assistance to the Director in carrying out his responsibilities under this order. The Director shall, upon request, assist all Federal departments and agencies with problems that may arise between them and the executive agencies or elected officials of State and local governments.

(b) The head of each Federal department and agency shall designate an appropriate official with broad general experience in his department or agency to serve, upon request of the Director, as a point of contact in carrying out Federal-State-local liaison activities under this order.

SEC. 3. *Construction.* Nothing in this order shall be construed as subjecting any department, establishment, or other instrumentality of the executive branch of the Federal Government or the head thereof, or any function vested by law in or assigned pursuant to law, to any such agency

or head, to the authority of any other such agency or head or as abrogating, modifying, or restricting any such function in any manner.

SEC. 4. *Revocation.* Executive Order No. 11455 of February 14, 1969, entitled "Establishing an Office of Intergovernmental Relations", is hereby revoked.

SEC. 5. *Records, Property, Personnel, and Funds.* The records, property, personnel, and unexpended balances, available or to be made available, of appropriations, allocations, and other funds of the Office of Intergovernmental Relations are hereby transferred to the Domestic Council.

SEC. 6. *Effective Date.* This Order shall be effective thirty days after this date.

Richard Nixon

THE WHITE HOUSE,

December 14, 1972.

NOTE: For the text of a Presidential statement dated December 17, 1972, and issued in connection with E.O. 11690, above, see Weekly Comp. of Pres. Docs., Vol. 8, No. 51, issue of December 18, 1972.

EXECUTIVE ORDER 11691

Adjusting Rates of Pay for Certain Statutory Pay Systems

By virtue of the authority vested in me by subchapter I of chapter 53 of title 5 of the United States Code, it is hereby ordered as follows:

General Schedule

SECTION 1. The rates of basic pay in the General Schedule contained in section 5332(a) of title 5 of the United States Code are adjusted as follows:

Grade	1	2	3
GS-1	\$4,798	\$4,955	\$5,118
GS-2	5,432	5,613	5,794
GS-3	6,128	6,332	6,536
GS-4	6,882	7,111	7,340
GS-5	7,694	7,951	8,208
GS-6	8,572	8,853	9,144
GS-7	9,520	9,837	10,154
GS-8	10,528	10,879	11,230
GS-9	11,614	12,001	12,388
GS-10	12,775	13,201	13,627
GS-11	13,996	14,462	14,928
GS-12	16,682	17,238	17,794
GS-13	19,700	20,357	21,014
GS-14	23,088	23,858	24,628
GS-15	26,898	27,795	28,692
GS-16	31,203	32,243	33,283
GS-17	36,103*	37,306*	38,509
GS-18	41,734*		

*The rate of basic pay for employees at the rate for level V of the Executive Schedule

Schedules for the Department of Veterans Affairs

SEC. 2. The schedules in the United States Code, for the Department of Medicine and Surgery of the Department of Veterans Affairs, are as follows:

- "Associate Deputy Chief Medical Director, level V of the Executive Schedule
- "Assistant Chief Medical Director
- "Medical Director, \$36,103 minimum
- "Director of Nursing Service, \$26,898 minimum
- "Director of Chaplain Service, \$26,898 minimum
- "Chief Pharmacist, \$26,898 minimum
- "Chief Dietitian, \$26,898 minimum
- "Physician, \$31,203 minimum
- "Director grade, \$31,203 minimum
- "Executive grade, \$28,996 minimum
- "Chief grade, \$26,898 minimum
- "Senior grade, \$23,088 minimum
- "Intermediate grade, \$19,700 minimum
- "Full grade, \$16,682 minimum
- "Associate grade, \$13,996 minimum

*The salary for employees in the United States Code to the effective date of this salary adjustment