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THE WHITE HOUSE

WASHINGTON

January 16, 1975

MEMORANDUM FOR: PHIL BUCHEN
FROM: DICK CHENEY

Phil, this is a reminder that you've got to come up with a piece of paper laying out the new Domestic Council structure and rationale.



THE WHITE HOUSE

WASHINGTON

January 16, 1972

MEMORANDUM FOR

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DICK CHENEY

FROM:

Bill, this is a reminder that you've got to come up with a plan
of paper laying out the new Domestic Council structure and
missions.

Veterans

Community Development

(Trade off for
Council of Urban and Social
Development urged by Congress

National Goals Research Staff 1970

Ed Harper Spec. Asst to Pres 4 '71-72
Ass't Dir. of D.C.

1968 Burns task forces

Thursday 1/16/75

4:35 Ken Cole's office brought this in
for you.



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



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.



THE WHITE HOUSE

WASHINGTON

January 17, 1975

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



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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



Not sure if
wish re
"Future Prop"
out



~~Aliens just~~
created

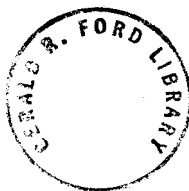
By Pass

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



PART II. DOMESTIC COUNCIL

INIZATION PLAN NO. 2 OF 1970

nt and Transmitted by the Senate and the House
n Congress Assembled, February 9, 1970, Pursua
ns of Chapter 9 of Title 5 of the United States
this title].

CE OF MANAGEMENT AND BUDGET

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

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

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

within the Office of Management and Budget not more than five officers, as determined from time to time by the Office of Management and Budget (hereinafter referred to as the "Director"). Each such officer shall be appointed by the approval of the President, under the classification and shall have such title as the Director shall from time to time determine. Such officers shall receive compensation at the rate now or hereafter in effect for the offices and positions at Level V of the Executive Schedule (5 U.S.C. 5316).

Management and Budget and the Director shall
as the President may from time to time dele-
The Director, under the direction of the Presi-
nd direct the administration of the Office of

ctor. of the Office of Management and Budget, of the Office of Management and Budget designation plan, and the officers provided for in section shall perform such functions as the to time direct.

tor (or during the absence or disability of the the event of a vacancy in the office of Deputy icials of the Office of Management and Budget resident may from time to time designate) shall the absence or disability of the Director or in n the office of Director.

property, personnel, and funds. The records, unexpended balances, available or to be made, allocations, and other funds of the Bureau upon the taking effect of the provisions of this come records, property, personnel, and unexpended Office of Management and Budget.

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 1939, 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 loss of 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.



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 Vice President. 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, the Secretary of Health, Education and Welfare, the Secretary of Housing and Urban Development, and the Attorney General. I also intend to make the Director of the Office of Economic Opportunity a member of the Council, the Postmaster General. I hope that the Congress will adopt my proposal for the Post Office Department, a self-sufficient independent agency, could add other Executive Branch offices.

The Council will be supported by a staff who will also be one of the President's personal staff but will have its own being established on a permanent basis. It will develop and employ the institutional continuity is to be maintained, and if experience in the policy-making process.

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

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

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

Much of the Council's work will be accomplished through project committees. These might take a variety of forms, planning groups or advisory bodies, with varying degrees of formality, and can be set up for broad program areas or with specific problems. They will have staff support on Department and agency level, and 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 Office of Management and Budget as the principal key to the operation of these Councils, the functioning of their various subcommittees will be consolidated into the Domestic Council. Environment subcommittees of the Domestic Council will have access to the Domestic Council staff.



FILE 5—APPENDIX II

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Programs are carefully coordinated, whose information is adequately informed, and whose organizational structure is sound, can delegate authority with security and whose office is deficient in these respects will retain close control of operating responsibilities which it could not handle.

Management processes of the President's own office, centered in improving the management of the entire government, strengthening the authority of its Departments, finding 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 deserves.

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Office of Management and Budget, which would be the principal arm for the exercise of his managerial functions.

REORGANIZATION PLANS

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, giving access to the Domestic Council staff.



TITLE 5—APPENDIX II

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

REORGANIZATION

Budget. It will maintain a continuous structures and management processes of the recommend needed changes. It will take the information systems to provide the President with data that he needs but does not now get. Once launched, it will seek to ensure that they are grafted onto existing organizational structures. Resistance to organization change to effective government; the new Office will keep abreast of program needs.

The new Office will also take the lead in development of career executive talent through the least of the President's needs as Chief Executive. The Executive Office for insuring that talent 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 whether private or public.

The Office of Management and Budget will assist the President on the development of new talent. It will motivate, deploy, and evaluate the men and women in the top ranks of the civil service, in the broadest sense, not deal with individuals, but will rely on the Civil Service Commission and the Department of Management and Budget there will be joint efforts to administer these programs. Under the Executive Branch, and to assure that executive talent is well utilized wherever it is needed, 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 in agency reactions on all proposed legislation, and in the execution of the President's program. The Bureau's work of improving and coordinating

SIGNIFICANCE OF THE C

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

Each reorganization included in the plan is necessary to accomplish one or more of the purposes of the plan. Section 901(a) of Title 5 of the United States Code is responsive to Section 901(a) (1), "to improve the efficiency of the Government and 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 officers comparable to those fixed for other officers in the Executive Office who have similar responsibilities.

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



C



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



D



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

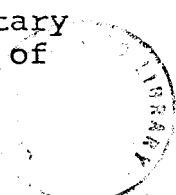
Chairman: Secretary of HEW
Members: Secretary of Defense, Secretary of Commerce,
Secretary of HUD, Director of OMB,
Administrator of Veterans Affairs, Director
of the Cost of Living Council.

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)

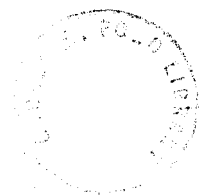
Chairman of Committee on Enforcement: Attorney
General
Chairman of Committee on Treatment: Secretary
of HEW
Members: Secretary of Treasury, Secretary of
Defense, Secretary of State, Secretary
of Labor, Secretary of HUD, Secretary
of Transportation, Director of OMB,
Administrator of Veterans Affairs,
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.

E



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 f Director of the Domestic Co to intergovernmental relation

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

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

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

(4) maintain continuing Federal departments and a

(5) review procedures u affording State and local off on Federal assistance progr propose methods of strengt

SEC. 2. *Administrative A* agencies, and interagency co intergovernmental relations extend full cooperation and his responsibilities under th assist all Federal departmen between them and the exe and local governments.

(b) The head of each Fe an appropriate official with or agency to serve, upon re in carrying out Federal-St

SEC. 3. *Construction.* No jecting any department, es executive branch of the Fed function vested by law in or

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.



THE WHITE HOUSE,
December 14, 1972.

NOTE: For the text of a Presidential statement dated December 14, 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	\$4,958	\$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	8,858	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 these levels is to be the rate for level V of the Executive Schedule (I).

Schedules for the Department of Veterans Affairs

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

"Sec
"Associate Deputy Chief Medical Officer, level V of the Executive Schedule, \$36,103 minimum
"Assistant Chief Medical Director, \$26,898 minimum
"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
"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

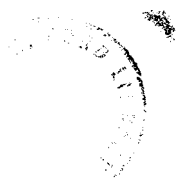
*The salary for employees at these levels is to be the salary for the corresponding grade in the United States Code to the effective date of this salary adjustment.

[Ca. 2/75]

THE WHITE HOUSE
WASHINGTON

~~Original of~~
~~Memoranda to~~
~~President~~
on Domestic
Council

Originals —
(not complete
package)



*Uncorrected
draft*

January 17, 1975

MEMORANDUM FOR:

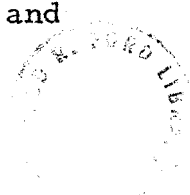
THE VICE PRESIDENT
THE ATTORNEY GENERAL
SECRETARY OF AGRICULTURE
SECRETARY OF COMMERCE
SECRETARY OF HEALTH, EDUCATION
AND WELFARE
SECRETARY OF HOUSING AND
URBAN DEVELOPMENT
SECRETARY OF THE INTERIOR
SECRETARY OF LABOR
SECRETARY OF TRANSPORTATION
SECRETARY OF THE TREASURY
CHAIRMAN OF THE COUNCIL OF
ECONOMIC 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

LIBRARY

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

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.



FEBRUARY 13, 1975

Office of the White House Press Secretary
(New York, New York)

THE WHITE HOUSE

STATEMENT BY THE PRESS SECRETARY

The President today is designating Vice President Rockefeller to be Vice Chairman of the Domestic Council with the responsibility for overseeing its work. As the President has indicated since his nomination of Governor Rockefeller, he wants the Vice President to have a major substantive role in his Administration, and he wishes to use Vice President Rockefeller's talents, energies, and experience to the fullest.

The Domestic Council will continue as one of the substantive policy offices within the White House. The President considers the Domestic Council an integral part of the White House staff. The Council, as it has in the past, will continue to coordinate its activities with other relevant offices within the administration.

The President and Vice President are confident that this organizational arrangement will enable the administration to meet our national needs.

The President has issued today a memorandum to the Vice President and members of the Domestic Council which sets forth his plans for the Domestic Council.

The President is today announcing his intention to appoint Mr. James M. Cannon as the Executive Director of the Domestic Council and as Assistant to the President for Domestic Affairs. Mr. Cannon is currently a Special Assistant to the Vice President.

Further, it is anticipated that Mr. Richard L. Dunham will serve as Deputy Director of the Domestic Council. Mr. Dunham is also currently a Special Assistant to the Vice President. The President's memorandum and biographical information on Mr. Cannon and Mr. Dunham are attached.

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FOR IMMEDIATE RELEASE

FEBRUARY 13, 1975

Office of the White House Press Secretary
(New York, New York)

THE WHITE HOUSE

Richard L. Dunham of Albany, New York will serve as Deputy Director of the Domestic Council. He has been with Vice President Rockefeller as Assistant to the Vice President for Domestic Affairs since his resignation as Director of the New York State Division of the Budget on December 31, 1974. He joined the State Division of the Budget in 1967 as its Deputy Director.

From 1960 to 1968 he was engaged in family businesses in Rochester, New York, M.A. Lauscher, Inc. and Rochester Computer Service, Inc. He became a Public Administration Advisor for the United States AID Mission to the Government of Cambodia in 1957, serving until 1960. He was employed by the Ohio Legislative Service Commission of the State of Ohio from 1955 to 1957.

Mr. Dunham was born on November 25, 1929 in Rochester, New York. He received his B.A. degree from the University of Rochester in 1951 and his M.A. degree from the University of Michigan in 1952. He served as a Public Administration Intern in the New York State Division of the Budget in 1952.

Mr. Dunham is married to the former Evelyn Lutz of Circleville, Ohio and they have three children. They reside in Albany, New York.

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Office of the White House Press Secretary
(New York, New York)

THE WHITE HOUSE

STATEMENT BY THE PRESIDENT

I have today decided to redefine and broaden the function and responsibility of my Domestic Council. I have asked Nelson Rockefeller to serve in the capacity of Vice Chairman of the Council.

To assist me in carrying out my responsibilities for domestic policy formulation within a broad conceptual framework I want the Domestic Council to undertake the following responsibilities:

- Assessing national needs and identifying alternative ways of meeting them;
- Providing rapid response to Presidential needs for policy advice;
- Coordinating the establishment of national priorities for the allocation of available resources;
- Maintaining a continuous policy review of on-going programs, and
- Proposing reforms as needed.

Because of the complexity and interrelationship of domestic policies and programs I believe the broadest perspectives must be utilized in the Domestic Council's deliberations. This is why I have asked the Vice President to serve as Vice Chairman of the Council and to oversee its work.

To provide for full coordination of the work of the Domestic Council with other policy bodies, L. William Seidman, Executive Director of my Economic Policy Board, and Frank G. Zarb, Executive Director of my Energy Resources Council, will be members of the Domestic Council.

I am also announcing my intention to appoint James M. Cannon as Executive Director of the Domestic Council and Assistant to the President for Domestic Affairs. Richard L. Dunham will be Deputy Director of the Domestic Council. I expect them to work closely with the Vice President in the operations of the Domestic Council.

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February 13, 1975

Office of the White House Press Secretary
(New York, New York)

THE WHITE HOUSE

MEMORANDUM FOR:

THE VICE PRESIDENT
THE SECRETARY OF THE TREASURY
THE ATTORNEY GENERAL
THE SECRETARY OF THE INTERIOR
THE SECRETARY OF AGRICULTURE
THE SECRETARY OF COMMERCE
THE SECRETARY OF LABOR
THE SECRETARY OF HEALTH EDUCATION,
AND WELFARE
THE SECRETARY OF HOUSING AND URBAN
DEVELOPMENT
THE SECRETARY OF TRANSPORTATION
THE DIRECTOR, OFFICE OF MANAGEMENT
AND BUDGET
THE CHAIRMAN OF THE COUNCIL OF
ECONOMIC ADVISERS
THE CHAIRMAN, COUNCIL ON ENVIRON-
MENTAL QUALITY
THE ADMINISTRATOR OF THE ENVIRON-
MENTAL PROTECTION AGENCY
THE ADMINISTRATOR OF VETERANS AFFAIRS
THE DIRECTOR OF THE ACTION AGENCY
THE EXECUTIVE DIRECTOR, PRESIDENT'S
ECONOMIC POLICY BOARD
THE EXECUTIVE DIRECTOR, ENERGY
RESOURCES COUNCIL

SUBJECT:

Domestic Council

To assist in carrying out my responsibilities for domestic policy formulation within a broad conceptual framework, I want the Domestic Council to undertake the following responsibilities in domestic policy areas:

- Assessing national needs and identifying alternative ways of meeting them.
- Providing rapid response to Presidential needs for policy advice.
- Coordinating the establishment of national priorities for the allocation of available resources.
- Maintaining a continuous policy review of ongoing programs.
- Proposing reforms as needed.

I would specifically like to emphasize the following essential components of these functions:

- Identify major policy problem areas requiring Administration attention and actions.
- Coordinate the formulation of policy options in the domestic area for my consideration.
- Initiate fact-finding analysis, develop policy options and recommendations for Presidential decision, Administration action and legislation.

more



- Review in conjunction with OMB departmental legislative proposals for their impact on present policy and legislation and consistency with Administration policy.
- Establish guidelines in conjunction with OMB for formulation of Departmental and Agency administrative regulations to ensure consistency with Administration policy objectives and legislative intent.

Because of the complexity and interrelationship of domestic policies and programs, I believe the broadest perspectives must be brought to bear in the Domestic Council's deliberations. For this reason, I have asked the Vice President to serve as Vice Chairman of the Council and to oversee the work of the Council.

I am also asking the Vice President to review the operations of the Council staff and to propose such reorganization of the Council as from time to time may be necessary.

To expedite the work of the Domestic Council, the Vice President will make recommendations to me for the formation of task forces and review groups of officials at the appropriate levels of Departments and Agencies involved.

For the Domestic Council to carry out my objectives, it is essential that the Council have the full cooperation of your Department or Agency, including the necessary staff support for the various task forces and review groups which will be established.

I am today announcing my intention to appoint Mr. James M. Cannon, Executive Director of the Domestic Council and Assistant to the President for Domestic Affairs. Richard L. Dunham will be the Deputy Director of the Domestic Council. I expect them to work closely with the Vice President in conducting the operations of the Domestic Council.

To provide for full coordination of the work of the Domestic Council with the work of other policy bodies, the Executive Director of the Economic Policy Board and the Executive Director of the Energy Resources Council will be designated as members of the Domestic Council.

GERALD R. FORD

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~~DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT~~
~~OFFICE OF THE SECRETARY~~

2/14

To : Mr. Phil Buchen

From: James T. Lynn

*For file
on Domestic Council
P.
But show to
Chas. A. First
P.*



THE WHITE HOUSE

WASHINGTON

February 13, 1975

MEMORANDUM FOR:

THE VICE PRESIDENT
THE SECRETARY OF THE TREASURY
THE ATTORNEY GENERAL
THE SECRETARY OF THE INTERIOR
THE SECRETARY OF AGRICULTURE
THE SECRETARY OF COMMERCE
THE SECRETARY OF LABOR
THE SECRETARY OF HEALTH, EDUCATION,
AND WELFARE
THE SECRETARY OF HOUSING AND URBAN
DEVELOPMENT
THE SECRETARY OF TRANSPORTATION
THE DIRECTOR, OFFICE OF MANAGEMENT
AND BUDGET
THE CHAIRMAN OF THE COUNCIL OF
ECONOMIC ADVISERS
THE CHAIRMAN, COUNCIL ON ENVIRON-
MENTAL QUALITY
THE ADMINISTRATOR OF THE ENVIRON-
MENTAL PROTECTION AGENCY
THE ADMINISTRATOR OF VETERANS AFFAIRS
THE DIRECTOR OF THE ACTION AGENCY
THE EXECUTIVE DIRECTOR, PRESIDENT'S
ECONOMIC POLICY BOARD
THE EXECUTIVE DIRECTOR, ENERGY
RESOURCES COUNCIL

SUBJECT:

Domestic Council

To assist in carrying out my responsibilities for domestic policy formulation within a broad conceptual framework, I want the Domestic Council to undertake the following responsibilities in domestic policy areas:

- Assessing national needs and identifying alternative ways of meeting them.
- Providing rapid response to Presidential needs for policy advice.



- Coordinating the establishment of national priorities for the allocation of available resources.
- Maintaining a continuous policy review of on-going programs.
- Proposing reforms as needed.

I would specifically like to emphasize the following essential components of these functions:

- Identify major policy problem areas requiring Administration attention and actions.
- Coordinate the formulation of policy options in the domestic area for my consideration.
- Initiate fact-finding analysis, develop policy options and recommendations for Presidential decision, Administration action and legislation.
- Review in conjunction with OMB departmental legislative proposals for their impact on present policy and legislation and consistency with Administration policy.
- Establish guidelines in conjunction with OMB for formulation of Departmental and Agency administrative regulations to ensure consistency with Administration policy objectives and legislative intent.

Because of the complexity and interrelationship of domestic policies and programs, I believe the broadest perspectives must be brought to bear in the Domestic Council's deliberations. For this reason, I have asked the Vice President to serve as Vice Chairman of the Council and to oversee the work of the Council.

I am also asking the Vice President to review the operations of the Council staff and to propose such reorganization of the Council as from time to time may be necessary.

To expedite the work of the Domestic Council, the Vice President will make recommendations to me for the formation of task forces and review groups of officials at the appropriate levels of Departments and Agencies involved.



For the Domestic Council to carry out my objectives, it is essential that the Council have the full cooperation of your Department or Agency, including the necessary staff support for the various task forces and review groups which will be established.

I am today announcing my intention to appoint Mr. James M. Cannon, Executive Director of the Domestic Council and Assistant to the President for Domestic Affairs. Richard L. Dunham will be the Deputy Director of the Domestic Council. I expect them to work closely with the Vice President in conducting the operations of the Domestic Council.

To provide for full coordination of the work of the Domestic Council with the work of other policy bodies, the Executive Director of the Economic Policy Board and the Executive Director of the Energy Resources Council will be designated as members of the Domestic Council.

Herold R. Ford





~~DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT~~
~~OFFICE OF THE SECRETARY~~

2/14

To : Mr. Phil Buchen

From: James T. Lynn

*For file
on Domestic Council
P.
But show to
Chas. A. first
J.*



THE WHITE HOUSE

WASHINGTON

February 13, 1975

MEMORANDUM FOR:

THE VICE PRESIDENT
THE SECRETARY OF THE TREASURY
THE ATTORNEY GENERAL
THE SECRETARY OF THE INTERIOR
THE SECRETARY OF AGRICULTURE;
THE SECRETARY OF COMMERCE
THE SECRETARY OF LABOR
THE SECRETARY OF HEALTH, EDUCATION,
AND WELFARE
THE SECRETARY OF HOUSING AND URBAN
DEVELOPMENT
THE SECRETARY OF TRANSPORTATION
THE DIRECTOR, OFFICE OF MANAGEMENT
AND BUDGET
THE CHAIRMAN OF THE COUNCIL OF
ECONOMIC ADVISERS
THE CHAIRMAN, COUNCIL ON ENVIRON-
MENTAL QUALITY
THE ADMINISTRATOR OF THE ENVIRON-
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To provide for full coordination of the work of the Domestic Council with the work of other policy bodies, the Executive Director of the Economic Policy Board and the Executive Director of the Energy Resources Council will be designated as members of the Domestic Council.

Gerald R. Ford



THE WHITE HOUSE

WASHINGTON

August 20, 1975

MEMORANDUM FOR: ROD HILLS

FROM: KEN LAZARUS *KL*

SUBJECT: Proposed Budget Supplemental for
the Domestic Council

The Domestic Council, which for budgetary purposes is treated as an agency separate from the White House staff, is currently authorized a total of 30 positions (professional and clerical) and an annual budget of \$1.3 million. The attached supplemental request for an increase of \$920,000 for FY '76 and \$230,000 for the transition period would double roughly the staff and resources of the Council. An additional 29 positions would be authorized.

Justification for the requested supplemental is based on " . . . the additional tasks [the President has] assigned".

It is possible that this request will generate some adverse reaction on the Hill and elsewhere based upon one or more of the following:

(1) With the President's call for a reduced White House staff and Congressional attempts toward the same goal, the claim could be made that this request is merely an attempt to pick up additional staff and resources available for service to the President in a devious fashion.

(2) During the heyday of John Erlichman, the Domestic Council served as the day-to-day manager of the bureaucracy with a staff in the neighborhood of 80 people. With this request, a claim could be made to the effect that the President is not serious about allowing department and agency heads some free rein in the day-to-day affairs of their organizations.



(3) With the upcoming election, the budget request could be seen as an attempt to establish a group for the purpose of constructing the 1976 Presidential platform utilizing public funds.

My comments are perhaps overly analytical and somewhat strained. I don't know whether or not Jim Cannon has already cleared this matter personally with the President or Don Rumsfeld.

At a minimum, the budget justification should be designed to anticipate the political charges noted above. A final question: How will this effect the role of the Counsel's office?

Attachment



THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.:

Date: August 20, 1975

Time: 9:30 a.m.

FOR ACTION: ☒ Phil Buchen
 Jack Marsh
 Max Friedersdorf

cc (for information):

FROM THE STAFF SECRETARY

DUE: Date: Friday, August 22, 1975

Time: Noon

SUBJECT:

Proposed Budget Supplemental for the
 Domestic Council

ACTION REQUESTED:

☐ For Necessary Action

☒ For Your Recommendations

☐ Prepare Agenda and Brief

☐ Draft Reply

☒ For Your Comments

☐ Draft Remarks

REMARKS:

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a
 delay in submitting the required material, ple
 telephone the Staff Secretary immediately.

JIM CAVANAUGH





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

SIGNATURE

MEMORANDUM FOR: THE PRESIDENT
FROM: PAUL H. O'NEILL *O'Neill*
SUBJECT: Proposed Budget Supplemental for the
Domestic Council

The attached supplemental requests provide for increased staffing needs of the Domestic Council. The requests are for an increase of \$920,000 for FY 1976 and \$230,000 for the transition period, July 1, 1976 to September 30, 1976.

The justification for these requests is based on the additional tasks you have assigned the Domestic Council in the areas of day-to-day support, increased responsibilities for interagency task group coordination on long-term issues, and program formulation responsibilities.

RECOMMENDATION:

That you sign the letter transmitting these proposed supplemental appropriations to the House of Representatives.

Attachment





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 proposed supplemental appropriations for fiscal year 1976 in the amount of \$920,000 for fiscal year 1976 and \$230,000 for the transition quarter, July 1, 1976 to September 30, 1976, for the Executive Office of the President.

EXECUTIVE OFFICE OF THE PRESIDENT

Domestic Council

Salaries and Expenses

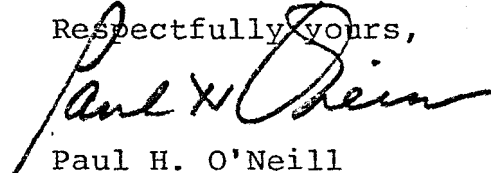
For an additional amount for "Salaries and expenses," \$920,000.

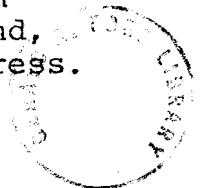
For an additional amount for "Salaries and expenses" for the period July 1, 1976 through September 30, 1976, \$230,000.

These proposed supplementals are necessary to cover increased staff costs caused by the additional tasks you have assigned to the Council. These tasks include staff work on domestic issues and intergovernmental relations, coordination of interagency task forces on long-range issues, and program formulation.

I have carefully reviewed these budget requests and am satisfied that they are necessary at this time. I recommend, therefore, that these proposals be transmitted to the Congress.

Respectfully yours,


Paul H. O'Neill
Acting Director



THE WHITE HOUSE

WASHINGTON

The Speaker of the

House of Representatives

Sir:

I ask the Congress to consider proposed supplemental appropriations for fiscal year 1976 in the amount of \$920,000 and for the transition quarter, July 1, 1976 to September 30, 1976, in the amount of \$230,000 for the Executive Office of the President.

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

Respectfully,

Enclosure



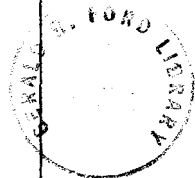
THE WHITE HOUSE
WASHINGTON

September 2, 1975

MEMORANDUM FOR: KEN LAZARUS
FROM: PHIL BUCHEN *P.*
SUBJECT: Jim Falk

In light of your previous memorandum to me regarding Jim Falk, I attach a subsequent memorandum to me from Jim Cannon on the same subject.

Kindly draft a reply for me to send to Jim Cannon.



THE WHITE HOUSE

WASHINGTON

August 30, 1975

MEMORANDUM FOR: PHIL BUCHEN

FROM: JIM CANNON

SUBJECT: Jim Falk

Jim Falk, Associate Director for Intergovernmental Relations for the Domestic Council, is under the Hatch Act. Yet his duties, particularly when he attends conferences of governors and mayors, frequently put him into the position of discussing with a Republican mayor or governor the possibility of a political trip by the President.

If I understand your summary of the Hatch Act correctly, this clearly puts Falk into an awkward position.

It is my feeling that we should attempt to find a way whereby Falk would not be under the Hatch Act.

Could I have your advice on this? Many thanks.



THE WHITE HOUSE

WASHINGTON

August 22, 1975

MEMORANDUM FOR: PHIL BUCHEN

FROM: KEN LAZARUS *KL*

SUBJECT: Political Activity/Domestic
Council Associate Director for
Intergovernmental Relations

Earlier this week, Jim Falk, Associate Director of the Domestic Council, Intergovernmental Relations, came to me with an invitation he had received from the Governor of North Carolina requesting that Jim be in attendance at a meeting of Southern Republican leaders, Jack Calkins from the White House staff, and representatives from the campaign organizations of both President Ford and former Governor Reagan. Jim was completely forthright in indicating that the sole purpose of the meeting was political in nature.

I advised Jim not to attend the meeting regardless of the manner in which his trip might be financed. As you know, members of the Domestic Council are subject to the provisions of the Hatch Act and are thus prevented from engaging in "political management or a political campaign." He will not attend the meeting.

After talking with Jim, I spoke with Jack Calkins relative to the financing of the trip. Although Calkins, as a member of the White House staff, is not prohibited from engaging in political activity I was concerned that he might inadvertently finance his trip from official funds or inappropriate political monies. In this regard, I advised him: (1) Not to use any government funds relative to this trip; (2) In the event the entire meeting was financed by the Republican National Committee, it would be appropriate for his portion of total expenses to be derived from that source; and (3) In the event the Reagan people were financing their expenses out



of their own political coffers, Jack should attempt to arrange for payment by the Ford election committee. I suggested that he get in touch with Bob Visser, General Counsel to the President Ford Committee.

Although the incident recited above requires no further action on your part, it serves as an illustration of a continuing problem which you might attempt to rectify. As the one Domestic Council member with very frequent contacts with elected Republican officials around the country, Jim Falk will, throughout the course of the election, be placed in an extremely tenuous position regarding the potential for "political activity" in the course of his official duties. In order to resolve this problem, I would recommend that he either be transferred to the White House staff or designated "Special Assistant to the President" and "Associate Director of the Domestic Council" and paid from the White House payroll in the mold of Jim Cannon. This would obviate any potential for running afoul of the Hatch Act. I communicated this opinion to Jim who intends to take the matter up with Jim Cannon at his earliest convenience.

