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EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

SEP 19 1975

MEMORANDUM FOR THE PRESIDENT

Subject: Enrolled Bill H.R. 5465 - Special retirement benefits for non-Indian employees of the Bureau of Indian Affairs and the Indian Health Service
Sponsor - Rep. Henderson (D) North Carolina

Last Day for Action

September 24, 1976 - Friday



Agency Recommendations

Office of Management and Budget	Disapproval (Veto message attached)
Department of the Interior	Disapproval (Veto message attached)
Department of Health, Education, and Welfare	Disapproval (Veto message attached)
Civil Service Commission	Disapproval (Veto messages attached)

Discussion

Under the Indian Reorganization Act of 1934, American Indians have long been given preference in initial appointment to jobs in BIA and IHS. As a result of decisions in 1974 by the U.S. Supreme Court and the Court of Appeals for the District of Columbia, preference under the 1934 Act is now also applied in transfers, promotions, and re-assignments, where at least minimally qualified Indian employees are applicants for consideration. The effect of the new policy mandated by the courts is to somewhat limit career opportunities in BIA and IHS for non-Indian employees.

The primary purpose of H.R. 5465 is to offset the career disadvantages for the non-Indian employees of these two agencies. To accomplish this purpose, the bill would provide optional early retirement for those non-Indian employees who have twice been passed over for promotion, transfer, or reassignment as a result of Indian preference. These employees could exercise this option up to December 31, 1985, (a) at any age after 25 years of any type of Federal service, or (b) at age 50 with 20 years of such service, provided they have been continuously employed in BIA or IHS since the date

of the 1974 Supreme Court decision and they are not eligible for regular retirement.

The annuities of such employees would be computed under a more liberal formula than that provided most other Federal employees. Federal employees generally may retire voluntarily at age 55 with 30 years of service, or at age 60 with 20 years, with annuities computed at 1 1/2% of "high-3" average salary for the first 5 years, at 1 3/4% for the next 5 years, with a maximum 2% multiplier used for years over 10. Employees involuntarily separated with 25 years of service at any age, or with 20 years of service at age 50, may retire with annuities computed under the regular formula, but reduced by 2% a year for each year under age 55.

Under H.R. 5465, annuities of eligible non-Indian employees would be computed at 2 1/2% of their "high-3" average salary for the first 20 years of service, and at 2% for years over 20, without the customary reduction for retiring before age 55. Non-Indian employees already retired since the 1974 decision would be entitled, on the date of enactment of the bill, to have their annuities recomputed under the more favorable formula.

It is estimated that by 1986, when the special retirement benefit would terminate, approximately 1,484 non-Indian employees in BIA and 600 in IHS would be eligible for early retirement under the enrolled bill. Approximately 2,500 non-Indian employees in BIA and 3,340 in IHS would not qualify, for a variety of reasons.

The Civil Service Commission (CSC) estimates that the early retirement benefits in H.R. 5465 would increase the unfunded liability of the Civil Service Retirement Fund by \$136 million, which would have to be amortized in 30 equal payments of approximately \$8.4 million. Added budget outlays are estimated at \$2.9 million in fiscal year 1977, rising to \$19.9 million in fiscal year 1981.

H.R. 5465 was passed in both Houses by voice vote despite very strong Administration opposition to its preferential benefits. As enrolled, it is a modified version of bills originally sponsored and supported in both the Senate and House by Members with strong Indian constituencies. Bills were sponsored or co-sponsored in the Senate by Senators Stevens, Domenici, and Montoya, and in the House by Representatives Steed, Runnels, and Pressler.

Arguments for approval

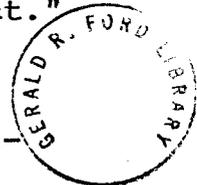
1. The bill is regarded by Indian employees as a step toward fuller realization of Indian self-determination because it would increase the number of jobs available to Indians in the Indian service agencies, as non-Indians are given an incentive to leave. In view of the Indian preference situation, the Indian employees, as quoted in the Senate report, believe it would be a disservice to Indians and non-Indians alike, for Indian programs to be administered by non-Indians who may be embittered by an employment policy that blocks normal avenues of career progression. The bill was endorsed in testimony by the National Congress of American Indians and by individual Indian and non-Indian employees who would benefit from it.

2. Proponents argue that liberalized retirement benefits for non-Indian employees are warranted by their unique position as a result of the new policy of absolute Indian preference. Such benefits are necessary to induce non-Indian employees to retire early and to redress the economic burden they incur as a result.

3. The House Committee report states that the central issue in this legislation is the Federal Government's "good-faith treatment" of this group of adversely affected employees "who were given assurance at the time of hire that they would be able to compete equally with Indians and all other groups of employees for career advancement."

4. It can be argued that historic policy towards Indians in this country distinguishes the case of non-Indian employees from any other group; thus, this legislation need not become a precedent for other groups of Federal employees adversely affected by a change in Federal personnel policy. On this point, the House committee report states that "no other group of Federal employees is subject to such legally sanctioned discrimination." The contention is that the "dramatic" effect of the Supreme Court decision that recognizes the obligation to Indians as supervening the requirements of equal opportunity in promotion, transfer, and other personnel actions, comes after years of dedicated service by many non-Indian employees who do not question the propriety of Indian preference, and who have devoted their lives and careers to Indians.

5. The Committee reports recognize that both agencies are making special efforts to place the affected employees in other jobs, but the members were not convinced that these efforts are sufficient.



Arguments against approval

1. The retirement system is not an appropriate means of solving what is a personnel management problem. Not only would the lack of long-term promotion ladders for non-Indian employees become a charge against the retirement fund, borne by all participants, but the proposed highly preferential annuity formula might well encourage employees to continue working in BIA and IHS in order to enhance their retirement annuities between now and 1986.

2. Interior, HEW, and CSC all believe that the present situation facing the non-Indian employees does not justify the liberalized retirement benefits in the enrolled bill. These employees are not in danger of losing their jobs. Both Departments have special non-Indian placement programs available to find suitable jobs elsewhere in the Departments for those in BIA and IHS who are adversely affected by Indian preference. CSC is also offering counseling and placement assistance. It is not unlikely, however, that many non-Indian employees have resisted these outplacement efforts in anticipation of enactment of preferential retirement benefit legislation, which was first introduced in the 93rd Congress.

3. The annuity formula for eligible non-Indians under the bill is discriminatory in that it would provide more liberal benefits than those provided to any other group of Federal employees. These benefits would be even more favorable than those provided law enforcement and firefighter employees, who have to complete more than 20 years of work specifically in those professions before they are entitled to the same formula. Under H.R. 5465, non-Indian employees need complete only 11 years' Indian agency service (only 2 if retired prior to enactment but after the 1974 Supreme Court decision), a period a good deal less than a full career.

4. The bill's preferential annuity formula would also have inequitable effects within the Indian agencies themselves. On the basis that their long-term opportunity for advancement may be limited in BIA and IHS, eligible non-Indian employees would receive larger annuities than those Indian and non-Indian employees of BIA and IHS who meet the same age and service conditions but who actually lose their jobs as a result of reductions in force, and have to retire on the less liberal involuntary separation formula.

A further inequity would be produced because non-Indian employees in technical and managerial positions for which qualified Indians are not available would not be displaced by Indian preference and would therefore not be able to take advantage of the enrolled bill's special retirement benefits. For example, despite the most diligent recruitment efforts, there are inadequate numbers of Indian candidates for positions in such career fields as medicine and nursing, teaching, social work, forestry, engineering, personnel and financial management. Non-Indian employees in such positions would be able to complete full careers with BIA and IHS and yet would receive proportionately smaller annuities for longer service than would non-Indians eligible under the bill.

5. The policy implicit in H.R. 5465 is that of "buying out" those adversely affected by Indian preference. Such an approach to the sensitive issue of equal opportunity would appear to be undesirable as a matter of public policy, and can be expected to lead to demands by other groups of employees for similar windfall benefits whenever their promotional opportunities are limited for whatever reason. Support of this bill by Indians and non-Indian employees should not obscure the fact that such a policy could be extremely divisive and controversial if others claiming discrimination as a result of statutory and judicial recognition of special obligations towards veterans, minorities, women, etc., were to demand special treatment in the form of compensation.

Recommendations

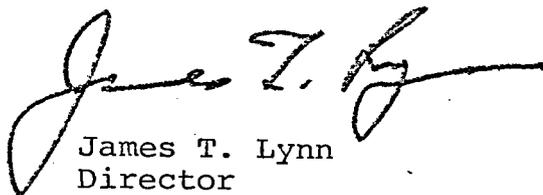
All the concerned agencies--Interior, HEW, and CSC--recommend that you veto H.R. 5465, and have attached veto messages to their views letters for your consideration.

In addition to the points noted above, CSC states that there would be great difficulty in administering in a reasonable and fair way the requirement that an employee demonstrate that he or she has twice been passed over for promotion, transfer, or reassignment. Making this determination with any degree of accuracy for the already-retired, covered retroactively by the bill, would be impossible in CSC's view. CSC concludes that adequate justification does not exist for the Government to assume the cost of the benefits provided in H.R. 5465.

HEW, in summary, believes that "the bill would impose an excessive financial burden on the Federal Government in relation to a personnel problem with which we are able to deal without the expenditure of additional funds."

Interior concludes that "H.R. 5465 does not provide a viable solution to the problems created by Indian preference, nor an acceptable alternative to the Departmental Career Placement Assistance Program, and its potential effect could be an inequitable one."

On balance, we believe the arguments for veto outweigh those for approval. We have prepared a draft veto message, which is a revision and consolidation of the messages proposed by the agencies.



James T. Lynn
Director

Enclosures



TO THE HOUSE OF REPRESENTATIVES

I am returning, without my approval, H.R. 5465, a bill which would provide special retirement benefits to certain non-Indian employees of the Bureau of Indian Affairs (BIA) and the Indian Health Service (IHS) who are adversely affected by Indian preference requirements.

I strongly support the objective of having Indians administer the Federal programs directly affecting them. And I understand the concern of non-Indian employees of these agencies about their long-term career prospects because of Indian preference. But H.R. 5465 is the wrong way to deal with this problem.

This bill is designed to increase employment opportunities for Indians by providing special compensation to non-Indian employees in BIA and IHS who retire early. It seeks to accomplish this purpose by authorizing payment of extraordinary retirement benefits under certain conditions to non-Indian employees of these agencies who retire before 1986--benefits more liberal than those available to any other group of Federal employees under the civil service retirement system. I believe that this approach will result in inequities and added costs that far exceed the problem it is attempting to solve--a problem which is already being addressed through administrative actions by the agencies involved.

H.R. 5465 would provide windfall retirement benefits [only] to a relatively small number of the non-Indian employees of these agencies. The Indian employees and other non-Indian employees in these same agencies would not receive these benefits. The eligible employees are not in danger of losing their jobs. Because they may face



a limited outlook for promotion, the bill would pay these employees costly annuities ^{even though they have completed} ~~after~~ substantially less than a full career. Payments could be made at age 50 after only 20 years of Federal service, of which as little as 11 years need be Indian-agency service. Their annuities would be equivalent to the benefits it would take the average Federal employee until age 60 and 27 years of service to earn.

This would seriously distort and misuse the retirement system to solve a problem of personnel management not essentially different from that encountered in many agencies, and for which there are far more appropriate administrative solutions. The Departments of the Interior and Health, Education and Welfare have established special placement programs to help non-Indian employees who desire other jobs. I am asking the Chairman of the Civil Service Commission to make certain that those placement efforts are rigorously pursued with all agencies of the Federal Government.

Further, these Departments assure me that many non-Indian employees continue to have ample opportunity for full careers with Indian agencies if they so desire. Accordingly, H.R. 5465 represents an excessive, although well-motivated, reaction to the situation. Indian preference does pose a problem in these agencies, but it can and should be redressed without resort to costly retirement benefits.

I am not prepared, therefore, to accept the discriminatory and costly approach of H.R. 5465.

THE WHITE HOUSE

September , 1976





United States Department of the Interior

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

SEP 16 1976

Dear Mr. Lynn:

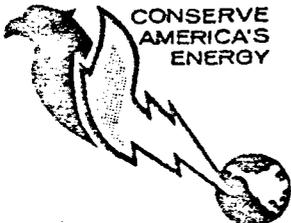
This responds to your request for the views of this Department on enrolled bill H.R. 5465, "To provide additional retirement benefits for certain employees of the Bureau of Indian Affairs and the Indian Health Service who are not entitled to Indian preference, to provide greater opportunity for advancement and employment of Indians, and for other purposes."

We recommend that the President veto the enrolled bill.

Enrolled bill H.R. 5465, concerns the situation of those civil service employees of the Bureau of Indian Affairs and Indian Health Service who are not eligible for "Indian preference" in promotions, lateral transfers, and reassignments within those agencies. The enrolled bill proposes relief by authorizing special treatment designed to encourage non-Indian preference employees to leave the BIA and to aid in their departure.

Under H.R. 5465, a non-Indian preference employee of the BIA or IHS separated from the service after June 17, 1974, is entitled to retire on an immediate annuity at any time until December 31, 1985, if he: (1) has completed 25 years of service at any age or 20 years of service at age 50; (2) has been continuously employed with the BIA or IHS since June 17, 1974; (3) is not otherwise entitled to full retirement benefits; and (4) can demonstrate to the satisfaction of the U.S. Civil Service Commission that he has been passed over at least twice for promotion, transfer, or reassignment to a position representing career advancement because of Indian preference.

An employee who meets these requirements is entitled to an annuity computed at 2.5% of his average pay for the first 20 years of service plus 2% of his average pay for all service thereafter. No provision is made for reducing the annuity of an employee if he is under age 55 at the time of retirement, a requirement of the present early retirement law.



Save Energy and You Serve America!

The bill appears to be based upon the theory that the United States Court of Appeals for the District of Columbia and the Supreme Court decisions of 1974, which established absolute Indian preference in BIA and IHS employment, caught these "eligible employees" in mid-career and left them with little opportunity for advancement in those agencies.

The Department presently operates a Departmental Career Placement Assistance Program (DCPA), specifically implemented in response to this situation, and we believe that this available administrative solution is the most viable approach.

Background

The provision upon which the current Indian preference requirements are based is section 12 of the Indian Reorganization Act of 1934 (48 Stat. 986; 25 U.S.C. 472). In addition, the BIA now encourages tribes to contract for control and operation of most BIA reservation level activities and the January 1975 enactment of section 102 of the Indian Self-Determination Act (88 Stat. 2206; 25 U.S.C.S. 450f) directs the contracting of most BIA activities "upon the request of any Indian tribe".

Two recent court decisions have upheld the validity of section 12 of the Indian Reorganization Act, and its application to initial hires, promotions, transfers and reassignments. They were Freeman v. Morton, 499 F. 2d 494 (D.C. Cir. 1974) and Morton v. Mancari (417 U.S. 535, 1974).

Departmental Career Placement Assistance Program

This Department is aware that the Freeman and Mancari decisions and the implementation of the Indian Self-Determination Act will, in many cases, have an adverse impact upon both non-Indian and Indian employees of the BIA. The Department is committed to providing placement assistance to those Indian and non-Indian employees of the BIA whose jobs or opportunities have been foreclosed by either Indian preference or the Department's Indian Self-Determination policy, and has formulated a program to provide such assistance. This program became fully operational in December, 1975. To date, 147 persons have applied from the BIA, and 10 have been placed.

This program assists BIA employees with placement within other bureaus in the Department, and with locating reassignments in other Federal agencies.

Within the Department, first priority placement assistance is given to competitive career and career-conditional BIA employees when: (1) there is a reduction in force and there are no opportunities

for reassignment within the BIA; (2) an activity or function is being contracted by a tribe and the employee's position is being abolished; and (3) it is imperative to reassign an employee because of certain hardships such as ill-health, or other compelling circumstances. One position offer would be made to employees under the mandatory placement provisions.

Secondary priority placement assistance is afforded to competitive career and career-conditional BIA employees who can demonstrate that they no longer have an opportunity for career advancement in the Bureau because of Indian preference regulations.

The present early retirement law

Under 5 U.S.C. 8336(d) (1) an employee with 20 years of service at age 50 or with 25 years of service at any age is entitled to retire on an immediate annuity if his job is abolished. This provision applies to any eligible employee of the BIA.

Under 5 U.S.C. 8336(d) (2) an employee may voluntarily retire with an immediate annuity if, upon application of his agency to the Civil Service Commission, the Commission determines that such agency has a "major" reduction-in-force (RIF). The agency could then authorize, during a time period prescribed by the Commission, the employee's retirement if he meets the requisite age and service qualifications (same as 8336(d) (1)).

The annuity formula for employees who retire under 5 U.S.C. 8336(d), determined by 5 U.S.C. 8339(h), reduces annuities by 1/6 of 1% for each month the employee is under age 55.

In 1973, 1974 and 1975 the BIA received determinations of major RIFs from the Civil Service Commission under 5 U.S.C. 8336(d) (2). In 1973, 22 BIA employees chose early retirement; 26 employees chose it in 1974; and 167 employees voluntarily retired in 1975. Those who chose to retire were both Indian and non-Indian employees.

The effect of Indian preference and the Indian Self-Determination Act

Not all non-Indian employees of the Bureau of Indian Affairs have been adversely affected by Indian preference as interpreted by recent court decisions. In fact, many non-Indian employees in a number of occupations have had and continue to have remarkably successful careers within the Bureau.

In many career fields (such as Forestry, Engineering, Social Work, Teaching, Personnel Management, and Financial Management) there are not adequate numbers of Indian candidates to fill the large

number of entry level vacancies which exist at any given time in the Bureau. In such fields, Indian preference creates no impediment to non-Indian employees for promotion to the journeyman level of these occupations. This is true, for example, in teaching where 75 percent of vacancies each year are filled by non-Indian employees despite concerted and vigorous attempts to recruit qualified Indians.

However, the effects of Indian preference in some occupations become more apparent above the journeyman levels. Competition for such positions is intense and no Federal employee is offered any guarantee of promotion to supervisory or managerial positions. Nonetheless, even above the journeyman level some promotional opportunities continue to exist for non-Indian employees.

While it is the policy of the Department of the Interior and the Bureau of Indian Affairs to recruit, develop, and utilize qualified Indians to the maximum extent possible, that policy has never precluded the utilization and advancement of non-Indian employees.

The potential impact of H.R. 5465 on the BIA

There are 4,267 permanent employees of the BIA who are without Indian preference, as of June, 1976 rosters. This excludes persons hired or re-hired since June, 1974. 1,375 are now eligible for regular retirement, or will become so before they become eligible for retirement under H.R. 5465. 1,261 do not become eligible for either regular or early retirement by the end of 1985. Therefore, 1,631 are potential beneficiaries under the bill in that they can meet the service and age requirements of H.R. 5465. Their average grade level is 10.5. We would note that this analysis is based on Indian preference as it stands in the current BIA records. However, pursuant to the consent decree signed on April 12, 1976, by the U.S. District Court Judge in Whiting v. United States, Civ. No. 75-3007 (D. S. Dak.), the regulations governing Indian preference are being revised and expanded by the BIA beyond the present 1/4 blood degree requirement to conform to the statutory definition of "Indian" as established by section 19 of the Indian Reorganization Act (25 U.S.C. 479). The general effect will be to increase the number of employees eligible for Indian preference, and we estimate that employees eligible for retirement under H.R. 5465 would be correspondingly decreased by about 9%.

We estimate that the total potential for additional retirement payments amounts to approximately \$108 million. This estimate includes the additional retirement payments made under the bill as compared to payments these persons would receive under regular retirement, plus payments lost to the Retirement Fund by these earlier retirements.



The percentage of the salary paid at retirement under H.R. 5465 is 2.5% for the first 20 years and 2% thereafter. The percentage of salary paid at regular retirement is 1.5% for the first five years, 1.75% for the second five years, and 2% thereafter.

Recommendation

This Department is committed to our assistance program which provides placement assistance to those Indian and non-Indian employees of the BIA whose jobs or opportunities have been foreclosed by either Indian preference or the operation of P.L. 93-638. In our judgment, our program will meet the objectives of H.R. 5465.

Further, the potential effect of H.R. 5465 is an inequitable one. An Indian preference employee whose job is adversely affected by a reduction-in-force or the implementation of Public Law 93-638 could only qualify for early retirement at the present reduced benefits, while a non-Indian preference employee in the identical situation would take advantage of the liberal benefits under H.R. 5465. Our assistance program was specifically designed to avoid any unequal treatment of this sort.

The present situation in the BIA does not justify the liberal retirement benefits contemplated by the enrolled bill which far surpass the benefits available to other Federal employees, and we cannot support such a provision. BIA employees who wish to retire early under 5 U.S.C. 8336 should be subject to the same annuity formula as all other employees who retire pursuant to that provision.

Further, employees of the BIA who are adversely affected by the contracting requirement of P.L. 93-638 may retire pursuant to the provisions of 5 U.S.C. 8336(d).

As enrolled, H.R. 5465 does not provide a viable solution to the problems created by Indian preference, nor an acceptable alternative to the Departmental Career Placement Assistance Program, and its potential effect could be an inequitable one. Accordingly, we recommend that the President veto the enrolled bill.

Sincerely yours,



Assistant Secretary of the Interior

Honorable James T. Lynn
Director, Office of
Management and Budget
Washington, D.C. 20503



DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

SEP 17 1976

The Honorable James T. Lynn
Director, Office of Management
and Budget
Washington, D. C. 20503

Dear Mr. Lynn:

This is in response to your request for a report on H.R. 5465, an enrolled bill "To provide additional retirement benefits for certain employees of the Bureau of Indian Affairs and the Indian Health Service who are not entitled to Indian preference, to provide greater opportunity for advancement and employment of Indians, and for other purposes."

We recommend that the President return the enrolled bill to Congress without his approval, because the bill would impose an excessive financial burden on the Federal government in relation to a personnel problem with which we are able to deal without the expenditure of additional funds.

The enrolled bill would provide for payment, under certain conditions, of an immediate annuity to non-Indian employees of the Indian Health Service (IHS) or of the Interior Department's Bureau of Indian Affairs (BIA) who retire before 1986. An employee would be eligible for the special annuity provided by the enrolled bill if he--

(1) has been continuously employed by the IHS or the BIA since June 17, 1974 (when the Supreme Court upheld the legal validity of giving Indian personnel preference in promotion over non-Indians),

(2) is not otherwise entitled to an immediate annuity under the law,

(3) has been twice passed over for promotion or transfer because of a preference given to an Indian, and



(4) has completed 25 years of Federal service or has reached 50 years of age and has completed 20 years of service; the usual requirement for an immediate annuity is 30 years of service after reaching 55 years of age, or 20 years of service after reaching 60 years of age.

The annuity would be computed at the rate of 2-1/2 percent of an employee's average pay for each of the first 20 years of service and 2 percent for each additional year; the usual computation is 1-1/2 percent of an employee's average pay for each of the first 5 years of service, 1-3/4 percent for each of the next 5 years, and 2 percent for each additional year.

The Congressional Budget Office estimates that enactment of this bill would increase the unfunded liability of the Civil Service Retirement System by \$136 million. An annual appropriation of \$8.4 million over the next 30 years would be needed to amortize this liability. We estimate that approximately 600 non-Indian employees of the IHS would be potentially eligible for the special benefits provided by the enrolled bill, although we cannot say what portion of those employees would actually meet all the criteria specified in the bill for entitlement to the benefits.

Proponents of the enrolled bill maintain that the bill provides in an equitable manner for a relatively small number of Federal employees who, through no fault of their own, are being denied normal career advancement opportunities because of a national policy to increase the participation of Indians in programs which most directly affect the welfare of Indians themselves.

We agree that Indian preference requirements in the IHS may have an adverse impact on some non-Indian employees, but we feel that the enrolled bill is an overreaction to this problem. No employee will actually lose his position due to Indian preference requirements; these requirements apply only to promotions or transfers. Further, the IHS will have a continuing need for a great variety of professional and paraprofessional staff members over the next few years. The Indian population will include some, but not all, of the

The Honorable James T. Lynn

3

persons with the skills needed to fully staff the IHS. Non-Indian personnel will continue to be needed. Finally, within the next month this Department intends to implement an administrative mechanism to provide priority outplacement assistance to those non-Indian employees of the IHS whose career opportunities are adversely affected by the application of the Indian preference requirements.

We feel that the enrolled bill is an excessive reaction to a problem with which we intend to deal administratively. We therefore recommend that the President return the enrolled bill to Congress without his signature. A draft veto message is enclosed.

Sincerely,


Secretary

Enclosure





UNITED STATES CIVIL SERVICE COMMISSION
WASHINGTON, D.C. 20415

CHAIRMAN

September 15, 1976

Honorable James T. Lynn
Director, Office of Management and Budget
Executive Office of the President
Washington, D. C. 20503

Attention: Assistant Director for
Legislative Reference

Dear Mr. Lynn:

This is in reply to your request for the Commission's views on enrolled bill H.R. 5465, "To provide additional retirement benefits for certain employees of the Bureau of Indian Affairs and the Indian Health Service who are not entitled to Indian preference, to provide greater opportunity for advancement and employment of Indians, and for other purposes."

H.R. 5465, if enacted, would provide optional retirement after 25 years of service (not necessarily with BIA or IHS) or after attainment of age 50 and completion of 20 years of service for those non-Indian employees of BIA and IHS who have been continuously employed by that agency since June 17, 1974, who will complete such years of service before December 31, 1985, and who have been passed over on at least two occasions for promotion, transfer, or reassignment to a position representing career advancement because of the granting of preference to Indians in promotions or other personnel actions. The bill provides that the annuities of these employees will be computed at 2 1/2 percent of average pay multiplied by the first 20 years of total service plus 2 percent of average pay multiplied by all years of service in excess of 20 years (with no reduction for age.)

In other words, those qualified non-Indian employees (who in certain cases may still be in their early forties) would have the opportunity to retire with an annuity equal to that of most Federal employees retiring at age 60 or over with approximately 27 years of service.

The Commission recommends that the President veto H.R. 5465.



The Commission does not believe the present situation justifies granting such liberalized retirement benefits to non-Indian employees of BIA and IHS. The special 2 1/2-2% computation formula would, in effect, be a reward for non-Indians who elect to remain employed by the IHS or BIA until December 31, 1985 --- the cutoff date in the bill. Enactment, in our view, would not encourage BIA and IHS non-Indian employees to retire earlier than they otherwise would but would, instead, encourage them to continue working to enhance their retirement annuity computation at such time as they voluntarily decide to retire.

These individuals are not in any danger of losing their jobs. While promotional opportunities are somewhat restricted, they are still available. In a recent check with BIA and IHS, both agencies stated that qualified non-Indians are still being hired and promoted to jobs in occupations where no qualified Indians apply. In addition, non-Indians have the option of requesting a change to different positions either within their respective agencies or to other agencies. In fact, both agencies have set up outplacement assistance plans to help non-Indians who want other jobs. The Commission's area offices have also offered counseling and placement assistance to non-Indians when appropriate. The Commission is very concerned that this type of legislation would set a precedent for other employees who find their promotional opportunities limited for whatever reasons to request similar liberalized retirements.

We are particularly concerned with proposed subsection (g)(5) of section 8336 of title 5. This subsection provides for a non-Indian employee to be eligible for an annuity if he demonstrates "to the satisfaction of the Commission that he has been passed over on at least two occasions for promotion, transfer, or reassignment to a position representing career advancement because of section 12 of the Act of June 18, 1934 (48 Stat. 986) or any other provision of law granting a preference to Indians in promotions and other personnel actions." This criterion is so vague that it would be extremely difficult to administer in a reasonable and fair way. For any promotion action more candidates are considered than could possibly be selected. Normally three to five eligibles are referred to the selecting official under competitive procedures. In a case where a minimally qualified Indian is selected, it is totally inaccurate to say the remaining candidates were "passed over" since only one vacancy existed. The provisions of this subsection would encourage non-Indians to apply for vacancies for which they are minimally qualified and claim they were "passed over" so they would be eligible for liberal retirement benefits. Such a claim could not be substantiated-- the most any eligible could prove is that he was one of the competitive eligibles considered for a vacancy. In addition, it would be difficult to determine who had been "passed over on at least two occasions for promotion, transfer, or reassignment to a position representing career advancement..." (Transfers are made only between Federal agencies, not

within an agency, so this appears to be a misnomer.) As far as reassignments within an agency, many of these are at the discretion of management and do not require use of internal competitive promotion procedures. Reassignments do not necessarily lead to promotions, but might enhance an individual's chance for promotion at a later date.

The bill also provides for the liberalized retirements to be available for qualified non-Indians on a retroactive as well as a prospective basis. We see no way this could be applied fairly in a retroactive way. Since Indian preference has not been a discretionary matter but a mandatory requirement, the Indian agencies have not ranked non-Indians if Indians appeared on a promotion certificate. It would be impossible to reconstruct previously issued certificates with any degree of accuracy. Further, we believe that if a liberal view of "passed over" were adopted for actions from June 17, 1974, through October 1, 1976, it would be inconsistent to prospectively require a more restrictive approach for the period from October 1, 1976, through December 31, 1985.

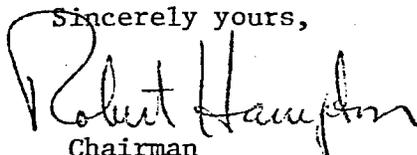
If H.R. 5465 is enacted, we estimate that the unfunded liability of the Civil Service Retirement System would be increased by approximately \$136 million which would be amortized in 30 equal annual installments of \$8.4 million.

To summarize, in addition to the administrative difficulties involved, H.R. 5465, would offer windfall benefits to a select group of non-Indian employees of BIA and IHS whose promotional opportunities are somewhat limited but who are in no danger of losing their jobs. Enactment of such windfall benefits can be expected to lead to demands by other groups of employees in other agencies---for extension of similar benefits to themselves---whenever their promotional opportunities are limited for whatever reason. Adequate justification simply does not exist for the Government to assume the cost of extending such benefits.

For all of the above reasons, the Commission strongly recommends that the President veto the enrolled enactment.

By direction of the Commission.

Sincerely yours,


Chairman



September 20, 1976

MEMORANDUM FOR THE STAFF SECRETARY

FROM: BRADLEY PATTERSON, JR.

Subject: Enrolled Bill Memorandum on H.R. 5465

I concur in OMB's memorandum and in the veto action which it proposes.

I concur in OMB's proposed veto message with two amendments:

- (a) Begin the third sentence of the Message with the words, "I am familiar with and I understand...". This will help underscore to the many anxious employees in BIA and IHS that the President has personally noted the arguments supporting their position.
- (b) Delete from the first full paragraph on page 2 of the Message the words, "Not essentially different from that encountered in many agencies,". Because of the Mancari and Freeman Court decisions, this is a unique problem and it would unnecessarily embitter the affected employees for the President to tell them that their concerns are lumped in with "personnel management" matters allegedly common to many agencies.

cc: Mr. Baroody
BCC: Mrs. Kilberg



THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.:

Date: September 20

Time: 1115am

FOR ACTION: Brad Patterson

cc (for information):

Jack Marsh
Jim Connor
Ed Schmults

Max Friedersdorf

David Lissy

Spencer Johnson

Robert Hartmann (veto message attached)

Bobbie Kilberg

FROM THE STAFF SECRETARY

DUE: Date: September 21

Time: 200pm

SUBJECT:

H.R. 5465-Special retirement benefits for non-Indian employees of the Bureau of Indian Affairs and the Indian Health Service

ACTION REQUESTED:

 For Necessary Action For Your Recommendations Prepare Agenda and Brief Draft Reply For Your Comments Draft Remarks

REMARKS:

please return to judy johnston, ground floor west wing

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

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

James M. Cannon
For the President

THE WHITE HOUSE

WASHINGTON

September 24, 1976

MEMORANDUM FOR THE STAFF SECRETARY

Subject: Revised Figures in the Enrolled Bill Memo
on H.R. 5465

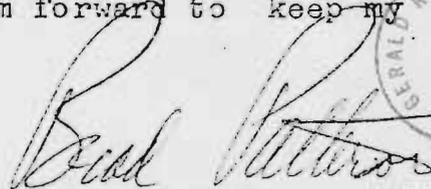
Senator Stevens, a sponsor of HR 5465, called me yesterday to complain that the Civil Service Commission had inaccurately estimated the cost figures for HR 5465. He had met with Chairman Hampton and as a result of that, and some BIA refiguring, more accurate figures (BIA now tells me) should be in that memorandum.

I explained to Ted that the memorandum was on the President's desk, but promised to find out from BIA what the accurate figures were, and to send a memorandum forward to make sure the record was accurate.

The right figures, according to BIA, which belong in the 4th full paragraph on page 2, are:

- a) Assuming that potential retirees would elect to retire at their earliest possible eligible moment: 107 million (instead of 136).
- b) Assuming that potential retirees would wait until the last possible eligible moment to retire early: 40 to 45 million (instead of 136).

I send this memorandum forward to keep my
commitment to Senator Stevens.


Bradley H. Patterson, Jr.

cc: Director Lynn
Commissioner Thompson

Mar Friedendorf



September 20, 1976

MEMORANDUM FOR THE STAFF SECRETARY

FROM: BRADLEY PATTERSON, JR.

Subject: Enrolled Bill Memorandum on H.R. 5465

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cc: Mr. Barody
BCC: Mrs. Kilberg



THE WHITE HOUSE
WASHINGTON

224 7207

Senator

Stevens



Trail to ready
5:35 PM
9/24

MEMORANDUM
OF CALL

TO:

Brad

YOU WERE CALLED BY—

YOU WERE VISITED BY—

Mr. Krivt

OF (Organization)

PLEASE CALL →

PHONE NO.
CODE/EXT. _____

WILL CALL AGAIN

IS WAITING TO SEE YOU

RETURNED YOUR CALL

WISHES AN APPOINTMENT

MESSAGE

544-1112

Tried to reach 5:30 9/24

RECEIVED BY

pt

DATE

9/22

TIME

9:50

STANDARD FORM 63

REVISED AUGUST 1967

GSA FPMR (41 CFR) 101-11.6

GPO : 1969-O-49-16-80341-1 332-359

63-108

MEMORANDUM
OF CALL

TO:

Brad

YOU WERE CALLED BY— YOU WERE VISITED BY—

WALT Connahan

OF (Organization)

Cong. Abdnor's off.

PLEASE CALL PHONE NO. CODE/EXT. _____

WILL CALL AGAIN IS WAITING TO SEE YOU

RETURNED YOUR CALL WISHES AN APPOINTMENT

MESSAGE

225-5765

*Talked
5:30
9/24*

RECEIVED BY

pk

DATE

9/22

TIME

11:15

MEMORANDUM
OF CALL

TO:

Brad

YOU WERE CALLED BY— YOU WERE VISITED BY—

Terry Rogers

OF (Organization)

Fed. AFG Employees

PLEASE CALL → PHONE NO. CODE/EXT.

WILL CALL AGAIN IS WAITING TO SEE YOU

RETURNED YOUR CALL WISHES AN APPOINTMENT

MESSAGE

737-8700

HR. 5465

*Tried to reach
5:30
9/29*

RECEIVED BY

DATE

TIME

9/23

3:05

THE WHITE HOUSE
WASHINGTON

Jim Pore

737-0585

~~That~~

NIFFE

Tried to reach
5:30
9/29



JENNINGS RANDOLPH, W. VA., CHAIRMAN

EDMUND S. MUSKIE, MAINE
JOSEPH M. MONTOYA, N. MEX.
MIKE GRAVEL, ALASKA
LLOYD BENTSEN, TEX.
QUENTIN N. BURDICK, N. DAK.
JOHN C. CULVER, IOWA
ROBERT MORGAN, N.C.
GARY HART, COLO.

HOWARD H. BAKER, JR., TENN.
JAMES L. BUCKLEY, N.Y.
ROBERT T. STAFFORD, VT.
JAMES A. MC CLURE, IDAHO
PETE V. DOMENICI, N. MEX.

M. BARRY MEYER, CHIEF COUNSEL AND CHIEF CLERK
BAILEY GUARD, MINORITY CLERK

United States Senate

COMMITTEE ON PUBLIC WORKS
WASHINGTON, D.C. 20510

September 15, 1976

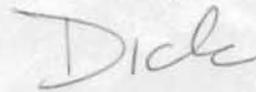
Mr. Brad Patterson
White House Staff
Room 134
Executive Office Building
Washington, D.C.

Dear Brad:

For your information I am enclosing a copy of Senator Domenici's recent letter to the President urging him to support H.R. 5465.

If you have any questions concerning this matter, please call me at 224-6621.

Sincerely,



Richard W. Getzinger
Legislative Assistant
to Pete V. Domenici
United States Senator

RG:ew

Enclosure

*Travel to ranch
5:30 9/19*



L. B. Christensen
3911 Rimrock Road
Billings, Montana 59102



PROCLAIM LIBERTY THROUGH
USA 13c

BELLAMY AWARD SCHOOL
1976
BELLAMY AWARD SCHOOL

**RETURN RECEIPT
REQUESTED**

CERTIFIED

No. 773534

MAIL

The White House
Attention: Mr. Brad Patterson
Washington, D.C. 20501



Billings, Montana
September 17, 1976

The White House
Washington, D.C. 20501

Attention: Mr. Brad Patterson

Dear President Ford:

We are writing to you requesting that you approve legislation, HR-5465, a bill to provide assistance to certain employees of the Bureau of Indian Affairs and the Indian Health Service who have been adversely affected by the sudden and arbitrary application of the Indian preference laws and to provide opportunity for the advancement and employment of Indians.

This legislation seeks a solution to a serious problem in which the non-preference employees of these two Agencies have been and are continuing to be denied competitive opportunities of every type. The Supreme Court decision of June 17, 1974 (Morton vs. Mancari) held that it is appropriate to apply Indian preference to all personnel actions within the Indian Agencies, whereas before preference was applied only to initial appointments--all other actions being competitive under Civil Service laws and regulations and in accordance with the civil and constitutional rights of all employees.

The decision, however, did not consider the effect on the non-Indian career employees who suddenly found their careers seriously jeopardized--and in some cases ended. The affected class has exhausted all administrative remedies in an effort to regain competitive status and salvage their damaged careers.

This legislation provides some recompense for monetary losses suffered through lack of promotional opportunity and through resulting curtailment of earned annuities of the non-preference employee while at the same time enhancing the opportunity for Indian people to enter the mainstream of activities in their efforts to manage their own affairs and to determine their own destinies in accordance with the goals of your administration and those of the Congress.

We wish to point out several reasons why this legislation is necessary and beneficial:

- The morale of all employees, both Indian and non-Indian, within these Agencies is dangerously low. The legislation would bring forth new hope and spirit. The situation should not be permitted to deteriorate further.



- The non-preference employees, virtually without exception, concur in the principle of Indian self-determination, and many have devoted their careers and lives to improving conditions for the Indian people. They now feel unwanted and unappreciated in spite of these efforts.
- Key positions now blocked by non-preference employees will become available, thereby creating jobs and opportunities for Indians. The Indians have waited many, many years for this.
- Many of the affected employees have suffered hardship while living and working on Indian reservations, and many, as well as their families, have endured threats to their lives and property.
- Considerable expertise of certain non-preference employees cannot be fully developed and utilized under present circumstances since these employees are forced to redirect their work priorities to help develop the potential of the Indian employees.
- The non-preference employees of these Agencies accepted appointments in good faith, being given every indication that they could compete to enhance their careers as anyone might expect. These Agencies of the United States Government have not lived up to their commitments, and, as a result, the earning abilities of the affected employees have been restricted through no fault of their own.
- The Department of Interior; Health, Education, and Welfare; and the Civil Service Commission have not carried out their ministerial duties by providing counseling or meaningful assistance to the employees whose careers have been damaged. Outplacement efforts advanced thus far by these three responsible entities have had little, if any, positive results.
- Contrary to fears expressed by Interior, HEW, and the Civil Service Commission, we do not foresee an immediate mass exodus of employees possessing critical skills. Most cannot afford to "retire" on a limited annuity. We anticipate relatively few would leave within the next two to three years due to restrictions imposed by the bill itself, and compounded by certain limitations employees have because of families, mobility, opportunity, etc. Many present non-preference employees providing critical professional skills are not affected by the legislation.

In sincerity and with due respect, we humbly beseech you to consider this plea and sign HR-5465 into law.

With hope and gratitude,



McChentman
3911 Hardrock Road
Billings, MT 59102

Alvin B. Duhaer
1948 Lewis Ave
Billings, MT 59102

Leona E. Mc Giboney
1835 Mulberry Dr.
Billings, MT. 59102

Lenora Weist
Huntley, Mt. 59037

Kathleen S. Brown
420 Glen Dr.
Billings, mt. 59102

Ellen Hoffman
Box 789
Billings, mt 59103

Harvey Dick
1123 2nd St. West.
Billings, MT 59102

George Turner
1335 Center Ave.
Billings, MT 59102

Russ Van Linn
1044 No. 26th St
Billings, MT - 59101

Jeanne L. Fisher
1235 Galton Blvd.
Billings, mt. 59102

John E. Gramann
3456 Timberline Dr
Billings MT 59102

D.A. Thatcher
743 Cook
Billings, MT 59101

DeLo
1370 Hardrock Ln.
Billings, mt 59101

Ruth Dinjus
3907 2nd Ave South
Billings mt 59102

John E. Randall
207 Luster Ave.
Billings MT 59102

Betty J Christensen
1216 Burlington Ave.
Billings, MT 59102

J. M. Anderson
Circle Seven Ranch
Shepherd, MT. 59079





INDIAN RECORD Bulletin

Veto of Bill Concerning Certain Employees of the Bureau of Indian Affairs and the Indian Health Service

*The President's Message to the House of Representatives
Returning H.R. 5465 Without His Approval.
September 24, 1976*

To the House of Representatives:

I am returning, without my approval, H.R. 5465, a bill which would provide special retirement benefits to certain non-Indian employees of the Bureau of Indian Affairs (BIA) and the Indian Health Service (IHS) who are adversely affected by Indian preference requirements.

I strongly support the objective of having Indians administer the Federal programs directly affecting them. I am familiar with and understand the concern of non-Indian employees of these agencies about their long-term career prospects because of Indian preference. But H.R. 5465 is the wrong way to deal with this problem.

This bill is designed to increase employment opportunities for Indians, by providing special compensation to non-Indian employees in BIA and IHS who retire early. It seeks to accomplish this purpose by authorizing payment of extraordinary retirement benefits under certain conditions to non-Indian employees of these agencies who retire before 1986—benefits more liberal than those available to any other group of Federal employees under the civil service retirement system. I believe that this approach will result in inequities and added costs that far exceed the problem it is attempting to solve—a problem which is already being addressed through administrative actions by the agencies involved.

H.R. 5465 would provide windfall retirement benefits to a relatively small number of the non-Indian employees of these agencies. The Indian employees and other non-Indian employees in these same agencies would not receive these benefits. The eligible employees are not in danger of losing their jobs. Because they may face a limited outlook for promotion, the bill would pay these employees costly annuities even though they had completed substantially less than a full career. Payments could be made at age 50 after only 20 years of Federal service, of which as little as 11 years need be Indian-agency service. Their annuities would be equivalent to the benefits it would take the average Federal employee until age 60 and 27 years of service to earn.

This would seriously distort and misuse the retirement system to solve a problem of personnel management for which there are far more appropriate administrative solutions. The Departments of the Interior and Health, Education, and Welfare have established special placement programs to help non-Indian employees who desire other jobs. I am asking the Chairman of the Civil Service Commission to make certain that those placement efforts are rigorously pursued with all agencies of the Federal Government.

Further, these Departments assure me that many non-Indian employees continue to have ample opportunity for full careers with Indian agencies if they so desire. Accordingly, H.R. 5465 represents an excessive, although well-motivated, reaction to the situation. Indian preference does pose a problem in these agencies, but it can and should be redressed without resort to costly retirement benefits.

I am not prepared, therefore, to accept the discriminatory and costly approach of H.R. 5465.

GERALD R. FORD

The White House,
September 24, 1976.



October 5, 1976

Dear Senator:

I wish to acknowledge receipt and thank you for your September 30 letter to the President regarding the problem of providing equitable treatment for non-Indian professionals in the Bureau of Indian Affairs and the Indian Health Service.

You have provided the President with a commentary on this matter which I know will be most helpful to him and his advisers. You may be assured your letter will be called to their attention.

With kindest regards,

Sincerely,

Joseph S. Jenckes V
Special Assistant for
Legislative Affairs



The Honorable Pete V. Domenici
United States Senate
Washington, D. C. 20510

bcc: w/incmg to Brad Patterson for further handling and reply.

JSJ:JEB:VO:em

THE WHITE HOUSE
WASHINGTON

October 6, 1976

NOTE TO PAUL O'NEILL

Paul -- is the President's sentence in his Veto Message considered ipso facto a directive to the Civil Service Commission, or should you or I sign a special memorandum to Chairman Hampton? Should one also go to Interior?

Note Senator Domenici's letter...



Bradley H. Patterson, Jr.



October 5, 1976

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You have provided the President with a commentary on this matter which I know will be most helpful to him and his advisers. You may be assured your letter will be called to their attention.

With kindest regards,

Sincerely,

Joseph S. Jenckes V
Special Assistant for
Legislative Affairs

The Honorable Pete V. Domenici
United States Senate
Washington, D. C. 20510

bcc: w/incmg to Brad Patterson for further handling and reply.

JSJ:JEB:VO:em



10-4

INGS RANDOLPH, W. VA., CHAIRMAN
SKIE, MAINE
MONTROYA, N. MEX.
AVEL, ALASKA
D BENTSEN, TEX.
JUNENTIN N. BURDICK, N. DAK.
JOHN C. CULVER, IOWA
ROBERT MORGAN, N.C.
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HOWARD H. BAKER, JR., TENN.
JAMES L. BUCKLEY, N.Y.
ROBERT T. STAFFORD, VT.
JAMES A. MC CLURE, IDAHO
PETE V. DOMENICI, N. MEX.

*Don't Veto
Memorandum
HR 5465*

United States Senate

M. BARRY MEYER, CHIEF COUNSEL AND CHIEF CLERK
BAILEY GUARD, MINORITY CLERK

COMMITTEE ON PUBLIC WORKS
WASHINGTON, D.C. 20510

September 30, 1976

The President
The White House
Washington, D.C. 20500

Dear Mr. President:

This letter refers to H.R. 5465, a bill designed to provide early retirement benefits to non-Indian employees in the BIA and IHS. As you are already aware through previous correspondence and telephone contacts from this office; I was disappointed to learn of your recent decision to veto this measure.

M/E

*vetoed
9/2*

I understand that your decision was made after a careful consideration of all of the information made available to you. I feel, however, that you have not been provided with an overall accurate picture of the difficult morale problems presently in the BIA and IHS. Qualified non-Indian professionals, deserving of promotion and other benefits, are being passed over due to a national policy of Indian preference. This practice has caused a serious lowering of morale among non-Indians in these agencies.

In the next few months I intend to work to develop a means of providing long-term relief for these non-Indian employees. In the interim, I would urge you, Mr. President, to see that the administrative remedies described in your veto message are implemented. It is my understanding that to this point no real effort has been made to implement the Departmental Career Placement Assistance Program established for this purpose by the Department of the Interior last winter.

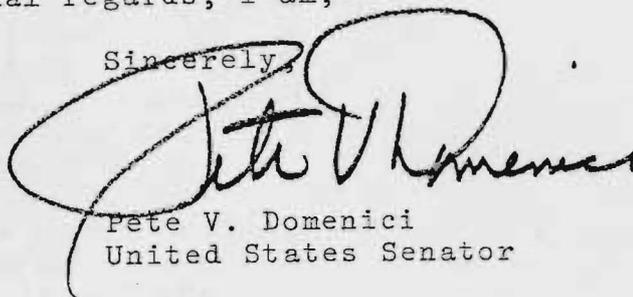
I know, Mr. President, that you and I share the view that individual effort and achievement, by Indians or non-Indians alike, should be fairly and justly rewarded. However, many non-Indian BIA and IHS professionals are presently being treated in a manner inconsistent with this view, in order that another national policy, Indian preference, might be accommodated. Executive action to develop a meaningful program of outplacement to all agencies of the Federal Government, as described in your veto message, will provide some immediate relief for this problem. I hope that you now will move vigorously in this direction.

The President
September 30, 1976
Page 2

I thank you for your kind attention to this matter and I look forward to your advising me of action taken in this regard.

With warmest personal regards, I am,

Sincerely,

A large, stylized handwritten signature in black ink, appearing to read "Pete V. Domenici". The signature is written over the word "Sincerely," and extends to the right of the typed name below.

Pete V. Domenici
United States Senator

PVD: dgam



THE WHITE HOUSE
WASHINGTON

October 8, 1976

NOTE TO ANNE HIGGINS

Anne, this is a serious mistake.
The President vetoed this bill.
Please check all correspondence
re Indians with me.

Bush



THE WHITE HOUSE

WASHINGTON

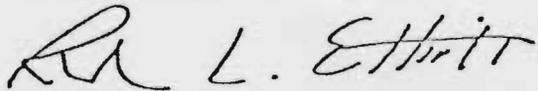
October 4, 1976

Dear Mr. and Mrs. Geary:

President Ford values the views of concerned citizens on important Congressional legislation, and he has asked me to thank you for your thoughtful mailgram. He appreciated knowing of your special interest in H.R. 5465.

As you may know, the President approved this legislation on September 24. With the thought that you would like to see it, I am enclosing a copy of his statement.

Sincerely,



Roland L. Elliott
Director of Correspondence

Mr. and Mrs. John Geary
1823 North Kenmore Street
Arlington, Virginia 22207

Enclosure



October 12, 1976

MEMORANDUM FOR:

The Chairman, Civil Service Commission

SUBJECT: Special Placement Program for Non-Indian
Employees

I attach a copy of the President's veto message on H.R. 5465. You will note its fifth paragraph.

Please prepare, by January 1, 1977, a progress report for the President on the implementation of his directive.

By copies of this memorandum, I am requesting the Secretaries of the Interior and of Health, Education and Welfare to assist you closely in preparing the report desired.

You also should be aware of the enclosed letter from Senator Domenici.

Sincerely,

Bradley H. Patterson, Jr.

cc: The Secretary of the Interior
The Secretary of Health, Education
and Welfare



October 12, 1976

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cc: The Secretary of the Interior
The Secretary of Health, Education
and Welfare



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Bradley H. Patterson, Jr.

cc: The Secretary of the Interior
The Secretary of Health, Education
and Welfare



October 12, 1976

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The Chairman, Civil Service Commission

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Sincerely,

Bradley H. Patterson, Jr.

cc: The Secretary of the Interior
The Secretary of Health, Education
and Welfare



October 19, 1976

MEMORANDUM FOR:

THE CHAIRMAN, CIVIL SERVICE COMMISSION
THE SECRETARY OF THE INTERIOR
THE SECRETARY OF HEALTH, EDUCATION
AND WELFARE

FROM: BRADLEY H. PATTERSON, JR.

With reference to my memorandum of October 12, I would appreciate it if you would bring this letter to the attention of the officers on your staffs who have action responsibility for the matter.

I have acknowledged the letter by telephone.

cc: The Director, OMB



**MEMORANDUM
OF CALL**

TO:

Brad

YOU WERE CALLED BY—

YOU WERE VISITED BY—

Richard Hite

OF (Organization)

Interior

PLEASE CALL →

PHONE NO.
CODE/EXT.

WILL CALL AGAIN

IS WAITING TO SEE YOU

RETURNED YOUR CALL

WISHES AN APPOINTMENT

MESSAGE

343-4701

RECEIVED BY

DATE

TIME

STANDARD FORM 63
REVISED AUGUST 1967
GSA FPMR (41 CFR) 101-11.6

GPO : 1969-O-48-10-50341-1 882-330

63-108



Extended | to be granted |

George Sampson

Deadline of 9/30

Rep Franklin

~~ST~~

FTS-843-9311

Paul Lorenson

John McLure

~~343-1100~~
343-6761



THE WHITE HOUSE
WASHINGTON

December 21, 1976

NOTE TO ART QUERN

These are the master files on this particular subject which will be pending on January 3 after I shall have departed the White House.

Ed Preston is a good contact in OMB on this matter.

Ray Jacobson, the Executive Director of the Civil Service Commission is of course familiar with the matter and it was he who suggested the January 1 deadline; I think the Commission has to prepare something for the Congress by that date also -- on the same subject.



A handwritten signature in cursive script, appearing to be "Ed" or "Edward", located at the bottom center of the page.