

File

Mr. Jameson

91ST CONGRESS
1st Session

HOUSE OF REPRESENTATIVES

REPORT
No. 91-356

SECOND SUPPLEMENTAL APPROPRIATION, 1969

JULY 8, 1969.—Ordered to be printed

Mr. MAHON, from the committee of conference,
submitted the following

CONFERENCE REPORT

[To accompany H.R. 11400]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11400) making supplemental appropriations for the fiscal year ending June 30, 1969, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 3, 10, 12, 15, 17, 24, 41, 64, 78, and 81.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 9, 14, 19, 20, 21, 25, 26, 28, 30, 32, 34, 35, 36, 37, 45, 47, 49, 50, 52, 57, 59, 61, 63, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 79, 80, 82, 83, 84, 85, 86, 88, and 89, and agree to the same.

Amendment numbered 5:

That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert \$5,450,000; and the Senate agree to the same.

Amendment numbered 18:

That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert \$2,850,000; and the Senate agree to the same.

Amendment numbered 22:

That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert \$45,000,000; and the Senate agree to the same.

Amendment numbered 23:

That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert \$45,000,000; and the Senate agree to the same.

Amendment numbered 44:

That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended to read as follows:

DISTRICT OF COLUMBIA MEDICAL FACILITIES

For grants and loans for nonprofit private facilities pursuant to the District of Columbia Medical Facilities Construction Act of 1968 (Public Law 90-457), \$15,000,000, to remain available until expended.; and the Senate agree to the same.

Amendment numbered 48:

That the House recede from its disagreement to the amendment of the Senate numbered 48, and agree to the same with an amendment, as follows:

In lieu of the matter proposed by said amendment insert:

DEPARTMENT OF DEFENSE—CIVIL

DEPARTMENT OF THE ARMY

CORPS OF ENGINEERS—CIVIL

FLOOD CONTROL AND COASTAL EMERGENCIES

For an additional amount for "Flood control and coastal emergencies", \$25,000,000, to remain available until expended.; and the Senate agree to the same.

Amendment numbered 76:

That the House recede from its disagreement to the amendment of the Senate numbered 76, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert \$265,000,000; and the Senate agree to the same.

Amendment numbered 77:

That the House recede from its disagreement to the amendment of the Senate numbered 77, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert \$170,000,000; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 4, 6, 7, 8, 11, 13, 16, 27, 29, 31, 33, 38, 39, 40, 42, 43, 46, 51, 53, 54, 55, 56, 58, 60, 62, 87, 90, 91, and 92.

GEORGE MAHON,
JAMIE L. WHITTEN,
JOHN J. ROONEY,
JOE L. EVINS,
WILLIAM H. NATCHER,
DANIEL J. FLOOD,
FRANK T. BOW,
CHARLES R. JONAS,
ELFORD CEDERBERG,
GLENN R. DAVIS,

Managers on the part of the House.

ROBERT C. BYRD,
RICHARD B. RUSSELL,
JOHN O. PASTORE,
SPESSARD L. HOLLAND,
ALLEN J. ELLENDER,
KARL E. MUNDT,

Managers on the part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11400) making supplemental appropriations for the fiscal year ending June 30, 1969, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

TITLE I—MILITARY OPERATIONS IN SOUTHEAST ASIA

DEPARTMENT OF DEFENSE—MILITARY

Amendment No. 1: Appropriates \$21,500,000 for "Military personnel, Navy," as proposed by the Senate instead of \$14,500,000 as proposed by the House.

Amendment No. 2: Appropriates \$146,000,000 for "Military personnel, Air Force," as proposed by the Senate instead of \$115,000,000 as proposed by the House.

Amendment No. 3: Deletes language for "Operation and maintenance, Marine Corps," proposed by the Senate providing for \$8,910,000 to be derived by transfer.

TITLE II

CHAPTER I—DEPARTMENT OF AGRICULTURE

Amendment No. 4: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate provision of \$4,000,000 for "Soil Conservation Service, flood prevention," for emergency flood prevention measures.

CHAPTER II—DEPARTMENT OF DEFENSE—MILITARY

Amendment No. 5: Appropriates \$5,450,000 for "Reserve personnel, Marine Corps," instead of \$6,400,000 as proposed by the Senate and \$4,500,000 as proposed by the House.

Amendment No. 6: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment to provide for \$500,000 for "Operation and maintenance, Marine Corps," to be derived by transfer.

Amendment No. 7: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment to provide \$1,500,000 for "Operation and maintenance, Army National Guard," to be derived by transfer.

Amendment No. 8: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment to provide \$2,000,000 for "Operation and maintenance, Air National Guard," to be derived by transfer.

Amendment No. 9: Strikes language proposed by the House.

CHAPTER III—DISTRICT OF COLUMBIA

Amendment No. 10: Deletes Senate proposal to appropriate \$18,736,000 in Federal funds for "Loans to the District of Columbia for capital outlay".

Amendment No. 11: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment extending the availability of funds under "Public safety" for the Department of Corrections until September 30, 1969.

Amendment No. 12: Deletes Senate proposal to appropriate \$18,736,000 for "Capital outlay" for the District's share to initiate construction of the basic subway system.

CHAPTER IV—FOREIGN OPERATIONS

Amendment No. 13: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which provides that the \$2,700,000 for "Assistance to Refugees in the United States" shall be derived by transfer instead of by direct appropriation as proposed by the House.

Amendment No. 14: Appropriates \$160,000,000 for "Subscription to the International Development Association" as proposed by the Senate.

CHAPTER V—INDEPENDENT OFFICES

Amendment No. 15: Appropriates \$500,000 for the Office of Emergency Preparedness for "Salaries and expenses, telecommunications," as proposed by the House instead of \$777,000 as proposed by the Senate.

Amendment No. 16: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate to make \$100,000 of the funds provided for the Federal Trade Commission available until September 30, 1969.

Amendment No. 17: Deletes language proposed by the Senate to authorize the National Science Foundation to purchase one aircraft.

Amendment No. 18: Appropriates \$2,850,000 for the Selective Service System instead of \$2,573,000 as proposed by the House and \$3,139,000 as proposed by the Senate.

Amendment No. 19: Appropriates \$276,600,000 for the Veterans' Administration for "Compensation and pensions" as proposed by the Senate instead of \$179,000,000 as proposed by the House.

Amendment No. 20: Appropriates \$89,200,000 for the Veterans' Administration for "Readjustment benefits" as proposed by the Senate instead of \$14,200,000 as proposed by the House.

Amendment No. 21: Appropriates \$53,800,000 for the Veterans' Administration for "Medical care" as proposed by the Senate instead of \$46,189,000 as proposed by the House.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Amendments Nos. 22 and 23: Authorize an increase of \$45,000,000 for annual contract authorization for homeownership assistance instead of \$40,000,000 as proposed by the House and \$50,000,000 as proposed by the Senate; and authorize \$45,000,000 for rental housing assistance instead of \$40,000,000 as proposed by the House and \$50,000,000 as proposed by the Senate.

Amendment No. 24: Deletes item proposed by the Senate to appropriate an additional \$1,000,000 for "Fair housing program."

CHAPTER VI—DEPARTMENT OF THE INTERIOR

Amendment No. 25: Appropriates \$2,781,000 for "Bureau of Indian Affairs, education and welfare services," as proposed by the Senate.

Amendment No. 26: Appropriates \$2,700,000 for "Bureau of Indian Affairs, resources management," as proposed by the Senate instead of \$2,769,000 as proposed by the House.

Amendment No. 27: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment inserting language making \$150,000 available until September 30, 1969.

Amendment No. 28: Deletes House language for a repayable advance to the land and water conservation fund in the amount of \$19,000,000.

Amendment No. 29: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment appropriating \$950,000 for "Office of Territories, administration of territories," as proposed by the Senate.

Amendment No. 30: Appropriates \$2,242,000 for "Geological Survey, surveys, investigations, and research," as proposed by the Senate instead of \$2,092,000 as proposed by the House.

Amendment No. 31: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment appropriating \$750,000 for "Bureau of Mines, health and safety," to remain available until September 30, 1969.

Amendment No. 32: Appropriates \$10,000,000 for the "Helium fund" as proposed by the Senate instead of \$5,000,000 as proposed by the House.

Amendment No. 33: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment inserting language extending the availability of \$250,000 of the total amount until September 30, 1969.

Amendment No. 34: Appropriates \$400,000 for "Bureau of Sport Fisheries and Wildlife, construction," as proposed by the Senate instead of \$200,000 as proposed by the House.

Amendment No. 35: Appropriates \$2,366,000 for "National Park Service, management and protection," as proposed by the Senate instead of \$2,479,000 as proposed by the House.

Amendment No. 36: Appropriates \$1,103,000 for "National Park Service, construction," as proposed by the Senate instead of \$100,000 as proposed by the House.

Amendment No. 37: Appropriates \$24,374,000 for "Forest Service, forest protection and utilization," as proposed by the Senate instead of \$25,028,000 as proposed by the House.

Amendment No. 38: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment inserting language which makes \$460,000 available until September 30, 1969.

Amendment No. 39: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment inserting language making gifts, bequests, and devises of money, and other property received prior to September 1, 1969, available for matching Federal contributions.

CHAPTER VII—DEPARTMENT OF LABOR

Amendment No. 40: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment appropriating \$7,500,000 for "Manpower development and training activities, Manpower Administration," instead of \$10,000,000 as proposed by the Senate.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Amendment No. 41: Deletes Senate proposal to appropriate \$20,280,000 for "Higher educational activities, Office of Education."

Amendment No. 42: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment appropriating \$3,920,000 for "Higher educational activities, Office of Education," instead of \$11,161,000 as proposed by the House and language distributing the \$20,280,000 proposed by the Senate in Amendment No. 41 and will provide that the appropriation shall be for annual interest grants authorized by section 306 of the Higher Educational Facilities Act, as amended.

Amendment No. 43: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which provides that funds appropriated for "Comprehensive health planning and services," Public Health Service, shall remain available until September 30, 1969.

Amendment No. 44: Appropriates \$15,000,000 for "District of Columbia medical facilities," Public Health Service, as proposed by the House.

Amendment No. 45: Appropriates an additional amount of \$21,200,000 to be derived from social security trust funds for "Limitation on salaries and expenses," Social Security Administration.

CHAPTER VIII—LEGISLATIVE BRANCH

Amendment No. 46: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and

concur in the Senate amendment appropriating \$30,000 for the beneficiary of a deceased Senator, language relating to the clerk-hire of Senators, and \$126,900 for Senate "Inquiries and investigations".

CHAPTER IX—PUBLIC WORKS

Amendment No. 47: Inserts chapter number and heading.

Amendment No. 48: Appropriates \$25,000,000 for "Department of the Army, Corps of Engineers—Civil, Flood control and coastal emergencies," as proposed by the Senate.

Amendment No. 49: Inserts heading and appropriates \$45,000,000 for "Atomic Energy Commission, Plant and capital equipment," as proposed by the Senate.

CHAPTER X—DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE, THE JUDICIARY AND RELATED AGENCIES

Amendment No. 50: Changes chapter number.

DEPARTMENT OF JUSTICE

Amendment No. 51: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which makes \$40,000 available until September 30, 1969.

Amendment No. 52: Appropriates \$1,277,000 for "Salaries and expenses, general legal activities," as proposed by the Senate instead of \$1,314,000 as proposed by the House.

Amendment No. 53: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which makes \$101,000 available until September 30, 1969.

Amendment No. 54: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which makes \$162,000 available until September 30, 1969.

Amendment No. 55: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which makes \$737,000 available until September 30, 1969.

DEPARTMENT OF COMMERCE

Amendment No. 56: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which increases the amount available for retirement pay of commissioned officers as provided in "Salaries and expenses, Environmental Science Services."

THE JUDICIARY

Amendment No. 57: Appropriates \$1,948,000 for "Salaries of judges," as proposed by the Senate instead of \$1,975,000 as proposed by the House.

Amendment No. 58: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and

concur in the Senate amendment which makes \$205,000 available until September 30, 1969.

Amendment No. 59: Inserts heading as proposed by the Senate.

Amendment No. 60: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which appropriates \$850,000 for "Fees and expenses of court-appointed counsel" for the fiscal year 1968.

Amendment No. 61: Appropriates \$850,000 for "Fees and expenses of court-appointed counsel" for fiscal year 1969, as proposed by the Senate.

Amendment No. 62: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which makes \$10,000 available until September 30, 1969.

CHAPTER XI—DEPARTMENT OF TRANSPORTATION

Amendment No. 63: Changes chapter number.

Amendment No. 64: Deletes proposal of the Senate to appropriate \$2,000,000 to remain available until December 31, 1969, for "Office of the Secretary, salaries and expenses".

CHAPTER XII—TREASURY DEPARTMENT

Amendment No. 65: Changes chapter number.

Amendment No. 66: Appropriates \$470,000 for "U.S. Secret Service, salaries and expenses," as proposed by the Senate.

EXECUTIVE OFFICE OF THE PRESIDENT

Amendment No. 67: Appropriates \$100,000 for "Council of Economic Advisers, salaries and expenses," as proposed by the Senate instead of \$107,000 as proposed by the House.

Amendment No. 68: Appropriates \$147,000 for "National Security Council, salaries and expenses," as proposed by the Senate instead of \$200,000 as proposed by the House.

CHAPTER XIII—CLAIMS AND JUDGMENTS

Amendment No. 69: Changes chapter number.

Amendments Nos. 70 and 71: Appropriate \$18,188,688 for claims and judgments as proposed by the Senate instead of \$16,880,812 as proposed by the House.

TITLE III—INCREASED PAY COSTS

Amendment No. 72: Appropriates \$2,699,602 for various Senate items.

Amendment No. 73: Appropriates \$174,000 for "Senate office buildings" and \$6,500 for "Senate garage" as proposed by the Senate.

Amendment No. 74: Appropriates \$2,114,000 for "General Accounting Office, salaries and expenses," as proposed by the Senate instead of \$2,214,000 as proposed by the House.

Amendment No. 75: Appropriates \$2,000,000 for "Consumer and Marketing Service, consumer protective, marketing, and regulatory programs," as proposed by the Senate instead of \$2,300,000 as proposed by the House.

Amendment No. 76: Appropriates \$265,000,000 for "Military personnel, Army," instead of \$230,000,000 as proposed by the House and \$300,000,000 as proposed by the Senate.

Amendment No. 77: Appropriates \$170,000,000 for "Military personnel, Navy," instead of \$160,000,000 as proposed by the House and \$198,700,000 as proposed by the Senate.

Amendment No. 78: Appropriates \$45,000,000 for "Military personnel, Marine Corps," as proposed by the House instead of \$61,500,000 as proposed by the Senate.

Amendment No. 79: Appropriates \$267,600,000 for "Military personnel, Air Force," as proposed by the Senate instead of \$214,000,000 as proposed by the House.

Amendment No. 80: Appropriates \$16,400,000 for "National Guard personnel, Army," as proposed by the Senate instead of \$13,000,000 as proposed by the House.

Amendment No. 81: Deletes language proposed by the Senate providing for transfer of \$3,600,000 to "Operation and maintenance, Defense agencies."

Amendment No. 82: Provides \$1,100,000 for "Department of the Army, Corps of Engineers—Civil, general expenses," to be derived by transfer from the amount reserved under "Construction, general," as proposed by the Senate, instead of \$1,000,000 as proposed by the House.

Amendments Nos. 83, 84, 85, and 86: Delete and insert certain language for "Indian health activities" regarding the transfer from reserves pursuant to section 201 of Public Law 90-364 for pay increase costs as proposed by the Senate.

Amendment No. 87: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate to authorize release of \$4,000 reserved pursuant to section 201 of Public Law 90-364 for the Federal Savings and Loan Insurance Corporation as proposed by the Senate.

Amendment No. 88: Appropriates \$41,000 for "Foreign Claims Settlement Commission, salaries and expenses," as proposed by the Senate instead of \$32,000 as proposed by the House.

Amendment No. 89: Appropriates \$400,000 for "National Labor Relations Board, salaries and expenses," as proposed by the Senate instead of \$250,000 as proposed by the House.

TITLE IV—LIMITATION ON FISCAL YEAR 1970 BUDGET OUTLAYS

Amendment No. 90: Reported in technical disagreement. A motion will be offered to insert a conference substitute for both the House and Senate versions. The Senate struck the House version.

The conference substitute will impose an overall ceiling on expenditures and net lending (budget outlays) of the Government during the fiscal year 1970. As agreed to by the conferees, the *initial* ceiling stated in the provision is \$191,900,000,000—or \$1,000,000,000 below

the amount in the House bill and also \$1,000,000,000 below the revised projection of 1970 budget outlays announced by the President on April 12 and summarized in the review of the 1970 budget released April 15, and appearing in the Congressional Record of April 16, at pages E2993-E2996.

The conference agreement retains the House language that would operate continuously to adjust the ceiling, as appropriate, to comport with the estimated budget outlay effect of specific congressional actions or inactions in appropriation bills or other bills having an impact on the April 15 budgetary proposals. The conferees have added language to this part of the provision to also make it clear that other actions by the Congress would operate to adjust the ceiling in like fashion. These budgetary and other actions would result in adjustments of the ceiling whether initiated by the President or by the Congress.

And language is included to provide that net reductions made through specific congressional actions or inactions in the various spending bills will count toward the aforementioned \$1 billion expenditure reduction rather than being in addition to it.

The conference agreement makes two adjustments to the original House provision. One is the addition, as subsection (b), of a limited lump-sum exemption to the ceiling figure. This exemption would permit the President, after notification in writing to the Congress stating his reasons therefor, to adjust the ceiling figure by an aggregate amount not exceeding \$2,000,000,000 in respect to variations in estimates for items enumerated in subsection (b) upon his determination that expenditures and net lending (budget outlays) for the enumerated items will vary from the estimates on which the \$192.9 billion April 15 executive budget projection is based. The enumerated items in all instances involve objects and programs for which the budget outlays arise out of appropriations or other authority, or relate to estimated receipts that operate to offset budget outlays, that *do not require current action by the Congress*—in other words, permanent appropriations or other spending authority contained in basic law, or actions or inactions that operate otherwise to determine budget outlays under the unified budget concept.

The other adjustment to the original House provision is the \$1 billion reduction. The House bill made no reduction; it was directed primarily to securing *focus* on and ceiling *control* of all spending, not primarily to expenditure *reduction*.

CONTRAST OF CONFERENCE AGREEMENT WITH HOUSE AND SENATE VERSIONS

The House version is explained in considerable detail beginning on page 118 of House Report 91-252. The Senate committee version was modified in some particulars on the floor, but the basic thrust and key features of the Senate version are explained on page 47 of Senate Report 91-228. Briefly:

The House provision was all encompassing; it contained no exemptions. And it did not seek to make a blanket reduction in the projected budget outlay total. The thrust of the House provision was to put the control of *total* spending in the hands of Congress, adjustable *only* by the Congress.

The Senate provision, unlike the House provision, did not put a ceiling on *total* budget outlays. The Senate provision exempted from the ceiling over half of projected expenditures and net lending—about \$111.7 billion on the basis of currently estimated amounts. And the Senate provision would have imposed a reduction of at least \$1,900,000,000 in the nonexempted areas of the budget, that is, against areas involving budget outlays of about \$81.2 billion as projected in the April 15 review. It would, in turn, have fixed a firm statutory ceiling of \$79.3 billion on budget outlays in the nonexempted areas. In the exempted items, budget outlays could rise as high as the requirements were determined to be. The President would have to make the necessary reductions to the extent the Congress, through its budgetary actions during the session, did not achieve the \$1,900,000,000 figure.

The conference agreement would likewise require the President to make any reductions necessary to achieve the \$1,000,000,000 cut to the extent Congress, through its budgetary actions during the session, did not do so.

Since the conference agreement sets a comprehensive ceiling which would be continuously adjustable based on congressional actions or inactions on budgetary proposals whether initiated by the President or by the Congress and whether or not inside or outside the April 15 budget review totals, there is no necessity to exempt any area of the budget that Congress normally acts upon each year. Approval of supplemental appropriations to meet existing unbudgeted requirements would be the basis for a corresponding adjustment in the ceiling on budget outlays.

But the situation is different where additional budget outlays—not contemplated in the April 15 budget review or found practicable within the \$191.9 billion ceiling figure—arise in respect to *programs and items on which Congress does not act annually* to supply the appropriation or other outlay authority. These are mainly the so-called permanent authorizations that each year automatically stem from various basic laws and thus are not acted upon in the annual bills. It is for a limited number of these instances—instances involving generally large sums and where it is difficult to make accurate projections—that the conferees have made provision, in subsection (b), for the President, if he finds it necessary and so notifies Congress, to allow the increased expenditures above the related estimates on which the \$191.9 billion April 15 budget was based. The conference agreement puts a dollar limit of \$2,000,000,000 on how far the President can go in so adjusting the ceiling.

The items in respect to which the Presidential adjusting authority could operate if found necessary are:

On page 16 of the budget:

(1) Items designated “Social security, medicare, and other social insurance trust funds”;

(2) The appropriation “National service life insurance (trust fund)” included in the items designated “Veterans’ pensions, compensation, and insurance”;

(3) The item “Interest”; and

(4) The item “Farm price supports (Commodity Credit Corporation)”.

Decline of receipts (credited in the budget against expenditures and net lending) derived from—

(1) Sales of financial assets of programs administered by the Farmers Home Administration, Export-Import Bank, agencies of the Department of Housing and Urban Development, the Veterans' Administration, and the Small Business Administration; and

(2) Leases of lands on the Outer Continental Shelf.

Subsection (c) of the conference agreement retains the House provision in respect to periodic executive reports on the operation of the ceiling provision.

LIMITATION ON NUMBERS OF CIVILIAN EMPLOYEES

Amendment No. 91: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate, repealing section 201 of the Revenue and Expenditure Control Act which placed limitations on filling of vacancies in certain full-time permanent civilian positions in the Government and on the number of temporary and part-time employees in certain Government agencies.

In section 201 itself, and in subsequent enactments in the last session, Congress exempted from the limitations and restrictions about one-third of the Government's full-time permanent positions and about two-thirds of the Government's temporary and part-time positions.

While section 201 was adopted as part of an economizing measure, the conferees are agreed that its impact is, in some cases, contrary to efforts to economize. The weight of the evidence is clear: It has cost much more than it has saved, not only in cases where dollar losses through operation of the section can be identified and estimated, but also in many other less measurable instances through the introduction of imbalances and inefficiencies into day-to-day administration.

It has, according to the evidence, resulted in costly overtime work.

It has, according to the evidence, resulted in a large loss of internal revenue collections to the Treasury.

It has, according to the evidence, resulted in inefficient utilization of personnel.

Particulars in these respects are cited in House Reports 91-264 and 91-265, on the appropriation bills for the Departments of Treasury, Post Office, and Agriculture, and in Senate Report 91-228 on this second supplemental appropriation bill.

The Committee on Appropriations, because of the costly and impractical consequences of operations under section 201, is embarked on a suspension plan for every agency as the appropriation bills are reported. The House has already suspended section 201 with respect to the Departments of Treasury, Post Office, Agriculture, HUD, and many independent agencies during the fiscal year 1970. The motion to be offered would repeal the section altogether.

Congress will, of course, continue to control Federal employment through the traditional appropriations process by providing or withholding appropriations for salaries.

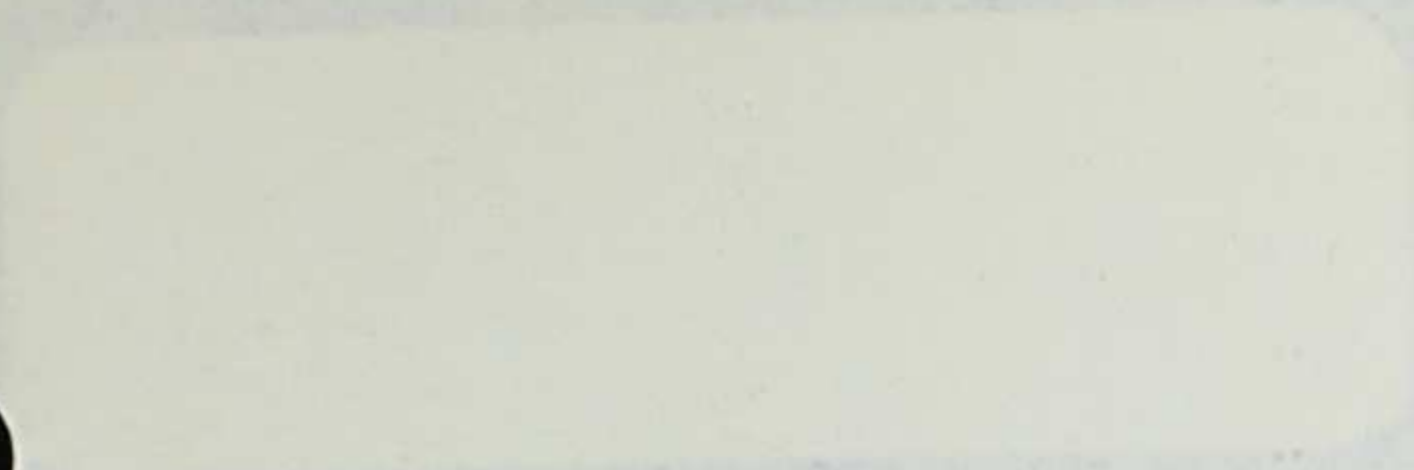
AVAILABILITY OF FUNDS

Amendment No. 92: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment in order to validate obligations incurred between July 1, 1969, and 5 days following approval of the act.

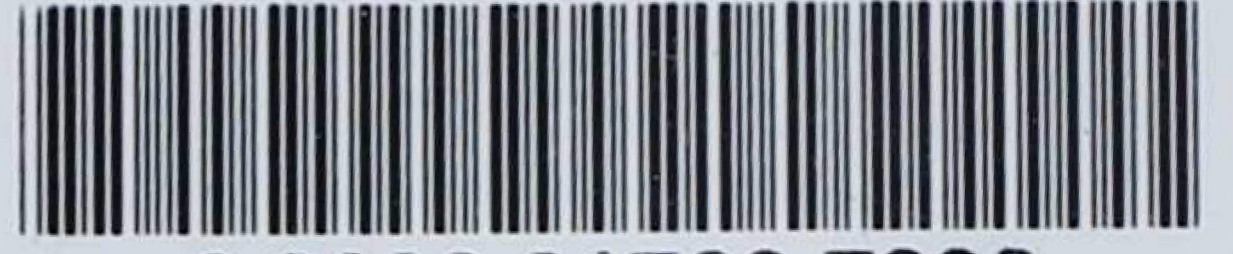
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Managers on the Part of the House.





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