

Calendar No. 236

87TH CONGRESS }
1st Session }

SENATE

{REPORT
{No. 264

JOINT COMMITTEE ON THE BUDGET

To Accompany S. 529

AMENDING THE LEGISLATIVE REORGANIZATION ACT OF
1946 TO PROVIDE FOR MORE EFFECTIVE EVALUATION
OF THE FISCAL REQUIREMENTS OF THE EXECUTIVE
AGENCIES OF THE GOVERNMENT OF THE
UNITED STATES

REPORT

OF THE

COMMITTEE ON GOVERNMENT OPERATIONS
UNITED STATES SENATE



MAY 18, 1961.—Ordered to be printed

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MAY 18, 1961.—Ordered to be printed

Mr. McCLELLAN, from the Committee on Government Operations,
submitted the following

R E P O R T

[To accompany S. 529]

The Committee on Government Operations, to whom was referred the bill (S. 529) to amend the Legislative Reorganization Act of 1946 to provide for more effective evaluation of the fiscal requirements of the executive agencies of the Government of the United States, having considered the same, report favorably thereon and recommend that the bill do pass.

PURPOSE

The purpose of this bill is to provide the Congress with the machinery necessary to enable it to meet its constitutional responsibilities in connection with the appropriation of funds required for the conduct of the Federal Government. It seeks to accomplish this objective by establishing a Joint Committee on the Budget, composed of members of the Senate and House Appropriations Committees, which would assist the Congress in exercising adequate control over the expenditure of public funds by the executive branch of the Government.

S. 529 is designed to provide the same kind of expert staff facilities and detailed technical information for the Appropriations Committees of the Congress as the Bureau of the Budget provides for the executive branch. Precedent for this action is found in the Joint Committee on Internal Revenue Taxation which has provided joint expert staff facilities and technical information for the revenue committees of both Houses of the Congress for more than a quarter of a century.

This bill, sponsored by 67 Members of the Senate, is identical to S. 1585 approved by the Senate in the 85th Congress. The Senate also approved similar bills in the 82d and 83d Congresses, after extensive hearings, and in the 84th Congress. The pending bill includes perfecting amendments adopted by the committee since it was first reported and approved by the Senate on April 8, 1952. A complete

legislative history of the proposed legislation is included in Sen Document 11, 87th Congress, on "Financial Management in the Federal Government", filed in the Senate by the Committee on Government Operations on February 13, 1961, beginning at page 195.

NEED FOR LEGISLATION

For many years, the Congress has labored under a tremendous disadvantage in connection with budget requests and justifications. Requests for funds are made by the executive branch, and witnesses who appear before the Appropriations Committees in support of these requested appropriations represent exclusively the point of view of that branch of the Government. Since it is their duty as officers of the Government to support all items contained in the President's budget, it becomes their function and responsibility to demonstrate that the specified amounts are necessary. For the most part, these requests are supported by elaborate justifications, based upon extensive agency research, and by the testimony of technical experts who have devoted many years to the fields in which they are working, and whose main objective is to continue or extend the programs and operations of their respective agencies. Testimony from the public, except from witnesses appearing in behalf of public works projects, is rarely received, and, in a vast majority of instances, the only manner in which the public interest can be considered and protected, with respect to the purpose for which the funds are sought or their need or adequacy, is through careful scrutiny of requests and justifications by members of the Appropriations Committees. Other Members of Congress must rely largely upon the recommendations of these committees when funds are appropriated by the House and the Senate.

The material contained in the Federal budget is developed and assembled by a vast number of persons in the departments and agencies, reviewed and reorganized by each department and agency, and finally reviewed, revised, and finalized by the Bureau of the Budget where some 450 persons are involved in the preparation and submission of the final document. In the Washington area alone, a total of some 2,000 persons in executive branch departments and agencies are involved in the preparation of the budget each year. In addition to the Federal budget itself, a tremendous amount of detailed information is supplied in written form to the House and Senate Appropriations Committees, and presented orally at hearings which last for many months and cover thousands of typed and printed pages. Finally, when the requests are reduced to the form of legislative proposals, there are usually between 12 and 15 appropriations bills running hundreds of pages and containing thousands of separate items.

Unfortunately, committee members are so heavily burdened by other legislative duties and responsibilities that they are unable personally to give the necessary attention to each budget item.¹ Equally important, however, is the fact that they do not have adequate facilities for obtaining the information necessary to enable them to pass accurate judgment on the necessity for the budget requests. Thus, for the most part, they are forced to rely upon the representations made by the respective initiating agencies of the executive

¹ See S. Rept. 96, 85th Cong., on "Activities of the U.S. Senate."

branch, whose representatives appear before these committees in an ex parte type of proceeding for the sole purpose of justifying their requests for funds. As a result, the Congress is often unable to obtain impartial information and facts to enable it to effect needed economies in the operations of the Government. Because the Congress is not adequately equipped to carry out its fiscal responsibilities, many millions of dollars have been appropriated in excess of the actual requirements of the Federal Government. These excesses have, in turn, added to the large recurring deficits which must be passed on to already overburdened taxpayers.

The duties and responsibilities of the Appropriations Committees, in connection with examining and passing upon budget requests for the operation of the Federal Government, have increased tremendously in recent years. These committees are presently staffed with competent professional personnel. It is virtually impossible, however, for their relatively small staffs to examine and evaluate the annual budget with its many thousands of items, running to approximately 1,200 pages of telephone-book size each year, within the very limited time available. This precludes the detailed analysis which is so essential to the performance of the congressional function of controlling Federal expenditures.

The action taken on March 12, 1957, by the House of Representatives in adopting a resolution requesting the President to indicate the places and amounts in his budget where he thinks substantial reductions may best be made, is a clear indication that the Congress does not have adequate information upon which to act in carrying out its constitutional responsibilities for maintaining adequate controls over Government expenditures.

The ever-increasing cost of operating the Federal Government, with annual budgets now exceeding 80 billions of dollars—an increase of \$36 billion over total budget expenditures for fiscal year 1951, when this committee first recommended this legislation—and continued annual deficits of billions of dollars that pyramid the already astronomical national debt, dictates the compelling necessity of reducing the cost of government, where it is prudent to do so, in order to restore sound fiscal policies.

Members of the Congress have learned from contacts with the people back home that there is a tremendous ground swell of public sentiment for economy in government, and demands for action in eliminating unnecessary expenditures in the operations of the Government. S. 529 is designed to remedy the existing deficiencies relative to appropriation procedures and the expenditure of public funds by providing the machinery necessary to enable the Congress to accomplish this objective, to which practically all Members are dedicated.

As important as are the services rendered by the Joint Committee on Internal Revenue Taxation in the revenue field, the proposed Joint Committee on the Budget would be in a position to render far greater service to the Congress in a field that is much broader in nature and scope. Its functions would include analyses and reports on the details of program operations, a review of the actual administration of authorized functions, and the compilation of data on agency activities and program conformity with legislative authority, for the information of the Appropriations Committees and other committees, and to make such data available to individual Members of the Con-

gress. With this information before them, the Appropriations Committees will be in a position to exercise informed judgment in supplying only such funds as are necessary. The importance of providing this type of service for the committees dealing with the appropriation of public funds is emphasized by the scope of the problems involved and the magnitude of Federal appropriations and expenditures.

This bill represents the culmination of 10 years of careful study by the Committee on Government Operations, in an effort to evolve some method by which congressional fiscal procedures and controls can be improved in order that the legislative branch may assume its rightful position with respect to vital decisions affecting the future of the Nation. Confronted with imposing and increasing threats to the national economy because of ever-mounting spending pressures, both from internal sources and from abroad, it is essential that the Congress delay no longer in meeting this issue head on. This committee believes that S. 529 offers a sound approach to the solution of these problems, in that it would definitely equip the legislative branch with adequate machinery to examine carefully every item of expenditure, so that appropriations may be limited to only as much and no more than is actually required to provide the minimum funds essential to the successful operation of the Government.

This proposed legislation is designed to remedy serious deficiencies related to appropriation procedures and the expenditure of public funds. It constitutes a positive approach to the elimination of extravagance, waste, and needless or excessive appropriations. The Senate has repeatedly attempted to enact legislation which would provide the machinery necessary to effect reductions in Federal expenditures. On recommendations of the Committee on Government Operations, the Senate approved, in the 82d, 83d, 84th, and 85th Congresses, bills similar or identical to the pending bill. The original bill (S. 913) was approved by a vote of 55 to 8 in the 82d Congress and, after the committee had adopted further perfecting amendments, passed the Senate under unanimous consent in the 83d (S. 833), 84th (S. 1805), and 85th (S. 1585) Congresses. The House of Representatives in each instance has withheld approval of these bills, although no vote has ever been permitted on the merits of the proposal. The Congress and its Appropriations Committees continue to labor under a tremendous handicap in passing judgment on budget requests for the executive branch of the Government.

Failure to provide adequate facilities for the procurement of factual information that is needed and indispensable to enable the Congress and its committees to make sound and judicious determinations with respect to appropriations requested in the budget, has resulted in a demand on the part of the public for remedial action. It is the view of the committee that the subject bill will meet and satisfy that demand.

HOOVER COMMISSION RECOMMENDATIONS

The Commission on Organization of the Executive Branch of the Government made specific recommendations to the Congress with a view to improving governmental budget and accounting methods and procedures. Legislation to implement part of the Hoover report was approved in the 85th Congress (S. 434, Public Law 85-759), requiring the submission of appropriation requests on an annual accrued ex-

penditure basis, but there have been certain objections raised by the House Committee on Appropriations to this requirement on the premise that it might seriously impair the effectiveness of the committee in providing appropriate funds under contract authorizations.

Although, in the view of the committee, the authority vested in the Joint Committee on the Budget, proposed to be established under the provisions of S. 529, is sufficiently broad to permit the joint committee to carry out all of the recommendations of the Hoover Commission relating to budgeting and accounting, language was included in the bill (subsec. (j)) to provide permissive authority to the proposed joint committee to require the submission of budgets on an annual accrued expenditure basis by any agency, if the Committee on Appropriations or the joint committee so directs.

It is the view of the committee that the pending bill, which is sponsored by 67 Senators,² will not only provide the Congress with adequate facilities to carry out its constitutional functions and to retain control over the purse string, but will establish a medium through which the necessary economies in governmental operations can be effected. Its provisions are broad enough to fully effectuate all of the recommendations of the Hoover Commission by utilization of the authority vested in the proposed Joint Committee on the Budget, with the further advantage of retaining complete legislative control over the submission of annual budget requests on any basis desired, and over all appropriations and the expenditure of Federal funds based upon complete data developed by competent staff.

ACTION BY THE SENATE IN PREVIOUS CONGRESSES

That the Congress is aware of the serious deficiencies in its own fiscal operations is evidenced by the fact that it has already acknowledged the need for exercising more effective controls over the purse strings, through the enactment of section 138 of the Legislative Reorganization Act of 1946, which was conceived with a view to improving and modernizing the fiscal procedures of the Congress in the consideration of the executive budget. This meritorious and well-intentioned effort on the part of the Congress, although failing to attain the objectives for which it was created, has served a useful purpose in pointing up the essential need for finding a workable substitute.

A bill similar to S. 529 was first introduced on February 19, 1950, in the 81st Congress (S. 2898) by Senator McClellan, chairman of the Committee on Government Operations. In 1952, at the beginning of the 82d Congress, the chairman reintroduced the bill, with some minor revisions, as S. 913. After public hearings and careful consideration, the Senate Committee on Government Operations unanimously reported S. 913 favorably. On April 8, 1952, following full debate, the Senate approved the bill by 55 to 8, on a rollcall vote. It

² Mr. McClellan, Mr. Allott, Mr. Bartlett, Mr. Beall, Mr. Bennett, Mr. Bible, Mr. Blakley, Mr. Bridges, Mr. Burdick, Mr. Bush, Mr. Butler, Mr. Byrd of Virginia, Mr. Cannon, Mr. Capehart, Mr. Carlson, Mr. Carroll, Mr. Case of New Jersey, Mr. Case of South Dakota, Mr. Chavez, Mr. Church, Mr. Clark, Mr. Cooper, Mr. Cotton, Mr. Curtis, Mr. Dirksen, Mr. Dodd, Mr. Douglas, Mr. Eastland, Mr. Engle, Mr. Ervin, Mr. Fulbright, Mr. Goldwater, Mr. Gruening, Mr. Hickenlooper, Mr. Holland, Mr. Hruska, Mr. Humphrey, Mr. Jackson, Mr. Javits, Mr. Johnston, Mr. Keating, Mr. Kefauver, Mr. Lausche, Mr. Long of Hawaii, Mr. Magnuson, Mr. McGee, Mr. Miller, Mr. Monroney, Mr. Morse, Mr. Morton, Mr. Mundt, Mr. Muskie, Mr. Pastore, Mr. Pell, Mr. Prouty, Mr. Proxmire, Mr. Schoeppel, Mr. Scott, Mr. Smathers, Mr. Sparkman, Mr. Stennis, Mr. Symington, Mr. Talmadge, Mr. Thurmond, Mr. Wiley, Mr. Williams of Delaware, and Mr. Young of North Dakota.

failed of passage in the House. After the House had rejected a resolution of indefinite purport for consideration of a bill similar to S. 913 (H.R. 7888), thus preventing consideration of the proposal on its merits, the chairman inserted the language of S. 913 as an amendment to the supplemental appropriation bill (H.R. 8370) which, at the insistence of the House conferees, was stricken in conference.

The bill was again reintroduced by Senator McClellan in the 83d Congress as S. 833, under the sponsorship of 57 Members of the Senate. It was reported favorably on May 19, 1953, by Senator Margaret Chase Smith, chairman of the Subcommittee on Reorganization, after further hearings before that subcommittee, with amendments. It passed the Senate on May 23, 1953, under unanimous consent, and was referred to the House Committee on Rules, where no further action was taken.

In the 84th and 85th Congresses, committee bills S. 1805 and S. 1585, which contained further perfecting amendments, were introduced by the chairman, reported unanimously by the committee, and passed the Senate by unanimous consent on May 19, 1955, and on April 4, 1957, respectively. These also failed to receive favorable consideration in the House of Representatives.

ENDORSEMENTS OF PROPOSALS FOR CREATION OF A JOINT COMMITTEE
ON THE BUDGET

Hearings on S. 529 were held to be unnecessary since extensive hearings were held on the predecessor bills, S. 913, during the 82d Congress in 1951 and S. 833 in the 83d Congress, and the committee has reviewed its previous actions, and adopted perfecting amendments to successive bills extending over a period of 10 years. Witnesses representing the Congress, the Tax Foundation, Inc., State taxpayers associations from all sections of the country, the American Institute of Accountants, National Association of Manufacturers, and various other groups strongly supported the objectives of the bill, although there were some differences as to the detailed provisions of such proposed legislation which were eliminated in S. 1805 and in S. 1585 in the 84th and 85th Congresses and in the pending bill.

Following the hearings on S. 913 in 1951, the committee also held extensive hearings on proposed amendments to the Legislative Reorganization Act of 1946, in carrying out its functions to evaluate the effects of laws enacted to reorganize the legislative branch. At these subsequent hearings numerous witnesses urged that immediate steps be taken by the Congress to improve its fiscal controls.

Typical of the statements made in connection with the pending proposal is the following extract quoted from the testimony of Mr. Carter W. Atkins, executive director of the Connecticut Public Expenditure Council, who appeared before the committee on June 13, 1951:

My own recommendation is that we forget about revising the legislative budget and concentrate our energies in the direction proposed by your committee chairman in S. 913, which provides for the Joint Committee on the Budget.
* * * Control of Federal finances will only be achieved by constant and continuous attention to the problem by the most competent professional and technical staff obtainable, working under conditions which favor their retention in office

regardless of what party is in power. We need a joint committee to control Federal spending as much as we need the presently highly regarded Joint Committee on Internal Revenue Taxation, and we need a staff qualified to do the job the committee is authorized to perform. A few days of frantic effort in the early days of the Congress and a halfhearted declaration of congressional intent, as expressed in a resolution adopting the legislative budget, are no substitute for good, hard, continuous work by an interested committee backed by highly able staff work. I do not, therefore, recommend that the legislative budget be resuscitated, but rather suggest that this is one sleeping dog that should be allowed to rest in peace, and permanently.

Mr. Frederick J. Lawton, then Director of the Bureau of the Budget, in testifying before the committee on May 17, 1951, pointed up the fact that the tremendous increase in the size and scope of the Federal budget during recent years has produced entirely new and challenging problems for the Congress, and that the rapid growth of the Federal budget to where it then approximated 25 percent of the national income makes it one of the most significant factors in the economic and social life of the Nation. Mr. Lawton stated that the problem the Congress faces in attempting to come to grips more realistically with the Government's financial program is twofold.

First, there is the problem of identifying and agreeing in Congress on the kind and amount of essential information needed to evaluate both the budget as a whole and its thousands of components; (and) second, there is the problem of providing within the Congress itself the kind of structure that can make the fullest and most effective use of this information * * *.

The major determinant in any budget is not how much money is needed to run a given activity efficiently. It is rather a determination on whether the activities should be conducted at all and, if so, at what level. Yet decisions on individual activities must be made in the light of a host of factors—the expenditure and revenue outlook, economic conditions, provisions of existing law, and many others.

In commenting specifically as regards the purposes of S. 913, Mr. Lawton concluded—

A joint committee on the budget, with the broad job just outlined, would not duplicate the present work of the Appropriations Committees on the appropriation requests placed before them, but would, instead, provide Congress with a superior review of the whole budget situation. Such a joint committee might also be of further assistance to the Congress in dealing with such matters as determining the format of the budget, which would be most helpful to Congress in acting thereon, reviewing the many types of appropriations now found in our appropriation structure and providing for a simplification thereof, arriving (cooperatively with the executive branch) at a simple system of "scorekeeping" on appropriations and other expenditure authorizations, co-

ordinating and digesting for the Congress the many matters pertaining to Government finance and spending that come to it from many sources, and generally assisting the Congress to get on top and stay on top of the budget.

In a report to former President Eisenhower, on November 17, 1959, the then Director of the Bureau of the Budget recommended a number of improvements in budgeting, in which he referred to the proposed Joint Committee on the Budget as one of the budget reform proposals which was considered to be desirable, pointing out, however, that this would require congressional origination and action.

President Kennedy, as a member of the Committee on Government Operations and a former chairman of its Subcommittee on Reorganization, joined as a cosponsor of S. 833 in the 83d and S. 1585 in the 85th Congresses³ (the latter identical to S. 529) and supported the bills in committee and on the floor of the Senate.

PAST EFFORTS TO TIGHTEN FISCAL CONTROLS

This proposed legislation would continue the many efforts of the Congress during the past 30 or 40 years to develop more adequate fiscal controls over Federal spending. Among the first of these was the Budget and Accounting Act of 1921, which established the same kind of executive budget in the Federal Government as had been successfully developed in State and local governments. That statute reflected a fairly rapidly expanding pattern of Federal activities, for those days, which had been subjected to the heavy stresses and strains, financial and otherwise, during and after World War I.

Among the basic changes since the 1921 enactment of a national budget system was the transfer of an expanded Bureau of the Budget to the Executive Office of the President under the Reorganization Act of 1939. Subsequent years brought various fiscal problems, notably the recurring deficits in the Federal budget, particularly during and following the years of World War II. The Employment Act of 1946, with its accompanying creation of a new Council of Economic Advisers immediately under the President, started to weave studies of national economic development and trends into annual budget deliberations. More recently various fundamental aspects of the 1921 budget law were supplemented and modernized by the Budget and Accounting Procedures Act of 1950, which promotes better coordination of Federal accounting and fiscal procedures.

Committee on the legislative budget

The vital need for a congressional counterpart of executive budgeting providing for better congressional analysis and consideration of the appropriations which are proposed in the annual executive budget was recognized by the Congress in enacting section 138 of the Legislative Reorganization Act of 1946. This section of the act made an unsuccessful effort to tighten congressional control of the purse strings. It created a joint committee, composed of the members of the four taxing and spending committees of the two Houses of Congress and directed that committee (a) to compare the estimated total receipts and the total expenditures proposed in the budget for the ensuing year, and (b) to recommend a ceiling on total expenditures to serve as

³ S. 1805, 84th Cong., was reported as a committee bill without cosponsors.

a control on the total amount of appropriations, in line with what the Nation can afford to spend. Although every competent authority agrees that the purpose of this provision is eminently desirable, it proved unworkable in the 80th, and succeeding Congresses. This failure was largely attributed to the cumbersome committee setup involved, and to the lack of necessary staff. To help solve this problem in considerable degree, S. 529 proposes what this committee believes to be a more practical and workable solution.

A somewhat similar approach to the original objectives of section 138 of the Legislative Reorganization Act of 1946, designed to effect a solution to this problem, has been embodied in a number of legislative proposals which would provide that Federal expenditures shall not exceed Federal revenues, except in time of war or grave national emergency declared by the Congress.

Experience with omnibus appropriation bill

The Senate adopted a resolution on July 2, 1949, requiring the combination of the traditionally separate appropriation measures in a one-package or omnibus appropriation bill (S. Rept. 616), but the House of Representatives declined to report an omnibus bill, because of the insistence of its Appropriations Committee, that existing powers were adequate without statutory change. After a voluntary experiment on such a basis for the single fiscal year 1951, the House Appropriations Committee voted to return to the old procedure of reporting separate appropriation bills. New resolutions designed to restore the omnibus appropriation bill have been introduced in the present and the last four Congresses. In the 83d Congress a resolution proposed by Senator Byrd of Virginia, with 46 Senators as cosponsors (S. Con. Res. 8), was reported favorably by the Senate Committee on Rules and Administration, on May 12, 1953 (S. Rept. 267), but failed of final passage.

Two factors were predominant in the congressional attitude toward the omnibus appropriation bill. One was the serious delay in passage, caused by the fact that the Senate was prevented from starting work on the many appropriation items until all of them, controversial and noncontroversial alike, were passed by the House. The other was that an omnibus appropriation bill lends itself to the addition of legislative riders. As a practical matter, the President cannot veto those riders which he deems objectionable unless he is willing to veto the whole omnibus bill and risk financial chaos for the Federal Government. To meet this objection three members of the Senate Committee on Rules and Administration formulated S. 2161, in the 81st Congress, a partial-item veto bill, which was introduced on June 29, 1949, and referred to this committee. The bill was never reported because of doubtful constitutionality. Under the provisions of S. 2161, the President would have been authorized to veto all or parts of the appropriation bill passed by the Congress, but insofar as any vetoed amounts were reappropriated by the Congress, restored items could not have been again vetoed by the President.

Other bills have been introduced in the last three Congresses, and referred to this committee, to authorize a Presidential item veto. These bills also contained other proposals providing for a consolidated cash budget, a separation of operating from capital expenditures, the scheduling of legislative action on appropriation measures, and requiring yea-and-nay votes on amendments to appropriation bills.

Percentage cuts in appropriations

Other fiscal proposals which have had serious consideration in the Senate include Senate Joint Resolution 108, reported favorably by this committee in the 81st Congress (S. Rept. 498), which combined the features of three pending resolutions, in an effort to bring about a more nearly balanced budget. It would have required the President to make an overall reduction of not less than 5 percent nor more than 10 percent in the total amount of appropriations which he had recommended for the fiscal year 1950. Despite vigorous efforts on the Senate floor, this proposal made no progress. It was, therefore, added as a rider to an appropriation bill but failed by a narrow margin to receive the necessary two-thirds majority under Senate rules, after a point of order had been raised.

A similar across-the-board cut was adopted, however, in the General Appropriation Act of 1951, approved September 6, 1950, which required that an overall cut of \$550 million be made in the—

appropriations, reappropriations, contract authorizations, and reauthorizations made by this act for departments and agencies in the executive branch of the Government * * * without impairing national defense.

Similar efforts toward a flat percentage cut in proposed 1952 appropriations were pressed with vigor in the Senate in connection with appropriation measures, but the final determination was that good legislative practices required direct action on specific items, and that an across-the-board cut was not the proper solution to the problem.

This flat percentage cut type of legislative requirement is an acknowledgment, in the view of the committee, that the Congress does not have the necessary machinery to develop the facts upon which to direct specifically indicated economies in Government spending, which the pending bill is designed to provide. Flat cuts are always subjected to criticism on the ground that the Congress has a responsibility to vote definite reductions in individually proposed appropriation items. It is also contended that the flat percentage cut adversely and improperly affects in the same degree two entirely different kinds of agencies: (a) Those whose officials are conducting constructive and useful activities in efficient, economical fashion, as against (b) those who are making no efforts to do a good job, and in some instances have even managed so to pad their budgets that a percentage cut will only reduce them to about the amount they had hoped in the first place to have available for expenditure.

Alternate balanced budget

Another fiscal proposal of basic importance was made in Senate Joint Resolution 131 of September 23, 1949, which would have required the President to submit an alternate balanced budget along with his regular budget to provide for the following fiscal year 1951. When Senate Joint Resolution 131 made no progress, it was proposed in substance as a rider to H.R. 1689, the Executive Pay Raise Act of 1949, and was accepted as such by the Senate. It later was stricken in conference.

The committee in approving S.913 in the 82d Congress also adopted, by a majority vote, an amendment providing for annual submission by the President of an alternate balanced budget. The latter budget

would parallel the regular budget which the President is required to submit at the beginning of each session of the Congress. While a majority of the committee endorsed this proposal in executive session, the committee preferred that its consideration by the Senate be kept separate from the other aspects of S. 913. An amendment to S. 913 calling for an alternate, balanced budget was submitted by the chairman on the floor of the Senate when the bill was approved April 8, 1952, as directed by a majority of the committee, but was rejected by the Senate. No similar provision is included in S. 529.

Part VII of Senate Document 11, 87th Congress, on "Financial Management in the Federal Government," sets forth in complete detail the legislative history of proposed budget and accounting legislation introduced in the Congress since the approval of the Legislative Reorganization Act of 1946, including the bills referred to in this report as well as an appendix listing fiscal legislation introduced in the 87th Congress, as of February 20, 1961.

PROVISIONS OF S. 529

Section 1 of the bill would establish a Joint Committee on the Budget composed of 14 members, 7 from the Appropriations Committee of the Senate and 7 from the Appropriations Committee of the House; 4 from the majority party and 3 from the minority party, to be chosen by the respective committees.

The joint committee would be authorized to elect a chairman and vice chairman from among its members at the first regular meeting of each session, with the chairman designated from among those who are Members of the House of Representatives, and the vice chairman from among those who are Members of the Senate in even-numbered years; and during odd years, the chairman shall be selected from among the members who are Members of the Senate, and the vice chairman shall be selected from among the members who are Members of the House of Representatives. The joint committee is authorized to adopt its own rules, except that provision is made that no measure or recommendation shall be reported unless approved by a majority of the committee.

The proposed joint committee would be required to inform itself on all aspects of the annual budget of the agencies of the Government, to examine expenditure reports, and to investigate the details of Federal operations in order that the Appropriations Committees might be provided with detailed information concerning each item in the budget and the justifications therefor. It would also be required to fully utilize information emanating from the Joint Committee on Internal Revenue Taxation, to consider the President's messages on the state of the Union and the Economic Report, and from all other sources as to estimated revenues and changing economic conditions, in order that a well-considered fiscal program may be devised to hold expenditures to the minimum in relation to anticipated Federal revenues and consistent with essential requirements of Government operations and the national security.

In addition, the joint committee would be authorized to report on and recommend appropriate legislative changes to standing jurisdictional committees so that they may eliminate wasteful practices and

correct deviations from programs authorized by the Congress, and to recommend cutbacks in such programs when in the public interest.

To aid the Committees on Appropriations in determining the action necessary to conform to this program, the joint committee is required to submit, at the beginning of each regular session of Congress, and periodically as deemed necessary, schedules of total estimated costs of all programs and projects authorized by the Congress, together with estimated costs of such programs and projects during the current succeeding, and subsequent fiscal years where the program extends for more than 1 year.

The joint committee, or any subcommittee thereof, is vested with power to hold hearings, issue subpoenas, take testimony, and to make such expenditures as are necessary to carry out its functions within the amount appropriated therefor.

The bill authorizes the appointment of a staff director, an associate staff director, and such other professional, technical, and clerical employees as may be necessary to carry out the duties of the joint committee without regard to civil-service rules or the Classification Act of 1949, as amended. The staff director shall be appointed by and be responsible to members of the party of which the chairman of the joint committee is a member, and the associate staff director shall be appointed by and responsible to members of the opposition party. The bill also requires that no person shall be employed until data with respect to him, after a thorough investigation of his loyalty and security by the Federal Bureau of Investigation, has been made available to, and his appointment approved by, the joint committee.

The members of the staff would be made available to the Committees on Appropriations, and the several subcommittees thereof, during periods when appropriation bills are pending before the respective bodies and staff members, upon the written authority of the chairman or vice chairman, are provided with authority to examine fiscal books, documents, papers, and reports of any Federal agency and data related to proposed appropriations included in the annual budget transmitted by the President.

The bill requires that the annual budget shall include an analysis of all active long-term construction programs authorized by the Congress, showing for each the total estimated cost, the actual or estimated expenditures during prior, current, ensuing, and subsequent fiscal years, and that all grant-in-aid programs shall be included in the analysis covering grants of indefinite duration, and the annual cost for a 10-year period.

The subcommittee is further authorized to request any agency to submit to the Committees on Appropriations estimates for proposed appropriations on an annual accrued-expenditure basis, in addition to any other budget submissions, as recommended by the Hoover Commission.

Members of the staff of the Bureau of the Budget are to be assigned to attend executive sessions of the subcommittees of the Appropriations Committees with reference to proposed appropriations, as may be required.

The Comptroller General of the United States is directed, at the request of the chairman of the joint committee, to make such investigations and reports with respect to any agency as will enable the joint

committee to give adequate consideration to items relating to agency expenditures, activities, or appropriation request. Authority is granted to the Comptroller General to employ such technical and professional personnel as may be required to comply with the request of the chairman of the joint committee without regard to civil service laws, rules, or regulations, and to fix their compensation without regard to the Classification Act of 1949, as amended. This new function of the General Accounting Office would be in addition to its present authority of performing postaudit functions on behalf of the Congress.

Section 2 provides that all committees recommending legislation which would authorize appropriations shall include in their reports estimates as to the initial cost of the project or programs, and their continuing cost over the first 5 years of operation, based on estimates from the department or agency primarily concerned, after review by the Bureau of the Budget. It provides further that, if the chairman of the committee determines that no existing department or agency is primarily concerned with the proposed legislation, the estimate shall be made by the Bureau of the Budget. The joint committee would be required to maintain compilations of all such estimates, and to print such compilations annually for the information of Members of the Congress.

Section 3 of the bill authorizes the joint committee to recommend joint hearings by the Appropriations Committees and subcommittees thereof, in the interest of expediting action on appropriation measures. This would insure conservation of the time and energy of the members of these committees and administrative officials of the Government, without in any way interfering with the independence of separate committee deliberations and decisions.

In connection with joint hearings provided for in section 3, the committee held that considerations of time have proved to be one of the two major stumbling blocks of the omnibus appropriation bill approach which was abandoned in the House of Representatives after a single year of trial. Joint hearings would greatly ease that timing problem, because members of the subcommittees of the Senate Appropriations Committee would participate at early dates each year in the joint hearings with their opposite Members in the House of Representatives, and would be prepared to act almost immediately on the many appropriation items which are frequently subjected to little or no change as reported and as passed by the House of Representatives. Further hearings would presumably be limited to those appropriation items where Senate Appropriations Subcommittees felt additional information is needed because of substantial cuts or increases in proposed appropriations as finally voted in the House of Representatives.

Manifestly such savings of time would be of great practical value. They should prove to be persuasive elements in stimulating the increased use of joint hearings by all committees of the Congress, even though section 3 of the bill recommends such hearings on an entirely optional basis so as not to invade the rights and prerogatives of either House. This advantage should be of special interest to the many Senators and Representatives who hold the omnibus appropriation bill approach in high favor.

CONCLUSION

The committee unanimously endorses S. 529 and urges its approval by the Congress in order to help bring about more effective control of the Federal purse. The committee firmly believes that the bill constitutes a realistic program for equipping the Appropriations Committees with adequate staff facilities to provide essential information that will enable those committees and the Congress to arrive at fully informed decisions relative to the essential fiscal requirements of the executive agencies of the Government.

The bill would avoid duplications that would be necessary in providing separate staffs for the two Appropriations Committees, and, by making such a professional staff available on a continuing basis, would bring to these committees informed experts who would be available for services in succeeding Congresses. It would also do away with the necessity for either of these committees to procure outside consultants on a temporary basis, or the utilization of administrative personnel of the General Accounting Office who have other responsible and continuing functions to perform for other committees of the Congress.

Finally, S. 529 would stimulate joint hearings on pending appropriation measures, without improperly invading the rights and prerogatives of the separate Houses of Congress and of the Appropriations Committees.

CHANGES IN EXISTING LAW

In compliance with subsection 4 of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (matter omitted enclosed in brackets, new matter printed in italics, existing law in which no change is reported shown in roman):

The Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, is amended as follows:

LEGISLATIVE BUDGET

SEC. 138. (a) The Committee on Ways and Means and the Committee on Appropriations of the House of Representatives, and the Committee on Finance and the Committee on Appropriations of the Senate, or duly authorized subcommittees thereof, are authorized and directed to meet jointly at the beginning of each regular session of Congress and after study and consultation, giving due consideration to the budget recommendations of the President, report to their respective Houses a legislative budget for the ensuing fiscal year, including the estimated overall Federal receipts and expenditures for such year. Such report shall contain a recommendation for the maximum amount to be appropriated for expenditure in such year which shall include such an amount to be reserved for deficiencies as may be deemed necessary by such committees. If the estimated receipts exceed the estimated expenditures, such report shall contain a recommendation for a reduction in the public debt. Such report shall be made by February 15.

(b) The report shall be accompanied by a concurrent resolution adopting such budget, and fixing the maximum amount to be appropriated for expenditure in such year. If the estimated expenditures

exceed the estimated receipts, the concurrent resolution shall include a section substantially as follows: "That it is the sense of the Congress that the public debt shall be increased in an amount equal to the amount by which the estimated expenditures for the ensuing fiscal year exceed the estimated receipts, such amount being \$."]

JOINT COMMITTEE ON THE BUDGET

SEC. 138. (a) There is hereby created a joint service committee, to be known as the Joint Committee on the Budget (hereinafter in this section called the "joint committee") and to be composed of fourteen members as follows:

(1) Seven Members who are members of the Committee on Appropriations of the Senate, four from the majority party and three from the minority party, to be chosen by such committee; and

(2) Seven Members who are members of the Committee on Appropriations of the House of Representatives, four from the majority party and three from the minority party, to be chosen by such committee.

(b) No person shall continue to serve as a member of the joint committee after he has ceased to be a member of the committee from which he was chosen, except that the members chosen by the Committee on Appropriations of the House of Representatives who have been reelected to the House of Representatives may continue to serve as members of the joint committee notwithstanding the expiration of the Congress. A vacancy in the joint committee shall not affect the power of the remaining members to execute the functions of the joint committee, and shall be filled in the same manner as the original selection, except that (1) in case of a vacancy during an adjournment or recess of Congress for a period of more than two weeks, the members of the joint committee who are members of the committee entitled to fill such vacancy may designate a member of such committee to serve until his successor is chosen by such committee, and (2) in the case of a vacancy after the expiration of a Congress which would be filled from the Committee on Appropriations of the House of Representatives, the members of such committee who are continuing to serve as members of the joint committee, may designate a person who, immediately prior to such expiration, was a member of such committee and who is reelected to the House of Representatives, to serve until his successor is chosen by such committee.

(c) The joint committee shall elect a chairman and vice chairman from among its members at the first regular meeting of each session: Provided, however, That during even years the chairman shall be selected from among the members who are Members of the House of Representatives and the vice chairman shall be selected from among the members who are Members of the Senate, and during odd years the chairman shall be selected from among the members who are Members of the Senate and the vice chairman shall be selected from among the members who are Members of the House of Representatives.

(d) The joint committee may make such rules respecting its organization and procedures as it deems necessary: Provided, however, That no measure or recommendation shall be reported from the joint committee unless a majority of the committee assent.

(e) It shall be the duty of the joint committee—

(1) (A) to inform itself on all matters relating to the annual budget of the agencies of the United States Government, including

analytical, investigative, audit, and other reports on Federal operations prepared by the General Accounting Office pursuant to section 312 of the Budget and Accounting Act, 1921, the Government Corporation Control Act, and section 206 of the Legislative Reorganization Act of 1946, and by other Federal agencies; (B) to provide the Committee on Appropriations of the House of Representatives and the Committee on Appropriations of the Senate with such information on items contained in such budget, and the justifications submitted in support thereof, as may be necessary to enable said committees to give adequate consideration thereto; (C) to consider the President's messages on the state of the Union and the Economic Report, to consider all information relating to estimated revenues, including revenue estimates of the Department of the Treasury and the Joint Committee on Internal Revenue Taxation, to consider essential programs, and to consider changing economic conditions; and (D) to report to the Appropriations Committees of the House of Representatives and the Senate its findings with respect to budget estimates and revisions in appropriations required to hold expenditures to the minimum consistent with the requirements of Government operations and national security;

(2) to recommend to the appropriate standing committees of the House of Representatives and the Senate such changes in existing laws as may effect greater efficiency and economy in government;

(3) to make such reports and recommendations to any standing committee of either House of Congress or any subcommittee thereof on matters within the jurisdiction of such standing committee relating to deviations from basic legislative authorization, or to appropriations approved by Congress, which are not consistent with such basic legislative authorization, or to cut-backs in previously authorized programs which require appropriations, as may be deemed necessary or advisable by the joint committee, or as may be requested by any standing committee of either House of Congress or by any subcommittee thereof;

(4) to report to the Committees on Appropriations of the House of Representatives and the Senate at the beginning of each regular session of the Congress the total estimated costs of all programs and projects authorized by the Congress, together with estimated costs of such programs and projects during the fiscal year underway, the ensuing fiscal year, and subsequent fiscal years, and to make such interim reports as may be deemed advisable.

(f) The joint committee, or any subcommittee thereof, shall have power to hold hearings and to sit and act anywhere within or without the District of Columbia whether the Congress is in session or has adjourned or is in recess; to require by subpoena or otherwise the attendance of witnesses and the production of books, papers, and documents; to administer oaths; to take testimony; to have printing and binding done; and to make such expenditures as it deems necessary to carry out its functions within the amount appropriated therefor. Subpenas shall be issued under the signature of the chairman or vice chairman of the committee and shall be served by any person designated by them. The provisions of sections 102 to 104, inclusive, of the Revised Statutes, (U.S.C., title 2, secs. 192-194) shall apply in the case of any failure of any witness to comply with any subpoena or to testify when summoned under authority of this section.

(g) *The joint committee shall have a staff director, an associate staff director, and such other professional, technical, clerical, and other employees, temporary or permanent, as may be necessary to carry out the duties of the joint committee. Such employees shall be employed without regard to the civil-service laws, and their compensation shall be fixed without regard to the Classification Act of 1949, as amended. The staff director shall be appointed by and responsible to the members of the party of which the chairman of the joint committee is a member, and the associate staff director shall be appointed by and responsible to the members of the opposition party. No person shall be employed by the joint committee unless the members appointing him have favorably considered the data with respect to him submitted by the Federal Bureau of Investigation after a thorough investigation of his loyalty and security.*

(h) *The joint committee shall make available members of its staff to assist the staffs of the Committees on Appropriations of the House of Representatives and of the Senate and the several subcommittees thereof during the periods when appropriation bills are pending.*

(i) *Professional and technical employees of the joint committee, upon the written authority of the chairman or vice chairman, shall have the right to examine the fiscal books, documents, papers, and reports of any agency of the United States Government within or without the District of Columbia, and data related to proposed appropriations incorporated in the annual budget transmitted by the President.*

(j) *The annual budget of the United States shall henceforth include a special analysis of all active long-term construction and development programs and projects authorized by the Congress, showing for each the total estimated cost, and the actual or estimated expenditures during prior fiscal years, the current fiscal year, the ensuing fiscal year, and subsequent fiscal years. All grant-in-aid programs shall be included in this analysis, in a separate grouping, showing under the heading "Subsequent Fiscal Years" for grants of indefinite duration the estimated annual cost for a ten-year period. Upon request of the joint committee, any agency shall submit to the Appropriations Committees of the House of Representatives and the Senate estimates for proposed appropriations on an annual accrued expenditure basis.*

(k) *Qualified members of the staff of the Bureau of the Budget shall, at the request of the Committee on Appropriations of the House of Representatives or the Senate, or any subcommittee thereof, be assigned to attend executive sessions of the subcommittees of the Appropriations Committees and to explain the content and basis of proposed appropriations.*

(l) *The Comptroller General of the United States shall, at the request of the chairman of the Joint Committee on the Budget, make such investigations and reports with respect to any agency as will enable such joint committee to give adequate consideration to items relating to such agency which are contained in the budget as submitted by the President, and the justifications submitted in support thereof; and, for this purpose, the Comptroller General is authorized to employ technical and professional personnel without regard to the civil-service laws, rules, or regulations, and fix their compensation without regard to the Classification Act of 1949, as amended.*

(m) *When used in this section, the term "agency" means any executive department, commission, council, independent establishment, Government corporation, board, bureau, division, service, office, officer, authority, ad-*

ministration, or other establishment, in the executive branch of the Government. Such term includes the Comptroller General of the United States and the General Accounting Office, and includes any and all parts of the municipal government of the District of Columbia except the courts thereof.

(n) There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this section. Appropriations for the expenses of the joint committee shall be disbursed by the Secretary of the Senate upon vouchers signed by the chairman or vice chairman.

SEC. 2. Section 133 of the Legislative Reorganization Act of 1946, as amended, is amended by adding at the end thereof the following new subsection:

“(g) (1) All bills and joint resolutions authorizing appropriations reported from committees of the Senate or the House of Representatives shall be accompanied by reports in writing, which shall be printed; and there shall be included in each such report or in an accompanying document an estimate from the department or other agency of the legislative, executive, or judicial branch of the Government primarily concerned of the probable cost of carrying out the legislation proposed in such bill or resolution over the first five-year period of its operation or over the period of its operation if such legislation will be effective for less than five years.

“(2) Estimates received from departments or agencies under this subsection may be submitted by the committees to the Bureau of the Budget for review, and such reviews, when practicable, shall be included in the reports or accompanying documents before said bills and joint resolutions are reported. If the chairman of the committee determines that no existing department or agency is primarily concerned with the legislation, the estimate shall be made by the Bureau of the Budget.

“(3) The Joint Committee shall maintain compilations of all such estimates, and semiannually shall print those compilations (together with any comment of the Bureau of the Budget) for the information of the Congress.”

SEC. 3. Section 139 of the Legislative Reorganization Act of 1946, as amended, is amended by adding at the end thereof the following new subsection:

“(e) The Joint Committee on the Budget is authorized to recommend that joint hearings be held by the Committees on Appropriations of the House of Representatives and the Senate, and of subcommittees thereof; but such joint hearings shall not affect the power of the respective committees, and of subcommittees thereof, to conduct separate additional committee hearings, and shall not affect the independence of committee deliberations and decision. The chairman of each such joint hearing shall be the chairman of the Committee on Appropriations, or of the appropriate subcommittee thereof, of the House in which the bill is pending at the time of the hearing, and the vice chairman shall be the chairman of the Committee on Appropriations of the other House, or of the appropriate subcommittee thereof.”

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period immediately following the finish of such race or before the start of the next race at that track whichever period is longer. This section shall not preclude the broadcasting of the progress of, or information concerning, a horse race where such broadcast is carried as a special event: *Provided*, That no more than two horse races shall be broadcast by any station or chain of stations per day.

Sec. 4. (a) Any person or persons who shall lease or otherwise obtain from a common carrier or other supplier a private line communication facility to be operated in interstate or foreign commerce for or in connection with the transmission of news or other information pertaining to sporting events or contests shall file with the Federal Communications Commission through its agent an affidavit that the communication facility so obtained is to be used for such purposes. For the purpose of receiving the affidavits required by this section the carrier or other supplier from whom the communication facility is obtained is designated the agent of the Federal Communications Commission. The affidavits on file with the Federal Communications Commission, through its agents, the carriers or other suppliers, shall be open to inspection by appropriate State and Federal law-enforcement agencies.

Sec. 5. (a) The interstate or foreign character of any transmission of gambling information in, or intended for transmission in, interstate or foreign commerce shall not create an immunity in respect of any criminal prosecution under the laws of any State, territory, possession, or the District of Columbia pertaining to gambling, bookmaking, and like offenses.

(b) Any remedies afforded by this Act are in addition to remedies now existing under State or Federal law, including law applicable within the territories and possessions of the United States and the District of Columbia.

The explanation accompanying Senate bill 528 is as follows:

This bill would provide that whenever "any common carrier, subject to the jurisdiction of the Federal Communications Commission, is notified in writing by a Federal, State, or local law-enforcement agency, acting within its jurisdiction, that any facility furnished by it is being used or will be used for the purpose of transmitting or receiving gambling information in interstate or foreign commerce, it shall discontinue within a reasonable time, or refuse, the leasing, furnishing, or maintaining of such facility." Thus, it will approach the overall purpose of striking at organized crime by providing a means of preventing persons from using communication facilities for transmitting prohibited gambling information beyond State lines.

This legislative proposal would constitute a sensible exercise of congressional power under the commerce clause of the Constitution of the United States (art. I, sec. 8). It will assist the States and local governments in the dispatch of their law-enforcement responsibilities insofar as organized gambling and bookmaking are concerned, yet violations of local gambling laws will continue within the sole province of local law-enforcement officials.

It should be noted that the measure contains adequate safeguards to protect the operations of legitimate newsgathering and news-disseminating services. The proposal would permit the broadcasting of horseraces when such broadcasts are carried as special events, provided not more than two horse races a day shall be broadcast by any station.

PROPOSED AMENDMENT OF LEGISLATIVE REORGANIZATION ACT OF 1946

Mr. McCLELLAN. Mr. President, on behalf of myself and 65 other Senators,

I introduce, for appropriate reference, a bill to amend the Legislative Reorganization Act of 1946 to provide for more effective evaluation of the fiscal requirements of the executive agencies of the Government of the United States. This proposed legislation would establish a Joint Committee on the Budget, composed of an equal number of Members from each of the House and Senate Committee on Appropriations. It would be staffed on a nonpolitical basis by outstanding experts and technicians and would provide the Appropriations Committees of the Congress with the same kind of expert staff facilities and technical information as the Joint Committee on Internal Revenue Taxation provides for the Committees on Finance and Ways and Means, and the Bureau of the Budget provides for the executive branch of the Government.

Mr. President, I ask unanimous consent that the names of the cosponsors be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the names of the cosponsors will be printed in the RECORD.

The bill (S. 529) to amend the Legislative Reorganization Act of 1946 to provide for more effective evaluation of the fiscal requirements of the executive agencies of the Government of the United States, introduced by Mr. McCLELLAN (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Government Operations.

The Senators cosponsoring Senate bill 529 are as follows:

Senators McCLELLAN, ALLOTT, BARTLETT, BEALL, BENNETT, BIBLE, BLAKLEY, BRIDGES, BURDICK, BUSH, BUTLER, BYRD of Virginia, CANNON, CAPEHART, CARLSON, CARROLL, CASE of New Jersey, CASE of South Dakota, CHAVEZ, CHURCH, CLARK, COOPER, COTTON, CURTIS, DIRKSEN, DODD, DOUGLAS, EASTLAND, ENGLE, ERVIN, FULBRIGHT, GOLDWATER, GRUENING, HICKENLOOPER, HOLLAND, HRUSKA, HUMPHREY, JACKSON, JAVITS, JOHNSTON, KEATING, KEFAUVER, LAUSCHE, LONG of Hawaii, MAGNUSON, MCGEE, MILLER, MONRONEY, MORSE, MORTON, MUNDT, MUSKIE, PASTORE, PELL, PROUTY, PROXMIRE, SCHOEPPLE, SCOTT, SMATHERS, SPARKMAN, STENNIS, SYMINGTON, TALMADGE, THURMOND, WILEY, WILLIAMS of Delaware, and YOUNG of North Dakota.

Mr. McCLELLAN. Mr. President, the basic objective of this measure is to remedy serious deficiencies in appropriations procedures and to improve the surveillance exercised by the Congress over the expenditure of public funds. It constitutes, in my judgment, a positive approach to the elimination of extravagance, waste, and needless or excessive appropriations.

Article I, section 9, clause 7 of the Constitution of the United States provides, in part:

No money shall be drawn from the Treasury but in consequence of appropriations made by law.

From the formation of our Government down to the present time, it has been clearly understood and accepted that this clause vested exclusively in the Congress the right to grant supplies of

money to the various branches of the Federal Government, and to designate the purpose for which the money shall be used.

The meaning of this clause of the Constitution has never been in issue. It was explained long ago by our first Secretary of the Treasury, Alexander Hamilton, who was also a Founding Father, as follows:

The design of the Constitution in this provision was, as I conceive, to secure these important ends—that the purpose, the limit, and the fund of every expenditure should be ascertained by a previous law. The public security is complete in this particular, if no money can be expended, but for an object, to an extent, and out of a fund, which the laws have prescribed.

Now I submit, Mr. President, that there is a very big difference between having duties and responsibilities and handling them wisely. Thus, the mere vesting in the Congress of unquestioned authority and responsibility for passing appropriations acts and determining the purposes for which public money may be used, does not necessarily guarantee that this function will be exercised either wisely or well.

If the Congress is to carry out this important responsibility, vested in it by the Constitution, it has the duty of informing itself as to the needs of the various departments and agencies of the Government, the reasonableness of their requests for funds, and whether or not the funds requested and obtained are being used for the purpose for which they have been requested.

Early in January of each year, the President submits the Federal budget to the Congress. It is usually a document of telephone directory dimensions, running more than 1,000 pages. It represents a full year of work on the part of the agencies and departments of the Government, as well as the Bureau of the Budget. The material contained in the budget has been developed and assembled by a vast number of persons in the departments and agencies, reviewed and reorganized by each department and agency and finally, reviewed, revised and finalized by the Bureau of the Budget where some 500 persons are involved in the preparation and submission of the final document. In addition, available figures indicate that in the Washington headquarters area a total of some 2,000 persons in executive branch departments and agencies are involved in the preparation of the budget each year.

In addition to the Federal budget itself, a tremendous amount of detailed budget information is supplied in written form to the House and Senate Appropriations Committees, and presented orally at hearings which last for many months and cover thousands of typed and printed pages. Finally, when the requests are reduced to the form of legislative proposals, there are usually between 12 and 15 appropriations bills running many hundreds of pages and containing thousands of separate items. In the 84th Congress, there were 38 appropriation measures, including 13 supplementals. In the 85th Congress, these committees processed a total of 45 appropriation measures of which 29

were regular and 16 were supplemental. In the 86th Congress, there were a total of 41 such measures, of which 30 were regular and 11 were supplemental.

I realize, of course, that all Members of this body are thoroughly familiar with the actual procedures by which the Congress handles appropriations measures. However, I would like to review them briefly in order to demonstrate more graphically the urgent need for the enactment of the legislation which I have proposed today.

Both the Senate and House Appropriations Committees perform their functions through subcommittees which deal with the appropriations requests of one or more departments or agencies. Hearings on budget requests are held by these subcommittees beginning sometime in January or early February and continue on until their work is completed. Subcommittee recommendations are submitted to the full Appropriations Committee in each House and final action is then taken by the respective committees. All along the line, the procedure is duplicated in both Houses in that following hearings by House subcommittees, identical hearings are held by Senate subcommittees.

Once again, I know that we are all familiar with the manner in which these proceedings are conducted. However, a detailed examination of them appears to be in order at this time. The usual procedure is for witnesses representing the executive branch department or agency making the request to appear before a subcommittee, usually accompanied by a corps of technical experts from that agency, as well as from the Bureau of the Budget. The entire proceeding is virtually *ex parte* in nature, and these witnesses represent exclusively the point of view of the executive branch of the Government. Since it is their duty as executive branch officials to support all of the budget items contained in the President's budget, it is their function and responsibility to demonstrate, both by oral and written justifications, that the amounts requested are absolutely necessary. For the most part, these requests are supported by elaborate justifications and exhibits, based upon extensive agency research, and by the testimony of technical experts who have devoted many years to the fields in which they have been working. As a rule, and it is not my intention to impugn their motives in any way, since these technicians have as their main objective the continuation or extension of programs and operations of their respective agencies which they sincerely believe are in the public interest.

Unlike hearings on substantive legislation, where witnesses appear for or against pending bills, at appropriations hearings testimony from the public is rarely, if ever, received. No witnesses are present to represent the taxpayer and the only manner in which the public interest can receive any consideration and protection, with respect to either the purpose for which the funds are sought or their need or adequacy, is through careful scrutiny of the requests and justifications by the one or two staff members assigned to handle each of the ap-

propriations bills, and by members of the Appropriations Committees. Other Members of Congress who do not serve on the Appropriations Committees must, and generally do, rely largely on the recommendations of these committees when final action on appropriations measures is taken on the floor of each House.

Unfortunately, members of the House and Senate Appropriations Committees are so heavily burdened by other legislative duties and responsibilities that they are unable personally to give adequate attention to each budget item. Equally important, however, is the fact that they do not have adequate facilities for obtaining the information necessary to enable them to pass judgment on the necessity for the funds requested. Thus, for the most part, they are forced to rely upon the representations made by the respective initiating agencies of the executive branch, whose representatives appear before these committees in an *ex parte* type of proceeding for the sole purpose of justifying their budget requests. As a result, the Congress is often unable to obtain impartial information and facts to enable it to effect needed economies in the operations of Government. Because the Congress is not adequately equipped to carry out its vital fiscal responsibilities, many millions of dollars have been appropriated in excess of the actual requirements of the Federal Government. These excesses have, in turn, added to the large recurring deficits which must be passed on to already overburdened taxpayers.

The duties and responsibilities of the Appropriations Committees, in connection with examining and passing upon budget requests for the operation of the Federal Government, have increased tremendously in recent years. These committees are presently staffed with competent personnel. It is almost impossible, however, for their relatively small staffs to examine and evaluate the annual budget with its many thousands of items, running in excess of 1,000 pages each year, within the very limited time available. This precludes the detailed analysis which is so essential to the performance of the congressional function of controlling Federal expenditures.

Examining the results of a survey made by the Committee on Government Operations on the activities of the Senate in the 84th Congress, we find that exclusive of sessions called for the purpose of making up appropriations bills, the Senate Committee on Appropriations held some 300 open hearings consuming approximately 825 hours on appropriations measures. In addition, at least 30 executive sessions were held to consider other matters pertaining to the functions of the committee, involving approximately 67 hours. In summary, the Senate Committee on Appropriations, in the 84th Congress, held a total of 330 meetings and consumed an estimated 900 hours on appropriations measures alone.

As a further illustration of the tremendous workload of this committee, during the 84th Congress, the committee

had regular standing subcommittees for each of the 12 major appropriations bills. Each member of the committee had at least four subcommittee assignments, and, in most instances, five assignments, with some members serving on as many as six subcommittees. On many occasions, there were two or three hearings in progress simultaneously, and members sometimes found it necessary to attend one hearing for a limited time and then to participate, insofar as time permitted, in other hearings of subcommittees on which they served.

With this picture in mind, how do we stand? I have already pointed out that the hearings before the various subcommittees of the Appropriations Committees are attended by representatives of the executive branch departments and agencies seeking funds. These men have often devoted a lifetime to a particular activity or group of activities; they are thoroughly familiar with every phase of the program for which they seek funds; and they are prepared to answer every possible question in justification of their demands.

What do we have on our side of the table? The truth of the matter is that we are forced to rely upon two major sources of information: First, the testimony of representatives of the executive branch who formulate the programs and present them in a light most favorable to their requests; and who tell us only as little or as much as they desire to disclose; and second, information media, such as newspapers, periodicals, books, radio, and television. Of course, there are some Members of Congress who have additional sources of information such as members of their own office staff, interested groups, confidential informants and reliable friends within the executive branch.

Now I raise this question, Mr. President: Is this the way for the Congress of the United States to obtain information necessary to enable it to formulate the considered judgment which is so vital if it is to carry out its responsibilities and obligations to the American people?

Is this the way to look after the interests of millions of American taxpayers who are struggling under a very heavy tax burden? Is this the way in which responsible legislators should vote on budget requests averaging between \$78.4 and \$80.7 billions during the past 3 fiscal years?

The answer is obvious. It is most definitely and emphatically not the way in which Congress should handle these tremendous responsibilities.

What can be done? What should be done?

Years of both study and practice convinced me long ago that it is absolutely imperative that the Congress equip itself with the machinery and tools necessary to enable it to do the job which needs to be done. In other words the Congress must have whatever it needs to enable it to secure detailed and accurate information concerning each item of proposed expenditure in the President's budget for which an appropriation is sought and a justification is presented. To do this, it must have the type of man-

power and brainpower which the executive branch has at its disposal for the preparation, presentation, and defense of the President's budget.

It is my firm conviction that the best way this can be accomplished is by means of the legislation which I am introducing today. This bill, which represents many years of careful study, would establish a Joint Committee on the Budget composed of 14 members, 7 from the Appropriations Committee of the Senate and 7 from the Appropriations Committee of the House of Representatives; 4 from the majority party and 3 from the minority party, to be chosen by the respective committees.

The joint committee would be authorized to elect a chairman and vice chairman from among its members at the first regular meeting of each session, with the chairman designated from among members who are Members of the House of Representatives, and the vice chairman from among members who are Members of the Senate in even-numbered years; and during odd-numbered years, the chairman would be selected from among members who are Members of the Senate and the vice chairman from among members who are Members of the House of Representatives. The joint committee would be authorized to adopt its own rules, except that provision is made that no measure or recommendation may be reported unless approved by a majority of the committee.

The proposed joint committee would be required to inform itself on all aspects of the annual budget of the agencies of the Government, to examine expenditure reports and to investigate the details of Federal operations in order that the Appropriations Committees may be provided with detailed information concerning each item in the budget and in the budget justification. It would also be required to consider the President's messages on the state of the Union and the Economic Report, and to utilize fully information emanating from the Joint Committee on Internal Revenue Taxation, and from all other sources as to estimated revenues and changing economic conditions, in order that a well-considered fiscal program may be devised to hold expenditures to the minimum in relation to anticipated Federal revenues, and consistent with essential requirements of the Government operations and national security.

In addition, the Joint Committee would be authorized to report on and recommend appropriate legislative changes to standing jurisdictional committees so that they would be in a position to eliminate wasteful practices, correct deviations from programs authorized by the Congress, and recommend cutbacks in such programs as are consistent with the public interest.

To aid the Committees on Appropriations in determining the action necessary to conform to this program, the Joint Committee would be required to submit, at the beginning of each regular session of Congress, and periodically as deemed necessary, schedules of total estimated costs of all programs and projects authorized by the Congress, to-

gether with estimated costs of such programs and projects during the current, succeeding and subsequent fiscal years, where the program extends for more than 1 year.

The most important feature of this measure would be the establishment of a permanent, full-time, nonpolitical staff of experts. The proposed legislation authorizes the appointment of a staff director, an associate staff director and such other professional, technical and clerical employees as may be necessary to carry out the duties of the Joint Committee without regard to civil service rules or the Classification Act of 1949, as amended. The staff director would be appointed by and responsible to members of the party of which the chairman of the Joint Committee is a member, and the associate staff director would be appointed by and be responsible to members of the opposition party. The members of the staff would be made available to the Committees on Appropriations and the several subcommittees thereof during periods in which appropriation bills are pending before the respective bodies, and staff members, upon the written authority of the chairman or vice chairman, would be authorized to examine fiscal books, documents, papers and reports of any Federal agency and data related to proposed appropriations included in the President's annual budget.

The bill would require further that the annual budget include an analysis of all long-term construction programs authorized by the Congress, showing for each the total estimated cost, the actual or estimated expenditures during prior, current, ensuing, and subsequent fiscal years. Also all grant-in-aid programs could be included in the analysis covering grants of an indefinite duration, and the annual cost for a 10-year period.

In addition, the bill would require the Comptroller General of the United States, at the direction of the chairman of the joint committee, to make such investigations and reports with respect to any agency as will enable the joint committee to give adequate consideration to items relating to the agency indicated. It would also require all committees recommending legislation which would authorize appropriations to include in their reports estimates as to the initial cost of the projects or programs and their continuing cost over the succeeding 5 years, based upon estimates from the department or agency primarily concerned, after review by the Bureau of the Budget. The joint committee would be required to maintain compilations of all such estimates and to print such compilations annually for the information of Members of Congress.

The bill would also authorize the joint committee to recommend joint hearings by the Appropriations Committees and subcommittees thereof, in the interest of expediting action on appropriation measures. This is designed to insure conservation of time and energy of the members of these committees and of administrative officials of the Government, without in any way interfering with the independence of separate committee deliberations and decisions. The

importance of this provision lies in the fact that time is one of the major stumbling blocks to adequate consideration and deliberation of budget requests. Joint hearings would greatly ease the time problem, because members of the subcommittees of the Senate Appropriations Committee would be able to participate at early dates each year in the joint hearings with their opposite numbers in the House Appropriations Committee, and would be prepared to act almost immediately on the many appropriations items which are frequently subjected to little or no change as reported and as passed by the House of Representatives. Further hearings would presumably be limited to those appropriations items concerning which the Senate Appropriations subcommittees felt additional information was needed because of substantial cuts or increases in proposed appropriations as finally voted by the House of Representatives.

Finally, members of the staff of the Bureau of the Budget would be authorized to be assigned to attend executive sessions of the subcommittees of the Appropriations Committees and to assist the subcommittees in connection with their consideration of proposed appropriations.

Mr. President, the approach I am suggesting is not new. Ample precedent is found in the Joint Committee on Internal Revenue Taxation which has provided joint expert staff facilities and technical information for the revenue committees of both Houses of Congress for more than a quarter of a century and with much success.

Nor is Senate consideration and action on this measure new. This bill, in virtually identical form, has been reported favorably by the Senate Committee on Government Operations and approved in the Senate during the 82d, 83d, 84th, and 85th Congresses. It was approved by a vote of 55 to 8 in the 82d Congress, and after the committee had adopted further perfecting amendments, passed the Senate under unanimous consent in the 83d and 84th Congresses. In the 85th Congress, the bill had 70 cosponsors and passed the Senate by unanimous consent, following debate.

In each Congress, Mr. President, following approval by the Senate, the House of Representatives withheld approval of these bills, although no vote has ever been permitted on the merits of the proposal.

Mr. President, I ask unanimous consent that the bill lie on the desk for the remainder of the day, so that any other Senators who desire to cosponsor the bill may be listed, and I ask unanimous consent that their names be printed in the Record along with the others.

The VICE PRESIDENT. Is there objection to the request of the Senator from Arkansas? The Chair hears none, and it is so ordered.

NATIONAL ACADEMY OF CULTURE

Mr. CASE of South Dakota. Mr. President, I introduce, for appropriate reference, a bill to provide for a Na-

tional Academy of Culture. I ask unanimous consent that the bill lie at the desk for 48 hours for other Senators to add their names as cosponsors.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will lie on the desk, as requested by the Senator from South Dakota.

The bill (S. 535) to provide for a National Academy of Culture, introduced by Mr. CASE of South Dakota, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

ADJUSTMENT OF CERTAIN IRRIGATION CHARGES AGAINST NON-INDIAN OWNED LANDS, WIND RIVER INDIAN IRRIGATION PROJECT, WYOMING

Mr. HICKEY. Mr. President, on behalf of myself, and my colleague, the senior Senator from Wyoming [Mr. MCGEE], I introduce, for appropriate reference, a bill to approve an order of the Secretary of the Interior adjusting, deferring, and canceling certain irrigation charges against non-Indian-owned lands under the Wind River Indian Irrigation project, Wyoming, and for other purposes. I ask unanimous consent that the letter from the Secretary of the Interior, relating to the bill, be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 536) to approve an order of the Secretary of the Interior adjusting, deferring, and canceling certain irrigation charges against non-Indian-owned lands under the Wind River Indian Irrigation project, Wyoming, and for other purposes, introduced by Mr. HICKEY (for himself and Mr. MCGEE), was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

The letter presented by Mr. HICKEY is as follows:

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., January 5, 1961.

Hon. RICHARD M. NIXON,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: In accordance with the provisions of the act of June 22, 1936 (49 Stat. 1803, 25 U.S.C. 389-389e), there are enclosed a copy of a secretarial order canceling and adjusting irrigation charges of certain non-Indian landowners of the Wind River Indian Irrigation project, Wyoming, and a draft of a bill to approve the order. Congressional approval is required before the order may become effective.

We recommend that the bill be referred to the appropriate committee for consideration, and we recommend that it be enacted.

Copies of schedules A, B, and C, which are referred to in the secretarial order, and copies of the individual justifications for each case listed in schedules A and B, were transmitted to your office with our letter dated February 24, 1958.

Schedule A involves a cancellation of charges totaling \$15,745.12 for 17 non-Indian landowners, all of which charges accrued before December 31, 1946, and a deferral of payments of charges totaling \$7,149.87, which

accrued from 1947 through 1956. Deferred payment contracts have been signed by each of the landowners involved.

Schedule B involves a cancellation of charges totaling \$2,093.14 for three non-Indian landowners, all of which charges accrued before December 31, 1946, and a deferral of payments of charges totaling \$1,556.40, which accrued from 1947 through 1956. Deferred payment contracts have not been signed by the landowners involved, but the cancellation will not be effective until the contracts are signed.

Schedule C involves a cancellation of charges totaling \$18,601.44 for 83 non-Indian landowners, all of which charges accrued prior to the Lien Act of March 7, 1928. No contracts were executed obligating the purchaser to pay the charges and they do not constitute liens against the land. Section 4 of the 1936 act directs the Secretary to cancel such charges.

The amounts listed in the schedules are principal amounts and do not include accrued interest. In most cases interest will be as much as the principal. Cancellation of the principal amounts is intended to cancel the accrued interest also.

The cancellation of the charges that accrued before December 31, 1946, is based upon an investigation and administrative determination that the repayment capabilities of the lands are such that the operators can reasonably be expected to pay current annual assessments and to liquidate over a 10-year period the delinquent assessments that accrued after 1946, but that the lands cannot be operated profitably unless the charges that accrued prior to December 31, 1946, are canceled.

The Bureau of the Budget on December 30, 1960, advised us that there is no objection to the submission of this proposed legislation to the Congress.

Sincerely yours,

GEORGE W. ABBOTT,
Secretary of the Interior.

Enclosures.

ORDER

Whereas, an act of Congress approved June 22, 1936 (49 Stat. 1803, 25 U.S.C. 389-389e (1952)), authorizes and directs the Secretary of the Interior to cause investigations to be made to determine whether the non-Indian owners of lands under an Indian irrigation project are unable to pay irrigation charges, and provides that where the Secretary finds that "because of inability to operate such lands profitably by reason of lack of fertility of the soil, insufficiency of water supply, defects of irrigation works, or for any other causes he may adjust, defer or cancel such charges, in whole or in part, as the facts and conditions warrant," and may enter into contracts with landowners for the payments of past due charges over a period of not more than 10 years, and

Whereas, schedules A, B, and C of an investigation and report of conditions on the Wind River Indian irrigation project, Wyoming, show that adjustments involving \$45,145.97 of operation and maintenance assessments against non-Indian-owned lands should be made and that all except three landowners have executed contracts agreeing to pay the adjusted balances of charges against their lands after canceling amounts justified under the said act: Now therefore

I find that the landowners are unable to operate such lands profitably because of seepage and other conditions covered by the Act and hereby (a) cancel \$36,439.70 of delinquent charges shown on Schedules A, B, and C of the said report, provided that the cancellation of \$2,093.14 under Schedule B shall not become effective until the landowners have executed contracts as provided in the act of June 22, 1936, agreeing to pay the balance, amounting to \$1,556.40, of delinquent

charges against their lands described as the W $\frac{1}{2}$ SW $\frac{1}{4}$, section 1, SE $\frac{1}{4}$ NE $\frac{1}{4}$ of section 22, T. 1 S., R. 1 E., and the W $\frac{1}{2}$ NW $\frac{1}{4}$ NW $\frac{1}{4}$ of section 10, T. 1 S., R. 4 E., Wind River Meridian; and (b) approve the contracts executed or to be executed by the landowners as provided in the said act of Congress providing for the payment of \$8,706.27 of delinquent charges against their lands.

Done in the city of Washington, District of Columbia, this 12th day of November, 1957.

ROGER ERNST,
Assistant Secretary of the Interior.

REVISION OF RESTRICTION ON CONVEYANCE OF CERTAIN SURPLUS LAND

Mr. McCLELLAN. Mr. President, I introduce, for appropriate reference, a bill to amend the Surplus Property Act of 1944, at the request of the Assistant Secretary of the Interior, to facilitate the transfer of surplus land for historic-monument purposes.

Under existing law, before a State or political subdivision thereof may acquire surplus land from the United States for historic-monument purposes it must be determined suitable and recommended by the Advisory Board on National Parks, Historic Sites, Buildings and Monuments. The law requires that the area shall not exceed what is necessary for the preservation and observance of a historic monument, and that it was acquired by the United States prior to January 1, 1900. This bill is designed to remove the rigid restriction relating to the date of acquisition and substitute a requirement that no surplus land shall be determined to be suitable and desirable for historic-monument purposes unless it has possessed historic significance for more than 50 years.

I ask that a letter addressed to the President of the Senate by the Assistant Secretary of the Interior under date of January 11, 1961, be printed in the RECORD as part of my remarks.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 537) to amend the Surplus Property Act of 1944 to revise a restriction on the conveyance of surplus land for historic-monument purposes, introduced by Mr. McCLELLAN, by request, was received, read twice by its title, and referred to the Committee on Government Operations.

The letter presented by Mr. McCLELLAN is as follows:

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., January 11, 1961.

Hon. RICHARD M. NIXON,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed is a draft of a proposed bill "To amend the Surplus Property Act of 1944 to revise a restriction on the conveyance of surplus land for historic-monument purposes."

We recommend that this bill be referred to the appropriate committee for consideration, and we recommend that it be enacted.

This proposed legislation would amend section 13(h)(2) of the Surplus Property Act of 1944, as amended, so as to remove a technical restriction, relating to date of