

FOIA MARKER

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Folder Title:

Chron File - May 1994 #1 [1]

Staff Office-Individual:

Defense Policy-Bell, Robert

Original OA/ID Number:

264

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31	3	4	2	V

Withdrawal/Redaction Sheet

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. memo	For Anthony Lake from Steven Jones. Subject: Letter from William Clark on Concerns. Record ID: 9403366. (1 page)	05/02/1994	P1/b(1)
002. memo	Legislative Referral Memorandum LRM #I-2563. [CIA Act] [partial] (1 page)	04/26/1994	P3/b(3)
003a. memo	For Executive Secretary, National Security Council. Subject: Significant Military Exercise - NOBLE SABINA 5. (1 page)	04/26/1994	P1/b(1)
003b. cable	re: Part 1 Significant Military Exercise Brief. [Noble Sabina 5] (1 page)	04/06/1994	P1/b(1)
004a. memo	For Anthony Lake from Steven Jones. Subject: Presidential Decision RE: Peacetime Draft Registration and the Selective Service System. Record ID: 9420545. (1 page)	05/02/1994	P1/b(1)
004b. memo	For the President from Anthony Lake. Subject: Decision RE: Peacetime Draft Registration and the Selective Service System. Record ID: 9420545. (3 pages)	05/02/1994	P1/b(1)
005a. letter	[Donald W. Shea] [Personally Identifiable Information] [partial] (1 page)	04/22/1994	b(6)
005b. letter	[Jay M. Garner] [Personally Identifiable Information] [partial] (1 page)	03/30/1994	b(6)

COLLECTION:

Clinton Presidential Records
National Security Council
Defense Policy and Arms Control (Robert Bell)
OA/Box Number: 264

FOLDER TITLE:

Chron File - May 1994 #1 [1]

2016-0152-F

vz4572

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
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PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

b(1) National security classified information [(b)(1) of the FOIA]
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b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

NATIONAL SECURITY COUNCIL

WASHINGTON, D.C. 20506

May 2, 1994

ACTION

MEMORANDUM FOR SAMUEL R. BERGER

THROUGH:

ROBERT BELL *RGB*

FROM:

PETER FEAVER *PDF*

SUBJECT:

Letter from Army Chaplain Applebaum Requesting
Meeting with Sandy Berger

At Tab II Major Martin Applebaum, the Army Jewish Chaplain at Fort Belvoir, Virginia, has written requesting a courtesy call with you.

Tab I is a proposed letter from you to Major Applebaum expressing regrets that you will be unable to meet with him and suggesting instead that he contact Bob Bell. It is not standard operating procedure for area chaplains to have courtesy calls with the Deputy Assistant to the President for National Security Affairs. Given the demands on your time, you may not wish to establish such a precedent.

RECOMMENDATION

That you sign the letter at Tab I expressing regrets that you will be unable to meet with Major Applebaum.

Attachments

Tab I Regrets Letter

Tab II Incoming Correspondence

THE WHITE HOUSE
WASHINGTON

Dear Major Applebaum:

Thank you for writing and expressing your interest in serving members of the Administration in your capacity as Installation Jewish Chaplain at Fort Belvoir.

I appreciate your offer to be of assistance to the Administration and regret that my schedule precludes me from honoring your request for a meeting at this time. However, I have asked Robert Bell, Special Assistant to the President and Senior Director for Defense Policy and Arms Control on the NSC staff, to meet with you at a mutually convenient time. Please contact him directly to arrange a meeting (395-5022).

I wish you every success in your assignment.

Sincerely,

Samuel R. Berger
Deputy Assistant to the President
for National Security Affairs

Major Martin J. Applebaum
Office of the Staff Chaplain
5950 12th Street Suite 101
Fort Belvoir, VA 22060-5539



REPLY TO
ATTENTION OF

DEPARTMENT OF THE ARMY
U.S. ARMY GARRISON, FORT BELVOIR
OFFICE OF THE STAFF CHAPLAIN
5950 12TH STREET, SUITE 101
FORT BELVOIR, VIRGINIA 22060-5539

3311



April 21, 1994

Office of the Jewish
Chaplain

Hon. Samuel R. Berger
Deputy Assistant
National Security Affairs
1600 Pennsylvania Avenue
Washington, DC 20500

Dear Mr. Berger:

Hoping this letter finds you and your family in the best of health.

As you can see from the stationary, I am stationed at Ft. Belvoir, Va. I have been here for approximately 9 months. As the new Administration continues to serve the American people, I hope to try to meet and assist members of the administration as well.

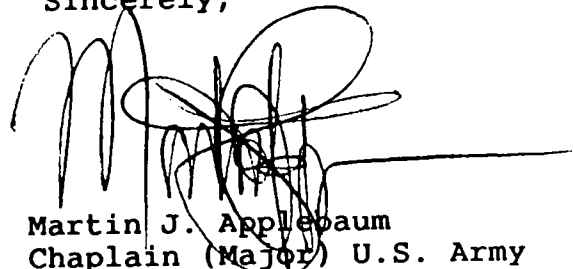
As a Rabbi and a member of the Armed Forces, I would greatly appreciate a courtesy office call with you in your office at your earliest convenience. I am enclosing my personal Bio for your information, so that you can be more informed about me.

If you would be so kind as to have your secretary call me or my Administrative Assistant, Elizabeth Geloso at 703-806-4316, to arrange a convenient time for my visit, I would be eternally grateful.

Thanking you in advance for your consideration.

May G-d grant you and your family all the good you so desire materially and spiritually.

Sincerely,



Martin J. Applebaum
Chaplain (Major) U.S. Army
Installation Jewish
Chaplain

"EXCELLENCE THROUGH SERVICE"



CHAPLAIN (MAJOR) MARTIN J. APPLEBAUM
Department of the Army
Office of the Staff Chaplain
5950 12th Street, Suite 101
Fort Belvoir, VA 22060-5539
(703) 806-4316

Chaplain Martin J. Applebaum was born in Brooklyn, New York. He obtained his advance degrees in Philosophy/Education and Religious Education at Long Island University and the Talmudical Institute of Pittsburgh. In 1979, Chaplain Applebaum was recruited by the Jewish Welfare Board and Yeshiva University to help fill the need for the U. S. Army. His military education includes completion of Chaplain Office Basic, Advance courses, The U.S. Army Combined Arms Services Staff School, and The U.S. Army Command General Staff College.

Chaplain Applebaum's military career led him to various installations. His first duty assignment was at Fort Benning, GA, where he served HQ, HQ Cmd Fort Benning, he then went to Germany where he was the Deputy Community Chaplain of the Greater Stuttgart and sub-communities. After a very successful tour, he then went on to Fort Carson, CO where he served the 4th Aviation Battalion. He was assigned to Joint Tasks Force Bravo in Honduras on Temporary Duty. Chaplain Applebaum arrived at Fort Lewis, WA, on 5 July, 1989 and served as Brigade Chaplain for the 201st Military Intelligence Brigade until 1 February, 1990 and was then reassigned as Deputy Division Chaplain of 9th Infantry Division Motorized. He then Succeeded in being selected as the 9th Infantry Division Chaplain from June 91, through the division inactivation on 15 Dec, 91. From 16 Dec, 91 to 1 June 92, he served as the 555th Engineer Group Chaplain. Chaplain Applebaum also served as Installation Jewish Chaplain of I Corps/Fort Lewis as well as area coverage for all services throughout the West Coast, to include Alaska, and the Marshal Islands. From 1 July 92 to 15 June 93 he served as the Jewish Chaplain for the United States Forces Korea and 121 Evac Hospital Chaplain. As of 1 July 93 he became Installation Jewish Chaplain, Fort Belvoir, VA.

To Chaplain Applebaum's credit, for the year of 1984 he became Military Liaison to the Holocaust Memorial Council in Washington, D. C. He successfully requested dignitaries, such as the Secretary of Defense, to recognize the National Holocaust Remembrance Week Program in the U.S Army.

Awards and decorations include three Meritorious Service Medals, four awards of the Army Commendation Medal, other awards of the following: Army Achievement Medal, National Defense Service Medal, Army Service Medal, three Army Overseas Medal, Armed Forces Reserve Medal, and he was awarded the highest military award given to a U. S. Army Jewish Chaplain, The order of Aaron and Hur Award given by the president of Israel, the Honorable Chaim Hertzog. On March 4th, 1991 he was honored by the Vice President of the United States, Honorable Dan Quayle for his Religious and Military Service. On February 20, 1992, he was the first military Rabbi to open the session of the United States Senate. Chaplain Applebaum is married to the former Rosalie Zylbermanc. They have four children, three sons, Joseph, Mark, David and one daughter, Miriam.

NATIONAL SECURITY COUNCIL

WASHINGTON, D.C. 20506

May 2, 1994

ACTION

MEMORANDUM FOR WILLIAM H. ITOH

THROUGH:

ROBERT BELL *RB*

FROM:

PETER FEAVER *PF*

SUBJECT:

VA Q & A Re. HR-949 Veterans Home Loan and State
Veterans Cemetery Improvements Act of 1993

Tab II is a report, prepared by the Department of Veterans' Affairs, containing questions and answers for the record on HR-949, Veterans Home Loan and State Veterans Cemetery Improvements Act of 1993. The questions and answers concern the disposition of specific benefits relating to VA home loans and VA medical coverage.

Tab I is a proposed memorandum documenting that NSC staff concurrence was phoned into OMB by the 2:00 p.m., May 2 deadline.

Concurrence by:

Jeremy Rosner *JR*RECOMMENDATION

That you sign and forward the memorandum at Tab I indicating NSC staff concurrence in the proposed report.

Attachments

Tab I Memorandum for Signature

Tab II Incoming Correspondence

NATIONAL SECURITY COUNCIL

WASHINGTON, D.C. 20506

MEMORANDUM FOR JANET R. FORSGREN

FROM: WILLIAM H. ITOH

SUBJECT: VA Q & A Re. HR-949 Veterans Home Loan and State
Veterans Cemetery Improvements Act of 1993

The National Security Council staff concurs in the proposed report. This memorandum documents that concurrence was phoned into OMB by the 2:00, May 2 deadline.

3300
SPECIAL**EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
Washington, D.C. 20503**

April 26, 1994

LEGISLATIVE REFERRAL MEMORANDUM**LRM #I-2536****TO: Legislative Liaison Officer -**

HUD - Edward J. Murphy, Jr. - (202)708-1793 - 215
TREASURY - Richard S. Carro - (202)622-1146 - 228
JUSTICE - Sheila F. Anthony - (202)514-2141 - 217
NSC - William H. Itoh - (202)395-3723 - 249
DEFENSE - Samuel T. Brick, Jr. - (703)697-1305 - 325
NEC - Sonyia Matthews - (202)456-6722 - 429

FROM: JANET R. FORSGREN (for) *Janet R. Forsgren*
Assistant Director for Legislative Reference

*** Chris Mustain 395-3923**
OMB CONTACT: ~~Matthew Weller (395-3923)~~
Secretary's line (for simple responses): 395-7362

SUBJECT: VA Qs and As RE: HR 949, Veterans Home Loan
and State Veterans Cemetery Improvements Act
of 1993

DEADLINE: 2:00 AM May 2, 1994

COMMENTS: VA responses to questions from Senator Rockefeller
regarding HR 949, S. 792 and other matters.

OMB requests the views of your agency on the above subject before
advising on its relationship to the program of the President, in
accordance with OMB Circular A-19.

Please advise us if this item will affect direct spending or
receipts for purposes of the the "Pay-As-You-Go" provisions of
Title XIII of the Omnibus Budget Reconciliation Act of 1990.

CC:

Todd Grams
Lisa Signori
Steve Redburn
Ted Wartell
Joe Lackey
Kim Burke
Tim Keating
Cookie Walden
Bill Dickens
Mark Mazur
Phebe Vickers
John Kamensky
Delphine Motley
Janet Forsgren

*** Please Note :**
Change in OMB
contact person.

SPECIAL

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

April 26, 1994

LEGISLATIVE REFERRAL MEMORANDUM

LRM #I-2536

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FROM: JANET R. FORSGREN (for) *Janet R. Forsgren*
Assistant Director for Legislative Reference

OMB CONTACT: * *Chris Mustain 395-3923*
~~Matthew Weisberg (395-3923)~~
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Janet Forsgren

*** Please Note :**
Change in OMB
contact person .

**SENATOR JOHN D. ROCKEFELLER
QUESTIONS SUBMITTED FOR THE RECORD
DEPARTMENT OF VETERANS AFFAIRS
SENATE VETERANS' AFFAIRS COMMITTEE HEARING
MARCH 24, 1994**

022
Question 1: At the hearing, you testified that if the 622 full-time equivalents (FTE) cut from the 1995 Veterans Benefits Administration (VBA) budget were restored, VBA would be able to reduce the average time for processing a claim to 100 days in the next year. Please explain why, if this is true, VA's budget request to OMB did not include a request for the same number of FTE for FY 1995 as the FY 1994 level, with an eye to simply shifting those FTE from OBRA workload to other claims processing tasks.

Answer: The Veterans Benefits Administration (VBA) does not attribute the 622 reduction to OBRA. This number reflects VBA's entire reduction. Only 464 FTE are attributed to a decrease in OBRA workload, of which 349 FTE are in the Compensation and Pension Service. The reduction reflects our successes from our matches conducted to date. Future matches will generate fewer names resulting in reduced workload and fewer FTE required to support OBRA.

We not do believe that unlimited FTE is the answer to our timeliness problem. We are beginning to implement the Blue Ribbon Panel initiatives, which the panel determined would improve claims processing timeliness. Besides the extensive Blue Ribbon Panel initiatives, there are other efforts being undertaken to alleviate the backlog. They include formal training by the Compensation and Pension Service presented at the VBA Academy in Baltimore and at the regional offices. Over the past year, the Compensation and Pension Service presented special training on the decisions of the Court and special rating issues directly to rating board members at some 50 stations. A number of our regional offices are involved in reengineering initiatives to streamline the processing of claims. New York, Portland, Muskogee, Oakland and Jackson have taken the lead in the endeavor which is in concert with the goals of the National Performance Review.

Current regulations require a VA medical examination for many disability claims but allow VA to accept a private physician's statement as the VA examination in certain situations. We published a proposed regulatory amendment in the Federal Register on February 1, 1994, which will increase the number of situations in which a private physician's statement may be accepted as a VA examination.

Current regulations provide that in order to establish his or her dependents, a claimant must submit a copy of the public record of marriage, birth, death or relationship certified over the signature and official seal of the person having custody of the record. We have drafted regulations which will allow acceptance of photocopies as proof of relationship in most cases.

On the legislative side, we continue with our efforts to revise the statute requiring the issuance of an annual Eligibility Verification Report (EVR) to virtually all recipients of

income-based benefits. We believe that with all the income verification matches VA now conducts, we can maintain the integrity of the income programs while eliminating some 500,000 to 600,000 IVR forms annually, thereby freeing up the time of our claims examiners to process new or reopened claims, which are part of the backlog.

021
Question 2: Currently, VA may assist veterans who are delinquent on their loans by seeking forbearance from the primary lender or by refunding the loan under section 3732 of Title 38. Do you anticipate that loans proposed under section 2 of H.R. 949 would substitute for refunding and intervention in many cases, or would VA extend loans under this new program in cases where intervention or refunding would not be appropriate?

Answer: We anticipate that Mortgage Payment Assistance under Section 2 of H.R. 949 would be granted to veterans who should be able to meet their obligations without refunding assistance but need short-term assistance in order to do so. This may occur in cases in which we intervened on the veteran's behalf but, for reasons outside the veteran's control, the intervention was not successful. We expect few cases would qualify for Mortgage Payment Assistance which currently do not merit either refunding or intervention.

02
Question 3: Under both the current refunding program and the proposed new section 3715, VA is required to determine whether the veteran has reasonable prospects for resuming payments on his or her loan.

Question 3a: What criteria are currently used in making this determination?

Answer: VA refunding guidelines do not specifically define what constitutes evidence that a veteran has the ability to resume mortgage payments or what constitutes a "reasonable period" of time to be allowed before a veteran is expected to do so. Each veteran's situation is unique and each case is reviewed on an individual basis. In this review, judgments as to what constitutes acceptable evidence of the ability to resume payments, what constitutes a "reasonable period" and how much weight should be given these items in the decision to refund, are made by Loan Service Representatives based on their experience.

Question 3b: Would standards for making this determination under proposed section 3715 differ from those used in the current refunding program?

Answer: They would differ in one way. Under current refunding guidelines the ability to resume mortgage payments does not necessarily mean the ability to resume payments at the current rate. When a loan is refunded, VA may reduce the interest rate to as little as 3 percent below a current benchmark interest rate. The exact amount of the reduction, if any, depends on the veteran's ability to pay. To qualify for Mortgage Payment Assistance under H.R. 949, the veteran must have a reasonable prospect of being able to resume payments at their current level. Thus, it may be more difficult for VA to determine that a veteran has reasonable prospects for resuming payments with the mortgage assistance provision than under current refunding authority.

021 Question 4: How many home loans were refunded in each of the last three years?

Answer: In FY 1993, VA refunded 1,087 loans; in FY 1992, 920 loans; and, in FY 1991, 783 loans.

021 Question 5: What percentage of defaulted loans were refunded in each of the last three years?

Answer: In FY 1993, the ratio of refunded loans to defaulted loans was 3.77 percent; in FY 1992, it was 2.8 percent; and, in FY 1991, it was 2.2 percent.

021 Question 6: How many veterans sought refunding but were denied in each of the last three years?

Answer: We do not maintain this information.

021 Question 7: What review process is available for a veteran whose request for refunding is denied?

Answer: Refunding is discretionary on the part of VA and there is no formal review process available to veterans whose refunding requests are not approved. However, we would be receptive to any new information provided by a veteran, who was previously denied refunding, that gives a basis for reconsideration of a refunding denial.

021 Question 8: What percentage of terminated loans are sampled under VA's home loan program quality control procedures, and what percentage of those sampled cases have been challenged by the reviewer in each of the last three years?

Answer: The percentage of terminated loans sampled under quality control procedures depends on each individual station's workload. At the beginning of each fiscal year, stations are required to base sample sizes on estimated or projected monthly volume. For example, the maximum percentage of cases subject to quality review at a station with an average monthly volume of 20 cases is 15 percent, while it is 8 percent at a larger station with an average volume of 50 cases. If the fiscal plan is revised due to significant changes in workload, the sample size will then change based on the average volume expected for the remainder of the year.

We do not have data available on occurrence of errors detected by the quality review. Supervisors use the system to detect repetitive errors which usually indicate a need for additional training.

021

Question 9: Proposed new section 3715 would require that a veteran be six months behind on payments before the loan could be extended.

Question 9a: Under normal circumstances, will some delinquent loans have gone into foreclosure before six months have elapsed?

Answer: Yes.

Question 9b: If yes, is the six month waiting period advisable?

Answer: Yes. H.R. 949 does not require that VA wait until a veteran is six payments behind before assistance is extended, only that there be a reasonable prospect that a veteran who receives assistance can resume payments on his or her primary loan within six months after assistance has been granted. However, loans which have gone into foreclosure before being six months delinquent have generally been recognized as insoluble defaults early in their delinquency and would not qualify for Mortgage Payment Assistance.

021

Question 10: Please comment on the operational/logistical issues that would be involved in securing a loan under proposed section 3715. Please include in our comments, answers to the following:

Question 10a: Would the veteran be required to execute a second mortgage?

Answer: Section 3715 requires that a Mortgage Payment Assistance loan be secured by a lien on the property securing the primary loan. A second mortgage is the most common means of doing so, and we anticipate VA would require it. Liens on other security owned by the veteran are permitted. We anticipate such liens would rarely be taken because, if the veteran owns other valuable assets which could be liened, we would usually expect the veteran to liquidate these assets to reinstate his or her loan before being granted Mortgage Payment Assistance by the Government.

Question 10b: Who would prepare and record related documents?

Answer: We expect VA would prepare and record these documents. Within VA, the Office of the District Counsel and staff of the Loan Service and Claims Section would be involved.

Question 10c: What would be the effect on staff workloads?

Answer: Where the Office of the District Counsel can provide a standard form for a second mortgage and note, which can be completed by entering the names of the parties, the amount of the lien, repayment terms and a legal description of the security, the additional work would probably amount to about 3 hours per case.

023
Question 11: At least two of the veterans organizations that testified at the Committee's hearing suggested that the bill be amended to allow families of seriously ill veterans to stay at the facility while their family members are receiving care at the Hines VA Medical Center. Would you provide VA's views on this suggestion?

Answer: If a veteran has a seriously ill child at Loyola University Medical Center, he/she would be eligible to stay at The Caring Place. The license provides for at least one room to be available at no charge to a VA User. This is consistent with the mission and bylaws for Ronald McDonald Houses. These Houses were first established in 1974 under the not-for-profit corporation, Ronald McDonald Children's charities (RMCC), which also awards grants to organizations that benefit children in the areas of health care and medical research, education, and civic and social service. The corporate bylaws for RMCC specifically allow only seriously ill children and families of seriously ill children to stay at a Ronald McDonald House. Family members of adult patients are not included under the Ronald McDonald bylaws.

022
Question 12: In prior years, this Committee has considered several different dates to which to extend the definition of the Vietnam era for those who served in the Vietnam theater -- such as the date of the first casualty, the first awarding of a Vietnam service medal, or the first combat mission. Would you give us your view as to which date -- and the costs associated with that date -- would be most appropriate to mark the beginning of the Vietnam era?

Answer: Apparently, December 22, 1961, the date provided in S. 792, is the date from which official casualty statistics for the Vietnam conflict began to accrue. Although this date does have some significance, United States troop involvement in the Republic of Vietnam began much earlier, and an astute historian could name one of several alternative beginning dates with equal justification.

Intensive U.S. military involvement began following the Gulf of Tonkin Resolution, and for that reason we prefer to maintain the current beginning date. Subsequent to August 5, 1964, the possibility that a service member would serve in Vietnam and incur the risks of combat was substantially increased.

Furthermore, the Gulf of Tonkin Resolution may be viewed as Congressional authorization for U.S. combat involvement. Moreover, before a change to the beginning date of the Vietnam era is made, the comments and recommendations of the Department of Defense should be requested.

We prefer to maintain the current beginning date. If an earlier beginning date is legislated, we recommend that it cover only those individuals who served in the Republic of Vietnam, including service in the waters offshore and service in other locations provided that the conditions of service involved duty or visitation in the Republic of Vietnam.

FROM: GENERAL COUNSEL 021

FAX: 202-273-6305

Apr-26-94 Tue 09:22

PAGE: 07

This restriction would prevent confusion and is not without precedent. Section 9 of Public Law 91-588 added the Mexican border period as a period of war, restricting entitlement to veterans who served 90 days or more in Mexico or on the adjacent borders and waters. The law also restricts Spanish-American War service, and the ending date for World War I may be extended to April 1, 1920, only for veterans who served with the U.S. military forces in Russia (38 U.S.C. 101(6) & (7)).

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Chron File - May 1994 #1 [1]

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- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

THE WHITE HOUSE

WASHINGTON

Dear Bill:

Thank you for your recent letter concerning the April 18 New York Times article regarding the "Doomsday Project."

As you know, it remains our policy not to discuss details of our continuity of government programs for security reasons.

The article contained several errors in fact. While I cannot comment directly on the implications of the article, I can tell you that I am committed to our continuity of government efforts. Our activities in this important area have, and will continue to receive, careful review at the highest levels.

Sincerely,

Anthony Lake
Assistant to the President
for National Security Affairs

Mr. William P. Clark
1031 Pine Street
Paso Robles, California 93446

Pentagon Book For Doomsday Is to Be Closed

By TIM WEINER

Special to The New York Times

WASHINGTON, April 17. — After spending 11 years and \$8 billion churning for ways to keep the Government running after a sustained nuclear attack on Washington, the Pentagon will shelve its project as an antique of the cold war, according to military officials familiar with the program.

The Doomsday Project, as it was known, sought to create an unbreakable chain of command for military civilian leaders that would withstand a six-month-long nuclear war, which was regarded as a plausible length for a controlled conflict.

"That was the requirement: six months," said Bruce Blair, a former Strategic Air Command officer assigned to analyze nuclear war plans in the early 1980's. "And at the end we to have a cohesive chain of command, with control over our remaining nuclear forces, that would give us leverage over the Soviets."

The nuclear tensions of that era having subsided, the project has less than six months to live. "On Oct. 1, it's history," a Pentagon official said.

Like many other cold-war programs, its details remain top secret. And from accounts given anonymously by Army officers and Government officials, it is clear that this secrecy itself was a major stumbling block — in some ways as great a challenge as the technological hurdles.

A Pentagon agency, the Defense Mobilization Systems Planning Activity, was given the task of making to glue together a shattered

Continued on Page A12, Column 1

Continued From Page A1

Government. But the planners found it impossible, even in peacetime, to dilute the White House, the Pentagon, the Central Intelligence Agency, the State Department and other agencies.

The project was an amalgam of more than 20 "black programs" — so highly classified that only a handful of military and civilian personnel

The Pentagon Closes the Book on Doomsday

"That raised the bureaucratic nightmare to the nth power," Mr. Blair said. "No one knew what anyone else was doing. It was hard to find out even the technical characteristics of some of the plans. You had all the difficulties of creating command-and-control networks cutting across bureaucratic lines, combined with the secrecy of black programs — even the bureaucrats running it were handicapped."

Plans for surviving World War III date to very early in the nuclear era. Among the many possible courses of such a war foreseen by planners was a continuing and controlled exchange of small numbers of weapons that would last for weeks or months, rather than an all-out Armageddon that would be over in hours or days.

Presidents since Harry Truman have been briefed on the Pentagon's plans, which relied on two huge underground shelters built in the 1950's, one beneath Mount Weather in the Blue Ridge Mountains of Virginia, 50 miles northwest of Washington, the other beneath Raven Rock Mountain, six miles north of Camp David at the Pennsylvania-Maryland border.

Supervised by Bush

In the 1980's, new nuclear war-fighting strategies that foresaw a months-long battle demanded ways to connect the President, the Secretary of Defense and top military leaders who could give orders to fire nuclear weapons from anywhere in the nation. A few isolated bunkers to save the lives of civilian leaders no longer sufficed.

Far more elaborate plans began with National Security Decision Directive 53, an order signed by President Reagan in January 1983 and still top secret. The directive to create "continuity of government" during and after a long nuclear war was drafted by, among others, Oliver L. North, then an obscure Marine on the National Security Council staff.

In the Reagan Administration, the project was supervised by Vice President George Bush. A senior C.I.A. officer, Charles Allen, was deputy director. In the Reagan and Bush Administrations, the project involved hundreds of people, including White House officials, Army generals, C.I.A. officers and private companies run by retired military and intelligence personnel.

According to Army officers and Government officials familiar with the project, the Doomsday Project created elaborate new links in the nuclear chain of command.

The plan to keep the Government running after the White House and the Pentagon were reduced to radioactive rubble included a network called the Presidential Survivability Support System. Two hundred special-operations commandos were to secure surviving leaders in scores of secret bunkers. The Pentagon built the new bunkers after deciding that the two huge shelters built in the 1950's were sure to be on the Soviets' target list.

Now Gathering Dust

Then the fragmented leadership would be woven together with a communications system of space satellites and specially outfitted tractor-trailer trucks equipped with sophisticated transmitters. Convoys of at least 16 lead-lined trucks, each commanded by an Army colonel, were to burdle down the nation's highways eluding Soviet warheads after the Pentagon was destroyed. Upon the trucks and throughout the nation, sophisticated radio and computer terminals shielded from the effects of nuclear explosions were to link surviving military and civilian officials after the capital was destroyed.

Billions of dollars were spent on such equipment, much of which now is gathering dust in Army depots.

Barry Horton, the principal deputy assistant secretary of defense for command, control, communications

and intelligence programs, said that he could answer no questions about the project, since "the details of these efforts remain classified." Other Pentagon officials confirmed that most of the project was being mothballed as part of an overall review of nuclear war plans, although none would agree to be quoted, citing secrecy strictures.

But the secrecy surrounding the project began crumbling after Mr. North referred obliquely to his role in it in Congressional hearings on the Iran-Contra scandal in 1987. After the subject was raised, Representative Jack Brooks, Democrat of Texas, asked if "plans for the continuity of government" included a "contingency plan in the event of an emergency that would suspend the American Constitution."

In the Bush Administration, members of Congress the Army dis-

puted involving the project concerned awards of multimillion-dollar, no-bid contracts to for Army officials who had left the program. Others involved Army analyses concluding that the project's crucial communications links would break down in a crisis.

High-ranking Army officials strong measures to quash the unwanted publicity. According to a House Armed Services Committee report and Pentagon records, they ordered an officer attached to the project — a soldier with a fessed record of drug black-marketeering — to whistle-blowers within the program and smear them as Soviet spies.

Last year, a military satellite communications system separate from but crucial to the Doomsday project — the \$27.4 billion Milstar program — was deemed incapable of enduring a long nuclear war.

While some "continuity of government" programs continue under the aegis of Pentagon planners, they are pale versions of the vision laid out by President Reagan in 1983.

"They are realizing these moments are throwbacks to the cold war," Mr. Blair said. "They are relevant to today's world."

A plan for a nuclear chain of command is seen as a relic.

and intelligence programs, said that he could answer no questions about the project, since "the details of these efforts remain classified." Other Pentagon officials confirmed that most of the project was being mothballed as part of an overall review of nuclear war plans, although none would agree to be quoted, citing secrecy strictures.

But the secrecy surrounding the project began crumbling after Mr. North referred obliquely to his role in it in Congressional hearings on the Iran-Contra scandal in 1987. After the subject was raised, Representative Jack Brooks, Democrat of Texas, asked if "plans for the continuity of government" included a "contingency plan in the event of an emergency that would suspend the American Constitution."

In the Bush Administration, members of Congress the Army dis-



CLARK COMPANY
CLARK BUILDING
1031 PINE STREET
PASO ROBLES, CALIFORNIA 93446
TELEPHONE NUMBER (805) 238-7110
FAX: (805) 238-1324

3366

TL-FYI



Staff to Steve Jones

21 April 1994

URGENT

The Honorable Anthony Lake
Assistant to the President
for National Security Affairs
The White House
Washington, D. C. 20506

VIA TELEFAX
& U. S. MAIL

Dear Dr. Lake:

Having spent hundreds of hours planning and preparing for the continuity of government program in 1982-1983, I found the 18 April *New York Times* report that your Administration "has decided to dismantle what it calls "The Doomsday Project" disturbing.

I sincerely hope the report is incorrect. The primary duty of government is survival. To reduce survival capacity at this most unstable time internationally could be shortsighted.

Sincerely,

William P. Clark

P. S. Your NSC predecessors stand available to assist you toward recalling and reviewing institutional memory. The issues appear never to change - only the players.

WPC:gmj

CLARK COMPANY
CLARK BUILDING
1031 PINE STREET
PASO ROBLES, CALIFORNIA 93446
TELEPHONE NUMBER (805) 238-7110
FAX: (805) 238-1324

FAX TRANSMISSION

TO: The Honorable Anthony Lake
 Assistant to the President
 for National Security Affairs

Fax
No.: 202/456-2883

FROM: William P. Clark

Number of Pages Including This Cover Sheet: 2

Client/Matter Names:

Date and Time: 27 April 1994

If a problem occurs with transmission, please call Gloria Jones at 805/238-7110.

NATIONAL SECURITY COUNCIL

WASHINGTON, D.C. 20506

May 2, 1994

ACTION

MEMORANDUM FOR ANTHONY LAKE

THROUGH:

ROBERT BELL *RGB*

FROM:

PETER FEAVER *PDF*

SUBJECT: Letter from James Hogg of the National Security Industrial Association Re. Support of Navy's Need in Undersea Warfare in Recognition of World Proliferation

Tab II is a letter from James Hogg, President of the National Security Industrial Association, covering the NSIA's recent report "Free Use of the Sea." The report outlines how the proliferation of advanced undersea weapons poses a challenge to America's continued free use of the sea.

Tab I is a proposed response letter from you thanking Mr. Hogg for the report and informing him that you have forwarded the report to the responsible Senior Directors on the NSC staff.

RECOMMENDATION

That you sign and forward the proposed response letter at Tab I and that you return the report at Tab II to Bob Bell and Dan Poneman for their consideration.

Attachments

Tab I Letter for Signature

Tab II Incoming Correspondence

THE WHITE HOUSE

WASHINGTON

Dear Mr. Hogg:

Thank you for sending my your informative report, "Free Use of the Sea." I have forwarded the report to those on my staff responsible for this important issue.

Sincerely,

Anthony Lake
Assistant to the President
for National Security Affairs

Mr. James Hogg
President
National Security Industrial Association
1025 Connecticut Ave., NW
Washington, DC 20036



50 Years
of Service

EXECUTIVE CORRESPONDENCE

3261 *Steph*

NATIONAL SECURITY INDUSTRIAL ASSOCIATION

National Headquarters

1025 Connecticut Ave, N.W.
Suite 300
Washington, D.C. 20036
Telephone: (202) 775-1440
Fax: (202) 775-1309

Francis A. Gioia
Chairman,
Board of Trustees

Leonard P. Gollobin
Vice Chairman,
Board of Trustees
Chairman,
Executive Committee

J. R. Woodhull
Vice Chairman,
Executive Committee

James R. Hogg
President

April 18, 1994

Mr. Anthony Lake
Assistant to the President for National Security Affairs
The White House
1600 Pennsylvania Avenue, N.W.
Washington, D. C. 20500

Dear Mr. Lake:

It is my pleasure to provide you with NSIA's recent report "Free Use of the Sea." Our objective in this initiative is to support the Navy's needs in Undersea Warfare, in recognition of the worldwide proliferation of undersea warfare technology.

As you know, NSIA's primary approach is to build bridges of communication and understanding between industry and the government. To facilitate this, the Undersea Warfare Committee (UWC) has been formed. The UWC replaces the Anti-Submarine Warfare Committee and provides an improved NSIA communications link between industry and the U.S. Navy.

Additional copies of this report are available as you desire.

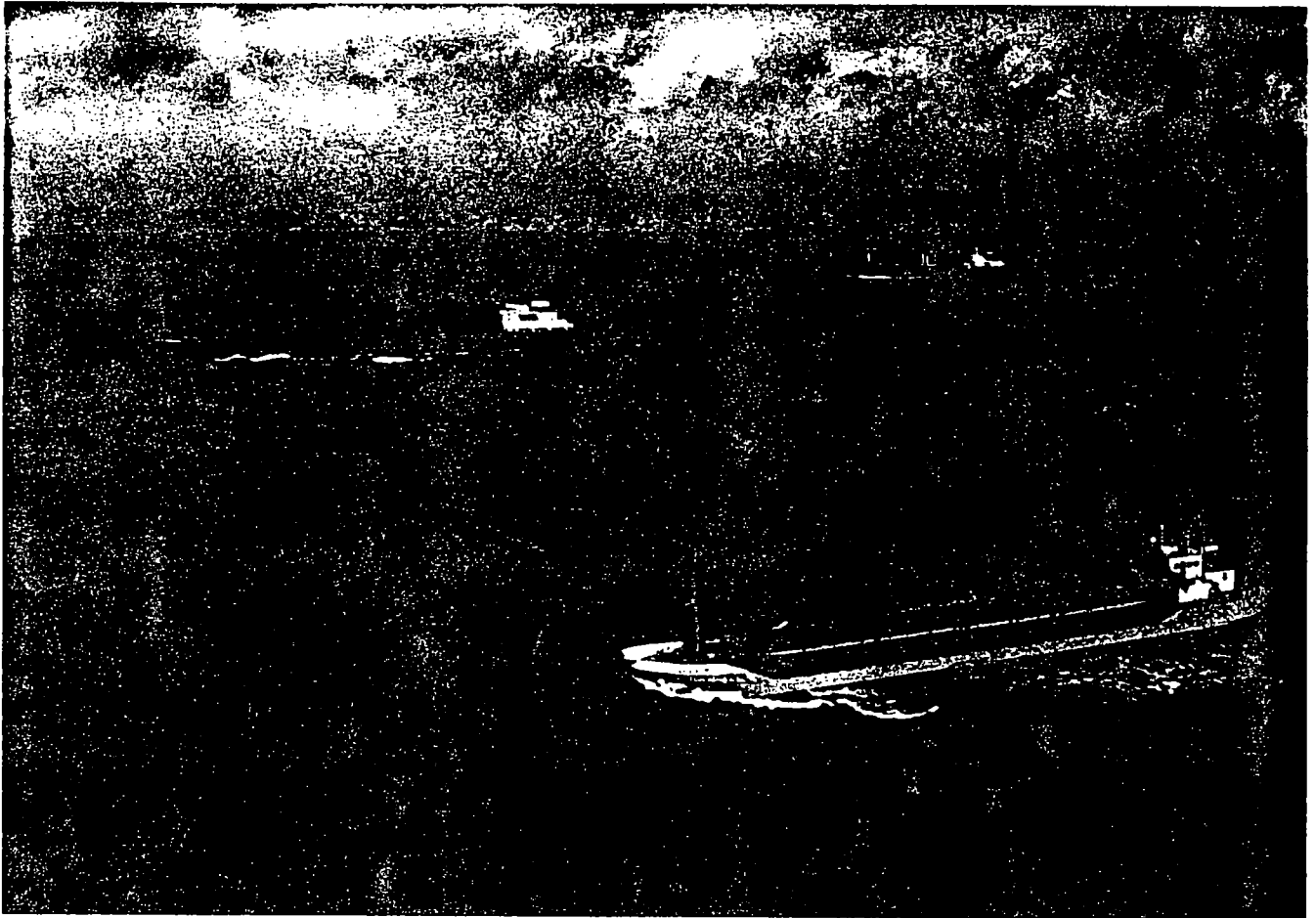
Sincerely,


James R. Hogg
President

Enclosure

Free Use of the Sea

An Imperative for the 21st Century



National Security Industrial Association

NATIONAL SECURITY COUNCIL

WASHINGTON, D.C. 20506

May 2, 1994

ACTION

MEMORANDUM FOR WILLIAM H. ITOH

THROUGH:

ROBERT G. BELL *RG*

FROM:

STEVEN R. JONES *SJ*

SUBJECT:

SBA Proposed Report RE: H.R. 2238, Federal
Acquisition Improvement Act of 1993 (LRM #I-2563)

OMB has requested NSC views on the SBA proposed report addressing potential amendments by Representative Baker establishing contract award preferences for local concerns, and mandating procurement goals for small businesses within a specified radius of a base closing.

The SBA opposes the proposed legislation. Although there is a need to assist small businesses that will be adversely impacted by base closures and realignments, these amendments would add significant complexity to the federal procurement process at a time when the Administration and Congress are attempting to streamline the process.

I support the SBA position that other alternatives, both within current SBA small business programs and within the President's five-point base reutilization program, be explored before adopting the proposed legislation.

Concurrence by: Jeremy Rosner *JR*RECOMMENDATION

That you sign the memo at Tab I.

Attachments

Tab I Memorandum for Signature
Tab II Incoming Correspondence

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

MEMORANDUM FOR JAMES J. JUKES

FROM: WILLIAM H. ITOH

SUBJECT: SBA Proposed Report RE: H.R. 2238, Federal
Acquisition Improvement Act of 1993 (LRM #I-2563)

The NSC staff supports the SBA proposed report opposing the proposed legislation regarding assistance to small businesses near closing bases.

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
002. memo	Legislative Referral Memorandum LRM #I-2563. [CIA Act] [partial] (1 page)	04/26/1994	P3/b(3)

COLLECTION:

Clinton Presidential Records
National Security Council
Defense Policy and Arms Control (Robert Bell)
OA/Box Number: 264

FOLDER TITLE:

Chron File - May 1994 #1 [1]

2016-0152-F

vz4572

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

b(1) National security classified information [(b)(1) of the FOIA]
b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

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

April 26, 1994

LEGISLATIVE REFERRAL MEMORANDUM

LRM #I-2563

TO: Legislative Liaison Officer -

AGRIC-CR - Vince Ancell (all testimony) - (202)720-7095 - 230
COMMERCE - Michael A. Levitt - (202)482-3151 - 324
DEFENSE - Samuel T. Brick, Jr. - (703)697-1305 - 325
EDUCATION - John Kristy - (202)401-2670 - 207
ENERGY - Bob Rabben - (202)586-6718 - 209
HHS - Frances White - (202)690-7760 - 328
HUD - Edward J. Murphy, Jr. - (202)708-1793 - 215
INTERIOR - Danny Consenstein - (202)208-6706 - 329
JUSTICE - Sheila F. Anthony - (202)514-2141 - 217
LABOR - Robert A. Shapiro - (202)219-8201 - 330
STATE - Julia C. Norton - (202)647-4463 - 225
TRANSPORTATION - Tom Herlihy - (202)366-4687 - 226
TREASURY - Richard S. Carro - (202)622-1146 - 228
VA - Robert Coy - (202)273-6666 - 229
AID - Robert M. Lester - (202)647-8371 - 202
AOUSC - Arthur E. White - (202)273-1120 - 245
CIA - (b)(3) [002]
EPA - Thomas C. Roberts - (202)260-5414 - 326
FEMA - John P. Carey - (202)646-4105 - 327
GSA - William R. Ratchford - (202)501-0563 - 237
NASA - Jeff Lawrence - (202)358-1948 - 219
NEC - Sonya Matthews - (202)456-6722 - 429
NSC - William H. Itoh - (202)395-3723 - 249
OPM - James N. Woodruff - (202)606-1424 - 331
OSTR - Fred Montgomery - (202)395-3475 - 223
CPPBSD - Beverly L. Milkman - (703)603-7740 - 290
OGE - Jane Lay - (202)523-5377 - 261

FROM: JAMES J. JUKES (for)
Assistant Director for Legislative Reference

OMB CONTACT: James A. BROWN (395-3473)
Secretary's line (for simple responses): 395-3450

SUBJECT: SBA Proposed Report RE: HR 2238, Federal
Acquisition Improvement Act of 1993

DEADLINE: 5:00 FRIDAY April 29, 1994

COMMENTS: This proposed report addresses potential amendments by Representative Baker establishing contract award preferences for local concerns, and mandating procurement goals for local small businesses. These proposals may also be offered as amendments to SBA-related legislation.

Page 2
LRM #I-2563

OMB requests the views of your agency on the above subject before advising on its relationship to the program of the President, in accordance with OMB Circular A-19.

Please advise us if this item will affect direct spending or receipts for purposes of the the "Pay-As-You-Go" provisions of Title XIII of the Omnibus Budget Reconciliation Act of 1990.

CC:

Elaine Kamarck
John McClelland
David Haun
Bruce McConnell
Bob Damus
Paul Weinstein
Carol Dennis
Allan Brown
Alan Rhinesmith
Doug Criscitello
Jim Boden
Steven Kelman
Wayne Wittig
Bill Coleman
Peter Weiss
Bruce McConnell
John Kaminski
Margaret Yao
Jennifer Palmieri

_____ Concur
_____ No objection
_____ No comment
_____ See proposed edits on pages _____
_____ Other: _____
_____ FAX RETURN of _____ pages, attached to this
_____ response sheet

APR 25 '94 12:25PM CLR

P.2



OFFICE OF THE ADMINISTRATOR

U.S. SMALL BUSINESS ADMINISTRATION
WASHINGTON, D.C. 20416~~AMENDED~~

Honorable Richard Baker
Ranking Minority Member
Subcommittee on Procurement, Taxation, and Tourism
Committee on Small Business
House of Representatives
Washington, DC 20515

Dear Congressman Baker:

This is in reply to your request for views of the Small Business Administration on two proposed amendments to H.R. 2238, the House version of federal procurement reform.

One amendment would require that agencies give contract award preference to "local concerns." It would also require contractors to make their best effort to purchase goods and services from local concerns. The other amendment would provide a 1% goal for DOD for contract awards to local concerns which have less than 50 employees and less than \$1,000,000 in average annual receipts and are in the local area of a base closing.

While we recognize that there is a need to assist small businesses that will be adversely impacted by base closures and realignments, we feel that both of these amendments would add significant complexity to the federal procurement process at a time when Congress and the Administration are attempting to streamline the process. That is why the SBA is looking at other alternatives to helping these businesses through existing means and resources.

I appreciate your interest in the views of the SBA and look forward to working with you on the resolution of this issue.

Sincerely,

Franklin D. Rowles
Administrator

04/28/94

15:30

OMB LRD/ESGG

005

25 '94 12:23PM CLA

RICHARD HUGH

ON LOUISIANA

201 Senate Building
Washington, DC 20515-1000
(202) 205-3001

COMMITTEES:

ARMED SERVICES
AND VETERANS AFFAIRS

SMALL BUSINESS

NATURAL RESOURCES



Congress of the United States

House of Representatives

Washington, DC 20515-1506

February 22, 1994

Mr. Erskine Bowles
Administrator
Small Business Administration
409 Third Street, SW
Washington, D.C. 20416

Dear Mr. Bowles:

I would like to congratulate you on your testimony last week before the House Small Business Committee.

As a follow-up to our discussion at that hearing, I would like to inform you of several initiatives that I have undertaken to assist small businesses in Central Louisiana. Please find enclosed a copy of a proposed amendment to H.R. 2238, the House version of federal procurement reform, which is now being considered by the House. My legislation seeks to safeguard the critical relationship between a military base and the surrounding community during the period of base closure and realignment. I have first-hand knowledge of the strain base closure places on the surrounding community, so my legislation creates a bidding preference for local businesses. Another idea in this regard is to create a SBA Pilot Program for Fort Polk, Louisiana, where a small percentage of contracting opportunities could be set aside for a competitive bidding process between local businesses. I would suggest that those local businesses have to be within a 50-mile radius of Fort Polk and have 15 or fewer employees.

I am also very interested in legislation to improve the 8(a) program. While there have been several legislative attempts to improve the 8(a) program in the past, the program still serves far too few states and far too few companies. I am working on my own 8(a) legislation, and would welcome the opportunity to share my ideas with you.

I thank you in advance for your attention to these matters, and I look forward to hearing from you in the near future.

Sincerely,

Richard H. Baker
Member of Congress

RHB:ale

PROC
AE 12.3
IC: CLA
FIP
m.l.

DISTRICT
5757 Commerce Bldg.
Suite 100
Baton Rouge, LA 70802
(504) 777-7711
(504) 442-1883
1400 Republic St.
Baton Rouge, LA 70801
(504) 442-6004
100 East Poydras St.
Baton Rouge, LA 70801
(504) 225-2642

RECEIVED

1 16 04 PM '94

[DISCUSSION DRAFT]**FEBRUARY 28, 1994****AMENDMENT TO H.R.****OFFERED BY MR. BAKER OF LOUISIANA**

1 **SEC. ____ PREFERENCE FOR LOCAL CONCERNS IN PRO-**
2 **UREMENT CONTRACTS.**

3 **(a) CIVILIAN AGENCY PROCUREMENTS.—Section**
4 **808B of the Federal Property and Administrative Services**
5 **Act of 1949 (40 U.S.C. 858b) is amended—**

6 **(1) in subsection (a), by striking out "An" and**
7 **inserting in lieu thereof "Except as provided in sub-**
8 **section (g), an"; and**

9 **(2) by adding at the end the following new sub-**
10 **section:**

11 **"(g) PREFERENCE FOR LOCAL BIDDERS AND**
12 **OFFERORS.—**

13 **"(1) PREFERENCE.—(A) In evaluating sealed**
14 **bids received in response to a solicitation, an execu-**
15 **tive agency shall give priority to awarding the con-**
16 **tract to a local concern, if the local concern is a re-**
17 **sponsible source whose bid conforms to the solicita-**
18 **tion and is at least as advantageous to the United**
19 **States as the bid that would have been awarded in**

February 28, 1994

1 accordance with subsection (c) had the local concern
2 not submitted a bid.

3 "(B) In evaluating competitive proposals, an ex-
4 ecutive agency shall give priority to awarding the
5 contract to a local concern if the local concern is a
6 responsible source whose proposal is at least as ad-
7 vantageous to the United States as the proposal that
8 would have been awarded in accordance with sub-
9 section (d) had the local concern not offered a pro-
10 posal.

11 "(2) REQUIREMENT FOR CONCERNS TO PUR-
12 CHASE LOCALLY.—Each contract entered into by an
13 executive agency shall include a clause requiring the
14 contractor to make its best effort to purchase goods
15 and services needed under the contract from local
16 concerns, unless the cost is higher, or the quality is
17 lower, than comparable goods or services from
18 nonlocal concerns.

19 "(3) APPLICABILITY TO CONTRACTORS.—Each
20 contract entered into by an executive agency shall
21 require the contractor to—

22 "(A) give priority to awarding subcontracts
23 under the contract to a local concern, if the
24 local concern can meet the cost and quality re-

5

1 tract are to be delivered, as stated in the solicitation.
2

3 "(5) WAIVER.—If the head of an executive
4 agency determines, in consultation with the Secretary of Defense, that entering into a contract in
5 accordance with this subsection is inconsistent with
6 the national security objectives of the United States,
7 the head of the executive agency may waive the requirements of this subsection with respect to that
8 contract."
9

10
11 (b) DEFENSE PROCUREMENTS.—*[Add some language as in subsection (a) to section 2505 of title 10, U.S.C.]*
12

13 (c) GUIDELINES.—Not later than 90 days after the
14 date of the enactment of this Act, the Administrator for
15 Federal Procurement Policy shall publish guidelines to assist executive agencies in complying with subsection (g)
16 of section 808B of the Federal Property and Administrative Services Act of 1949 and subsection _____ of section
17 2505 of title 10, United States Code, as added by subsections (a) and (b).
18
19
20

21 (d) ANNUAL REPORT TO CONGRESS.—Not later than
22 180 days after the date of the enactment of this Act, and
23 annually thereafter, the Administrator for Federal Procurement Policy shall submit to Congress a report on the
24 progress made by the Federal Government in complying
25

F:\M\BAKER\BAKERL018
Procurement Reform

H.L.O.⁷

6

- 1 with subsection (g) of section 303B of the Federal Prop-
- 2 erty and Administrative Services Act of 1949 and sub-
- 3 section _____ of section 2306 of title 10, United States
- 4 Code, as added by subsections (a) and (b).

February 23, 1994

APR 25 '94

04/28/94
12:29PM CLP

15:32

OMB LRD/ESGG

010

P.1

SMALL BUSINESS ADMINISTRATION
OFFICE OF CONGRESSIONAL & LEGISLATIVE AFFAIRS
409 Third Street, S.W., 7th Floor

FAX TRANSMISSION SHEET

DATE:

4/25/94

TIME:

1:20

SUBJECT:

Report For Clearance

TOTAL PAGES

+ COPIES

7

PERSON

OFF. USE

FAX NO.

VOICE NO.

TO:

JIM BROWN

325-3109

FROM:

KARL HONTZ

FAX # 202-205-7274
Voice # 202-205-6700

Optional Message:

Please write all date & signature - has it
been sent
by Baker thinking about offering amendment to an
authorization

Please call 202-6700 if you do not receive all pages

NATIONAL SECURITY COUNCIL

WASHINGTON, D.C. 20506

May 2, 1994

ACTION

MEMORANDUM FOR WILLIAM H. ITOH

THROUGH:

ROBERT G. BELL *RGB*

FROM:

STEVEN R. JONES *SJ*

SUBJECT:

Transportation Draft Bill RE: Commercial Space
Launch Act Authorization (LRM #D-747)

OMB has requested NSC views on the attached Transportation draft bill authorizing FY 1995 and FY 1996 appropriations for the DoT Office of Commercial Space Transportation (OCST).

The draft legislation updates OCST's role by authorizing the licensing and regulation of commercial space reentry activities along with authorizing user fees for licensing services provided by OCST. The proposed legislation fills current regulatory gaps and allows DoT to respond more efficiently to the needs of the commercial space industry.

I am familiar with OCST's role in the current OSTP-led space transportation strategy review. I have reviewed the proposed legislation and have no objection to the Transportation draft bill.

Concurrence by: Jeremy Rosner *JR*RECOMMENDATION

That you sign the memo at Tab I.

Attachments

Tab I Memorandum for Signature
Tab II Incoming Correspondence

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

MEMORANDUM FOR JAMES J. JUKES

FROM: WILLIAM H. ITOH

SUBJECT: Transportation Draft Bill RE: Commercial Space
Launch Act Authorization (LRM #D-747)

The NSC staff has reviewed the proposed legislative update and has no objections to the draft authorization language for DoT's Office of Commercial Space Transportation.

3180

18 *[Handwritten signature]*
[Handwritten signature]

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

April 26, 1994

LEGISLATIVE REFERRAL MEMORANDUM

LRM #D-747
DRAFT #574

TO: Legislative Liaison Officer -

COMMERCE - Michael A. Levitt - (202)482-3151 - 324
DEFENSE - Samuel T. Brick, Jr. - (703)697-1305 - 325
INTERIOR - Danny Consenstein - (202)208-6706 - 329
JUSTICE - Sheila F. Anthony - (202)514-2141 - 217
STATE - Julia C. Norton - (202)647-4463 - 225
TREASURY - Richard S. Carro - (202)622-1146 - 228
NASA - Jeff Lawrence - (202)358-1948 - 219
NEC - Sonyia Matthews - (202)456-6722 - 429
NSC - William H. Itoh - (202)395-3723 - 249
NSF - Lawrence Rudolph - (703)306-1060 - 248
OSTP - Roselis D'Allessandro - (202)456-6011 - 288
SBA - Kris Swedin - (202)205-6702 - 315
USTR - Fred Montgomery - (202)395-3475 - 223

FROM: JAMES J. JUKES (for) *[Handwritten signature]*
Assistant Director for Legislative Reference

OMB CONTACT: Jeffrey WEINBERG (395-3457)
Secretary's line (for simple responses): 395-3454

SUBJECT: TRANSPORTATION Draft Bill Commercial Space
Launch Act Authorization

DEADLINE: NOON May 3, 1994

OMB requests the views of your agency on the above subject before
advising on its relationship to the program of the President, in
accordance with OMB Circular A-19.

Please advise us if this item will affect direct spending or
receipts for purposes of the the "Pay-As-You-Go" provisions of
Title XIII of the Omnibus Budget Reconciliation Act of 1990.

CC:

Ken Schwartz
Roger Adkins
Jeeyany Rhee
Jeff Payne
Jack Fellows
Steve Isakowitz
Tony Wu

Art Stigile
Jeff Hill, OIRA
Bob Damus
Ed Rea
Jon Baker, CEA
Jim Brown

_____ Concur
_____ No objection
_____ No comment
_____ See proposed edits on pages _____
_____ Other: _____
_____ FAX RETURN of _____ pages, attached to this
_____ response sheet



U.S. Department of
Transportation
Office of the Secretary
of Transportation

GENERAL COUNSEL

400 Seventh St., S.W.
Washington, D.C. 20590

April 19, 1994

Draft # 574

The Honorable Leon E. Panetta
Director
Office of Management and Budget
Washington, D.C. 20503

Dear Mr. Panetta:

This letter transmits proposed legislation to reauthorize the Department's Office of Commercial Space Transportation (OCST) for fiscal years 1995 and 1996.

OCST carries out the Department's responsibilities under the Commercial Space Launch Act of 1984, as amended (CSLA), and Executive Order 12465. In recent years, OCST has been faced with technological change taking place in the increasingly innovative commercial space transportation industry, as firms seek to remain competitive internationally. For example, the first U.S. reentry of an unmanned commercial reentry vehicle is planned for this year, and plans are under way to develop wholly commercial spaceports in the United States. Consistent with the Administration's commitment to development of high-technology industries, and transportation technology in particular, the proposed legislation provides the additional tools needed to address these commercial space transportation activities effectively. In addition to authorizing user fees for licensing services provided by OCST, the proposed legislation will fill regulatory gaps and allow the Department to respond more efficiently to the needs of industry.

The need for updating the CSLA has been recognized by Congress. In the last session of Congress, the House of Representatives passed legislation extending the CSLA's licensing and financial responsibility requirements to the planned reentry from space of unmanned reentry vehicles (H.R. 2200). It is important that we present our own initiative quickly to ensure that the Department is positioned to confront these challenges with minimal burden on industry. Therefore, we request clearance of our proposals as soon as possible.

Your advice is requested as to whether there would be any objection to the submission of these proposals to Congress.

Sincerely,

Stephen H. Kaplan

[Date]

The Honorable Al Gore
President of the Senate
Washington, DC 20510

IDENTICAL LETTER TO:
The Honorable Thomas S. Foley
Speaker of the House
of Representatives
Washington, DC 20515

Dear Mr. President:

The Department of Transportation is submitting for your consideration and appropriate reference a bill

To authorize appropriations for fiscal years 1995 and 1996 for the Office of Commercial Space Transportation of the Department of Transportation, and for other purposes.

The Office of Commercial Space Transportation (OCST) carries out the Department's responsibilities under the Commercial Space Launch Act of 1984, as amended (CSLA), and Executive Order 12465. These responsibilities include regulating U. S. commercial space launch activities to protect public safety and other important national interests, and encouraging, facilitating, and promoting the U. S. commercial space transportation industry.

In carrying out its responsibilities, OCST supports private-sector activities that provide U. S. employment, income, and exports in a growing, high-tech market. Space transportation development efforts, and OCST's role in those efforts, may be critical to the survival of the U. S. commercial launch industry. Although U. S. commercial launch industry revenues have grown from \$0 in 1988 to approximately \$500 million in 1993, U.S. launch firms face stiff international competition that includes non-market economy countries, such as China and Russia.

OCST fulfills a critical role in implementing the National Space Launch Strategy (NSPD-4), which calls for the development of international principles of free and fair trade in commercial launch services. OCST, on behalf of DOT, is charged with monitoring and providing assessments of compliance with the memorandum of agreement between the United States and the People's Republic of China on commercial launch services, as well as the recently concluded U. S. - Russia space launch trade agreement.

OCST also participates in interagency deliberations on policies affecting the U. S. commercial space transportation industry. For example, OCST is supporting the Office of Science and Technology Policy's Interagency Working Group on Space Transportation, which is developing a national investment strategy to meet civil, national security, and commercial space launch needs. OCST is also participating in the National Facilities Study of current and future needs for facilities to support space launch operations and research and development, and in the Department of Defense Space Launch Modernization Plan for improvements to the current fleet of U. S. expendable launch vehicles and space launch infrastructure.

Major changes are taking place in the commercial space transportation industry as firms turn to cost-effective innovation to remain competitive. There is a growing demand for a wide range of spacecraft in low earth orbit, from communication constellations to those needed for micro gravity research, remote sensing, and other scientific missions. Commercial launch vehicles developed to support these activities will use new flight concepts and conduct unique operations. In 1994, the commercial space industry is planning the first ever U. S. land recovery of a commercial orbital reentry vehicle. New launch concepts also are being developed, such as use of modified civil aircraft to conduct air launches. Several states have accelerated their efforts to develop commercial launch sites, and these sites will require OCST licenses. Other innovations are likely to occur in the coming years. McDonnell Douglas Corporation's successful test flights of a prototype single-stage-to-orbit vehicle is one example of the far-ranging concepts being developed in the industry.

For the U.S. industry to compete effectively in the international marketplace, it must be able to pursue new concepts and introduce new technologies in a timely, cost-effective manner. To accommodate this need, OCST must ensure that the licensing of these activities does not impede progress toward more competitive launch systems while, at the same time, assuring high levels of public safety.

OCST's workload has already increased significantly in volume and complexity over the last several years, in part because of new industry developments. Since 1989, OCST has issued 25 licenses, overseen 38 commercial launches, and set insurance requirements covering 11 launch vehicles launched from five different launch facilities. The U. S. Commercial Launch Manifest, as of February 1994, shows a total of 48 launches and reentry activities in the next several years that would require OCST licenses.

The funding levels in the Department's proposed reauthorization bill, and the statutory changes that are requested, will give OCST the resources and flexibility it needs to meet these new demands. The legislation would authorize OCST to license the reentry from space of reentry vehicles; exempt or waive with conditions, licensing requirements where licensing is unnecessary; and grant safety approvals outside of a formal determination on a license application to facilitate ultimate licensing of launch activities. The legislation also proposes an amendment to allow OCST, by regulation, to extend the CSLA's financial responsibility and risk allocation provisions to those pre-launch hazardous activities conducted at a launch site that Congress intended to cover, without distorting the licensing process. Lastly, the legislation would give OCST the express authority it needs under the CSLA to collect user fees for services performed for license applicants and licensees.

The Office of Management and Budget advises that there is no objection to the presentation of this proposal to Congress.

Sincerely,

Federico Peña

A BILL

To authorize appropriations for fiscal years 1995 and 1996 for the Office of Commercial Space Transportation of the Department of Transportation, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Commercial Space Launch Act Amendments of 1994."

Sec. 1. Section 4 of the Commercial Space Launch Act (49 U.S.C. App. § 2603) is amended —

- (a) by inserting "from Earth" after "if any," in paragraph (2);
- (b) by redesignating paragraphs (9) through (12) as paragraphs (11) through (14), respectively;
- (c) by inserting after paragraph (8) the following new paragraphs:

"(9) 'reenter' and 'reentry' mean to return purposefully, or attempt to return, a reentry vehicle and payload, if any, from Earth orbit or outer space to Earth;

"(10) 'reentry vehicle' means any vehicle designed to return from Earth orbit or outer space to Earth substantially intact;"

and

- (d) by inserting in paragraph (13) as redesignated by this Act "or a reentry" after "launch services" each place it appears.

Sec. 2. Section 6 of the Commercial Space Launch Act (49 U.S.C. App. § 2605) is amended --

(a) in section 6(a), by inserting ", or reenter a reentry vehicle," after "operate a launch site" each place it appears;

(b) in section 6(a)(2) and (3), by striking "section 4 (11)" each place it appears and inserting in lieu thereof "section 4(14)";

(c) in section 6(a)(3)(A), by inserting "or reentry" after "such launch or operation";

(d) in section 6(a)(3), by inserting ", or reentry of a reentry vehicle," after "operation of a launch site" each place it appears;

(e) in section 6(b)(1),

(1) by striking "launch license" and inserting in lieu thereof "license";

(2) by inserting "or reenter" after "shall not launch";

(3) by inserting "or reentry" after "relate to the launch"; and

(4) by inserting "or reentered" after "to be launched";

(f) in section 6(b)(2),

(1) by inserting "or reentry" after "prevent the launch";

(2) by striking "holder of a launch license" and inserting in lieu thereof "licensee"; and

(3) by inserting "or reentry" after "determines that the launch"; and

(g) in section 6(c)(1), by inserting "or reentry of a reentry vehicle" after "operation of a launch site".

Sec. 3. Section 7 of the Commercial Space Launch Act (49 U.S.C. App. § 2606) is amended by striking "both" and inserting in lieu thereof "for reentering one or more reentry vehicles".

Sec. 4. Sections 8(a), 9(b), 11(a) and (b), 12(a)(2)(B) and (b) of the Commercial Space Launch Act (49 U.S.C. App. §§ 2607(a)(2), 2608(b), 2610(a) and (b), 2611(a)(2)(B) and (b), respectively) are amended by inserting ", or reentry of a reentry vehicle," after "operation of a launch site" each place it appears.

Sec. 5. Section 8(b) of the Commercial Space Launch Act (49 U.S.C. App. § 2607(b)) is amended by inserting "and the reentry of reentry vehicles," after "operation of launch sites,".

Sec. 6. Section 11(a) of the Commercial Space Launch Act (49 U.S.C. App. § 2610(a)) is amended by inserting "or reentry" after "launch or operation".

Sec. 7. Sections 12(a)(1) and (b) of the Commercial Space Launch Act (49 U.S.C. App. §§ 2611(a)(1) and (b), respectively) are amended by inserting "or reentry" after "prevent the launch" each place it appears.

Sec. 8. Section 14(a)(1) of the Commercial Space Launch Act (49 U.S.C. App. § 2613(a)(1)) is amended --

- (a) by inserting "or reentry site" after "observers at any launch site";
- (b) by inserting "or reentry vehicle" after "assembly of a launch vehicle"; and
- (c) by inserting "or reentry vehicle" after "integrated with a launch vehicle".

Sec. 9. Section 15 of the Commercial Space Launch Act (49 U.S.C. App. § 2614) is amended --

(a) in section 15(b)(4)(A),

- (1) by inserting "and reentries" after "the launches";
- (2) by inserting "or reentry date commitment" after "launch date commitment";
- (3) by inserting "or reentry" after "obtained for a launch";
- (4) by inserting ", reentry sites," after "United States launch sites";

- (5) by inserting "or reentry site" after "access to a launch site";
- (6) by inserting ", or services related to a reentry," after "amount for launch services"; and
- (7) by inserting "or reentry" after "scheduled launch";

(b) in section 15(b)(4)(B), by inserting "or reentry" after "prompt launching"; and

(c) in section 15(c), by inserting "or reentry" after "launch site".

Sec. 10. Section 16 of the Commercial Space Launch Act (49 U.S.C. App. § 2615) is amended —

(a) in section 16(a)(1)(A) and (B), by inserting "or reentry" after "any particular launch" each place it appears;

(b) in section 16(a)(1)(C) and (D), by inserting "or a reentry" after "launch services" each place it appears; and

(c) in section 16(4)(A) and (B), by inserting "or reentry" after "particular launch" each place it appears.

Sec. 11. Section 17(b)(2)(A) of the Commercial Space Launch Act (49 U.S.C. App. § 2616(b)(2)(A)) is amended by inserting "reentry site," after "launch site,"; and by inserting "or reentry vehicle" after "a launch vehicle" each place it appears.

Sec. 12. Section 21 of the Commercial Space Launch Act (49 U.S.C. App. § 2620) is amended—

(a) in section 21(a), by inserting "and reentry" after "approval of space launch";

(b) in section 21(b),

(1) by inserting ", reentry vehicle," after "A launch vehicle"; and

(2) by inserting "or reentry" after "the launching";

(c) in section 21(c)(1),

- (1) by striking "or" in subparagraph (B);
- (2) by redesignating subparagraph (C) as subparagraph (D); and
- (3) by inserting after subparagraph (B) the following new subparagraph:

"(C) reentry of a reentry vehicle, or"

and

(d) in section 21(c)(2), by inserting "reentry," after "launch,".

Sec. 13. Section 22(a) of the Commercial Space Launch Act (49 U.S.C. App. § 2621(a)) is amended --

(a) by striking "ending after the date of enactment of this Act and before October 1, 1989"; and

(b) by inserting "and reentries" after "further commercial launches".

Sec. 14. Section 8 of the Commercial Space Launch Act (49 U.S.C. App. § 2607) as amended by this Act is further amended --

(a) by striking section 8(a)(1) and inserting in lieu thereof the following:

"(1) A licensee or license transferee under this chapter shall be subject to all requirements of Federal law that apply to the launch of a launch vehicle or the operation of a launch site, or the reentry of a reentry vehicle, except to the extent provided in paragraph (2) of this subsection."

(b) in section 8(a)(2), by striking "for a license"; and

(c) in section 8(c), by inserting ", or the requirement to obtain a license," before "under this section".

Sec. 15. Section 9 of the Commercial Space Launch Act (49 U.S.C. App. § 2608) as amended by this Act is further amended --

(a) by redesignating section 9(a) as subsection 9(a)(1); and

(b) by inserting a new section 9(a)(2) to read as follows:

"(2) In carrying out the responsibilities under paragraph (1) of this subsection, the Secretary may establish procedures whereby any person may request a safety approval for a launch vehicle system, reentry vehicle system, or any safety system, procedure, service or personnel that may be used in conducting licensed commercial space launch and reentry activities."

Sec. 16. Section 16 of the Commercial Space Launch Act (49 U.S.C. App. § 2615) as amended by this Act is further amended --

(a) in sections 16(a)(1), by inserting ", or launch-related hazardous activities conducted at a launch site as determined by the Secretary," after "launch or reentry" each place it appears.

(b) in section 16(a)(1)(C) and (D), by striking "under the license" and inserting in lieu thereof "under the applicable license, or launch-related hazardous activities conducted at a launch site as determined by the Secretary";

(c) in section 16(a)(2), by striking "a requirement described in" and inserting after "launch services," ", or launch-related hazardous activities conducted at a launch site as determined by the Secretary, or the reentry, as applicable,";

(d) in section 16(a)(3), by inserting "particular" before "license" and ", or launch-related hazardous activities conducted at a launch site as determined by the Secretary," after "license";

(e) in section 16(b)(1), by inserting ", or launch-related hazardous activities conducted at a launch site as determined by the Secretary," after "under the license" and striking "arising out of any particular launch";

(f) in section 16(b)(4)(A), by striking "as a result of activities carried out under a license issued or transferred under this chapter", inserting "licensed" before "launch", and inserting after "launch or reentry" ", or launch-related hazardous activities conducted at a launch site as determined by the Secretary,";

(g) in section 16(b)(4)(B), by inserting "licensed" before "launch", striking "under such a license", and inserting after "launch or reentry" ", or launch-related hazardous activities as determined by the Secretary,"; and

(h) in section 16(c), by inserting ", or from launch-related hazardous activities conducted at a launch site as determined by the Secretary," after "chapter".

Sec. 17. Section 21(c) of the Commercial Space Launch Act (49 U.S.C. App. § 2620(c)) as amended by this Act is further amended by striking "or" at the end of paragraph (1), striking the period at the end of paragraph (2) and inserting in lieu thereof "; or", and inserting after paragraph (2) the following new paragraph to read as follows:

"(3) any amateur and similar small rocket activities, as defined by the Secretary in regulations."

Sec. 18. Section 24 of the Commercial Space Launch Act (49 U.S.C. App. § 2623) is amended by revising the second sentence to read as follows:

"There are authorized to be appropriated to the Secretary for fiscal year 1995 \$6,541,000, and such sums as may be necessary for fiscal year 1996, to carry out this chapter."

Sec. 19. The Commercial Space Launch Act (49 U.S.C. App. § 2601 et seq.) is amended by adding a new section 25 to read as follows:

"Sec. 25. User Fees.

"(a) Fee schedule

The Secretary shall establish, by regulation, a schedule of user fees to be assessed to applicants and holders of licenses under this chapter to recover a portion of the costs associated with issuing, amending or renewing, and administering such licenses.

"(b) Collection

The Secretary shall establish procedures for the collection of user fees assessed in accordance with subsection (a) of this section.

"(c) Disposition of Fees

For fiscal years 1995 and 1996, up to \$200,000 of the fees collected in each year under subsection (a) shall be credited to the Secretary's Operations and Research account for the Office of Commercial Space Transportation and shall be used, to the extent provided in advance by appropriation acts, only to cover costs associated with issuing, amending or renewing, and administering licenses. Fees collected above this amount shall be deposited into the general fund of the United States Treasury as offsetting receipts."

Section-by-Section Analysis of a Bill

"To authorize appropriations for fiscal years 1995 and 1996 for the Office of Commercial Space Transportation, and for other purposes"

SEC. 1 through SEC. 13. The changes made by these sections are identical in substance to amendments contained in H.R. 2200, as passed by the House of Representatives in the first session of the 103rd Congress. The amendments are needed because use of reentry vehicles that return to Earth from orbit for commercial space activities was not foreseen when the Commercial Space Launch Act of 1984 (CSLA) was enacted. It has since become clear that the technical capability exists in the private sector to undertake such activities if a suitable application were found. For example, NASA has been funding the Commercial Experiment Transporter (COMET) Program, an integrated space transportation system to launch payloads into Earth orbit and return them to Earth. The need to consider commercial space transportation technologies beyond conventional expendable launch vehicles is also shown by the progress that has been made on the development of a reusable single-stage-to-orbit (SSTO) rocket. The amendments made by these sections will create a regulatory framework for ensuring public safety while minimizing regulatory burdens, delays, or uncertainties that could prevent development of commercial reentry capabilities. These amendments will make it clear that the Secretary is authorized to license and regulate commercial space reentry activities.

SEC. 14. This section would clarify the Secretary's responsibility with regard to requirements of Federal law that apply to launches of launch vehicles or launch site operations and avoid any implication that Congress intended to vest in DOT primary responsibility for enforcing regulatory requirements of other Federal agencies. The proposed amendment would not change DOT's role in consulting with other agencies to identify and eliminate by regulation any requirements that may apply to the launch of a launch vehicle or the operation of a launch site.

This section also would amend the CSLA's existing provision that authorizes waiver of particular licensing requirements, in individual cases, by authorizing

the Secretary to waive the requirement for a license altogether when the Secretary determines that public health and safety, safety of property, and United States national interests are not sufficiently at risk to warrant licensing. This change would give DOT the flexibility to dispense with the license requirement for launches that are not already exempt under section 21 of the CSLA, but which pose little threat to public safety, property, or United States national security or foreign policy interests. In deciding whether or not to grant any such waivers, DOT would consider whether other Federal, state or local regulation, or self-regulation is sufficient to address public safety and related concerns, as well as the need to attach conditions on the waiver. Adding this limited discretion would reduce unnecessary or unintended regulatory burdens on those private launch operations for which licensing would not further the purposes of the CSLA.

SEC. 15. This section would expressly authorize DOT to grant a request by any person for a DOT safety approval of any launch vehicle system, reentry vehicle system, or any safety system, procedure or service, or personnel that may be proposed for use in conducting a licensed commercial space launch activity. This safety approval may precede a license application and need not be associated directly with a specific commercial space launch activity under consideration for licensing. The ability to rely on prior safety approvals, which could be incorporated into or referenced in the licensing process, would give a license applicant greater flexibility and certainty in developing a commercial space activity proposal.

The CSLA makes licensing the launch of a launch vehicle or the commercial operation of a launch site the exclusive means by which DOT protects the public health and safety, safety of property, and United States national interests that may be affected by conduct of these activities. Only the launch or launch site operator is responsible for obtaining a license under the Act. The limits of this approach can be illustrated by analogy to the automobile, a transportation vehicle people readily understand. Under the CSLA approach, a person applying for an automobile driver's license would have to establish not only his driving skill, but also the safety of the vehicle he planned to drive and the methods and standards used to maintain it. Similarly, the vehicle manufacturer could not obtain the safety approval needed to offer that automobile for sale until

prospective owners had applied for licenses to operate the cars that would be produced. The CSLA's licensing approach does not take account of the fact that persons other than a launch or launch site operator may need safety approvals outside of a launch operator's particular license application in order to provide launch safety systems and services.

The ability to grant approvals outside of a formal determination on a license application will add flexibility to DOT's regulatory process and better meet the needs of the commercial space transportation industry. DOT has taken a similar, albeit limited, approach in its existing licensing regulations. For example, DOT licensing regulations allow a payload owner or operator to obtain a payload determination in advance of, or apart from, a license determination. The licensing regulations also require separate approvals for the safety review and mission review of proposed launch activities. Allowing the Secretary to issue safety approvals to other persons is an extension of this approach to facilitating the ultimate licensing of a commercial space launch activity.

Obtaining safety approvals before a launch proposal is final is essential for firms that are developing new and innovative launch vehicles or systems. As DOT's experience with the Commercial Experiment Transporter ("COMET") has shown, these firms may need a resolution of safety issues well in advance of the filing of a license application. Such safety approvals are a crucial means by which DOT can respond effectively to the needs of the rapidly evolving space transportation industry that may soon include single-stage-to-orbit (SSTO) rockets and commercial spaceport operations.

SEC. 16. The 1988 Amendments to the CSLA added a comprehensive financial responsibility and allocation of risk regime to the CSLA in order to apportion launch liability risks fairly between the domestic commercial space launch industry and the United States Government and to enhance the competitive posture of the emerging U.S. commercial space launch industry in the international marketplace. As one component of this regime, the Government, its agencies, contractors, and personnel involved in licensed launch activities are protected from a significant measure of exposure to liability for loss or injury resulting from such activities. The Act accomplishes this by requiring DOT to condition a license on a licensee's obtaining liability insurance or otherwise

demonstrating financial responsibility sufficient to compensate the maximum probable loss from third-party claims and Government property damage resulting from licensed launch activities.

The changes proposed by this section would facilitate implementation of the CSLA's financial responsibility and allocation of risk provisions with respect to those high-risk, launch-related activities that Congress intended to be covered. The CSLA's current language links the financial responsibility and allocation of risk regime to only those activities carried out "under the license." This has proven extremely difficult to implement through DOT licenses. In order to extend this regime to pre-launch operations, DOT licenses authorize the licensee to conduct both particular launches and associated launch site operations, including, but not limited to, preparation of the vehicle and its payload for launch. This approach may be too broad for purposes of applying the CSLA's financial responsibility and allocation of risk provisions. Another possible option for implementing these provisions would be for DOT to redefine "launch" under the license to include those pre-launch activities Congress intended to cover, even though DOT does not need to regulate them to protect public health or safety or safety of property. This latter approach would impose an unnecessary regulatory burden on industry solely to accomplish a financial responsibility and risk allocation purpose.

The Department believes the approach proposed in this section is preferable to any options currently available under the CSLA. The proposed amendments would uncouple the range of activities covered by the financial responsibility and allocation of risk provisions from DOT's safety regulation through the launch license mechanism. This will enable DOT, by regulation, to extend pre-launch coverage to only those hazardous activities conducted at a launch site (e.g., fuelling, large solid rocket motor assembly) that Congress intended to cover.

As a practical matter, this approach will not increase the Government's liability for payment of claims for loss or damage under the CSLA because only those activities considered in the maximum probable loss determination process would be covered by the so-called "indemnification" provisions of the CSLA.

SEC. 17. This section makes clear that the CSLA does not apply to small-scale rocket activities conducted for recreational or educational purposes. These launches, which number annually in the millions, are currently subject to state and local regulation, self-regulation by the organizations sponsoring these activities, and Federal airspace and other safety requirements. Licensing under the Department of Transportation regulations would constitute an unnecessary burden on these largely noncommercial rocket activities.

SEC. 18. This section would authorize appropriations for fiscal years 1995 and 1996 for the Department of Transportation's Office of Commercial Space Transportation programs. A total of \$6,541,000 would be authorized for the activities of this Office in fiscal year 1995 and such sums as may be necessary for that purpose would be authorized for fiscal year 1996.

SEC. 19. Consistent with Administration directives to all agencies regarding deficit reduction, this section would provide the authority required by section 24 of the Commercial Space Launch Act (49 U.S.C. App. § 2623) for the Secretary to assess and collect user fees to recover a portion of the costs of providing services to applicants and holders of licenses under the Act. As in 1991, when DOT first established a schedule of fees for its commercial space transportation activities, full-cost recovery would not be sought, consistent with national policy guidance reflected in the CSLA and articulated in the National Space Policy. Government space policy links a robust commercial launch sector with advancing U.S. national security and foreign policy interests, enhancing opportunities for economic growth and maintaining international leadership in space. Although the U.S. commercial space transportation industry has made great progress in recent years, it is still an emerging industry carrying out high-risk operations in the context of a very competitive international market. These concerns would be reflected in any fee schedule established under this amendment.

~~SECRET~~

~~SECRET~~

3158

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

May 2, 1994

ACTION

MEMORANDUM FOR WILLIAM H. ITOH

THROUGH: ROBERT BELL *26/6*

FROM: PETER FEAVER *PF*

SUBJECT: Significant Military Exercise -- NOBLE SABINA 5

At Tab I is a proposed memorandum to the Executive Secretary, Department of Defense, approving military exercise NOBLE SABINA 5. At Tab II Defense recommends approval and State concurs with provisos.

NOBLE SABINA 5 is a combined U.S./Israeli special forces exercise. The exercise is designed to practice swimmer delivery vehicle operations and enhance bilateral maritime training. The exercise will be conducted in and around Ashdod, Israel from May 24 through June 8, 1994. The Department of State concurs provided that no funds under the Developing Countries Combined Exercise Program have been allocated for this exercise.

The critical cancellation date is May 11, 1994.

Concurrence by: David *[Signature]* Satterfield

RECOMMENDATION

That you sign and forward the memorandum at Tab I approving NOBLE SABINA 5.

Attachments

Tab I Memorandum for Signature
Tab II Incoming Correspondence

~~SECRET~~

Declassify on: OADR

~~SECRET~~

DECLASSIFIED
E.O. 13526
White House Guidelines, September 11, 2006
By *VL* NARA, Date *10/3/2016*
7516-0152-F

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

MEMORANDUM FOR COLONEL ROBERT P. MCALEER
Executive Secretary
Department of Defense

SUBJECT: Significant Military Exercise -- NOBLE SABINA 5

Significant military exercise NOBLE SABINA 5 is approved.

William H. Itoh
Executive Secretary

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
003a. memo	For Executive Secretary, National Security Council. Subject: Significant Military Exercise - NOBLE SABINA 5. (1 page)	04/26/1994	P1/b(1)

COLLECTION:

Clinton Presidential Records
National Security Council
Defense Policy and Arms Control (Robert Bell)
OA/Box Number: 264

FOLDER TITLE:

Chron File - May 1994 #1 [1]

2016-0152-F
vz4572

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1** National Security Classified Information [(a)(1) of the PRA]
- P2** Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3** Release would violate a Federal statute [(a)(3) of the PRA]
- P4** Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5** Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6** Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1)** National security classified information [(b)(1) of the FOIA]
- b(2)** Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3)** Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4)** Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6)** Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7)** Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8)** Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9)** Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
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003b. cable	re: Part I Significant Military Exercise Brief. [Noble Sabina 5] (1 page)	04/06/1994	P1/b(1)
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C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.



United States Department of State

Washington, D.C. 20520

22 April, 1994

Mr. Maxwell Alston
Acting Director
ODUSD (SP)/EP
The Pentagon, Room 1D460
Washington, D.C. 20301-2200

Dear Mr. Alston:

In response to your letter, I-94/23413, the Department of State concurs in the conduct of the exercise NOBLE SABINA 5, as described in the brief that you provided. The Department understands that no funds under the Developing Countries Combined Exercise Program (DCCEP) have been allocated for this exercise.

Sincerely,

John B. Piazza, Colonel, USAF
Director

International Security Peacekeeping Operations
Bureau of Political Military Affairs

cc: Dr. Anthony Gray OASD/ISA (GA)
Fredrick Smith OASD/ISA (NESA)
CAPT. Stephen Woodall J-7 (JETD)

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
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004a. memo	For Anthony Lake from Steven Jones. Subject: Presidential Decision RE: Peacetime Draft Registration and the Selective Service System. Record ID: 9420545. (1 page)	05/02/1994	P1/b(1)
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COLLECTION:

Clinton Presidential Records
National Security Council
Defense Policy and Arms Control (Robert Bell)
OA/Box Number: 264

FOLDER TITLE:

Chron File - May 1994 #1 [1]

2016-0152-F
vz4572

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
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RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

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Withdrawal/Redaction Marker

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DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
004b. memo	For the President from Anthony Lake. Subject: Decision RE: Peacetime Draft Registration and the Selective Service System. Record ID: 9420545. (3 pages)	05/02/1994	P1/b(1)

COLLECTION:

Clinton Presidential Records
National Security Council
Defense Policy and Arms Control (Robert Bell)
OA/Box Number: 264

FOLDER TITLE:

Chron File - May 1994 #1 [1]

2016-0152-F
vz4572

RESTRICTION CODES

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WHITE HOUSE STAFFING MEMORANDUM

3715

DATE: 5/3

ACTION/CONCURRENCE/COMMENT DUE BY: 5/9

SUBJECT: MILITARY NOMINATIONS:

1. BRIGADIER GEN. DONALD W. SHEA, USA
2. MAJGEN JAY M. GARNER, USA
3. LTCEN JOHN D. BELL, USA

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☐	☐	MYERS	☐	☐
McLARTY	☐	☐	QUINN	☐	☐
LADER	☐	☐	RASCO	☐	☐
ICKES	☐	☐	RUBIN	☐	☐
PANETTA	☐	☐	SEGAL	☐	☐
BAGGETT	☐	☐	SEIDMAN	☐	☐
CUTLER	☐	☐	STEPHANOPOULOS	☐	☐
EMANUEL	☐	☐	TYSON	☐	☐
GEARAN	☐	☐	VARNEY	☐	☐
GERGEN	☐	☐	WATKINS	☐	☐
GIBBONS	☐	☐	WILLIAMS	☐	☐
GRIFFIN	☐	☐	BELL	☒	☐
HALE	☐	☐	CLERK	☐	☒
HERMAN	☐	☐		☐	☐
LAKE	☐	☐		☐	☐
LINDSEY	☐	☐		☐	☐
McGINTY	☐	☐		☐	☐

REMARKS:

Do you have any objections?

RESPONSE:

The National Security Council staff concurs in the attached military nominations.

JOHN D. PODESTA
Assistant to the President
and Staff Secretary
Ext. 2702

Anthony Lake

THE WHITE HOUSE

WASHINGTON

April 26 1994
94 APR 28 P5:26

MEMORANDUM FOR THE PRESIDENT

FROM: ALPHONSO MALDON, JR. *A. Maldon Jr.*
DEPUTY ASSISTANT TO THE PRESIDENT AND
DIRECTOR, WHITE HOUSE MILITARY OFFICE

SUBJECT: General Officer Nomination

Forwarded for your approval and signature is the nomination of Brigadier General Donald W. Shea, United States Army, for appointment to the grade of major general and a recommendation for his assignment as Chief of Chaplains, United States Army.

This nomination was staffed by the Secretary of the Army and approved by the Deputy Secretary of Defense.

Recommendation

That you approve and sign the attached.

Attachment



THE DEPUTY SECRETARY OF DEFENSE
WASHINGTON, D.C. 20301-1000



22 APR 1994

MEMORANDUM FOR THE PRESIDENT

SUBJECT: General Officer Nomination

On behalf of the Secretary of Defense, I recommend you nominate Brigadier General Donald W. Shea, United States Army, as Chief of Chaplains for the United States Army, and for appointment to the grade of major general under the provisions of title 10, United States Code, section 3036. General Shea, age 58, currently serves as Deputy Chief of Chaplains for the Army. He will succeed Major General Matthew A. Zimmerman, who is retiring.

This action will not cause the Army to exceed the number of officers authorized to be serving in the grade of major general.



John M. Deutch

Attachment

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
005a. letter	[Donald W. Shea] [Personally Identifiable Information] [partial] (1 page)	04/22/1994	b(6)

COLLECTION:

Clinton Presidential Records
National Security Council
Defense Policy and Arms Control (Robert Bell)
OA/Box Number: 264

FOLDER TITLE:

Chron File - May 1994 #1 [1]

2016-0152-F
vz4572

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

Freedom of Information Act - [5 U.S.C. 552(b)]

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C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

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b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

The White House

Washington

To the Senate of the United States:

I nominate:

The following named officer for appointment to the grade of major general while assigned to a position of importance and responsibility under Title 10, United States Code, Section 3036(b):

To be Major General

To be Chief of Chaplains

Brigadier General Donald W. Shea, (b)(6) United States Army

[005a]

THE WHITE HOUSE

WASHINGTON

April 26, 1994 94 APR 28 P5:26

MEMORANDUM FOR THE PRESIDENT

FROM: ALPHONSO MALDON, JR. *AMaldon Jr*
DEPUTY ASSISTANT TO THE PRESIDENT AND
DIRECTOR, WHITE HOUSE MILITARY OFFICE

SUBJECT: General Officer Nomination

Forwarded for your review and signature is the nomination of Major General Jay M. Garner, United States Army, for appointment to the grade of lieutenant general and a recommendation for his assignment as Commanding General, United States Army Space and Strategic Defense Command.

This nomination is submitted by the Deputy Secretary of Defense after considering adverse information pertaining to General Garner, which has been provided by the Under Secretary of Defense (Personnel and Readiness) (Tab A). If you approve this nomination, the adverse information will be provided to the Senate Armed Services Committee.

This nomination has been staffed by the Secretary of the Army and was approved by the Deputy Secretary of Defense.

Attachment



THE SECRETARY OF DEFENSE

WASHINGTON, DC 20301-1000

20 APR 1994

MEMORANDUM FOR THE PRESIDENT

SUBJECT: General Officer Nomination

I recommend you assign Major General Jay M. Garner, United States Army, as Commanding General, United States Army Space and Strategic Defense Command, a position previously designated to carry the grade of lieutenant general, and nominate him for appointment to the grade of lieutenant general. General Garner, age 56, currently serves as Assistant Deputy Chief of Staff for Operations and Plans for Force Development, Headquarters, United States Army. He will succeed Lieutenant General Donald M. Lionetti, United States Army, who is retiring.

I have personally reviewed adverse information concerning General Garner and will provide the information to the Director, White House Military Office separately. Should you approve this nomination recommendation, I will provide the same information to the Chairman of the Senate Committee on Armed Services.

In order to carry out the duties and responsibilities of the proposed assignment, a general officer must have demonstrated highly effective performance in senior leadership positions. He must possess a thorough understanding of the Defense Department's space and ballistic missile programs, and have an overall technical knowledge in air defense and space defense research, development and acquisition. Major General Garner meets these qualifications.

As required by title 10, United States Code, section 601(d)(1), I have attached an evaluation of General Garner from the Acting Chairman of the Joint Chiefs of Staff while assigned to a joint duty assignment.

This action will not cause the Army to exceed the number of officers authorized to be serving in the grade of lieutenant general.

A handwritten signature in black ink, appearing to read "John M. Shults", is written over the word "Deputy".

Deputy

Attachment



THE CHAIRMAN, JOINT CHIEFS OF STAFF
WASHINGTON, D.C. 20318

CN-187-94
30 March 1994

MEMORANDUM FOR THE SECRETARY OF DEFENSE

Through: Deputy Secretary of Defense

Subject: General Officer Nomination

1. In accordance with the provisions of title 10, United States Code, and DOD Instruction 1320.4, the Secretary of the Army has recommended Major General Jay M. Garner for assignment as Commanding General, US Army Space and Strategic Command, and appointment to the grade of lieutenant general.
2. I have reviewed Major General Garner's performance in one joint assignment. As District Senior Advisor, Advisory Team 36, US Military Assistance Command, Vietnam, he served as the principal advisor to the District Chief for political, civil development, and territorial security. He planned and coordinated air strikes, artillery fire plans, air cavalry and airmobile operations. Through his inspiring leadership, tact, and professional knowledge, he managed all aspects of the pacification program within a district that encompassed over 30,000 people. I am aware of the Inspector General report pertaining to Major General Garner which was reviewed independently by my legal counsel. I believe he is well qualified for this assignment and advancement.
3. I concur in the Secretary's nomination of Major General Garner for this assignment and appointment to the grade of lieutenant general and recommend you forward the enclosed nomination to the President for approval.

A handwritten signature in black ink, appearing to read "William A. Owens", is written over a series of horizontal wavy lines.

WILLIAM A. OWENS
Acting Chairman
of the
Joint Chiefs of Staff

Enclosure

Withdrawal/Redaction Marker

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DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
005b. letter	[Jay M. Garner] [Personally Identifiable Information] [partial] (1 page)	03/30/1994	b(6)

COLLECTION:

Clinton Presidential Records
National Security Council
Defense Policy and Arms Control (Robert Bell)
OA/Box Number: 264

FOLDER TITLE:

Chron File - May 1994 #1 [1]

2016-0152-F

vz4572

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The White House

Washington

To the Senate of the United States:

I nominate:

The following named officer for appointment to the grade of lieutenant general while assigned to a position of importance and responsibility under Title 10, United States Code, Section 601(a):

To be Lieutenant General

Major General Jay M. Garner, (b)(6), United States Army [005b]

X