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THE WHITE HOUSE

WASHINGTON

Date 8/23/74

TO: PHIL BUCHEN

FROM: JERRY H. JONES

Could we have your comments
and recommendation on the
attached as soon as possible.

Thank you.

July 1, 1974

Dear Bill:

Many thanks for your letter of June 28th concerning S. 3515, the measure you have introduced which relates to the procurement of property for the protection of the President and Vice President at private residences.

I will study this proposal carefully and will be back in touch with you on my comments soon.

With warmest regards,

Sincerely,

William E. Timmons
Assistant to the President

Honorable Bill Brock
United States Senate
Washington, D. C. 20510

✓
cc: Jerry Jones w/incoming to staff a reply on substance
and return to WET.

WET:SJH:ajh



United States Senate

WASHINGTON, D.C. 20510

June 28, 1974

JUL 1 1974

Mr. William E. Timmons
Assistant to the President
for Legislative Affairs
The White House Office
Washington, D.C. 20500

Dear Bill:

Enclosed is a copy of S. 3515 along with my introductory remarks. The bill is simple, straightforward, and is based primarily on a report published by the General Accounting Office (number B-155950).

Please analyze S. 3515 and the attached remarks and advise me of your reaction to the bill. Any suggestions for improvement would, of course, be much appreciated.

For the full particulars on any aspect of this bill, contact J.V. Crockett of my staff at 225-9583. Thank you for your assistance.

Very truly yours,


BILL BROCK

BB:cnr

Enclosures





United States
of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 93^d CONGRESS, SECOND SESSION

Vol. 120

WASHINGTON, TUESDAY, MAY 21, 1974

No. 71

Senate

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

PRESIDENTIAL SECURITY BILL

By Mr. BROCK:

S. 3515. A bill relating to the procurement of property for the protection of the President and Vice President at private residences. Referred to the Committee on Government Operations.

Mr. BROCK. Mr. President, one of the unfortunate byproducts of the whole Watergate debacle has been the controversy which has swirled around the money spent for protection at Presidential and Vice-Presidential homes. In the fevered political atmosphere of the past year we have had a whole barrage of often conflicting accusative claims and emotional statements regarding the propriety of expenditures for the President's security.

I firmly believe that so much of this could have been avoided if we had developed fully adequate procedures for disbursement of funds for this service and a comprehensive set of guidelines regarding their use. It is over 10 years since the assassination of President Kennedy. In the aftermath of that tragedy, we very naturally exhibited greatly increased concern with Presidential security. Now, while no less concerned with that matter, I feel a general consensus exists that some proper and standardized set of accounting and reporting procedures should be established—so that there can be no repetition in the future of our present controversy.

That is why I am introducing today a measure designed to achieve that very goal. It is based firmly and squarely on a study made by the General Accounting Office of this issue, and their subsequent report.

It is a simple and straightforward bill, and certainly places no restriction on future Presidents—other than the condition that both the President and the Vice President shall each designate one private residence at which the United

States will incur the appropriate expense for providing security. I think this is a fair and reasonable condition. We do provide for the President the White House, as well as Camp David for relaxation. One additional house of his choice—making a total of three—seems to me eminently reasonable. If one does not accept this position, then I think we are entitled to ask—what is a reasonable number, and on what grounds is it arrived at? Presumably no one would suggest that we spend the money on an unlimited number of houses a President may want to own. The other parts of the bill I think too are sensible and non-controversial. What they do is to set up a straightforward and clear procedure for authorizing funds spent on security and other functions and an equally clear system of congressional audit and oversight.

There are certain significant problems with our present set up—problems which the GAO in its report points out. I can do no better than quote their report and so ask unanimous consent that part of the summary dealing with budgeting, accounting and auditing be printed in the RECORD at this point.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

BUDGETING, ACCOUNTING, AND AUDITING

GAO reviewed the experience of 1968-1973 in terms of budgeting, accounting, and auditing with a view to identifying what has been done or still needs to be done to strengthen control by the Congress and promote understanding by the public.

Pursuant to 1968 legislation the Secretary Service began to draw heavily on GSA appropriations made available for Secret Service protective functions with its requests for assistance. It is GSA policy not to question Secret Service requests. This arrangement has the following weaknesses.

GSA funds are not directly associated with Secret Service protective activities during the budget preparation and review process.

A casual attitude in authorizing work is fostered. Because most requests during the construction period were verbal, who made requests or precisely what was requested could not be readily determined.

GSA is invited to do more than simply execute Secret Service requests, particularly when requests are vague or general.

GAO believes that these weaknesses call for the appropriation of funds directly to the Secret Service to finance reimbursements to other agencies for certain assistance. In this respect, changes being made in the financing of GSA public buildings activities will require that the Secret Service obtain appropriations and reimburse GSA for protective assistance beginning in fiscal year 1975.

GAO believes that the Secret Service should take the steps necessary now to insure that its accounting system will accumulate and classify costs to properly meet the external as well as internal needs for cost data.

Also, GAO believes that additional control of expenditures at private residences can be had through the use of independent audits.

Source: GAO report #B-155950; Protection of the President at Key Biscayne and San Clemente, p. 4.

Mr. BROCK. Thus, in line with their recommendations, a basic requirement of the bill is that security money is to be spent by the Secret Service after it is certified by the Director or his deputy as necessary for security; and that a separate record accumulated on a current basis is to be kept by the Secret Service of how much is spent. Then, not later than February 1 of each year, the Director shall submit to the congressional leadership a report detailing the amount spent, what it was spent on, and why the Secret Service deemed it necessary.

Should there be any debate or controversy about any of these items, the GAO will, at the request of the Speaker of the House, President pro tempore of the Senate, or majority and minority leaders of the House and Senate, audit any part of the report. Property or objects which are provided by public funds shall, if reasonably possible, be removed after the President or Vice President leaves office—unless required for security reasons on a long-term basis.

Any funds which are spent for uses other than security would be appropriated directly to the President or the Executive Office. He would then make a



report to Congress each year in the same manner as the Secret Service's, specifying the amounts spent and the reasons. Again, if there is any debate, the GAO can audit the disputed items.

Mr. President, as you can see, the measure clarifies the procedure considerably. There can be no more future controversy about how many residences the Secret Service has spent money on—every one will know in advance that only one private residence is applicable.

There will be no more confusion over what was spent on grounds of security, and what was not. The security budget will be separate, clear and open with the rationale for all expenditures explained. Similarly, the money spent at other Presidential houses for facilities essential for the proper operation of the Presidency will be equally clear and explained.

Any disputes can be resolved by a non-partisan and professional GAO audit.

All in all, Mr. President, I feel this bill is a moderate and eminently sensible measure to improve the system of providing Presidential security, and to clarify the budgeting and accounting of funds spent on Presidential property. It is a bill which I am sure will interest those who wish to end the ambiguities and confusion of our present system.

I ask unanimous consent that the bill at this point be presented in full in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3515

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) chapter 2 of title 3, United States Code, is amended by adding at the end thereof the following new section:

"§ 112. Procurement of Property for Protection of President and Vice President at Private Residences.

"(a) Except as provided in subsection (f), no funds authorized to be appropriated under any provision of law shall be available for obligation or expenditure for the protection of the President or the Vice President through the purchase, lease, construction, installation, or placement of any property at, on, in, or on the grounds of, any private residence of the President or Vice President unless such obligation or expenditure is—

"(1) incurred or made by the Secret Service;

"(2) certified by the Director or Deputy Director of the Secret Service as necessary for the protection of the President or Vice President, as the case may be; and

"(3) approved by the Director or Deputy Director of the Secret Service.

"(b) Any property which is acquired by the obligation or expenditure of funds in accordance with subsection (a), and which can reasonably be removed from the residence or grounds thereof shall, upon termination of the term of office of the President or Vice President, as the case may be, be removed from such residence and returned to the Director of the Secret Service unless the Director determines that such removal would impair the effectiveness of the Secret Service in carrying out any continuing responsibility under the law to protect the President or Vice President after termination of such term of office.

"(c) The President and Vice President may each designate one private residence with respect to which funds may be made available pursuant to subsection (a) of this section by notifying the Director of the Secret Service of the residence so selected, and no funds to which subsection (a) of this section applies shall be available with respect to any personal residence other than the one so designated.

"(d) The Director of the Secret Service shall cause the record of any obligation or expenditure made in accordance with subsection (a) of this section to be—

"(1) reflected, in the accounting system of the Secret Service, in an account separate from accounts of other obligations and expenditures of the Secret Service; and

"(2) accumulated on a current basis.

"(e) (1) Not later than February 1 of each year, the Director of the Secret Service shall transmit to the Speaker of the House of Representatives, the President pro tempore of the Senate, and the Majority and Minority Leaders of the Senate and the House of Representatives, a report setting forth in detail, with respect to the preceding fiscal year—

"(A) the amount of each obligation or expenditure of funds in accordance with subsection (a) of this section, including a full explanation of the purposes for which such obligation or expenditure has been made; and

"(B) the reasons why he deems the expenditure or obligation of such funds necessary for the protection of the President or Vice President.

"(2) Upon the request of the Speaker of the House of Representatives, the President pro tempore of the Senate, or the Majority

or Minority Leader of either the Senate or the House of Representatives, the Comptroller General shall audit any report under paragraph (1). The Director of the Secret Service shall accord the Comptroller General, in the conduct of such audit, complete access to all records, files, and documents relating to each obligation or expenditure covered by the report.

"(f) (1) Any funds used for the purchase, lease, construction, installation, or placement of any property at, on, in, or on the grounds of, any private residence of the President or Vice President (other than property acquired by the obligation or expenditure of funds in accordance with subsection (a)) shall be appropriated directly to the President or the Executive Office of the President.

"(2) Not later than February 1 of each year, the President shall transmit to the Speaker of the House of Representatives, the President pro tempore of the Senate, and the Majority and Minority Leaders in the Senate and the House of Representatives a report, setting forth in detail, with respect to the preceding fiscal year—

"(A) the amount of each obligation or expenditure of funds pursuant to this subsection, including a full explanation of the purposes for which such obligation or expenditure has been made; and

"(B) the reasons why he deemed the use of such funds proper in each instance.

"(3) Upon the request of the Speaker of the House of Representatives, the President pro tempore of the Senate, or the Majority or Minority Leader of either the Senate or the House of Representatives, the Comptroller General shall audit any report under paragraph (2). The President shall accord the Comptroller General, in the conduct of such audit, complete access to all records, files, and documents relating to each obligation or expenditure covered by the report."

(b) The analysis of chapter 2 of title 3, United States Code, is amended by adding at the end thereof the following:

"§ 112. Procurement of Property for Protection of President and Vice President at Private Residences."



93^D CONGRESS
2^D SESSION

S. 3515

IN THE SENATE OF THE UNITED STATES

MAY 21, 1974

Mr. BROCK introduced the following bill; which was read twice and referred to the Committee on Government Operations

A BILL

Relating to the procurement of property for the protection of the President and Vice President at private residences.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 That (a) chapter 2 of title 3, United States Code, is amended
4 by adding at the end thereof the following new section:

5 "§ 112. Procurement of property for protection of Presi-
6 dent and Vice President at private residences

7 "(a) Except as provided in subsection (f), no funds
8 authorized to be appropriated under any provision of law
9 shall be available for obligation or expenditure for the pro-
10 tection of the President or the Vice President through the
11 purchase, lease, construction, installation, or placement of



1 any property at, on, in, or on the grounds of, any private
2 residence of the President or Vice President unless such obli-
3 gation or expenditure is—

4 “(1) incurred or made by the Secret Service;

5 “(2) certified by the Director or Deputy Director
6 of the Secret Service as necessary for the protection of
7 the President or Vice President, as the case may be; and

8 “(3) approved by the Director or Deputy Director
9 of the Secret Service.

10 “(b) Any property which is acquired by the obligation
11 or expenditure of funds in accordance with subsection (a),
12 and which can reasonably be removed from the residence
13 or grounds thereof shall, upon termination of the term of
14 office of the President or Vice President, as the case may
15 be, be removed from such residence and returned to the
16 Director of the Secret Service unless the Director deter-
17 mines that such removal would impair the effectiveness of
18 the Secret Service in carrying out any continuing respon-
19 sibility under the law to protect the President or Vice
20 President after termination of such term of office.

21 “(c) The President and Vice President may each
22 designate one private residence with respect to which
23 funds may be made available pursuant to subsection (a)
24 of this section by notifying the Director of the Secret
25 Service of the residence so selected, and no funds to which

1 subsection (a) of this section applies shall be available with
2 respect to any personal residence other than the one so
3 designated.

4 “(d) The Director of the Secret Service shall cause
5 the record of any obligation or expenditure made in accord-
6 ance with subsection (a) of this section to be—

7 “(1) reflected, in the accounting system of the
8 Secret Service, in an account separate from accounts
9 of other obligations and expenditures of the Secret
10 Service; and

11 “(2) accumulated on a current basis.

12 “(e) (1) Not later than February 1 of each year,
13 the Director of the Secret Service shall transmit to the
14 Speaker of the House of Representatives, the President
15 pro tempore of the Senate, and the majority and minority
16 leaders of the Senate and the House of Representatives, a
17 report setting forth in detail, with respect to the preceding
18 fiscal year—

19 “(A) the amount of each obligation or expendi-
20 ture of funds in accordance with subsection (a) of
21 this section, including a full explanation of the purposes
22 for which such obligation or expenditure has been made;
23 and

24 “(B) the reasons why he deems the expenditure or



1 obligation of such funds necessary for the protection of
2 the President or Vice President.

3 “(2) Upon the request of the Speaker of the House of
4 Representatives, the President pro tempore of the Senate, or
5 the majority or minority leader of either the Senate or the
6 House of Representatives, the Comptroller General shall
7 audit any report under paragraph (1). The Director of the
8 Secret Service shall accord the Comptroller General, in the
9 conduct of such audit, complete access to all records, files,
10 and documents relating to each obligation or expenditure
11 covered by the report.

12 “(f) (1) Any funds used for the purchase, lease, con-
13 struction, installation, or placement of any property at, on, in,
14 or on the grounds of, any private residence of the President
15 or Vice President (other than property acquired by the obli-
16 gation or expenditure of funds in accordance with subsec-
17 tion (a)) shall be appropriated directly to the President or
18 the Executive Office of the President.

19 “(2) Not later than February 1 of each year, the Pres-
20 ident shall transmit to the Speaker of the House of Representa-
21 tives, the President pro tempore of the Senate, and the ma-
22 jority and minority leaders in the Senate and the House
23 Representatives a report, setting forth in detail, with respect
24 to the preceding fiscal year—

25 “(A) the amount of each obligation or expenditure



1 of funds pursuant to this subsection, including a full ex-
2 planation of the purposes for which such obligation or
3 expenditure has been made; and

4 “(B) the reasons why he deemed the use of such
5 funds proper in each instance.

6 “(3) Upon the request of the Speaker of the House of
7 Representatives, the President pro tempore of the Senate, or
8 the majority or minority leader of either the Senate or the
9 House of Representatives, the Comptroller General shall
10 audit any report under paragraph (2). The President shall
11 accord the Comptroller General, in the conduct of such audit,
12 complete access to all records, files, and documents relating
13 to each obligation or expenditure covered by the report.”.

14 (b) The analysis of chapter 2 of title 3, United States
15 Code, is amended by adding at the end thereof the following:

“112. Procurement of property for protection of President and Vice Presi-
dent at private residences.”.



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

AUG 5 1974

MEMORANDUM FOR JERRY JONES

Subject: Comments on S. 3515

This is in reply to your request to the Director of July 8, 1974, for comments and recommendations on S. 3515, a bill introduced by Senator Brock relating to procurement of property for the protection of the President and Vice President at private residences.

The bill (1) prohibits all expenditures (except those provided in (3) below) for protective property at the private residences of the President and Vice President unless the expenditure is approved and made by the Secret Service; (2) further limits these expenditures to a single private residence to be designated by the President and another designated by the Vice President; (3) prohibits all other expenditures for property at private residences except such funds as may be appropriated to the President or the Executive Office of the President (according to Senator Brock's comments in the Congressional Record, this section is intended to cover only non-protective expenses but from a strict legal interpretation the section could also cover protective expenses at additional private residences); and (4) mandates certain procedures for recordkeeping, reporting, auditing, and authorization for public monies spent on private residences by the Secret Service and by the President or the Executive Office. A more detailed summary of the bill and a comparison with current procedures is included in the addendum.

The main objective of the bill is to prevent future controversy over monies spent on private residences, such as the controversy which occurred in 1973 when Congressional Committees examined this issued and the General Accounting Office (GAO) issued a report on December 18, 1973, on Protection of the President at Key Biscayne and San Clemente. The GAO report and many Congressmen have criticized some acquisitions of property for private residences and the methods to control such expenditures. Many of the criticisms over methods to control such expenditures have been met and several of the provisions in this bill have thus been overtaken by recent changes in statute and procedures which improve the control within the Executive Branch and by the Congress over such expenditures.



Past Procedures

Before the controversy arose over expenditures at private residences and prior to July 1, 1974, the General Services Administration (GSA) received appropriations from the Congress for "Operating Expenses" of the Public Buildings Service which paid for the rental, operation, protection and utilization of Government-owned and leased buildings. This appropriation also provided for "... fencing, lighting, guard booths, and other facilities on private or other property not in Government ownership or control as may be appropriate to enable the United States Secret Service to perform its protective functions..." GSA thus provided all funds for protective property at private residences of the President and Vice President.

GSA also made some expenditures, which GAO, in its report, considered to be for nonprotective property. These included the installation of flagpoles and the renovation of the den at San Clemente into an office. GSA defended these expenditures as "... a logical extension of GSA's authority to provide administrative support to the Executive Office of the President..." GAO criticized these nonprotective expenditures as well as certain protective expenditures. After the controversy had arisen, the Congress, in the language of the FY 1974 appropriations act (P.L. 93-143, October 30, 1973), directed that quarterly reports of expenditures on private residences be submitted by GSA to the Committees on Appropriations of the House and the Senate.

Current Procedures

On July 1, 1974, certain provisions of the Public Building Amendments of 1972 (P.L. 92-313, June 16, 1972) became effective which restricted GSA's ability to fund other Executive branch agencies building improvements or furnishings. These provisions provided that executive agencies would obtain individual appropriations for rent and related costs of space instead of GSA obtaining all funds in one appropriation. This Act, and the FY 1975 appropriations bill, which under the continuing resolution on appropriations is controlling, eliminated GSA's authority and funds to provide property at private residences unless reimbursed from the funds of, and directed by, another Federal agency. Funds are now appropriated directly to the Secret Service for protection at private residences to provide for "... fencing, lighting, guard booths and other facilities on private or other property not in Government ownership or control as may be necessary to perform protective functions..."

Therefore the Secret Service has authorization and appropriations for protective property at the private residences of the President and Vice President. This new funding procedure fixes accountability and Congressional oversight for such expenditures. The lack of accountability and Congressional oversight was one of GAO's criticisms in its report.



Other GAO criticisms have also been overcome through the adoption of new procedures. The Secret Service now requires written requests for all expenditures for property at private residences and these requests must be approved in writing by the Deputy Director of the Secret Service. The method and type of report on such expenditures, which will be required by the Congress, is being formulated by the Secret Service and its Appropriations Subcommittee. The funds for protection at private residences are kept separately within the Secret Service appropriation and are subject to GAO audit.

The GAO criticisms over nonprotective funds have also been alleviated--at least for the present. GSA's funds for such purposes have been eliminated, and there are no other funds specifically authorized for nonprotective purposes. Some support is provided by the Department of Defense with respect to the President's position as Commander in Chief.

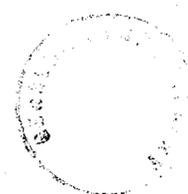
Theoretically, nonprotective funds for private residences could be appropriated to a new appropriations account within the Executive Office of the President. However, there is no authorization for such appropriation within the Executive Office and thus no funds are available. Therefore, there is presently a void concerning nonprotective funds at private residences which will probably need to be remedied through authorization for appropriations to a new account within the Executive Office.

There may also be other appropriation accounts which supply property to private residences. For example, the Department of Defense supplies some property in the course of providing communications, emergency relocation, and food service at the private residences of the President. General Lawson, Chief Military Aide to the President is familiar with the nature and extent of Defense property furnished at private residences.

Problems Posed by this Bill

Under the bill, protective property would be provided by the Secret Service at only one designated private residence for the President and another for the Vice President. No other agency could provide any property whatsoever except if funds were appropriated to the President or the Executive Office for private residences. The President and/or the Executive Office would need an authorization and an appropriation before funds could be expended for property at private residences.

The bill is unacceptable in its current form because of inadequate provision for nonprotective expenditures at the designated residences and for protection and communications at additional private residences. The provision for nonprotective expenditures at the designated residences is inadequate because all other agencies, including the Department of Defense, would be prohibited from supplying any property for communications, emergency relocation, or food service as soon as the bill were



signed into law. There is no interim provision for the Executive Office or the President to provide this property until a separate authorization and appropriation are enacted. Therefore, the situation could develop where the President would be protected at the designated private residence but have inadequate communications to lead the country if a crisis developed.

The limitation of S. 3515 could inadvertently create an alarming situation if the President decided to visit a second residence. No equipment of the Secret Service or other government agency could be placed at, on, in or on the grounds of the private residence. A strict legal interpretation of the bill could lead to the situation where the President is flown to his second residence, but must descend onto the helicopter pad via a rope ladder, the Secret Service agents must deplane the same way without any property (firearms) and all would then enter the private residence at which there was no government communications equipment.

The other sections of the bill regarding reporting of expenditures, record-keeping, and auditing duplicate current procedures. These sections are unnecessary, but they might be beneficial in preventing future controversy because of the elimination of doubt over what is the proper procedure. There is one technical problem in these sections concerning the removal of protective property after the President's term has expired. The bill requires removal of property which can reasonably be removed. To avoid controversy the words "and economically" should be added as a further definition of what is reasonable.

Suggested Changes in S. 3515

If some limitation on expenditures at private residences is desirable to prevent future controversy, then we believe the following changes are essential:

1. The same protection, communication and essential services provided the President and Vice President when visiting someone else's residence should be provided on visits to his own second or additional residences. To accomplish this, the bill would need to exempt portable protective property, communication, and other essential services.
2. Some interim provision must be added to provide communication and other essential property at the designated residence during the time between passage of this bill and an appropriation bill to provide funds to the Executive Office for nonprotective property. One interim method would be to allow the funds now appropriated for the Executive Residence also to be expended for property at private residences. This might solve the communications problem if the amounts spent were relatively small. In any



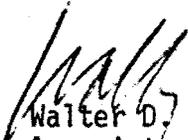
event, because of the prohibition against expenditures except from appropriations made directly to the President, some provision would be required to provide funds for those purposes pending enactment of appropriations.

3. Nonprotective funds should be authorized for appropriation in the bill (Section (f) (1) should be amended by adding before the period the following: "; there is hereby authorized to be appropriated such sums as may be necessary").
4. Section (b) should include "and economically" after the word reasonably.

The bill does have some merit in that it eliminates the ad hoc provisions for property at private residences which appear to have arisen over the years. It also could provide for nonprotective property, which is an area where there is currently a void and must be addressed at some future time. Whether all nonprotective property should be funded through one appropriation is difficult to evaluate without knowing the magnitude of such expenditures. Also some expenditures may be better left in the Defense Department because of national security concerns. It should be stressed that any appropriation provided for the President would also be the only appropriation available to the Vice President for similar purposes.

Summary

OMB is not in a position to decide whether there should be a limit on the number of private residences in which protective property can be used. We do believe that the limitations imposed by this bill are cumbersome and might result in a decrease in the protection and essential communications provided the President and Vice President. We believe that present procedures are adequate to assure Congressional oversight over protective expenditures and prevent any future controversy in that area. However, some provision for nonprotective property is probably needed for the future. If it is decided that a limitation on expenditures is needed to eliminate future controversy, then we believe that the perfecting amendments suggested are essential.


Walter D. Scott
Associate Director for
Economics and Government

Attachment



ADDENDUM

A summary of provisions in the bill and current procedures follows:

S. 3515 Subsection (a)

No funds other than provided in subsection (f) can be obligated or spent for property to protect the private residences of the President or Vice President unless the obligation or expenditure is made by the Secret Service, certified by the Director or Deputy Director of the Secret Service, and approved by the Director or Deputy Director of the Secret Service.

Current Procedure

Funds are appropriated directly to the Secret Service for protective property at private residences. Secret Service's procedures require the Deputy Director of the Secret Service to approve a written request for all protective expenditures at private residences.

S. 3515 Subsection (b)

Any property acquired for protection of private residences shall be removed and returned to the Secret Service upon termination of the President's or Vice President's term of office unless it cannot reasonably be removed or the Director of the Secret Service determines it is needed for the continuing protection of the former President or former Vice President.

Current Procedure

Removal of protective property is required if the property can be reasonably and economically removed.

S. 3515 Subsection (c)

The President and Vice President are each allowed to designate a single private residence for which funds for protective property can be obligated in accordance with (a) above.

Current Procedure

There is no limit on the number of private residences for which funds for protective property can be obligated.

S. 3515 Subsection (d)

Records of obligations for these expenditures on private residences will be reflected separately in the accounting system of the Secret Service and accumulated on a current basis.

Current Procedure

Records of expenditures on private residences are separately kept within Secret Service's appropriation and are accumulated on an annual basis.

S. 3515 Subsection (e)

The Director of the Secret Service will report to the Congress no later than February 1 of each year on the expenditures and the reasons why they were made. GAO can audit any of these records on request from the Speaker of the House, President of the Senate, or the majority or minority heads of either the Senate or House of Representatives.

Current Procedure

GAO can audit all records of expenditures by the Secret Service. Secret Service and the Treasury, Postal Service, and General Government Subcommittees of the Committee on Appropriations are formulating the reporting procedures for expenditures at private residences.

S. 3515 Subsection (f)

Any funds used for any property at any private residence of the President or Vice President (other than that property provided for in (a) above) shall be appropriated directly to the President or the Executive Office of the President. Records of the obligations shall be kept, reported to the Congress and subject to GAO audit.

Current Procedure

The Secret Service provides all protective property. There appears to be no funds specifically authorized and appropriated for nonprotective property at private residences. The Department of Defense provides some nonprotective property in the course of providing communications, emergency relocations, and food service to the Commander in Chief of the Armed Forces. Records of protective expenditures are kept, reported to the Congress, and subject to GAO audit.



THE WHITE HOUSE

WASHINGTON

August 23, 1974

MEMORANDUM FOR: PHILIP BUCHEN

SUBJECT: Legislation Dealing with the Presidents
Residence.

Attached is an OMB memorandum regarding S. 3515 and a copy of proposed testimony by the Treasury Department on H. R. 11499. Both of these bills would regulate and limit government procurement for the protection of Presidential and Vice Presidential homes. Bill Skidmore of OMB and I have coordinated on this and have asked that GSA and Treasury (Secret Service) examine both bills to determine their impact. Questions about the Presidents' home, however, are perhaps more properly a matter for the Counsel's Office than the Domestic Council.

If you wish, however, that we continue to gather the opinions of the agencies, we will be glad to do so. If it is determined that the bills are unacceptable, it is very likely that Senator Brock could be worked with to provide an agreeable bill. Hearings took place before the House on the 20th of August at which time GSA read a prepared report. They were postponed at the request of Treasury prompted by OMB to provide time for the White House to study the bill. Treasury and DOD are scheduled to report when the hearings resume and as yet their statements have not been cleared by OMB.

If I can be of any help in this matter, please let me know.



F. Lynn May
Staff Assistant
Domestic Council

cc: Ken Cole
Stan Ebner
Bill Casselman

Attachment



AUG 5 1974

MEMORANDUM FOR JERRY JONES

Subject: Comments on S. 3515

This is in reply to your request to the Director of July 8, 1974, for comments and recommendations on S. 3515, a bill introduced by Senator Brock relating to procurement of property for the protection of the President and Vice President at private residences.

The bill (1) prohibits all expenditures (except those provided in (3) below) for protective property at the private residences of the President and Vice President unless the expenditure is approved and made by the Secret Service; (2) further limits these expenditures to a single private residence to be designated by the President and another designated by the Vice President; (3) prohibits all other expenditures for property at private residences except such funds as may be appropriated to the President or the Executive Office of the President (according to Senator Brock's comments in the Congressional Record, this section is intended to cover only non-protective expenses but from a strict legal interpretation the section could also cover protective expenses at additional private residences); and (4) mandates certain procedures for recordkeeping, reporting, auditing, and authorization for public monies spent on private residences by the Secret Service and by the President or the Executive Office. A more detailed summary of the bill and a comparison with current procedures is included in the addendum.

The main objective of the bill is to prevent future controversy over monies spent on private residences, such as the controversy which occurred in 1973 when Congressional Committees examined this issue and the General Accounting Office (GAO) issued a report on December 18, 1973, on Protection of the President at Key Biscayne and San Clemente. The GAO report and many Congressmen have criticized some acquisitions of property for private residences and the methods to control such expenditures. Many of the criticisms over methods to control such expenditures have been met and several of the provisions in this bill have thus been overtaken by recent changes in statute and procedures which improve the control within the Executive Branch and by the Congress over such expenditures.



Past Procedures

Before the controversy arose over expenditures at private residences and prior to July 1, 1974, the General Services Administration (GSA) received appropriations from the Congress for "Operating Expenses" of the Public Buildings Service which paid for the rental, operation, protection and utilization of Government-owned and leased buildings. This appropriation also provided for "... fencing, lighting, guard booths, and other facilities on private or other property not in Government ownership or control as may be appropriate to enable the United States Secret Service to perform its protective functions..." GSA thus provided all funds for protective property at private residences of the President and Vice President.

GSA also made some expenditures, which GAO, in its report, considered to be for nonprotective property. These included the installation of flagpoles and the renovation of the den at San Clemente into an office. GSA defended these expenditures as "... a logical extension of GSA's authority to provide administrative support to the Executive Office of the President..." GAO criticized these nonprotective expenditures as well as certain protective expenditures. After the controversy had arisen, the Congress, in the language of the FY 1974 appropriations act (P.L. 93-143, October 30, 1973), directed that quarterly reports of expenditures on private residences be submitted by GSA to the Committees on Appropriations of the House and the Senate.

Current Procedures

On July 1, 1974, certain provisions of the Public Building Amendments of 1972 (P.L. 92-313, June 16, 1972) became effective which restricted GSA's ability to fund other Executive branch agencies building improvements or furnishings. These provisions provided that executive agencies would obtain individual appropriations for rent and related costs of space instead of GSA obtaining all funds in one appropriation. This Act, and the FY 1975 appropriations bill which under the continuing resolution on appropriations is controlling, eliminated GSA's authority and funds to provide property at private residences unless reimbursed from the funds of, and directed by, another Federal agency. Funds are now appropriated directly to the Secret Service for protection at private residences to provide for "... fencing, lighting, guard booths and other facilities on private or other property not in Government ownership or control as may be necessary to perform protective functions..."

Therefore the Secret Service has authorization and appropriations for protective property at the private residences of the President and Vice President. This new funding procedure fixes accountability and Congressional oversight for such expenditures. The lack of accountability and Congressional oversight was one of GAO's criticisms in its report.



Other GAO criticisms have also been overcome through the adoption of new procedures. The Secret Service now requires written requests for all expenditures for property at private residences and these requests must be approved in writing by the Deputy Director of the Secret Service. The method and type of report on such expenditures, which will be required by the Congress, is being formulated by the Secret Service and its Appropriations Subcommittee. The funds for protection at private residences are kept separately within the Secret Service appropriation and are subject to GAO audit.

The GAO criticisms over nonprotective funds have also been alleviated--at least for the present. GSA's funds for such purposes have been eliminated and there are no other funds specifically authorized for nonprotective purposes. Some support is provided by the Department of Defense with respect to the President's position as Commander in Chief.

Theoretically, nonprotective funds for private residences could be appropriated to a new appropriations account within the Executive Office of the President. However, there is no authorization for such appropriation within the Executive Office and thus no funds are available. Therefore, there is presently a void concerning nonprotective funds at private residences which will probably need to be remedied through authorization for appropriations to a new account within the Executive Office.

There may also be other appropriation accounts which supply property to private residences. For example, the Department of Defense supplies some property in the course of providing communications, emergency relocation, and food service at the private residences of the President. General Lawson, Chief Military Aide to the President is familiar with the nature and extent of Defense property furnished at private residences.

Problems Posed by this Bill

Under the bill, protective property would be provided by the Secret Service at only one designated private residence for the President and another for the Vice President. No other agency could provide any property whatsoever except if funds were appropriated to the President or the Executive Office for private residences. The President and/or the Executive Office would need an authorization and an appropriation before funds could be expended for property at private residences.

The bill is unacceptable in its current form because of inadequate provision for nonprotective expenditures at the designated residences and for protection and communications at additional private residences. The provision for nonprotective expenditures at the designated residences is inadequate because all other agencies, including the Department of Defense, would be prohibited from supplying any property for communications, emergency relocation, or food service as soon as the bill were



signed into law. There is no interim provision for the Executive Office or the President to provide this property until a separate authorization and appropriation are enacted. Therefore, the situation could develop where the President would be protected at the designated private residence but have inadequate communications to lead the country if a crisis developed.

The limitation of S. 3515 could inadvertently create an alarming situation if the President decided to visit a second residence. No equipment of the Secret Service or other government agency could be placed at, on, in or on the grounds of the private residence. A strict legal interpretation of the bill could lead to the situation where the President is flown to his second residence, but must descend onto the helicopter pad via a rope ladder, the Secret Service agents must deplane the same way without any property (firearms) and all would then enter the private residence at which there was no government communications equipment.

The other sections of the bill regarding reporting of expenditures, record-keeping, and auditing duplicate current procedures. These sections are unnecessary, but they might be beneficial in preventing future controversy because of the elimination of doubt over what is the proper procedure. There is one technical problem in these sections concerning the removal of protective property after the President's term has expired. The bill requires removal of property which can reasonably be removed. To avoid controversy the words "and economically" should be added as a further definition of what is reasonable.

Suggested Changes in S. 3515

If some limitation on expenditures at private residences is desirable to prevent future controversy, then we believe the following changes are essential:

1. The same protection, communication and essential services provided the President and Vice President when visiting someone else's residence should be provided on visits to his own second or additional residences. To accomplish this, the bill would need to exempt portable protective property, communication, and other essential services.
2. Some interim provision must be added to provide communication and other essential property at the designated residence during the time between passage of this bill and an appropriation bill to provide funds to the Executive Office for nonprotective property. One interim method would be to allow the funds now appropriated for the Executive Residence also to be expended for property at private residences. This might solve the communications problem if the amounts spent were relatively small. In any



event, because of the prohibition against expenditures except from appropriations made directly to the President, some provision would be required to provide funds for those purposes pending enactment of appropriations.

3. Nonprotective funds should be authorized for appropriation in the bill (Section (f) (1) should be amended by adding before the period the following: "; there is hereby authorized to be appropriated such sums as may be necessary").
4. Section (b) should include "and economically" after the word reasonably.

The bill does have some merit in that it eliminates the ad hoc provisions for property at private residences which appear to have arisen over the years. It also could provide for nonprotective property, which is an area where there is currently a void and must be addressed at some future time. Whether all nonprotective property should be funded through one appropriation is difficult to evaluate without knowing the magnitude of such expenditures. Also some expenditures may be better left in the Defense Department because of national security concerns. It should be stressed that any appropriation provided for the President would also be the only appropriation available to the Vice President for similar purposes.

Summary

OMB is not in a position to decide whether there should be a limit on the number of private residences in which protective property can be used. We do believe that the limitations imposed by this bill are cumbersome and might result in a decrease in the protection and essential communications provided the President and Vice President. We believe that present procedures are adequate to assure Congressional oversight over protective expenditures and prevent any future controversy in that area. However, some provision for nonprotective property is probably needed for the future. If it is decided that a limitation on expenditures is needed to eliminate future controversy, then we believe that the perfecting amendments suggested are essential.

(signed) Wally

Walter D. Scott
Associate Director for
Economics and Government

Attachment

cc:

Official file (Treasury Unit)

Mr. W. Scott

Mr. Bray

Return, Mr. Jordan

EGGDiv:JFJordan:ejg 8/2/74

ADDENDUM

A summary of provisions in the bill and current procedures follows:

S. 3515 Subsection (a)

No funds other than provided in subsection (f) can be obligated or spent for property to protect the private residences of the President or Vice President unless the obligation or expenditure is made by the Secret Service, certified by the Director or Deputy Director of the Secret Service, and approved by the Director or Deputy Director of the Secret Service.

Current Procedure

Funds are appropriated directly to the Secret Service for protective property at private residences. Secret Service's procedures require the Deputy Director of the Secret Service to approve a written request for all protective expenditures at private residences.

S. 3515 Subsection (b)

Any property acquired for protection of private residences shall be removed and returned to the Secret Service upon termination of the President's or Vice President's term of office unless it cannot reasonably be removed or the Director of the Secret Service determines it is needed for the continuing protection of the former President or former Vice President.

Current Procedure

Removal of protective property is required if the property can be reasonably and economically removed.

S. 3515 Subsection (c)

The President and Vice President are each allowed to designate a single private residence for which funds for protective property can be obligated in accordance with (a) above.

Current Procedure

There is no limit on the number of private residences for which funds for protective property can be obligated.

S. 3515 Subsection (d)

Records of obligations for these expenditures on private residences will be reflected separately in the accounting system of the Secret Service and accumulated on a current basis.

Current Procedure

Records of expenditures on private residences are separately kept within Secret Service's appropriation and are accumulated on an annual basis.

S. 3515 Subsection (e)

The Director of the Secret Service will report to the Congress no later than February 1 of each year on the expenditures and the reasons why they were made. GAO can audit any of these records on request from the Speaker of the House, President of the Senate, or the majority or minority heads of either the Senate or House of Representatives.

Current Procedure

GAO can audit all records of expenditures by the Secret Service. Secret Service and the Treasury, Postal Service, and General Government Subcommittees of the Committee on Appropriations are formulating the reporting procedures for expenditures at private residences.

S. 3515 Subsection (f)

Any funds used for any property at any private residence of the President or Vice President (other than that property provided for in (a) above) shall be appropriated directly to the President or the Executive Office of the President. Records of the obligations shall be kept, reported to the Congress and subject to GAO audit.

Current Procedure

The Secret Service provides all protective property. There appears to be no funds specifically authorized and appropriated for nonprotective property at private residences. The Department of Defense provides some nonprotective property in the course of providing communications, emergency relocations, and food service to the Commander in Chief of the Armed Forces. Records of protective expenditures are kept, reported to the Congress, and subject to GAO audit.

Bill Skidmore

Department of the Treasury
United States Secret Service

Statement of Lilburn E. Boggs
Deputy Director, U. S. Secret Service

Before the Sub-Committee
On Claims and Governmental Relations
House Judiciary Committee
August 27, 1974

23



Mr. Chairman:

I am pleased to appear before you and the other distinguished members of this Committee to present the views of the United States Secret Service regarding H. R. 11499, a bill "to establish procedures and regulations for certain protective services provided by the United States Secret Service."

First of all, let me state that the concerns that prompted the introduction of the bill before you today have already been the subject of a careful review by the House and Senate Subcommittees on Appropriations that have the responsibility for recommending funds for the operations of the Secret Service and for overseeing the expenditure of the amounts appropriated by the Congress. At the direction of the Subcommittees on Appropriations and with the assistance of their staffs, we have developed a comprehensive procedure for the acquisition of space, alterations, and services at locations involving protective operations.

With your permission, Mr. Chairman, I would like to submit copies of these procedures for the consideration of the members of the Committee and for insertion in the record.



In reviewing the procedures, you will note that they are all encompassing, and include operations at both privately-owned or leased sites and property as well as Government-owned or leased sites and property. In addition to meeting the concerns of the House and Senate Subcommittees on Appropriations, they take into account and implement the recommendations of the Comptroller General in his report to the Congress entitled "Protection of the President at Key Biscayne and San Clemente (With Information on Protection of Past Presidents)" B-155950.

A comparison of the procedures with H. R. 11499 indicates that many of the provisions in the proposed bill, namely, sections four, five, and six, have already been included in our recently promulgated procedures. The sections of the bill not addressed by our procedures are those that would hamper Secret Service operations by placing limitations on the duration of time that protection could be provided without reimbursement and the amount of funds that could be expended, the restriction of permanent protection to one location, and, for all practical purposes, the elimination of the assistance provided to the Secret Service by other agencies without reimbursement. All of these latter items are of grave concern to us in that they will either seriously

impede the level of protection that we can provide, result in some instances in a greater expenditure of funds than would otherwise be the case, and cause serious problems for the Secret Service in predicting budgetary requirements. In this regard, the repeal of Section two of the Act of June 6, 1968 (Public Law 90-331), is of particular concern to us.

With the indulgence of the Committee, it might be appropriate at this point to review the evolution of the assistance provided by other agencies to the Service in carrying out its protective responsibilities.

As you know the operations of the Secret Service were carefully reviewed by the President's Commission on the assassination of President Kennedy better known as the Warren Commission. In its report the Commission made substantial recommendations relative to the level of protection being afforded the President. In its report the Commission mentioned among other things that the protection of the President is in a real sense a Government-wide responsibility which must necessarily be assumed by various Government Agencies. The Commission further stated that "Protecting the President is a

difficult and complex task which requires full use of the best resources of many parts of our Government. Recognition that the responsibility must be shared increases the likelihood that it will be met."

Subsequent to the Commission Report the Secret Service made arrangements with various Government Agencies for their specialized support as the need arose without any provision for reimbursement. These informal arrangements were the basis for the express statutory authority contained in Section 2 of Public Law 90-331. In its report on the bill the Senate Committee on Appropriation stated "the proposed language will provide specific authorization of a long-established practice of utilizing other Federal departments in the protective assignments. This assistance may include, but is not limited to, the provision of personnel and facilities for intelligence gathering, medical, transportation, and communications purposes. It eliminates any doubt of the legal basis for such practice and assures Treasury direction of the protective functions."

When the conference report on the bill (HR16488) was called up before the house, the following statements were made:

Last week, we gave support to the President's emergency action. A resolution (H.J. 1292) was adopted by both Houses--and signed by the President on the same day--to provide authority for the safeguarding of presidential candidates. We also wrote into permanent law the right of the Secret Service to call upon the personnel and facilities of all Government agencies to assist in the protection of our Presidents and presidential candidates. While this had long been the custom, there had been no statutory authority for this action.

Our attention has also been focused once again on the need for other Federal departments and agencies to assist the Secret Service in its protective functions. This need was stressed vigorously by the Warren Commission. As the number of persons subject to Secret Service protection and the amount of their travel has increased over the years, these protective functions have become a Government-wide responsibility.



The task of protecting our Presidents involves far more than the availability of trained agents. It requires the coordination of all law enforcement agencies for intelligence gathering, the availability of safe transportation facilities and adequate communications to reach remote areas, health and scientific expertise to test food and drinking water, and many other governmental resources. We must never permit the safety of our Presidents--present, past, or future--to be compromised because the resources of the Government were not made available to the fullest extent possible to insure their protection.

It is clear from the legislative history of Public Law 90-331 that the Congress has not intended that the Secret Service shoulder the entire federal financial burden of protective activities and that section 2 of Public Law 90-331 was simply intended to put a congressional stamp of approval on the existing practice of federal agencies providing assistance to the Secret Service in connection

with its protective functions without any requirements for reimbursement.

In this respect we believe the Congress, in its wisdom, recognized that it would be totally impractical for the Secret Service to accurately project for budgetary purposes the variety of specialized needs which could occur in the total protection environment. Inasmuch as our requests for support are made to a number of different agencies, the budgetary impact on any one particular agency is minimized.

In view of the above we strongly urge that section two of Public Law 90-331 not be repealed as provided by Section nine of the bill before you and that the current arrangements for assistance from other agencies which have proved so satisfactory in the past not be disturbed.

In the event this committee and the Congress retains the provisions of Section 2 of Public Law 90-331, then the provisions of Section 2 (1) of HR11499 become moot.

With respect to section 2(2) and 2(3) of the bill, past history indicates that in recent years most Presidents have utilized more than one residence not in Government ownership or control. Aside from the question of whether or not it is

desirable to place such restrictions on the residences of the President and others who are provided Secret Service protection, and perhaps financial hardships as well in the event they choose or are forced to move, the \$5,000 limitation in section 2(3) of the bill on the amount that could be spent on a second residence could conceivably result in additional overall protection costs. This would almost be a certainty in view of section three which prohibits the maintenance of a permanent guard detail to secure a second residence.

The rationale for this conclusion is that, notwithstanding the above restrictions on the Secret Service, a President or other protectee may still choose to utilize a second residence. In this event, the Secret Service would still be charged with providing the required protection. Due to the proposed limitation of \$5,000 and the prohibition on permanent guards, little could be done to permanently secure a second residence. In the absence of the residence being permanently secured, the Service would be forced to utilize additional personnel over and above the normal protective detail to do a complete inspection of the premises before they could be occupied. Depending on the frequency

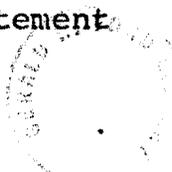


of use, the cost of the additional personnel involved together with their travel and per diem expenses plus the extra expense of transporting equipment might well exceed what it would otherwise cost to secure the premises on a permanent basis in the absence of the proposed restrictions.

Section seven of the bill is related to Section nine in that after a period of two weeks any support received from other agencies would be subject to reimbursement from funds appropriated to the Secret Service. For the same, reasons cited earlier with respect to section nine, the Service urges that this provision not be adopted.

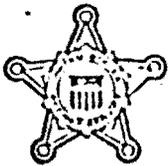
With respect to section eight, it should be noted that the Secret Service has been directed by the Subcommittee on Appropriations to submit quarterly reports of activities performed and the costs incurred to the Appropriations Committee of the Congress.

In summary, Mr. Chairman, we believe that the procedures already established at the direction of the Subcommittee on Appropriations are adequate to meet the concerns of the Congress with respect to our protective operation. I should mention too, that due to the relatively short notice of these hearing time did not permit the clearance of my statement with the Office of Management and Budget.



Mr. Chairman, this concludes my remarks and I shall now be glad to answer any questions you or the other members of the committee may have.





DIRECTOR

DEPARTMENT OF THE TREASURY

UNITED STATES SECRET SERVICE

WASHINGTON, D.C. 20223

February 22, 1974

620.0
x530.0

MEMORANDUM

To: Deputy Director
Assistant Directors
Assistants to the Director
Legal Counsel
All SAIC's and Division Chiefs

From: Director

Subject: Procedure for the Acquisition of Space, Alterations,
and Services at Locations Involving Protective Operations

Attached are revised procedures covering the acquisition of space, alterations, and services at locations involving protective operations. These procedures are effective immediately.

As indicated in the procedures, all approved work will be monitored jointly by the Office of Administration and the operational office involved. Any necessary adjustments in the action requested will be conveyed to the initiating office through the appropriate Assistant Director for the operational office involved.

It is expected that these procedures will be strictly followed. Any deviations therefrom must have the express written approval of the Deputy Director.

Additional copies of SS Form No. 1911 may be obtained from the Administrative Operations Division in the usual manner.

H. S. Knight
H. S. Knight



Attachment

1

**PROCEDURES FOR THE ACQUISITION OF SPACE,
ALTERATIONS, AND SERVICES AT LOCATIONS
INVOLVING PROTECTIVE OPERATIONS**

1. Purpose

The purpose of these procedures is to establish a uniform method in the Secret Service for the acquisition of space, alterations, and other services at locations involving protective operations.

2. Scope

These procedures are applicable to all Secret Service Offices, Divisions, Details, or other groups who have been assigned the duty to provide protection to persons, places, or things. Included in this coverage are operations at both Government-owned and Government-leased sites and property, as well as privately-owned leased sites and property.

3. General Coverage

These procedures cover all work performed or to be performed, together with any related expenditures for all space, alterations, services, equipment, furniture, and all other items of tangible property which are furnished, installed, constructed, repaired, or altered by or at the request of the United States Secret Service, including those items that are physically attached or made a permanent part of any structure, property, site, or other physical entity.

4. Survey or Requirements

The Secret Service will conduct its usual survey to determine what measures are necessary to provide the desired level of protection.



5. Request for Authorization and Performance

Requests for work or expenditures described in paragraph 3 above will be documented as indicated on SS Form No. 1911, including all pertinent justifications and specifications. The cost estimate will include information obtained from the General Services Administration, where appropriate. When required, use plain paper for continuation sheets. Requests will be deemed to include all necessary future replacements, maintenance, and repairs relating to the work or other items specifically requested.

6. Proposed Recovery of Equipment and/or Restoration Required

Items of equipment that the Secret Service proposes to recover at the termination of the mission will be clearly spelled out on SS Form No. 1911, together with any restorations that appear to be required. It should be understood that in some instances, it may not be practical or economically feasible at some future date to recover items and make restorations as contemplated at the time the work was originally performed.

7. Concurrence of Protectee or His Designee when Either Privately-owned or Leased Property is Involved

Prior to the commencement of any work on privately-owned or privately-leased property, the concurrence for such work that is required to be performed will be obtained by the requesting office from the protectee or his designated representative. When representatives are designated to act for protectees, such authorizations shall be obtained in writing from the particular protectee involved. Such concurrence shall not be considered as agreement by the protectee to the proposed recovery or restoration proposed in the request.



8. Processing of SS Form No. 1911, "Request for Space, Alterations, Equipment, and Services at Locations Involving Protective Operations"

SS Form No. 1911 will be initiated by the appropriate Special Agent in Charge or Assistant Director involved. Cost estimates will be determined by the requesting office in conjunction with the Administrative Operations Division in the Office of Administration. Any cost information required from the General Services Administration will be obtained by the Administrative Operations Division, which will also serve as the contacting office with that agency. After the requisite approvals and certifications as to the availability of funds has been obtained, the Administrative Operations Division will issue the appropriate job orders, purchase orders, or contracts, as the case may be. The performance of any work required will be monitored jointly by the Administrative Operations Division and the appropriate Special Agent in Charge or Assistant Director involved.

9. Emergency Procedures

When an emergency arises and time does not permit the processing of SS Form No. 1911 in the usual manner, all requests, concurrences, and approvals required by these procedures may be processed orally. Any such emergency oral actions shall be confirmed by the submission of SS Form No. 1911 with a check mark in the "Confirmation" block as soon as possible thereafter, preferably within 24 hours.

10. Accounting and Reporting

Costs will be accumulated for each location indicating whether the property is Government-owned or leased or privately-owned or leased. Any reports or notices required by law pertaining



to the activities covered by these procedures will have the concurrence of the agencies involved, i.e., Secret Service and the General Services Administration.

Effective July 1, 1974, all costs incurred under these procedures will be funded from the appropriation of the United States Secret Service. Appropriate reports of the activities performed and the costs incurred under these procedures will be made to the Appropriations Committees of the Congress.

11. Effective Date

The requirements spelled out in these procedures are effective immediately. The Director's memorandum of October 15, 1973, subject "Space for Protectees," File No. 530.0 (x 610.0) is hereby rescinded.


H. S. Knight

**REQUEST FOR SPACE, ALTERATIONS, EQUIPMENT AND SERVICES
AT LOCATIONS INVOLVING PROTECTIVE OPERATIONS**

PAGE NO. _____
OF _____ PAGES

A. GENERAL INFORMATION

NAME OF PROTECTEE		FINANCIAL CODE (FMD USE ONLY)	DATE OF REQUEST
NAME OF SITE LOCATION		<input type="checkbox"/> ORIGINAL REQUEST	FILE NO.
<input type="checkbox"/> GOV'T OWNED	<input type="checkbox"/> PRIVATELY OWNED	<input type="checkbox"/> CONFIRMATION OF	620.0
<input type="checkbox"/> GOV'T LEASED	<input type="checkbox"/> PRIVATELY LEASED		
GENERAL PROJECT TITLE			
SUMMARY OF PROPOSAL			
NAME OF REQUESTOR		OFFICE	
CONTACT FOR ADDITIONAL INFORMATION	TELEPHONE NO.	REQUIRED COMPLETION DATE	

B. SUMMARY JUSTIFICATION AND SPECIFICATIONS FOR PROJECT (CONTINUE ON PLAIN BOND PAPER)

		TOTAL ESTIMATED COST
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C. PROPOSED RECOVERY OF EQUIPMENT AND/OR RESTORATION REQUIRED

		TOTAL ESTIMATED COST
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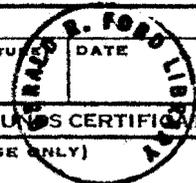
**D. CONCURRENCE OF PROTECTEE OR DESIGNEE
(PRIVATELY OWNED/LEASED PROPERTY ONLY)**

SIGNATURE	DATE
-----------	------

TOTAL ESTIMATED COST

E. APPROVALS

OPERATIONAL		APPROPRIATE ASSISTANT DIRECTOR (SIGNATURE)		DATE
SAIC (SIGNATURE)	DATE			
ADMINISTRATIVE		F. AVAILABILITY OF FUNDS CERTIFICATION		
AD-ADMINISTRATION (SIGNATURE)	DATE	(FMD USE ONLY)		
AGENCY				
DEPUTY DIRECTOR (SIGNATURE)	DATE			



THE WHITE HOUSE

WASHINGTON

August 30, 1974

MEMORANDUM FOR: BILL TIMMONS

FROM: PHIL BUCHEN

SUBJECT: Legislation dealing with the
President's residence

So far as I am concerned, the comments in the OMB memorandum for Jerry Jones on S. 3515 dated August 5, 1974 (copy attached) represent an appropriate critique of such bill and could be the basis of followup for your letter of July 1, 1974, to Senator Bill Brock.

Attachments

cc: Jerry Jones
Lynn May



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

AUG 5 1974

MEMORANDUM FOR JERRY JONES

Subject: Comments on S. 3515

This is in reply to your request to the Director of July 8, 1974, for comments and recommendations on S. 3515, a bill introduced by Senator Brock relating to procurement of property for the protection of the President and Vice President at private residences.

The bill (1) prohibits all expenditures (except those provided in (3) below) for protective property at the private residences of the President and Vice President unless the expenditure is approved and made by the Secret Service; (2) further limits these expenditures to a single private residence to be designated by the President and another designated by the Vice President; (3) prohibits all other expenditures for property at private residences except such funds as may be appropriated to the President or the Executive Office of the President (according to Senator Brock's comments in the Congressional Record, this section is intended to cover only non-protective expenses but from a strict legal interpretation the section could also cover protective expenses at additional private residences); and (4) mandates certain procedures for recordkeeping, reporting, auditing, and authorization for public monies spent on private residences by the Secret Service and by the President or the Executive Office. A more detailed summary of the bill and a comparison with current procedures is included in the addendum.

The main objective of the bill is to prevent future controversy over monies spent on private residences, such as the controversy which occurred in 1973 when Congressional Committees examined this issue and the General Accounting Office (GAO) issued a report on December 18, 1973, on Protection of the President at Key Biscayne and San Clemente. The GAO report and many Congressmen have criticized some acquisitions of property for private residences and the methods to control such expenditures. Many of the criticisms over methods to control such expenditures have been met and several of the provisions in this bill have thus been overtaken by recent changes in statute and procedures which improve the control within the Executive Branch and by the Congress over such expenditures.



Past Procedures

Before the controversy arose over expenditures at private residences and prior to July 1, 1974, the General Services Administration (GSA) received appropriations from the Congress for "Operating Expenses" of the Public Buildings Service which paid for the rental, operation, protection and utilization of Government-owned and leased buildings. This appropriation also provided for "... fencing, lighting, guard booths, and other facilities on private or other property not in Government ownership or control as may be appropriate to enable the United States Secret Service to perform its protective functions..." GSA thus provided all funds for protective property at private residences of the President and Vice President.

GSA also made some expenditures, which GAO, in its report, considered to be for nonprotective property. These included the installation of flagpoles and the renovation of the den at San Clemente into an office. GSA defended these expenditures as "... a logical extension of GSA's authority to provide administrative support to the Executive Office of the President..." GAO criticized these nonprotective expenditures as well as certain protective expenditures. After the controversy had arisen, the Congress, in the language of the FY 1974 appropriations act (P.L. 93-143, October 30, 1973), directed that quarterly reports of expenditures on private residences be submitted by GSA to the Committees on Appropriations of the House and the Senate.

Current Procedures

On July 1, 1974, certain provisions of the Public Building Amendments of 1972 (P.L. 92-313, June 16, 1972) became effective which restricted GSA's ability to fund other Executive branch agencies building improvements or furnishings. These provisions provided that executive agencies would obtain individual appropriations for rent and related costs of space instead of GSA obtaining all funds in one appropriation. This Act, and the FY 1975 appropriations bill, which under the continuing resolution on appropriations is controlling, eliminated GSA's authority and funds to provide property at private residences unless reimbursed from the funds of, and directed by, another Federal agency. Funds are now appropriated directly to the Secret Service for protection at private residences to provide for "... fencing, lighting, guard booths and other facilities on private or other property not in Government ownership or control as may be necessary to perform protective functions..."

Therefore the Secret Service has authorization and appropriations for protective property at the private residences of the President and Vice President. This new funding procedure fixes accountability and Congressional oversight for such expenditures. The lack of accountability and Congressional oversight was one of GAO's criticisms in its report.



Other GAO criticisms have also been overcome through the adoption of new procedures. The Secret Service now requires written requests for all expenditures for property at private residences and these requests must be approved in writing by the Deputy Director of the Secret Service. The method and type of report on such expenditures, which will be required by the Congress, is being formulated by the Secret Service and its Appropriations Subcommittee. The funds for protection at private residences are kept separately within the Secret Service appropriation and are subject to GAO audit.

The GAO criticisms over nonprotective funds have also been alleviated--at least for the present. GSA's funds for such purposes have been eliminated, and there are no other funds specifically authorized for nonprotective purposes. Some support is provided by the Department of Defense with respect to the President's position as Commander in Chief.

Theoretically, nonprotective funds for private residences could be appropriated to a new appropriations account within the Executive Office of the President. However, there is no authorization for such appropriation within the Executive Office and thus no funds are available. Therefore, there is presently a void concerning nonprotective funds at private residences which will probably need to be remedied through authorization for appropriations to a new account within the Executive Office.

There may also be other appropriation accounts which supply property to private residences. For example, the Department of Defense supplies some property in the course of providing communications, emergency relocation, and food service at the private residences of the President. General Lawson, Chief Military Aide to the President is familiar with the nature and extent of Defense property furnished at private residences.

Problems Posed by this Bill

Under the bill, protective property would be provided by the Secret Service at only one designated private residence for the President and another for the Vice President. No other agency could provide any property whatsoever except if funds were appropriated to the President or the Executive Office for private residences. The President and/or the Executive Office would need an authorization and an appropriation before funds could be expended for property at private residences.

The bill is unacceptable in its current form because of inadequate provision for nonprotective expenditures at the designated residences and for protection and communications at additional private residences. The provision for nonprotective expenditures at the designated residences is inadequate because all other agencies, including the Department of Defense, would be prohibited from supplying any property for communications, emergency relocation, or food service as soon as the bill were



signed into law. There is no interim provision for the Executive Office or the President to provide this property until a separate authorization and appropriation are enacted. Therefore, the situation could develop where the President would be protected at the designated private residence but have inadequate communications to lead the country if a crisis developed.

The limitation of S. 3515 could inadvertently create an alarming situation if the President decided to visit a second residence. No equipment of the Secret Service or other government agency could be placed at, on, in or on the grounds of the private residence. A strict legal interpretation of the bill could lead to the situation where the President is flown to his second residence, but must descend onto the helicopter pad via a rope ladder, the Secret Service agents must deplane the same way without any property (firearms) and all would then enter the private residence at which there was no government communications equipment.

The other sections of the bill regarding reporting of expenditures, record-keeping, and auditing duplicate current procedures. These sections are unnecessary, but they might be beneficial in preventing future controversy because of the elimination of doubt over what is the proper procedure. There is one technical problem in these sections concerning the removal of protective property after the President's term has expired. The bill requires removal of property which can reasonably be removed. To avoid controversy the words "and economically" should be added as a further definition of what is reasonable.

Suggested Changes in S. 3515

If some limitation on expenditures at private residences is desirable to prevent future controversy, then we believe the following changes are essential:

1. The same protection, communication and essential services provided the President and Vice President when visiting someone else's residence should be provided on visits to his own second or additional residences. To accomplish this, the bill would need to exempt portable protective property, communication, and other essential services.
2. Some interim provision must be added to provide communication and other essential property at the designated residence during the time between passage of this bill and an appropriation bill to provide funds to the Executive Office for nonprotective property. One interim method would be to allow the funds now appropriated for the Executive Residence also to be expended for property at private residences. This might solve the communications problem if the amounts spent were relatively small. In any



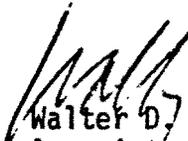
event, because of the prohibition against expenditures except from appropriations made directly to the President, some provision would be required to provide funds for those purposes pending enactment of appropriations.

3. Nonprotective funds should be authorized for appropriation in the bill (Section (f) (1) should be amended by adding before the period the following: "; there is hereby authorized to be appropriated such sums as may be necessary").
4. Section (b) should include "and economically" after the word reasonably.

The bill does have some merit in that it eliminates the ad hoc provisions for property at private residences which appear to have arisen over the years. It also could provide for nonprotective property, which is an area where there is currently a void and must be addressed at some future time. Whether all nonprotective property should be funded through one appropriation is difficult to evaluate without knowing the magnitude of such expenditures. Also some expenditures may be better left in the Defense Department because of national security concerns. It should be stressed that any appropriation provided for the President would also be the only appropriation available to the Vice President for similar purposes.

Summary

OMB is not in a position to decide whether there should be a limit on the number of private residences in which protective property can be used. We do believe that the limitations imposed by this bill are cumbersome and might result in a decrease in the protection and essential communications provided the President and Vice President. We believe that present procedures are adequate to assure Congressional oversight over protective expenditures and prevent any future controversy in that area. However, some provision for nonprotective property is probably needed for the future. If it is decided that a limitation on expenditures is needed to eliminate future controversy, then we believe that the perfecting amendments suggested are essential.


Walter D. Scott
Associate Director for
Economics and Government

Attachment



ADDENDUM

A summary of provisions in the bill and current procedures follows:

S. 3515 Subsection (a)

No funds other than provided in subsection (f) can be obligated or spent for property to protect the private residences of the President or Vice President unless the obligation or expenditure is made by the Secret Service, certified by the Director or Deputy Director of the Secret Service, and approved by the Director or Deputy Director of the Secret Service.

Current Procedure

Funds are appropriated directly to the Secret Service for protective property at private residences. Secret Service's procedures require the Deputy Director of the Secret Service to approve a written request for all protective expenditures at private residences.

S. 3515 Subsection (b)

Any property acquired for protection of private residences shall be removed and returned to the Secret Service upon termination of the President's or Vice President's term of office unless it cannot reasonably be removed or the Director of the Secret Service determines it is needed for the continuing protection of the former President or former Vice President.

Current Procedure

Removal of protective property is required if the property can be reasonably and economically removed.

S. 3515 Subsection (c)

The President and Vice President are each allowed to designate a single private residence for which funds for protective property can be obligated in accordance with (a) above.

Current Procedure

There is no limit on the number of private residences for which funds for protective property can be obligated.



S. 3515 Subsection (d)

Records of obligations for these expenditures on private residences will be reflected separately in the accounting system of the Secret Service and accumulated on a current basis.

Current Procedure

Records of expenditures on private residences are separately kept within Secret Service's appropriation and are accumulated on an annual basis.

S. 3515 Subsection (e)

The Director of the Secret Service will report to the Congress no later than February 1 of each year on the expenditures and the reasons why they were made. GAO can audit any of these records on request from the Speaker of the House, President of the Senate, or the majority or minority heads of either the Senate or House of Representatives.

Current Procedure

GAO can audit all records of expenditures by the Secret Service. Secret Service and the Treasury, Postal Service, and General Government Subcommittees of the Committee on Appropriations are formulating the reporting procedures for expenditures at private residences.

S. 3515 Subsection (f)

Any funds used for any property at any private residence of the President or Vice President (other than that property provided for in (a) above) shall be appropriated directly to the President or the Executive Office of the President. Records of the obligations shall be kept, reported to the Congress and subject to GAO audit.

Current Procedure

The Secret Service provides all protective property. There appears to be no funds specifically authorized and appropriated for nonprotective property at private residences. The Department of Defense provides some nonprotective property in the course of providing communications, emergency relocations, and food service to the Commander in Chief of the Armed Forces. Records of protective expenditures are kept, reported to the Congress, and subject to GAO audit.



August 30, 1974

MEMORANDUM FOR: **BILL TIMMONS**
FROM: **PHIL BUCHEN**
SUBJECT: **Legislation dealing with the
President's residence**

So far as I am concerned, the comments in the OMB memorandum for Jerry Jones on S. 3515 dated August 5, 1974 (copy attached) represent an appropriate critique of such bill and could be the basis of followup for your letter of July 1, 1974, to Senator Bill Brock.

Attachments

cc: **Jerry Jones**
WB
Lynn May



August 30, 1974

MEMORANDUM FOR: **BILL TIMMONS**
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PWBuchen:ed
Col Jerry Jones
Lynn May



August 30, 1974

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Attachments

~~PHIL BUCHEN~~ Jones
Lynn May



August 30, 1974

MEMORANDUM FOR: BILL TIMMONS
FROM: PHIL BUCHEN
**SUBJECT: Legislation dealing with the
President's residence**

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Attachments

**OWH:sp:shes
Lynn May**



August 30, 1974

MEMORANDUM FOR: BILL TIMMONS
FROM: PHIL BUCHEN
SUBJECT: Legislation dealing with the
President's residence

So far as I am concerned, the comments in the OMB memorandum for Jerry Jones on S. 3015 dated August 5, 1974 (copy attached) represent an appropriate critique of such bill and could be the basis of followup for your letter of July 1, 1974, to Senator Bill Brock.

Attachments

~~EX-100-1000~~
Lynn May



August 30, 1974

MEMORANDUM FOR: BILL TIMMONS
FROM: PHIL BUCHEN
SUBJECT: Legislation dealing with the
President's residence

So far as I am concerned, the comments in the OMB memorandum for Jerry Jones on S. 3515 dated August 5, 1974 (copy attached) represent an appropriate critique of such bill and could be the basis of followup for your letter of July 1, 1974, to Senator Bill Brock.

Attachments

Lyn May
Lynn May



August 30, 1974

MEMORANDUM FOR: BILL TIMMONS
FROM: PHIL BUCHEN
**SUBJECT: Legislation dealing with the
 President's residence**

So far as I am concerned, the comments in the OMB memorandum for Jerry Jones on S. 3015 dated August 5, 1974 (copy attached) represent an appropriate critique of such bill and could be the basis of followup for your letter of July 1, 1974, to Senator Bill Brock.

Attachments

PWBuchen:ed



August 26, 1974

MEMORANDUM FOR: BILL TIMMONS
FROM: PHIL BUCHEN
**SUBJECT: Legislation dealing with the
President's residence**

So far as I am concerned, the comments in the OMB memorandum for Jerry Jones on S. 3515 dated August 5, 1974 (copy attached) represent an appropriate critique of such bill and could be the basis of followup for your letter of July 1, 1974, to Senator Bill Brock.

Attachments

**GW: [unclear]
Lynn May**



*For Casselman
assume no effect
you'll
take care*



DEPARTMENT OF THE TREASURY
UNITED STATES SECRET SERVICE

WASHINGTON, D.C. 20223

November 14, 1974

*see also
President
620.11 Personal -
(Alex residence)*

MEMORANDUM FOR : Philip Buchen
Counsel to the President

FROM : David H. Martin **DHM**
Legal Counsel

SUBJECT : Rental of the President's House in Alexandria

Bill Casselman called me this morning regarding the above captioned subject and requested a clarification of the Secret Service position regarding the future use of the command post located there. Apparently, the President has indicated that he may utilize this house as his residence in the future. Based on that information, the Secret Service feels that the command post should not be physically altered into a garage, but should remain as is for future utilization. As I understand it, the toilet facility, the walls and the rug would remain; the stove and refrigerator would be reclaimed by the General Services Administration.

Another minor matter that has arisen and which I discussed with Bill, is painting the walls and cleaning the rugs in the command post as requested by the realtor handling the leasing of the residence. We do not feel that these matters fall within the authority or responsibility of the Secret Service. Further, in view of recent Congressional interest in Secret Service expenditures of this nature and also the requirement of Congressional appropriation committees for the Secret Service to account for protective expenditures on a quarterly basis, we feel that the Secret Service should not assume these expenses.

If I can be of further assistance, please call me at 964-8208, or Code 184, extension 8208.



THE WHITE HOUSE
WASHINGTON

Date: December 16, 1974

TO: PHILIP BUCHEN

FROM: ANNE ARMSTRONG

For Your Information _____

For Appropriate Handling _____

Remarks:

I need your comments by noon Wednesday.
If I don't hear from you, I'll assume
you concur as stated. Concur - P.W.B.



MEMORANDUM FOR THE PRESIDENT

FROM: ANNE ARMSTRONG

SUBJECT: Bicentennial and Longer Range Potential of Excess Federal
Land in the Vicinity of Beltsville, Maryland

This memorandum relates to my duties in both the Federal Property Council and Bicentennial areas.

Some 3,600 acres of land at the Agricultural Research Center in Beltsville, Maryland, have been reported to the General Services Administration as excess to the needs of the Department of Agriculture.

The land is worth about \$13 million but has been essentially unused since 1971. It constitutes one of the few remaining undeveloped large-acreage areas in the Baltimore-National Capital area, a region which has a shortage of land set aside for recreation and conservation purposes.

There are numerous groups and individuals who are pressing the Federal government to decide what is to be done with this valuable, too-long unused land. Some have requested that portions or all of it be made available to the State of Maryland, Prince George's County, or certain educational institutions. Others, including Senators Mathias and Beall and Congressman Hogan, favor Federal retention of the property as an entity, with it being used for recreation, conservation, and wildlife preservation activities.

The National Capital Bicentennial celebration also has a bearing upon the utilization of the Beltsville property. First, the Department of the Interior hopes to obtain 900 of the 3,600 excess acres for in



its Patuxent Wildlife Research Center. The Department has funds earmarked for a visitor's center which can be ready in 1976 provided work can commence soon.

Second, the Beltsville property has the potential for alleviating the projected Bicentennial shortages in both campsites and fringe parking spaces. More than 50% of the visitors to the National Capital Bicentennial celebration are expected to arrive through the Baltimore-Washington highway corridor, and the Beltsville property is located near the Baltimore-Washington Parkway. The land has the potential to provide 600 mobile camper sites, which would reduce the estimated 5,700 campsite deficit by more than 10%. Similarly, it could accommodate parking for 1,000 cars and be useful in meeting some of the fringe parking needs on those special days when abnormally large visitor influxes overload the normal fringe parking lots.

For those reasons, and because current parking plans could go awry, the White House Interagency Bicentennial Task Force wants to keep open the option of making camping and parking facilities available on the Beltsville property.

Here are three options for your consideration:

- Option 1: The President announces that the excess land at Beltsville will be committed to long-range recreation, conservation, wildlife preservation and related scientific and educational purposes; that the Patuxent Wildlife Research Center will receive 900 of the 3,600 excess

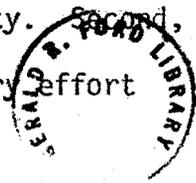


acres; that the Department of the Interior will undertake a study to recommend the long-term management of the excess property, what investments will be required, and who (Federal, state, or local agency or combination thereof) should be assigned that responsibility; and that, in the interim, the property will be available as a potential supplement to the Bicentennial celebration camping and fringe parking plans.

- Option 2: The same as Option 1 except that a specific camping project would be launched and would be Federally-sponsored, and a supplemental \$1.5 million FY 75 appropriation would be sought to construct Bicentennial facilities.

- Option 3: Transfer 900 of the 3,600 excess acres to the Department of the Interior for inclusion in the Patuxent Wildlife Research Center; forego all other Bicentennial potential ~~land~~, without additional analysis, abandon further Federal consideration of integrated long-range planning for the remaining 2,700 excess acres; and immediately make the property or portions thereof available to Federal agencies, the State of Maryland, or local jurisdictions for a variety of potential uses.

In considering these three options and others, two criteria have been uppermost in my thinking. First, there is a real need to preserve the recreation and conservation potential of the Beltsville property. ^{Second,} the value of the land is due to its location and size, and every effort



should be made to avoid a piece-meal disposition of the property. These two principles have been the common threads running through most of the proposals we have considered, and have been explicitly supported by the two Maryland Senators and the Congressman.

Option 3 does not meet these two criteria, while Options 1 and 2 do. However, Option 2 necessitates an immediate Federal outlay of about \$1.5 million, and neither reprogramming the Department of Interior budget nor seeking an FY 1975 supplemental appropriation seem advisable at this time.

Therefore, as Chairman of the Federal Property Council and as Chairman of the White House Interagency Bicentennial Task Force, I recommend that you select Option 1. Rog Morton and the members of the Federal Property Council (Roy Ash, Philip Buchen, Dean Burch, Alan Greenspan, Bill Timmons, and Russ Peterson) concur in this recommendation.

If you agree, there is attached for your signature at Tab A a memorandum that will notify Secretary Morton of your decision and direct him to implement it.

_____ Agree; implement Option 1.

_____ Disagree; prefer Option 2.

_____ Disagree, prefer Option 3.

Comments: _____

