

Chiron

April 8, 1969

PLEASE TREAT AS CONFIDENTIAL

Honorable Maurice H. Stans
Secretary of Commerce
Washington, D. C.

Dear Maury:

Please do not take the time to send me a progress report on the employment (appointment) prospects of Mr. W. B. Foote. As I indicated in my memo to you of March 24th, I do not know Foote personally; in fact, we have never met. By way of that earlier correspondence I meant only to relay information which some Business Council friends had passed on to me. It was done purely as a possible assist to our Administration's current efforts to fill with competent people all positions at and above the V Level.

Sincerely,

Alexander P. Butterfield
Deputy Assistant to the President

PLEASE TREAT AS CONFIDENTIAL

Identical letter sent to Hon. Winton M. Blount,
Postmaster General

Chron

April 8, 1969

MEMORANDUM FOR: THE STAFF SECRETARY

The President has just received the attached memorandum from Lewis L. Strauss. It was written on March 25th, evidently in response to an earlier Presidential request.

Please prepare an appropriate acknowledgment.

ALEXANDER P. BUTTERFIELD

Attachment

Chen

April 8, 1969

Please Treat as Confidential

MEMORANDUM FOR: MR. KEN BE LIEU
MR. BRYCE HARLOW
MR. JIM KEOGH
DR. HENRY KISSINGER
MR. JOHN SEARS
MR. JOHN WHITAKER

I am attaching a copy of a memorandum to the President prepared by Lewis Strauss on March 25th. The President is asking Herb Klein to circulate it, but discreetly to only a few close friends. I am passing it on to you because it contains some material which we can use to good advantage in our Safeguard System campaign. (Let me repeat the importance of not circulating the entire letter, or even extracts from it, without the utmost discretion ... at least until we have had a chance to check further with Strauss.)

ALEXANDER P. BUTTERFIELD

cc: Mr. Herb Klein

Please Treat as Confidential

Chow

April 8, 1969

MEMORANDUM FOR: MR. HERB KLEIN

I am attaching a memorandum to the President written by Lewis Strauss on March 25th. Evidently it was prepared in response to an earlier Presidential request. Because it contains valuable material in support of the President's Safeguard System decision, he (the President) would like you to circulate it, but with discretion ... and only to a few close friends.

ALEXANDER P. BUTTERFIELD

Attachment

Chron

April 8, 1969

MEMORANDUM FOR: MR. JOHN BROWN

The President was not wholly satisfied with the draft letter which accompanied your April 1 memorandum to Bob Haldeman ... i.e. the draft prepared as a standard reply to letters and messages commenting favorably on the Eisenhower eulogy. He suggests that you get together with Ray Price and see what Ray can do in the way of preparing something similar -- a short sort of "form letter" which can be sent out almost as quickly as (favorable) correspondence on this subject comes in.

Purely as a starter you and Ray may want to consider something along the lines of the following:

Dear _____:

This is just a short note to tell you how much I appreciated your kind and very thoughtful message concerning the eulogy I delivered on March 31 in memory of General Eisenhower. Without question he was a truly outstanding American, for throughout his lifetime -- as distinguished soldier, courageous leader, and dedicated and forthright President -- he was a man of principle and integrity, and a friend of seemingly infinite generosity and compassion.

It is comforting indeed -- especially during this period of mourning -- to read that you and millions of others knew well enough the warmth and pleasure of his presence to share now the sorrow of his passing.

Sincerely,

ALEXANDER P. BUTTERFIELD

chron

April 8, 1969

PERSONAL/CONFIDENTIAL

MEMORANDUM FOR: MR. HALDEMAN

The President read in his daily news summary that Secretary Laird's efforts to dissuade Senator Goodell from making his recent speech, and his follow-up action with a direct telephone monitor of the speech, was wholly inappropriate from a public relations viewpoint in that it generated additional attention on the event ... and, in so doing, gave the impression that the Administration was more than somewhat concerned. The news summary went on to say that "had we ignored Goodell" we certainly would not have fared any worse.

The President underscored the words "had we ignored Goodell", and addressed the following Confidential note to you:

"Bob -- I agree. We should ignore Goodell ... i.e. from all White House activities until further notice."

ALEXANDER P. BUTTERFIELD

cc: Mr. Ehrlichman

PERSONAL/CONFIDENTIAL

April 8, 1969

MEMORANDUM FOR: MR. PETER FLANIGAN

There has been some slight speculation in the news that Philip Trezsie might soon be appointed Assistant Secretary of State for Economic Affairs.

This note is merely to confirm the fact that the President very definitely has not approved Trezsie. He (the President) would like for you to tell State, quite privately, that Trezsie has a long history of being "against RN personally", and that he is unacceptable.

ALEXANDER P. BUTTERFIELD

chron

April 7, 1969

MEMORANDUM FOR: MR. HALDEMAN

Subject: Notes from the President

The President has expressed deep concern over two separate but related items. The first has to do with the abrupt decline in the Administration's domestic activities and news stories ... a decline which started a week ago and has continued unabated to date. He read in his daily news analysis that "the week did not produce a single domestic story worthy of prominent attention from all networks for two consecutive days." There appears to be a vacuum on the domestic front (where opportunity for news is the greatest), and it has given a virtual open field to the opposition. "While we've been sitting on our hands, or seemingly so, they have been hitting us from all sides on the Safeguard System and Vietnam." The President believes that you should hold a meeting with Herb Klein, et al and see what can be done immediately to reverse the trend.

The President's second concern pertains to our campaign to support his modified Safeguard System decision. He would like a report explaining who is in charge and why no action took place during the past week. (It may be that Bryce Harlow's briefing of earlier this morning came after the President wrote these notes to you.)

ALEXANDER P. BUTTERFIELD

April 7, 1969

MEMORANDUM FOR: MR. HALDEMAN

Bob:

A few quick items --

- (1) I sent Peter Flanigan's memorandum to Elliot Richardson at State ... first marking it "Confidential". (This was the very short memo which expressed the President's wish that State look closely at its bright young men and consider the possibility of moving some of them -- either now or in the near future -- into Ambassadorial posts.)
- (2) Peter will probably be contacting you sometime today or tomorrow re Armstrong and a proposal to send him to our embassy in Canada.
- (3) Peter wants to know also if the President wants Oehlert to stay on in Pakistan "for reasons advanced previously by Richardson", or because of "Oehlert the man".
- (4) I hope that your memorandum of April 2nd inquiring as to the status of the note-taking process was not a note of displeasure over progress being made. I have assumed since you first "gave me this project" that the ball was in my court and have been busily urging, jabbing, prodding (and aggravating) delinquent persons ever since. It is the only way I know to get the job done, i.e. short of employing dictatorial military methods. Ruth Goodwin and I have been maintaining a log which reflects every Presidential meeting/discussion session, the name of the staff participant responsible for the memorandum for file, and the current disposition of that memo. Through April 1, the log indicates that 73 memos have been written and are on file, 25 have been written but are not yet filed (most of these being minutes of NSC meetings held by Haig and Eagleburger) and 167 have not been written. Of the 167 not written, 48 are going to be difficult to obtain -- ever -- because no staff member was present. The following figures will account for other memoranda in the "missing" category:

Dr. Kissinger owes 78 (11 in conjunction with General Eisenhower's services; 27 in conjunction with RN's Europe trip; and 40 others)

Bryce Harlow owes 14

Bud Wilkinson owes 1

Don Hughes owes 1

Pat Moynihan owes 1

Bill Safire owes 1

John Ehrlichman owes 4

John Price owes 1

Paul McCracken owes 4

Bob Haldeman owes 3 (one at 10:45 a.m., Fri, Jan 24, w/E, Har, McC, with Dr. Burns joining at mid-session; another at 11:30 a.m., Wed, Feb 5, w/Carl Albert; and the third at 5:00 p.m., Wed, Feb 12, w/ Finch, Burns, Moynihan and Harlow.)

Ziegler owes 3

John Sears owes 2

Pat Buchanan owes 1

Ray Price owes 4

Bob Brown owes 1

I believe that I can go a long way toward completing this file, but it cannot be done in a day or a week. There will be no problem whatsoever in obtaining memoranda from those persons who owe only a few. However, it will be difficult to get Harlow's staff and Kissinger's staff to sit down and wrack their brains to recollect at least a thread or two of the substance of the meetings for which they were responsible for covering. I have a proposed (draft) memorandum which I would like to send to those persons primarily responsible for these memoranda. It is worded more strongly than previous "reminders", and I will show it to you later in the day.

ALEXANDER P. BUTTERFIELD

chron

THE WHITE HOUSE
WASHINGTON

April 7, 1969

PERSONAL/CONFIDENTIAL

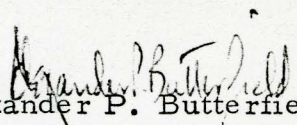
MEMORANDUM FOR: Honorable Richard G. Kleindienst
 Deputy Attorney General

On March 25th Tom Huston, Special Assistant to the President, wrote a memorandum for the President concerning the function of the federal courts and the role of the President in influencing court action through his appointments. John Ehrlichman reviewed the memorandum of March 27th and subsequently it was put in the President's reading folder.

While at Key Biscayne this past weekend, the President had a chance to look over the Huston memorandum. He thought it was interesting and very well done ... and he asked that I send a copy to you along with these comments:

"Dick -- (1) RN agrees.

(2) Keep this analysis in mind when making
judicial nominations."


Alexander P. Butterfield
Deputy Assistant to the President

Attachment

PERSONAL/CONFIDENTIAL

April 7, 1969

MEMORANDUM FOR: THE STAFF SECRETARY

The President has just received a personalized copy of a beautifully bound book entitled Report on the War in Vietnam. It came to him from Admiral U. S. Grant Sharp, U. S. Navy (Ret.), former Commander in Chief of the Pacific Theatre, and General W. C. Westmoreland, U. S. Army, former Commander of the U. S. Military Assistance Command Vietnam and presently Chief of Staff, U. S. Army ... along with the attached note. Please have your staff prepare an appropriate reply for the signature of the President.

ALEXANDER P. BUTTERFIELD

Attachment

Chow

THE WHITE HOUSE

WASHINGTON

April 7, 1969

Bob:

I am attaching a copy of the weekly news schedule projected through Saturday, April 12th. This puts us back on our normal Sunday through Saturday news week. However, it will not be complete until Herb Klein comes to work and we have 15-20 minutes in which to incorporate his "Administration News" items.

A

April 7, 1969

MEMORANDUM FOR: MR. HERB KLEIN

The President was pleased to know that you took the time to call and commend Frank Stanton and Reuben Frank.

ALEXANDER P. BUTTERFIELD

chron

April 7, 1969

MEMORANDUM FOR: MR. HERB KLEIN

Subject: Note from the President

On March 29 you sent a memorandum to me which responded to the President's queries concerning the recent seminar for editors and broadcasters at the State Department ... and the "caustic criticisms" voiced by some of the 650 newsmen attending.

Apart from appreciating your explanation of the matter, the President was very enthusiastic over the idea advanced in your second and final paragraph. Specifically, he thinks it would be an excellent move to hold the conference -- on at least an "every-other-year" basis -- in some other city ... and he would like for you to make preparations to implement such a plan.

ALEXANDER P. BUTTERFIELD

cc: Mr. James Keogh

chen

April 7, 1969

MEMORANDUM FOR: MR. JOHN WHITAKER

Subject: Note from the President (Action item)

The President was pleased to read in your March 18th memorandum of the progress we are making toward filling "Level V and above" positions within the Administration. He would like for you -- together with Herb Klein -- to get this information into one or more widely-circulated columns.

ALEXANDER P. BUTTERFIELD

cc: Mr. Haldeman
Mr. Ehrlichman
Mr. Klein

Chen

April 5, 1969

MEMORANDUM FOR: DR. KISSINGER

I am attaching for the interest of you and your staff a Confidential list of 38 scientific and/or military projects involving the joint efforts of the U. S. and Australia. Nineteen of the programs are in operation now; that is to say they were in operation when I departed Canberra in mid-January. Six of the programs are currently under negotiation or consideration, and thirteen have been completed.

Incidentally -- and quite apart from the subject of the attached list -- I will be only too glad to assist your staff in the preparation of "Australia Briefs" when and if there is a near future requirement. I say this because, as you probably know, I just finished serving for some 20 months in Australia as the Single Senior (U. S.) Military Representative and the CINCPACREP. In this capacity I administered the Status of Forces Agreement, wrote the country inputs for the FY 69 and 70 JSOPs, and contributed to most of the politico-military assessments which emanated from the Embassy. Moreover, I got to know Harold Holt quite well ... and Gorton about as well as any American serving there. (Actually, no one really knows Gorton ... even Mrs. G.) Allen Fairhall, Sir Henry Bland and Sir John Wilton were close friends and almost daily business associates. I pass on this information only for what it might be worth to Dick Sneider and others -- not to give myself extra duties. And, of course, what knowledge (or "feel") I do have will be worthless in another 3-4 months.

ALEXANDER P. BUTTERFIELD

cc: Mr. Haldeman

April 4, 1969

MEMORANDUM FOR: Colonel James D. Hughes
Armed Forces Aide to the President

Don:

It has just come to my attention that Major Thomas Wheeler, USAF (FV 2226929), now serving as chief Air Force acceptance pilot on the staff of the USAF Plant Representative at General Dynamics' Fort Worth Division, is scheduled for a normal duty reassignment within 6-8 weeks. Major Wheeler, a very bright and highly-motivated professional officer, has as much F-111 flying experience as anyone -- I would guess about 500 hours by now -- and wants to stay with the aircraft for at least another tour. Yet, as you know so well, the Air Force's reassignment system (by itself) will not assure this. Therefore I pass on to you, only for what it might be worth to the Air Force, that Wheeler is due for transfer ... and with good fighter pilot types at a premium, it seems to follow that he should not be sent to the recruiting center or the finance center or some other equally inappropriate post. In fact, if in the past 6 months it has been determined that at least one USAF pilot on RAAF exchange duty will fly with the 81st Strike Wing (F-111C's) at RAAF Base Amberley, that would really be the ideal slot ... great for Tom and a real blessing for the Australians. Nearly all of the Aussie F-111 jocks know Tom either personally or by reputation and have the highest regard for his knowledge of the aircraft and ability to fly it. (USAF has 16-18 officers on exchange duty in Australia -- each with a RAAF counterpart in this country. During the October 1967 Airman-to-Airman Talks, held in Canberra, the Amberley exchange duty was discussed at length. RAAF officials liked the idea of an American flying with their F-111 unit, but with so few aircraft in their total purchase -- 24 -- they seemed a bit reluctant to then agree to the plan because it would mean relinquishing precious F-111 cockpit space and flying hours to an already experienced American pilot at the expense of a "needy" Australian pilot.)

Because I prefer to remain well out of the picture where military matters are concerned I am sending this information to you (old friend). However, if you too do not feel disposed to involve yourself in personnel issues of this nature, let's forget it ... for quite honestly I have no personal interest in this one.

ALEXANDER P. BUTTERFIELD

Chron

Determined to be an
Administrative Marking
Not National Security Information
By JLS NARA Date 3/18/2006

April 3, 1969

VERY CONFIDENTIAL

MEMORANDUM FOR: MR. RON ZIEGLER
MR. BRYCE HARLOW

Subject: Essential Background Material Prior to Press Announcement
re President's Advisory Council on Executive Organization

Prior to your announcement of the establishment of the President's Advisory Council on Executive Organization you should know that there are some considerable differences of opinion between Roy Ash and a Mayo-Burns coalition concerning the manner in which the Council should be set up and operated. This means that getting the two factions to agree to a draft press release has been impossible.

Whereas I realize that each of you is familiar with some, or perhaps all, of the background on this issue I will outline below -- at least for the record -- the fundamental views of each side.

The Ash View

Roy sees a very high-powered prestige group working directly for the President, completely unencumbered by any staff group or individual. Although this group will operate "outside" the government (voluntarily and part-time ... some 3-4 days per month), Roy hopes to see eventually the establishment of one "inside" man who will be of a prominence and stature equal to that of the outside members. He sees the inside man as the outside group's immediate liaison with the President. Further, he sees the inside man as one who is very close to the President -- much like Bob Haldeman and Arthur Burns are now -- as a counsellor or top assistant. Moreover, Roy has hinted that perhaps after a few months one of the outside men might be free to slide to the inside post, leaving only four part-timers. Roy was never an advocate of the Dwight Ink Office of Executive Management within BoB, so he does not now want to see that office closely associated

VERY CONFIDENTIAL

VERY CONFIDENTIAL

with his five-man Advisory Council. In fact, it was only in the manner of a rather reluctant concession to Bob Mayo that Roy added the word "Advisory" and dropped the word "Management" from his Council's title. (It was going to be The President's Council on Executive Organization and Management.)

The Mayo-Burns View

On quite the opposite side of the fence are Bob Mayo and Arthur Burns. They feel strongly that formation of an Ash group became unnecessary on February 5th when Dwight Ink's shop was set up. However, they say that if it is now the President's wish that an Ash group be set up -- and we've told them that it is -- it must perforce work with Ink's office and through the Budget Director. If it doesn't, they argue, it usurps the prerogatives of the Office of Executive Management, undercuts Ink ... and in that process downgrades in no small measure the Director's position in the Administration. (To this Ash retorts that you just don't tell a Baker, a Kappel, or a Connally that what he proposes to the President must first be reviewed by an Ink or a Mayo. Ash is adamant that such should not even be implied in our announcement.)

So much for the "Very Confidential" background.

Now -- I am attaching first of all a release okayed by Mayo. Where I have marked the release in pencil is where Ash strongly objects.

Next, I am attaching my own "compromise" press release ... and I'll assume full responsibility for whatever repercussions it generates. I only wanted you to read and understand the differences in views in order to help guide your responses to an always inquisitive press.

I also have enclosed biogs on all five members, the sum and substance of which have been incorporated into my "compromise" release.

One final note: Please check all of this with Bryce. I have talked to him on the telephone as I have talked with you, but you should really go over this together well before the announcement. At this end of the line I have talked over this whole ball of wax with Dr. Burns, Bob Mayo and Roy Ash. I also have informed the Vice President, and Lamar and Timmons together have called the offices of Mundt, McClellan, Pearson, Ribicoff, and Javits.

Go.

VERY CONFIDENTIAL

ALEXANDER P. BUTTERFIELD

April 3, 1969

VERY CONFIDENTIAL

MEMORANDUM FOR: MR. RON ZIEGLER

Subject: Supplemental Info re Your Press Announcement on The
Advisory Council

Many Republican Senators and a good number of Democrats have been pushing for the formation of a Hoover-type Commission. Thus, it may be wise to make it known by way of this initial announcement that the new Advisory Council will not be ignoring them but, quite the contrary, will be working closely with the Congressional Committees on Government Operations ... as well as the Advisory Commission on Intergovernmental Relations and the Budget Bureau. Perhaps you could incorporate this material by inserting something along the lines of the following paragraph:

The Council will work closely with:

- (1) The Committees on Government Operations of both houses of Congress in order to assure that full Congressional consideration is given to its recommendations;
- (2) The Advisory Commission on Intergovernmental Relations, which was established to bring together representatives of Federal, state and local governments for consideration of common problems, to discuss the administration of Federal grant programs and the controls involved in their administration, and to make available technical assistance to the executive and legislative branches of the Federal government in the review of proposed legislation.
- (3) The Budget Bureau's Office of Executive Management (established February 5th and headed by Director Dwight Ink) which assists the Director in reviewing, evaluating and coordinating Federal programs and activities.

VERY CONFIDENTIAL

VERY CONFIDENTIAL

If you are forced to defend the "Advisory Council" idea over a "Hoover-type Commission", it may be of interest to you to know that the last Hoover Commission -- in just under two years (late '53 to late '55) -- operated from a \$2,800,000 budget and reached a peak staff of 525 people. This five-man Advisory Council will be more flexible, and far more responsive to the President's wishes. Further, the Advisory Council will not get immersed in intradepartmental detail as did the '53-'55 Hoover Commission; instead, it will deal only with the important issues ... the policies and principles of efficient organization (and management).

Bryce may think it a good idea to hint that this entire (Advisory Council) ball of wax stems from ideas put forth in the past by Senator Pearson (R-Kans.). Such an implication might flatter Pearson and generate a little more Senatorial support.

ALEXANDER P. BUTTERFIELD

NOTE: I just received word from the Vice President's office (having checked this entire matter with them yesterday afternoon) that the Vice President has personally requested the inclusion in your announcement of something to indicate that the Council will work closely with his "office of Intergovernmental Relations ^{which} ~~to~~ serve as the liaison between state and local governments and the President on all matters relating to intergovernmental relations."

VERY CONFIDENTIAL

April 2, 1969

MEMORANDUM FOR: MR. RON ZIEGLER

Ron:

You may want to insert, someplace within your press announcement, the following paragraph. Be sure to check this first with Bryce Harlow in that many of the Republican Senators and a good number of Democrats have been pushing for the formation of a Hoover-type Commission. It may be wise to make it known by way of this initial announcement that the Council will be working closely with the Congressional Committees on Government Operations. Bryce may even think it a good idea to hint that this entire ball of wax stems from ideas put forth in the past by Senator Pearson (R-Kans). Such an implication might well rally needed Senatorial support.

The Council will work closely with:

- (1) The Committees on Government Operations of both houses of Congress in order to assure that full Congressional consideration is given to its recommendations;
- (2) The Advisory Commission on Intergovernmental Relations, which was established to bring together representatives of Federal, state and local governments for consideration of common problems, to discuss the administration of Federal grant programs and the controls involved in their administration, and to make available technical assistance to the executive and legislative branches of the Federal Government in the review of proposed legislation.
- (3) The Budget Bureau's Office of Executive Management (established February 5th and headed by Director Dwight Ink) which assists the Director in reviewing, evaluating and coordinating federal programs and activities.

ALEXANDER P. BUTTERFIELD

churn

Determined to be an
Administrative Marking
Not National Security Information
By JLS NARA Date 3/18/2006

April 2, 1969

PERSONAL/CONFIDENTIAL

MEMORANDUM FOR: MR. PAT BUCHANAN

Subject: Notes from the President

With reference to the first three paragraphs of your March 31st special report to the President (The Pornographic Explosion), the President said that he agreed completely. He hopes that you will continue to give thought to ways and means of remedying this serious national problem and of rebuilding and reinforcing the legal barriers to what can be shown on a public motion picture screen.

Further, the President would like for you to prepare for him some appropriate remarks along the lines which you discussed in the fourth and final paragraph of the aforementioned special report.

ALEXANDER P. BUTTERFIELD

PERSONAL/CONFIDENTIAL

chron

April 2, 1969

MEMORANDUM FOR: Dr. Arthur F. Burns
Counsellor to the President

Subject: Proposed Population Commission

The President has approved your March 19th recommendation that you -- along with Dr. Moynihan, Mr. John D. Rockefeller III, General Draper, and/or others -- study the earlier suggestion by John Rockefeller to appoint a Population Commission to examine population trends and their social and economic implications.

He would like your judgments as to the merits of this proposition by April 28.

Thank you.

Alexander P. Butterfield
Deputy Assistant to the President

April 1, 1969

Dear Dick:

I want you to know how delighted I was to hear from Roy Ash that you have agreed to serve as a member of our newly-formed President's Advisory Council on Executive Organization.

The necessary steps for coordination with the Budget Bureau's Office of Executive Management have been completed and we are now ready to announce officially the formation of the Advisory Council. It will be done on April 4 from Key Biscayne.

I attach great importance to the creation of this Council in that its prime function will be to delineate responsibilities and authorities within the executive branch for achieving stated objectives in the most effective, efficient and economical manner. Further, as Roy may have indicated, I am especially pleased that he has assembled a charter group of such great stature and proven ability. You have my personal thanks for accepting this challenge -- and my warmest good wishes.

Sincerely,

RICHARD NIXON

Mr. Richard M. Paget
Cresap, McCormick and Paget
245 Park Avenue
New York, New York 10017

RN:AB:jms

3

RECEIVED
APR 2 1969
CENTRAL FILES

April 1, 1969

Dear George:

I want you to know how delighted I was to hear from Roy Ash that you have agreed to serve as a member of our newly-formed President's Advisory Council on Executive Organization.

The necessary steps for coordination with the Budget Bureau's Office of Executive Management have been completed and we are now ready to announce officially the formation of the Advisory Council. It will be done on April 4 from Key Biscayne.

I attach great importance to the creation of this Council in that its prime function will be to delineate responsibilities and authorities within the executive branch for achieving stated objectives in the most effective, efficient and economical manner. Further, as Roy may have indicated, I am especially pleased that he has assembled a charter group of such great stature and proven ability. You have my personal thanks for accepting this challenge -- and my warmest good wishes.

Sincerely,

RICHARD NIXON

Dean George Baker
Graduate School of Business
Administration
Harvard University
Boston, Massachusetts

RN:AB:rks
3

April 1, 1969

Dear John:

I want you to know how delighted I was to hear from Roy Ash that you have agreed to serve as a member of our newly-formed President's Advisory Council on Executive Organization.

The necessary steps for coordination with the Budget Bureau's Office of Executive Management have been completed and we are now ready to announce officially the formation of the Advisory Council. It will be done on April 4 from Key Biscayne.

I attach great importance to the creation of this Council in that its prime function will be to delineate responsibilities and authorities within the executive branch for achieving stated objectives in the most effective, efficient and economical manner. Further, as Roy may have indicated, I am especially pleased that he has assembled a charter group of such great stature and proven ability. You have my personal thanks for accepting this challenge -- and my warmest good wishes.

Sincerely,

RICHARD NIXON

Honorable John B. Connally
Vinson, Elkins, Weems, Searls
First City National Bank Building
Houston, Texas

RN:AB:feb
3

April 1, 1969

Dear Fred:

I want you to know how delighted I was to hear from Roy Ash that you have agreed to serve as a member of our newly-formed President's Advisory Council on Executive Organization.

The necessary steps for coordination with the Budget Bureau's Office of Executive Management have been completed and we are now ready to announce officially the formation of the Advisory Council. It will be done on April 4 from Key Biscayne.

I attach great importance to the creation of this Council in that its prime function will be to delineate responsibilities and authorities within the executive branch for achieving stated objectives in the most effective, efficient and economical manner. Further, as Roy may have indicated, I am especially pleased that he has assembled a charter group of such great stature and proven ability. You have my personal thanks for accepting this challenge -- and my warmest good wishes.

Sincerely,

RICHARD NIXON

Mr. Frederick R. Kappel
Chairman, Executive Committee
American Telephone and Telegraph
Company
195 Broadway
New York, New York

RN:AB:emu

3

Draft White House Press Release
to be announced by Ziegler from Key Biscayne on Friday, April 4

The President today announced the formation of The President's Advisory Council on Executive Organization. At the President's direction, this newly formed Advisory Council will undertake a thorough review of the organization of the Executive branch of the Government. It will provide over-all and specific recommendations for improved effectiveness.

Named to the Council were: Mr. Roy Ash, Chairman; Mr. George Baker, Governor John B. Connally, Mr. Frederick R. Kappel, and Mr. Richard Paget ... all to serve voluntarily, on a part-time basis. (Suggest here the words which best describe the manner in which the outside group will work with the inside liaison officer and staff.)

The formation of this Advisory Council follows by only eight days the President's signing of the Reorganization Act, one of the first completed actions of the 91st Congress.

The Advisory Council on Executive Organization will deal with both immediate and long-run needs for organizational and other changes to make the Executive branch a more effective instrument of public policy. It will consider: (1) The organization of the Executive branch as a whole in light of today's changing requirements of government; (2) Solutions to problems which arise from among the 150 plus departments, offices, agencies and other separate Executive organizational units; and (3) The relationships of the federal government to state and cities in carrying out the many domestic programs in which the federal government is involved.

The Council, of course, will work closely with:

- (1) The Committees on Government Operations of both houses of Congress in order to assure that full Congressional consideration is given to its recommendations;
- (2) The Advisory Commission on Intergovernmental Relations which was established to bring together representatives of Federal, state and local governments for consideration of common problems, to discuss the administration of Federal grant programs and the controls involved in their administration, to make available technical assistance to

the executive and legislative branches of the Federal Government in the review of proposed legislation.

- (3) The Budget Bureau's Office of Executive Management (established February 5th and headed by Director Dwight Ink) which assists the Director in reviewing, evaluating and coordinating federal programs and activities.

April 1, 1969

MEMORANDUM FOR: THE PRESIDENT

As I am sure Bob Haldeman has told you, he and I met with Roy Ash and Bob Mayo this past week to make certain that no questions were left unanswered concerning the "roles and missions" of Dwight Ink's Office of Executive Management and our new voluntary part-time group, to be designated the President's Advisory Council on Executive Organization.

Meanwhile, having been told by Roy that they were your personal selectees, Fred Kappel, George Baker, John Connally, and Dick Paget are expecting some word of confirmation from you. The attached letters have been prepared for that purpose and it is recommended that you sign them now, prior to your departure for Abilene, so that they will be in the hands of the Council members before Ron Ziegler's press announcement from Key Biscayne on April 4th.

ALEXANDER P. BUTTERFIELD

Attachments

chron

April 1, 1969

Please Treat as CONFIDENTIAL

MEMORANDUM FOR: MR. HARRY FLEMMING

While looking over a summary of recent news items, the President read of an "altercation" between Senators Dirksen and Kennedy during the sub-committee investigation of the Administration's racial policies. According to the article, Dirksen's "blunt threat to Clifford Alexander, Chairman of the Equal Employment Opportunity Commission, drew a quick rebuke from Kennedy who said that Dirksen's warning was a great disservice to Alexander and to the American people."

The item, though short, was sufficient to draw attention to Alexander ... and to make the President ask why we haven't gotten rid of him before now.

Please look into this one and give me a brief report on how we stand with regard to a possible replacement for the EEOC chairmanship.

Thank you.

ALEXANDER P. BUTTERFIELD

cc: Mr. Haldeman
Mr. Ehrlichman
Mr. Flanigan
Mr. Whitaker

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

April 25, 1969

MEMORANDUM FOR: See Distribution

The attached brief -- sent to me by a friend at the Department of Justice -- concerns the income tax liability of federal employees residing in the Washington, D. C. area. Whereas certain portions were of particular interest some 4-5 weeks ago, I thought those of you who are relatively new residents would find the entire general content worth reviewing.


ALEXANDER P. BUTTERFIELD

Attachment

Mr. William D. Ruckelshaus
Assistant Attorney General
Civil Division

Feb 7, 1969

James G. Greilsheimer
Special Assistant

Income Tax Liability of Federal Employees
and Officers Residing in the District of
Columbia, Maryland, and Virginia

Summary

Any "resident" of the District of Columbia, Maryland or Virginia, including a federal employee or officer, is required to pay the state or district income tax even if he maintains his domicile in another state. Congress, however, has expressly exempted from the District of Columbia income tax any elected officer of the Government of the United States and any officer of the Executive Branch appointed by the President and subject to confirmation by the Senate and whose tenure of office is at the pleasure of the President unless such officer is domiciled within the District on the last day of the taxable year. All three jurisdictions do not tax income received by the taxpayer prior to his becoming a resident of their respective jurisdictions. Each jurisdiction also grants a credit to a "resident" who continues to pay income tax to the state of his domicile.

District of Columbia

The District of Columbia imposes a tax
". . . upon the taxable income of every resident"
47 D.C. Code 1567b(a). For income tax purposes the
code defines "resident" as:

". . . every individual domiciled within
the District on the last day of the taxable
year, and every other individual who main-
tains a place of abode within the District

for more than seven months of the taxable year, whether domiciled in the District or not. The word "resident" shall not include any elective officer of the Government of the United States or any employee on the staff of an elected officer in the legislative branch of the Government of the United States if such employee is a bona fide resident of the State of residence of such elected officer, or any officer of the executive branch of such Government whose appointment to the office held by him was by the President of the United States and subject to confirmation by the Senate of the United States and whose tenure of office is at the pleasure of the President of the United States, unless such officers are domiciled within the District on the last day of the taxable year." (47 D.C. Code 1551c(s)).

The rate of the tax is \$350 on the first \$10,000 of taxable income and 5% on the taxable income in excess of \$10,000. 47 D.C. Code 1567b(a).

Maryland

The State of Maryland imposes ". . . a tax on the taxable net income . . . of every resident individual of this state" 81 Md. Code 288(a) (1967 Cum. Supp.). Section 279(i) (1967 Cum. Supp.) provides that:

"'Resident' means an individual domiciled in this State on the last day of the taxable year, and every other individual who, for more than six months of the taxable year, maintained a place of abode within this State, whether domiciled in this State or not; . . ."

The amount of the state income tax is \$90 on the first \$3,000 plus 5% on the taxable income in excess of \$3,000. Section 283(a) authorizes the counties of Maryland and Baltimore City to levy a local income tax which may not be more than 50% of the state income tax liability. The local tax rate for 1968 for Montgomery County is 35% and for Prince Georges County 45%.

Virginia

The Commonwealth of Virginia imposes an income tax ". . . upon every resident individual of this State" 58 Va. Code 101 (1968 Cum. Supp.). Section 77(8)(a) of Title 58 (1968 Cum. Supp.) states:

"The word 'resident' applies only to natural persons and includes, for the purpose of determining liability to the taxes imposed by this chapter upon the income of any taxable year every person domiciled in this State at any time during the taxable year and every other person who, for an aggregate of more than one hundred eighty-three days of the taxable year, maintained his place of abode within this State, whether domiciled in this State or not."

The amount of the tax is \$120 on the first \$5,000 of net income plus 5% of net income in excess of \$5,000.

Constitutionality

A state income tax upon the salary of a federal officer or employee is constitutional. Graves v. New York ex rel. O'Keefe, 306 U.S. 466 (1939). A few weeks after this decision Congress enacted the Public Salary Tax Act of 1939, 53 Stat. 574. In Section 4 of this Act, which is now codified at 4 U.S.C. § 111 (Supp. III, 1964 ed.), Congress consented to the taxation of pay or compensation of an officer or an employee of the United States ". . . by a duly constituted taxing authority having jurisdiction, if the taxation does not discriminate against the officer or employee because of the source of the pay or compensation." There is no suggestion that the tax statutes of the three jurisdictions in question discriminate against a federal officer or employee because of the source of his income. The Court of Appeals of Maryland has upheld the constitutionality of the Maryland income tax law with respect to federal employees who reside in Maryland but who work in the District of Columbia. Wood v. Tawes, 181 Md. 155, 28 A.2d 850 (1942), cert. denied 318 U.S. 783 (1943). A three-judge court in dictum noted its

approval of Reiling v. Lacy, 93 F. Supp. 462 (D. Md. 1950), appeal dismissed sub nom. Reiling v. Tawes, 341 U.S. 901 (1951).

Tax Credits

All three jurisdictions do not impose a tax upon income which was received prior to the individual becoming a resident of the particular jurisdiction. While the District of Columbia Code does not have an express provision to this effect, the Court of Appeals has so construed the income tax law. District of Columbia v. Davis, 371 F.2d 964 (D.C. Cir.), cert. denied, 386 U.S. 1034 (1967). The Maryland income tax law provides:

" . . . Where, however, an individual who during the taxable year transfers his residence to this State from a state or jurisdiction other than Maryland with the intent of becoming a resident of this State, he shall be taxable under this subtitle only with respect to taxable income as defined herein received by him from and after the date he becomes a resident of this State through the close of the calendar year and the allowable exemptions and dependent credit shall be prorated on the basis of the number of months during which residence was maintained in this State bears to twelve months, provided, however, that an individual filing a return in accordance with this provision shall not be entitled to the credit provided in § 290 of this subtitle for any income tax paid to the state or jurisdiction of his former residence while a resident of such former state or jurisdiction." (81 Md. Code § 279(1) (1967 Cum. Supp.)).

Virginia law provides:

"Any person, however, who, during the taxable year, becomes a resident of this State, whether domiciliary or actual, for purposes of income taxation, by moving to

this State from without this State during such taxable year, shall be taxable as a resident for only that portion of the taxable year during which he was a resident of this State and his personal exemptions shall be reduced to an amount which bears the same ratio to the full exemptions as the number of days during which he was a resident of this State bears to three hundred sixty-five days. No person to whom this subparagraph applies shall be entitled to any credit on his income tax payable to this State for any income tax paid to the state or other jurisdiction of his former domicile or actual residence for that part of the taxable year during which he was a domiciliary or actual resident of such other state or jurisdiction, notwithstanding the provisions of § 58-103." (58 Va. Code 77(8)(b) (1968 Cum. Supp.)).

Section 58-103 relates to credit for tax paid to other states by "residents" of Virginia. It appears that Virginia is more restrictive than Maryland in allowing a credit for the year in which the taxpayer becomes a resident: Maryland disallows the credit only if the person retains a residence in another state while Virginia disallows the credit if the person is a domiciliary or actual resident of the other state.

All three jurisdictions allow a taxpayer for any year in which he is a "resident" of the jurisdiction for the entire year a credit for the income taxes he is required to pay to another state. 47 D.C. Code 1567d(a); 81 Md. Code 290; 58 Va. Code 103 (1968 Cum. Supp.). The amount of the credit depends upon the particular provisions of the statutes of the state of domicile and the state of residence.