

75TH CONGRESS
1ST SESSION

S. 2969

IN THE SENATE OF THE UNITED STATES

AUGUST 9 (calendar day, AUGUST 14), 1937

Mr. BYRNES introduced the following bill; which was read twice and referred to the Select Committee on Government Organization

A BILL

To provide for reorganizing agencies of the Government, extending the classified civil service, establishing a General Auditing Office and a Department of Welfare, and for other purposes.

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

3 **TITLE I—REORGANIZATION**

4 **DECLARATION OF STANDARD**

5 **SECTION 1.** The President shall investigate the organi-
6 zation of the various agencies of the Government, and shall
7 determine what changes therein are necessary to accomplish
8 any of the following purposes:

9 (a) To reduce expenditures to the fullest extent con-
10 sistent with the efficient operation of the Government;

1 (2) Regroup, coordinate, consolidate, reorganize,
2 or segregate the whole or any part of any agency, or
3 the functions thereof; or

4 (3) Abolish the whole or any part of any agency,
5 or the functions thereof; and

6 (4) Prescribe the name and the functions of any
7 agency affected by any such Executive order, and the
8 title, powers, and duties of its executive head.

9 (b) Nothing in subsection (a) shall be construed to
10 authorize the President (1) to abolish any executive depart-
11 ment or independent establishment, the municipal govern-
12 ment of the District of Columbia, the Board of Governors
13 of the Federal Reserve System, or the General Auditing
14 Office; (2) to transfer to any other agency all of the func-
15 tions of any executive department; (3) to abolish or transfer
16 to any other agency any of the functions of the municipal
17 government of the District of Columbia, the Board of Gov-
18 ernors of the Federal Reserve System, the General Auditing
19 Office, or any independent establishment; (4) to regroup,
20 coordinate, consolidate, reorganize, or segregate the whole
21 or any part of the Board of Governors of the Federal Reserve
22 System, the General Auditing Office, or any independent
23 establishment, or the functions of any of them; (5) to abolish
24 or transfer to any other agency any of the functions exer-
25 cised by the Engineer Corps of the Army or the Mississippi

1 River Commission in administering any laws relating to
2 rivers and harbors or flood control; (6) to create or estab-
3 lish any new agency to exercise any functions which are
4 not expressly authorized by law in force on the date of
5 enactment of this Act; or (7) to abolish, or to transfer to
6 any other agency, the functions of audit and settlement
7 vested in the Bureau of the Budget by section 301 of this
8 Act.

9 (c) Any Executive order issued by the President under
10 this title shall make provision for the transfer or other dis-
11 position of the records, property (including office equip-
12 ment), personnel, and unexpended balances of appropria-
13 tions of the agency or agencies affected by such Executive
14 order: *Provided*, That the transfer of personnel shall be
15 without change in classification or compensation, except that
16 this requirement shall not operate after the end of the fiscal
17 year during which the transfer is made to prevent the ad-
18 justment of classification or compensation to conform to the
19 duties to which such transferred personnel may be assigned.
20 The appropriations or portions of appropriations not so
21 transferred or disposed of shall not be used for any purpose
22 but shall be impounded and returned to the Treasury.

23 (d) In the case of the abolition of any agency or func-
24 tion pursuant to this title, the Executive order providing for
25 such abolition shall also make provision for winding up the

1 affairs of the agency abolished or the affairs of the agency
2 with respect to the function abolished, as the case may be.

3 (e) The President is authorized to make such rules and
4 regulations as may be necessary to carry out his functions
5 under this title.

6 SAVING PROVISIONS

7 SEC. 3. (a) All orders, rules, regulations, permits, or
8 other privileges made, issued, or granted by or in respect of
9 any agency or function transferred to any other agency
10 under the provisions of this title, and in effect at the time of
11 the transfer, shall continue in effect to the same extent as if
12 such transfer had not occurred, until modified, superseded, or
13 repealed.

14 (b) No suit, action, or other proceeding lawfully com-
15 menced by or against the head of any agency or other
16 officer of the United States, in his official capacity or in
17 relation to the discharge of his official duties, shall abate
18 by reason of any transfer of functions from one officer or
19 agency to another under the provisions of this title, but
20 the court, on motion or supplemental petition filed at any
21 time within twelve months after such transfer takes effect,
22 showing a necessity for a survival of such suit, action, or
23 other proceeding to obtain a settlement of the questions
24 involved, may allow the same to be maintained by or against

1 the head of the agency or other officer of the United States
2 to whom the functions are transferred.

3 (c) All laws relating to any agency or function trans-
4 ferred to any other agency under the provisions of this title,
5 shall, insofar as such laws are not inapplicable, remain in
6 full force and effect, and shall be administered by the head
7 of the agency to which the transfer is made.

8 EFFECTIVE DATE OF EXECUTIVE ORDER

9 SEC. 4. (a) Whenever the President issues an Executive
10 order under the provisions of this title, such Executive
11 order shall be submitted to the Congress while in session
12 and shall not become effective until after the expiration
13 of sixty calendar days after such transmission, unless Con-
14 gress shall by law provide for an earlier effective date of
15 such Executive order: *Provided*, That if Congress shall
16 adjourn before the expiration of sixty calendar days from
17 the date of such transmission such Executive order shall
18 not become effective until after the expiration of sixty calen-
19 dar days from the opening day of the next succeeding regular
20 or special session.

21 (b) No Executive order issued by the President under
22 the provisions of this title shall become effective unless
23 transmitted to the Congress within three years from the
24 date of the enactment of this Act.

1 TITLE II—CIVIL SERVICE AND CLASSIFICATION

2 CIVIL SERVICE ADMINISTRATION

3 SEC. 201. (a) There is hereby established in the execu-
4 tive branch of the Government an organization to be known
5 as the Civil Service Administration (hereinafter referred to
6 as the "Administration"), at the head of which shall be a
7 Civil Service Administrator (hereinafter referred to as the
8 "Administrator"), who shall be appointed by the President,
9 by and with the advice and consent of the Senate, for a term
10 of fifteen years and shall receive a salary at the rate of
11 \$10,000 per annum. The Administrator shall be selected
12 without regard to any political affiliations, shall be a person
13 specially qualified for the office of Administrator by reason
14 of his executive and administrative qualifications, with par-
15 ticular reference to his actual experience in, or his knowledge
16 of, accepted practices in respect to the functions vested in
17 that office by law, and may be removed by the President
18 for inefficiency, neglect of duty, or malfeasance in office.

19 (b) The Administrator shall appoint a Deputy Civil
20 Service Administrator, subject to the civil-service laws, and
21 his salary shall be fixed in accordance with the Classification
22 Act of 1923, as amended. The Deputy Civil Service Ad-
23 ministrator shall perform such functions as the Administrator
24 may prescribe, and shall act as Administrator in the absence
25 of the Administrator or in the event of a vacancy in that
26 office.

1 (c) The United States Civil Service Commission and
2 the offices of Civil Service Commissioners are abolished, and
3 all functions vested in such Commission are hereby vested in
4 the Administration. The records, property (including office
5 equipment), personnel, and unexpended balances of appro-
6 priations of such Commission are hereby transferred to the
7 Administration.

8 (d) The Administrator is authorized to delegate to any
9 officer or employee of the Administration any functions
10 vested in the Administrator or the Administration by law,
11 and to make such rules and regulations as may be necessary
12 to carry out any of such functions.

13 (e) The Administrator shall cause a seal of office to be
14 made for the Administration, of such device as the Presi-
15 dent shall approve, and judicial notice shall be taken of
16 such seal.

17 SEC. 202. (a) In addition to the functions vested in the
18 Administrator by section 201 of this title the Administrator
19 shall prepare and recommend to the President plans for the
20 development and maintenance of a career service in the
21 Federal Government.

22 (b) The Administrator is further authorized to—

23 (1) Plan, establish, supervise and coordinate em-
24 ployee training programs and similar activities of the
25 various agencies of the Government, and make avail-

1 able to such agencies any employee training facilities at
2 his disposal;

3 (2) Obtain information, through the Administra-
4 tion, or in cooperation with other agencies, organiza-
5 tions, or groups, relating to personnel standards, prac-
6 tices, or policies in other governmental jurisdictions or
7 in private industry, and make such information avail-
8 able to the various agencies of the Government;

9 (3) Cooperate with the public personnel agencies
10 of States, Territories, and possessions of the United
11 States (including the Philippine Islands), and political
12 subdivisions thereof, and the District of Columbia, in
13 the adoption, development, or extension of the merit
14 system in their respective jurisdictions, and upon the
15 request of any such agency render advisory or con-
16 sultative personnel service or establish eligible registers
17 for such agency or establish or assist in the establish-
18 ment of joint eligible registers;

19 (4) At the direction of the President, or upon
20 the request of the head of any agency of the Govern-
21 ment, cooperate or assist in the installation or develop-
22 ment of personnel standards, practices, or policies for
23 any agency of the Government, or review and investi-
24 gate personnel standards, practices, or policies of such
25 agency, and report thereon to the President or the

1 officer making the request. Any agency receiving any
2 cooperation or assistance under this or the preceding
3 paragraph may be required to reimburse the Admin-
4 istration for all necessary expenses incurred in connec-
5 tion therewith, and the payments representing such
6 reimbursements shall be deposited as refunds to the
7 appropriations from which such expenses were origi-
8 nally paid, instead of being covered into the Treasury
9 as miscellaneous receipts;

10 (5) Request persons not in the service of the
11 Federal Government who are experts in some aspect
12 of personnel administration to attend conferences with
13 representatives of the Administration or to consult or
14 advise with them, in the District of Columbia or else-
15 where, and reimburse such experts for their subsistence
16 and other expenses at a rate of not to exceed \$25 per
17 day for time spent in attending and traveling to and
18 from such conferences, or in consulting or advising with
19 such representatives, plus the actual cost of trans-
20 portation.

21 (6) Purchase manuscripts from private persons,
22 corporations, or other organizations, or meet the costs
23 of special studies made by them, at the request of,
24 or in cooperation with, the Administration; and

1 (7) Pay in advance membership fees or dues in
2 personnel associations, or in organizations which issue
3 publications to members only or to members at a lower
4 price than to others.

5 PRESIDENTIAL APPOINTMENTS

6 SEC. 203. Hereafter the President, by and with the
7 advice and consent of the Senate, shall make appointments
8 to fill any vacancy in any office or position of head of any
9 bureau, division, service, or other similar agency which is
10 in or under the jurisdiction or control of and is directly
11 responsible to the head of an executive department, inde-
12 pendent establishment, or independent agency.

13 EXTENSION OF CLASSIFIED CIVIL SERVICE

14 SEC. 204. (a) In addition to the authority vested in
15 the President by the civil-service laws, the President is
16 authorized to cover into the classified civil service any offices
17 or positions in any agency of the executive branch of the
18 Government, and in any corporation a majority of the stock
19 of which is owned by the United States and of which no
20 member of the board of directors is elected or appointed by
21 private interests, except offices or positions to which on the
22 date of enactment of this Act appointments are required to
23 be made by the President by and with the advice and con-
24 sent of the Senate: *Provided*, That in the case of any such
25 corporation organized under the laws of any State, Terri-

1 tory, or possession of the United States (including the
2 Philippine Islands), or the District of Columbia, the Presi-
3 dent is authorized to direct that such action be taken as will
4 require appointments to such offices or positions in such
5 corporation to be made in accordance with the civil-service
6 laws, but such action shall not be inconsistent with the laws
7 under which such corporation was organized or with the
8 charter or articles of incorporation of such corporation.

9 (b) The provisions of this title relating to the covering
10 into the classified civil service of offices and positions shall,
11 in addition to being applicable to any office or position
12 authorized by existing law, be applicable to any office or
13 position authorized by this Act, or by any subsequent Act
14 unless the Congress specifically provides otherwise.

15 SEC. 205. The incumbent of any office or position which
16 is covered into the classified civil service under the pro-
17 visions of this title shall not thereby acquire a classified civil-
18 service status, except (1) upon recommendation by the head
19 of the agency concerned within one year after such office
20 or position has been covered into the classified civil service,
21 and certification within such period by such head to the
22 Administrator that such incumbent has served with merit
23 for not less than six months prior to the date of the appro-
24 priate Executive order covering such office or position into
25 the classified civil service, and (2) upon passing such suitabl

1 noncompetitive examination as the Administrator may
2 prescribe.

3 EXTENSION OF CLASSIFICATION ACT

4 SEC. 206. (a) Subject to the limitations hereinafter
5 provided, whenever the President, after such classification
6 and compensation surveys or investigations as he may direct
7 the Administrator to undertake, and after consideration of
8 the Administrator's resulting reports and recommendations,
9 shall find that an extension of the provisions of the Classifi-
10 cation Act of 1923, as amended, to any office or position
11 not at the time subject to such provisions in any agency of
12 the Government is necessary to the more efficient opera-
13 tion of the Government, he may by Executive order extend
14 the provisions of such Act to such office or position: *Pro-*
15 *vided*, That any action taken under this subsection with
16 respect to any office or position in any corporation a
17 majority of the stock of which is owned by the United
18 States and of which no member of the board of directors is
19 elected or appointed by private interests shall not be
20 inconsistent with the laws under which such corporation
21 was organized or with the charter or articles of incorporation
22 of such corporation.

23 (b) Whenever the President, upon report and recom-
24 mendation by the Administrator, shall find that one or more
25 offices or positions to which such Act as amended and ex-

1 tended is applicable may not fairly and reasonably be allo-
2 cated to any of the classification services or grades defined
3 in the compensation schedules of such Act, he may by
4 Executive order prescribe and define such additional classi-
5 fication services and grades thereof as he may deem neces-
6 sary, and he shall define and fix the ranges of compensation
7 for the grades of such services within the limits of such Act
8 so that they shall be comparable, as nearly as may be, with
9 the grades defined in such Act for offices or positions that
10 are comparable as to duties, responsibilities, qualifications
11 required, and other conditions of employment.

12 (c) Whenever the President, upon report and recom-
13 mendation by the Administrator, shall find that the rates
14 of the compensation schedules of such Act are inadequate
15 for any office or position to which such Act as amended
16 and extended is applicable, he may by Executive order
17 establish necessary schedules of differentials in the rates
18 prescribed in such compensation schedules, but the differen-
19 tial in the compensation of any such office or position shall
20 not exceed 25 per centum of the minimum rate of the grade
21 to which such office or position is allocated under such com-
22 pensation schedules: *Provided*, That the provisions of this
23 subsection shall be applicable only to offices or positions
24 which are located at stations that are isolated, remote, or
25 inaccessible when compared with stations at which offices

1 or positions of the same character are usually located, or
2 which involve physical hardships or hazards that are ex-
3 cessive when compared with those usually involved in offices
4 or positions of the same character, or which are located
5 outside the States of the United States and the District of
6 Columbia: *Provided further*, That if the Administrator finds
7 that the factor of isolation, hardship, hazard, or foreign
8 service is uniformly applicable to each office or position in
9 any given class of offices or positions, the differential pro-
10 vided for in this subsection shall not apply to any office or
11 position in such class.

12 (d) Except as Congress may otherwise provide by law,
13 the power granted to the President by this section shall not
14 apply to the following—

15 (1) Offices or positions in the Postal Service the
16 compensation of which is fixed under the Act of Con-
17 gress, approved February 28, 1925 (43 Stat. 1033), as
18 amended;

19 (2) Offices or positions of teachers, librarians,
20 school-attendance officers, and employees of the com-
21 munity-center department under the Board of Educa-
22 tion of the District of Columbia, the compensation of
23 which is fixed under the Act of Congress, approved
24 June 4, 1924 (43 Stat. 367), as amended;

1 (3) Offices or positions in the Metropolitan Police,
2 in the Fire Department of the District of Columbia, and
3 in the United States Park Police, the compensation of
4 which is fixed under the Act of Congress, approved July
5 1, 1930 (46 Stat. 839) ;

6 (4) Commissioned officers and enlisted personnel in
7 the military and naval services and the Coast Guard,
8 and commissioned officers in the Public Health Service
9 and the Coast and Geodetic Survey, the compensation
10 of which is fixed under the Act of Congress, approved
11 June 10, 1922 (42 Stat. 625), as amended;

12 (5) Offices or positions in the Government Print-
13 ing Office the compensation of which is fixed under the
14 Act of Congress, approved June 7, 1924 (43 Stat.
15 658) ;

16 (6) Offices or positions of Foreign Service officers
17 in the Foreign Service of the United States the com-
18 pensation of which is fixed under the Act of Congress,
19 approved May 24, 1924 (43 Stat. 140), as amended;

20 (7) Offices or positions of clerks in the Foreign
21 Service of the United States the compensation of which
22 is fixed under the Act of Congress, approved February
23 23, 1931 (46 Stat. 1207) ;

24 (8) Offices or positions of commercial attachés,
25 assistant commercial attachés. trade commissioners. assist-

1 ant trade commissioners, and clerks and other assistants
2 to officers, including clerical and sub-clerical assistants,
3 in the Foreign Commerce Service of the Department
4 of Commerce, the compensation of which is fixed under
5 the Act of Congress, approved March 3, 1927 (44 Stat.
6 1394), as amended;

7 (9) Offices or positions of verifiers-openers-packers,
8 clerks, guards, inspectors, station inspectors and laborers,
9 in the Customs Service of the Treasury Department the
10 compensation of which is fixed under the Act of Con-
11 gress, approved May 29, 1928 (45 Stat. 955), as
12 amended;

13 (10) Offices or positions of inspectors in the Immi-
14 gration and Naturalization Service of the Department
15 of Labor the compensation of which is fixed under the
16 Act of Congress, approved May 29, 1928 (45 Stat.
17 954), as amended;

18 (11) Offices or positions the duties of which are
19 to serve as an officer or member of the crew of a vessel;
20 and

21 (12) Offices or positions the duties of which are
22 to perform the work of an apprentice, helper, or
23 journeyman in a recognized trade or craft, or other
24 skilled mechanical craft, or the work of an unskilled,
25 semiskilled, or skilled laborer; except that whenever

1 such offices or positions involve work in the regular
2 custody, operation, or maintenance of a Government
3 building, or other Government property, or work which
4 is subordinate, incidental, or preparatory to work of
5 a professional, scientific, or technical character, the
6 President, upon a finding that the characteristics and
7 working conditions of such offices or positions render
8 them substantially the same as comparable offices or
9 positions in the District of Columbia included within
10 the Classification Act of 1923, as amended, may by
11 Executive order extend the provisions of such Act to
12 include them.

13 SEC. 207. The President is authorized, after suitable
14 investigation by the Administrator which shall include con-
15 sultation with representatives of the heads of the executive
16 departments, independent establishments, or independent
17 agencies in or under the jurisdiction of which the offices or
18 positions hereinafter designated are located, and upon find-
19 ing that such action is necessary to the more efficient opera-
20 tion of the Government, to exclude, by Executive order,
21 from the provisions of the Classification Act of 1923, as
22 amended and extended—

23 (1) Offices or positions the work of which is
24 financed jointly by the United States and a State, Terri-
25 tory, or possession of the United States (including the

1 Philippine Islands), or political subdivision thereof, or
2 cooperating persons or organizations outside the service
3 of the Federal Government, the pay of which is fixed
4 under a cooperative agreement with the United States;

5 (2) Offices or positions none or only part of the
6 compensation of which is paid from funds of the United
7 States;

8 (3) Offices or positions filled by inmates, patients,
9 students, or beneficiaries in Government institutions;

10 (4) Offices or positions outside the States of the
11 United States and the District of Columbia filled by
12 natives of Territories or possessions of the United States
13 (including the Philippine Islands) or foreign nationals;

14 (5) Emergency or seasonal offices or positions in
15 the field service, or other field offices or positions the
16 duties of which are of purely temporary duration or
17 which are required only for brief periods at intervals;
18 and

19 (6) Offices or positions filled by persons employed
20 locally on a fee, contract, or piecework basis who may
21 lawfully perform their duties concurrently with their
22 private profession, business, or other employment, and
23 whose duties require only a portion of their time, where
24 it is impracticable to ascertain or anticipate the propor-
25 tion of time devoted to the service of the Federal
26 Government.

1 SEC. 208. Whenever an extension of the Classification
2 Act of 1923, as amended, becomes effective under this title
3 with respect to any office or position—

4 (1) The allocation of such office or position to the
5 appropriate service, grade, and class shall be made as
6 provided in section 4 of such Act and in accordance with
7 a uniform procedure to be prescribed by the Adminis-
8 trator; and

9 (2) The initial compensation of the incumbent of
10 such office or position shall be fixed in accordance with
11 section 6 of such Act; except that if such incumbent is
12 receiving compensation in excess of the maximum rate
13 prescribed for the appropriate grade, no change shall
14 be made in his compensation so long as he continues to
15 occupy the same office or position, but the office or po-
16 sition shall be correctly allocated and whenever it be-
17 comes vacant the compensation attached thereto shall
18 be brought within the proper compensation schedule.

19 SEC. 209. Nothing herein contained shall be construed
20 to prevent the promotion of an officer or employee from an
21 office or position in one class to a vacant office or position in a
22 higher class at any time in accordance with civil-service laws,
23 and when so promoted the officer or employee shall receive
24 compensation according to the schedule established for the
25 class to which he is promoted.

1 TITLE III—ACCOUNTING AND AUDITING

2 TRANSFER OF ACCOUNTING FUNCTIONS

3 SEC. 301. (a) The General Accounting Office and the
4 offices of Comptroller General and Assistant Comptroller
5 General are hereby abolished, and all functions vested in the
6 General Accounting Office, the Comptroller General, and
7 the Assistant Comptroller General by law in force on the
8 date of enactment of this Act, except functions vested in the
9 General Auditing Office by this Act, are hereby vested in
10 the Bureau of the Budget and the Director of such Bureau.
11 Nothing in this section shall be construed to authorize the
12 Bureau of the Budget to exercise any functions vested in
13 the General Auditing Office by this Act or to direct the
14 manner in which such functions shall be exercised.

15 (b) The Attorney General of the United States shall
16 render an opinion with respect to the jurisdiction of the
17 Director of the Bureau of the Budget in connection with the
18 settlement of any public account, upon request therefor by
19 the said Director or the head of the executive department,
20 independent establishment, or independent agency concerned,
21 and any such opinion of the Attorney General shall be final
22 and conclusive upon the said Director and all other officers
23 and agencies of the Government.

24 (c) The records, property (including office equipment),
25 personnel, and unexpended balances of appropriations of

1 the General Accounting Office shall be transferred to the
2 General Auditing Office and the Bureau of the Budget upon
3 the effective date of this section as the President shall
4 prescribe by Executive order. The transfer of such personnel
5 shall be without change in classification or compensation,
6 except that this requirement shall not operate after the end
7 of the fiscal year during which the transfer is made to prevent
8 the adjustment of classification or compensation to conform
9 to the duties to which such transferred personnel may be
10 assigned.

11 (d) The Director of the Bureau of the Budget, with
12 the approval of the President, shall make such rules and
13 regulations as may be necessary to carry out the functions
14 vested in him by this section.

15 (e) Section 2 of the Budget and Accounting Act, 1921
16 (U. S. C., 1934 ed., title 31, sec. 2), is amended by inserting
17 after the word "including" the words "any independent
18 establishment as defined in section 5 of the Reorganization
19 Act of 1937".

20 GENERAL AUDITING OFFICE

21 SEC. 302. (a) There is hereby established a General
22 Auditing Office which shall be an agency of the Congress
23 and independent of the executive branch of the Govern-
24 ment and shall be under the direction and control of an
25 Auditor General.

1 (b) The Auditor General and an Assistant Auditor
2 General shall be appointed by the President, by and with
3 the advice and consent of the Senate. The Auditor
4 General shall receive a salary at the rate of \$10,000 per
5 annum, and the salary of the Assistant Auditor General
6 shall be fixed in accordance with the Classification Act
7 of 1923, as amended. The Assistant Auditor General shall
8 perform such functions as the Auditor General may pre-
9 scribe, and shall act as Auditor General in the absence of
10 the Auditor General or in the event of a vacancy in that
11 office.

12 (c) Except as hereinafter provided in this subsection,
13 the Auditor General and the Assistant Auditor General
14 shall hold office for fifteen years. The Auditor General
15 shall not be eligible for reappointment. The Auditor Gen-
16 eral or the Assistant Auditor General may be removed
17 at any time by joint resolution of the Congress after notice
18 and hearing, when, in the judgment of the Congress, the
19 Auditor General or the Assistant Auditor General has be-
20 come permanently incapacitated or has been inefficient, or
21 guilty of neglect of duty, or of malfeasance in office, or
22 of any felony or conduct involving moral turpitude, and
23 for no other cause and in no other manner except by im-
24 peachment. Any Auditor General or Assistant Auditor
25 General removed in the manner herein provided shall be

1 ineligible for reappointment to that office. When an
2 Auditor General or Assistant Auditor General attains the
3 age of seventy years, he shall be retired from his office.

4 SEC. 303. (a) The General Auditing Office shall
5 promptly make an audit of all public accounts after payment
6 but prior to settlement by the Director of the Bureau of the
7 Budget. Each such audit shall be conducted as nearly as
8 practicable in the vicinity of disbursing offices of the United
9 States in the District of Columbia and elsewhere.

10 (b) The accountable officers of the Government shall
11 promptly transmit their accounts, together with all supporting
12 documents, to the appropriate representatives of the General
13 Auditing Office for audit. Whenever such representatives
14 take exception to any item in any account so transmitted,
15 notice thereof shall be immediately given to the accountable
16 officer concerned, to the Director of the Bureau of the Budget,
17 and to the Auditor General, together with a statement of the
18 reasons for such exception. The said Director shall take all
19 such exceptions into consideration in settling public accounts.

20 (c) The Director of the Bureau of the Budget shall
21 furnish promptly to the General Auditing Office copies of
22 all certificates issued by him in settlement of public accounts,
23 and the General Auditing Office shall examine the copies of
24 such certificates of settlement. The Auditor General shall
25 report promptly to the said Director and to the Congress all

1 public accounts deemed by him to have been improperly
2 settled by the said Director; but no such report shall be made
3 to the Congress with respect to any disagreement between
4 the General Auditing Office and the said Director until the
5 expiration of thirty days after the said Director has been
6 notified of such disagreement, and no such report shall be
7 made to the Congress if the said Director revises his decision
8 in accordance with the views of the General Auditing Office.

9 (d) The Auditor General shall also report to the
10 Director of the Bureau of the Budget and to the Congress
11 any expenditure of public funds which the General Auditing
12 Office deems to have been unwisely or improvidently made
13 by or under the authority of the head of any agency of the
14 Government.

15 (e) The Auditor General shall make a complete annual
16 report to the Congress not later than March 1 of each year
17 with respect to the audit made by the General Auditing
18 Office of the receipts and expenditures of the Government
19 during the preceding fiscal year. Such report shall be made
20 as nearly as practicable in accordance with accepted princi-
21 ples of auditing, and shall contain all necessary memoranda
22 and tables, together with an appropriate certificate of audit
23 and such comments as may be pertinent to the subject matter
24 of the audit.

1 (f) The Auditor General shall make such investigations
2 and reports as shall be requested by either House of Congress,
3 or by the Joint Committee on Public Accounts, or by any
4 other committee of either House having jurisdiction over
5 expenditures, appropriations, or revenue; and the Auditor
6 General shall furnish any such committee such aid and infor-
7 mation as it may request.

8 (g) All reports required by this section to be made
9 to the Congress shall be made to the Joint Committee on
10 Public Accounts when the Congress is not in session.

11 SEC. 304. The Auditor General, or any officer or em-
12 ployee of the General Auditing Office when duly authorized
13 by him, shall, to the extent necessary to perform the func-
14 tions vested in the General Auditing Office, have access
15 to and the right to examine any books, documents, papers,
16 or records of the Bureau of the Budget or of any other
17 agency of the Government; but nothing in this section shall
18 be construed to repeal or modify the provisions of section 291
19 of the Revised Statutes (U. S. C., 1934 ed., title 31, sec.
20 107), or any other provisions of law expressly restricting the
21 audit of expenditures made by the President, or by the head
22 of any agency of the Government.

23 SEC. 305. (a) The Auditor General is authorized, sub-
24 ject to the civil-service laws, to appoint such officers and

1 employees as he deems necessary to enable the General
2 Auditing Office to exercise the functions vested in it by law;
3 and the compensation of all such officers and employees shall
4 be fixed in accordance with the Classification Act of 1923,
5 as amended.

6 (b) The Auditor General is authorized to delegate to
7 any officer or employee of the General Auditing Office any
8 functions vested in the General Auditing Office by law.

9 (c) The Auditor General is authorized to adopt an
10 official seal for the General Auditing Office, and judicial
11 notice shall be taken of such seal.

12 (d) The Auditor General is authorized to prescribe
13 such rules and regulations as may be necessary to carry out
14 the functions vested in the General Auditing Office by this
15 title.

16 SEC. 306. The General Auditing Office shall not exer-
17 cise any functions except those vested in it by this title, and
18 nothing contained in this title shall be construed to author-
19 ize the General Auditing Office to revise the settlements of
20 public accounts made by the Bureau of the Budget, or to
21 direct the manner in which the functions vested in the Bureau
22 of the Budget by this title shall be exercised.

23 JOINT COMMITTEE ON PUBLIC ACCOUNTS

24 SEC. 307. (a) There is hereby established a joint
25 congressional committee to be known as the Joint Committee

1 on Public Accounts (hereinafter referred to as the “joint
2 committee”), to be composed of twenty-four members as
3 follows:

4 Four members, two from the majority party and two
5 from the minority party, who are members of and are chosen
6 by each of the following committees: In the Senate, the
7 Committee on Expenditures in the Executive Departments,
8 the Committee on Appropriations, and the Committee on
9 Finance; and in the House of Representatives, the Commit-
10 tee on Expenditures in the Executive Departments, the Com-
11 mittee on Appropriations, and the Committee on Ways and
12 Means.

13 (b) No person shall continue to serve as a member
14 of the joint committee after he has ceased to be a member
15 of the committee by which he was chosen; except that any
16 such member chosen by any such Committee of the House
17 of Representatives who has been re-elected to the House
18 of Representatives may continue to serve as a member of
19 the joint committee notwithstanding the expiration of the
20 Congress.

21 (c) A vacancy in the joint committee shall not affect
22 the power of the remaining members to execute the func-
23 tions of the joint committee, and shall be filled in the same
24 manner as the original selection; except that in case of a
25 vacancy during an adjournment or recess of the Congress

1 for a period of more than two weeks, the members of the
2 joint committee who are members of the committee entitled
3 to fill such vacancy may designate a member of such
4 committee to serve until his successor is chosen by such
5 committee.

6 (d) The joint committee shall elect a chairman and a
7 vice chairman from among the members of the joint com-
8 mittee, and shall have the power to appoint and fix the
9 compensation of a clerk and such experts and clerical, sten-
10 ographic, and other assistants, as it deems advisable.

11 (e) The members of the joint committee shall serve
12 without compensation in addition to that received for their
13 services as Members of Congress; but they shall be reim-
14 bursed for travel, subsistence, and other necessary expenses
15 incurred by them in the exercise of the functions vested
16 in the joint committee, other than expenses in connection
17 with meetings of the joint committee held in the District
18 of Columbia during such times as the Congress is in session.

19 (f) It shall be the duty of the joint committee to ex-
20 amine and study all reports submitted to the Congress and
21 to the joint committee by the Auditor General as provided
22 in section 303. The joint committee shall submit to the
23 Senate and the House as promptly as possible such findings
24 and recommendations with respect to any such reports as
25 the joint committee deems advisable.

1 . . . (g) The joint committee, or any subcommittee thereof,
 2 shall have power to hold hearings and to sit and act at such
 3 places and times, to require by subpoena or otherwise the
 4 attendance of such witnesses and the production of such
 5 books, papers, and documents, to administer such oaths, to
 6 take such testimony, to have such printing and binding done,
 7 and to make such expenditures, as it deems advisable. Sub-
 8 penas shall be issued under the signature of the chairman
 9 of said joint committee, and shall be served by any person
 10 designated by him. The provisions of sections 102 to 104,
 11 inclusive, of the Revised Statutes (relating to examination
 12 and testimony of witnesses) shall apply with respect to any
 13 person who is summoned as a witness under authority of
 14 this subsection.

15 (h) Amounts appropriated for the expenses of the joint
 16 committee shall be disbursed one-half by the Secretary of
 17 the Senate and one-half by the clerk of the House of
 18 Representatives.

19 TITLE IV—DEPARTMENTS OF WELFARE AND
 20 CONSERVATION AND NATIONAL RESOURCES
 21 PLANNING BOARD

22 DEPARTMENT OF WELFARE

23 SEC. 401. (a) There shall be at the seat of govern-
 24 ment an executive department to be known as the Depart-
 25 ment of Welfare, and a Secretary of Welfare, who shall be

1 the head thereof, and shall be appointed by the President,
2 by and with the advice and consent of the Senate, and shall
3 have a tenure of office and salary like those of the heads of
4 the other executive departments. Section 158 of the Re-
5 vised Statutes, as amended (U. S. C., 1934 ed., title 5,
6 sec. 1), is amended to include such department and the
7 provisions of title IV of the Revised Statutes, including all
8 Acts amendatory and supplementary thereto, shall be ap-
9 plicable to such department.

10 (b) There shall be in the Department of Welfare an
11 Undersecretary of Welfare and two Assistant Secretaries
12 of Welfare, who shall be appointed by the President, by
13 and with the advice and consent of the Senate, and a Solicitor,
14 who shall be appointed by the Secretary of Welfare, all of
15 whom shall exercise such functions as may be prescribed
16 by the Secretary of Welfare or required by law. The
17 Undersecretary and the Solicitor shall each receive a salary
18 of \$10,000 per annum, and the compensation of the
19 Assistant Secretaries shall be fixed in accordance with the
20 Classification Act of 1923, as amended.

21 (c) The Secretary of Welfare shall administer the
22 laws relating to the public health and sanitation; the pro-
23 tection of the consumer; the cause of education; the relief of
24 unemployment and of the hardship and suffering caused
25 thereby; the relief of the needy and distressed; the assistance

1 of the aged; and the relief and vocational rehabilitation of
2 the physically disabled.

3 (d) The Secretary of Welfare shall cause a seal of
4 office to be made for the Department of Welfare, of such
5 device as the President shall approve, and judicial notice
6 shall be taken of such seal.

7 (e) The Secretary of Welfare shall annually, at the
8 close of each fiscal year, make a report in writing to the
9 Congress, giving an account of all money received and
10 expended by the Department of Welfare and describing the
11 work done by that Department. He shall also from time
12 to time make such special investigations and reports as he
13 may deem necessary, or as he may be required to make
14 by the President, or by either House of Congress.

15 DEPARTMENT OF CONSERVATION

16 SEC. 402. The Department of the Interior shall here-
17 after be known as the "Department of Conservation", and
18 the Secretary of the Interior shall be known as the "Secre-
19 tary of Conservation", and all the provisions of titles IV
20 and XI of the Revised Statutes, including all Acts amenda-
21 tory and supplementary thereto, and all other Acts referring
22 to the Department of the Interior, the Secretary of the
23 Interior, or any other officers or employees of that Depart-
24 ment, are amended accordingly.

S. 2969—3

1 NATIONAL RESOURCES PLANNING BOARD

2 SEC. 403. (a) There is hereby established in the execu
3 tive branch of the Government a National Resources Plan-
4 ning Board (hereinafter referred to as the "Board") which
5 shall be composed of five members to be appointed by the
6 President, by and with the advice and consent of the Senate.
7 One of the members of the Board shall be designated by the
8 President as chairman, and one of such members shall be
9 designated by the President as vice chairman. The vice
10 chairman shall act as chairman in the absence of the chair-
11 man or in the event of a vacancy in that office. The mem-
12 bers of the Board shall be compensated at the rate of \$50
13 per day for time spent in attending and traveling to and
14 from meetings, or in otherwise exercising the functions of
15 the Board, plus the actual cost of transportation: *Provided,*
16 That in no case shall a member be entitled to receive com-
17 pensation for more than thirty days' services in any two
18 consecutive months.

19 (b) The Board shall cause a seal of office to be made for
20 such Board, of such device as the President shall approve,
21 and judicial notice shall be taken of such seal.

22 (c) The Board shall determine the rules of its own pro-
23 ceedings, and a majority of its members in office shall con-
24 stitute a quorum for the transaction of business, but the Board
25 may function notwithstanding vacancies.

1 SEC. 404. The Board is authorized to—

2 (1) Investigate, examine, study, analyze, assemble,
3 and coordinate and periodically to review and revise
4 basic information and materials appropriate to plans
5 or planning policies for the development and utiliza-
6 tion of the resources of the Nation, both natural and
7 human, and on the basis thereof, to initiate and pro-
8 pose in an advisory capacity such plans and planning
9 policies;

10 (2) To obtain data and reports from, to cooperate
11 and participate in the work of, and to consult with,
12 any agencies of the Federal Government and of any
13 State, Territory, or possession of the United States
14 (including the Philippine Islands), or political sub-
15 divisions thereof, as well as any public planning or
16 research agencies and institutions; and

17 (3) Prepare and submit studies, reports, and
18 recommendations upon matters within its jurisdiction
19 under this Act for presentation to the President or upon
20 the request of the President.

21 SEC. 405. (a) The Board is authorized, without regard
22 to the civil-service laws, to appoint a director, and, subject
23 to the civil-service laws, to appoint such other officers and
24 employees as may be necessary to carry out its functions.
25 The compensation of the director and such other officers and

1 employees shall be fixed in accordance with the Classification
2 Act of 1923, as amended.

3 (b) The Board shall prepare and submit annually to
4 the President a report setting forth and summarizing its work
5 during the preceding year, and shall include therein such
6 information, data, and recommendations concerning matters
7 within its jurisdiction as the Board may deem advisable.

8 (c) The Board is authorized to delegate to the director
9 or to any other officer or employee of the Board any func-
10 tions vested in the Board by law.

11 (d) The Board is authorized to prescribe such rules
12 and regulations as may be necessary to carry out its functions.

13 SEC. 406. The National Resources Committee, estab-
14 lished by Executive Order Numbered 7065 of June 7, 1935,
15 is hereby abolished, and the records, property (including
16 office equipment), and personnel of such Committee, and
17 the unexpended balances of funds available for expenditure
18 by such Committee, shall be transferred to the Board.

19 TITLE V—MISCELLANEOUS

20 SEC. 501. Subject to such regulations as the President
21 may from time to time prescribe, the President and the heads
22 of the Executive departments, independent establishments
23 and independent agencies of the Government, for the pur-
24 poses of consultation, investigation and research in connection
25 with the exercise of functions vested in them by law, or, in

1 the case of the heads of such agencies, for the purposes of con-
2 ducting such investigations or research as may be required
3 of them by the President, are respectively authorized, with-
4 out regard to the provisions of other laws applicable to the
5 employment and compensation of officers and employees of
6 the United States, to appoint and fix the compensation of
7 such experts and consultants for temporary periods as may
8 be necessary.

9 SEC. 502. The President is authorized to appoint six
10 Administrative Assistants without regard to the provisions
11 of other laws applicable to the employment of officers and
12 employees of the United States, and to fix the compensation
13 of each of them at not to exceed \$10,000 per annum. Said
14 Administrative Assistants shall perform such duties as the
15 President may prescribe.

16 SEC. 503. There is hereby authorized to be appro-
17 priated out of any money in the Treasury not otherwise
18 appropriated such sums as may be necessary to carry out
19 the provisions of this Act.

20 SEC. 504. If any provision of this Act, or the applica-
21 tion thereof to any person or circumstance, is held invalid,
22 the remainder of the Act, and the application of such pro-
23 vision to other persons or circumstances, shall not be affected
24 thereby.

1 SEC. 505. (a) Subsection (c) of section 201 shall
2 become effective when the first Civil Service Administrator
3 appointed under section 201 takes office.

4 (b) Sections 301 to 306, inclusive, and section 401,
5 shall become effective upon the expiration of one hundred
6 and eighty days after the date of enactment of this Act
7 unless the President shall by Executive order provide for
8 an earlier effective date. .

9 (c) Section 406 shall become effective when a majority
10 of the members of the National Resources Planning Board
11 first appointed under the provisions of section 403 take
12 office.

13 SEC. 506. This Act may be cited as the "Reorganiza-
14 tion Act of 1937".

75TH CONGRESS }
1ST SESSION }

S. 2969

A BILL

To provide for reorganizing agencies of the Government, extending the classified civil service, establishing a General Auditing Office and a Department of Welfare, and for other purposes.

By Mr. BYRNES

AUGUST 9 (calendar day, AUGUST 14), 1937

Read twice and referred to the Select Committee on
Government Organization