

March 7, 1951.

Board of Governors

Legislation amending the

Mr. Cherry

Reorganization Act of 1949.

For the Board's information, legislation is pending in Congress which would amend the Reorganization Act of 1949. Under existing law the President may reorganize the executive departments and agencies and any such reorganization plan would become effective 60 days after submission to Congress unless either House rejects such plan. The bills (S. 101 and H. R. 1545) amend existing law so as to permit, for temporary periods (not later than April 1, 1953), emergency reorganizations of executive agencies in connection with the defense program, and with respect to such temporary emergency reorganizations the period within which either House of Congress may reject any such plan is reduced to 18 days. The bills also specifically provide that any such reorganization plan may provide for "the extension of any function or functions of any agency to any other agency". In explaining this provision, the Senate Committee report states as follows:

"While this is in some respects comparable to a transfer of function, it differs in that the agency having the function in the first place is not divested thereof but the function in question is, in effect, shared with one or more other agencies. While this was accomplished a number of times under title I of the First War Powers Act, 1941, it is not apparent that it could be done under the Reorganization Act of 1949 unless suitable provision be made therefor by law."

No exemption from the application of the bills is provided for any agencies of the Government.

cc: All Board Members  
Messrs. Riefler,  
Thurston & Carpenter

AKC:sad

*MCC*  
*Rev. Eccles*