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United States Senate

COMMITTEE ON
EXPENDITURES IN THE EXECUTIVE
DEPARTMENTS

February 22, 1951

Hon. Marriner S. Eccles
Board of Governors
Federal Reserve System
Washington, D. C.

Dear Mr. Eccles:

The attached bill, S. 913, would amend the Legislative Reorganization Act of 1946 to provide for more effective evaluation of the fiscal requirements of the executive agencies of the Government of the United States. It closely resembles S. 2898, introduced in the 81st Congress.

Hearings are planned on this proposed legislation in the near future. Will you please therefore send the Committee your views and recommendations, in triplicate, at the earliest possible date?

Thanking you for your attention to this matter, I am

Sincerely yours,


Chairman

Attachment

JLM:rb

82D CONGRESS
1ST SESSION

S. 913

IN THE SENATE OF THE UNITED STATES

FEBRUARY 19 (legislative day, JANUARY 29), 1951

Mr. McCLELLAN introduced the following bill; which was read twice and referred to the Committee on Expenditures in the Executive Departments

A BILL

To amend the Legislative Reorganization Act of 1946 to provide for more effective evaluation of the fiscal requirements of the executive agencies of the Government of the United States.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 138 of the Legislative Reorganization Act of
4 1946, as amended, is hereby amended to read as follows:

5 “JOINT COMMITTEE ON THE BUDGET

6 “SEC. 138. (a) There is hereby created a joint service
7 committee, to be known as the Joint Committee on the
8 Budget (hereinafter in this section called the ‘joint commit-
9 tee’) [and] to be composed of ten members as follows:

1 “(1) Five Members who are members of the Commit-
 2 tee on Appropriations of the Senate, three from the majority
 3 party and two from the minority party, to be chosen by
 4 such committee; and

5 “(2) Five Members who are members of the Commit-
 6 tee on Appropriations of the House of Representatives,
 7 three from the majority party and two from the minority
 8 party, to be chosen by such committee.

9 “(b) No person shall continue to serve as a member
 10 of the joint committee after he has ceased to be a member
 11 of the committee from which he was chosen, except that
 12 the members chosen by the Committee on Appropriations
 13 of the House of Representatives who have been reelected ^{to}
 14 the House of Representatives } may continue to serve as
 15 members of the joint committee notwithstanding the expira-
 16 tion of the Congress. A vacancy in the joint committee
 17 shall not affect the power of the remaining members to
 18 execute the functions of the joint committee, and shall be
 19 filled in the same manner as the original selection, except
 20 that (1) in case of a vacancy during an adjournment or
 21 recess of Congress for a period of more than two weeks,
 22 the members of the joint committee who are members of
 23 the committee entitled to fill such vacancy may designate
 24 a member of such committee to serve until his successor
 25 is chosen by such committee, and (2) in the case of a

1 vacancy after the expiration of a Congress which would
 2 be filled from the Committee on Appropriations of the
 3 House of Representatives, the members of such committee
 4 who are continuing to serve as members of the joint com-
 5 mittee, may designate a person who, immediately prior to
 6 such expiration, was a member of such committee and who
 7 is reelected to the House of Representatives, to serve until
 8 his successor is chosen by such committee.

9 “(c) The joint committee shall elect a chairman and
 10 vice chairman from among its members at the first regular
 11 meeting of each session: *Provided, however,* That during
 12 even years the chairman shall be selected from among the
 13 members who are Members of the House of Representatives
 14 and the vice chairman shall be selected from among the
 15 members who are Members of the Senate, and during odd
 16 years the chairman shall be selected from among the mem-
 17 bers who are Members of the Senate and the vice chairman
 18 shall be selected from among the members who are Members
 19 of the House of Representatives.

20 “(d) A majority of the Members of each House who
 21 are members of the joint committee shall together con-
 22 stitute a quorum for the transaction of business, but a lesser
 23 number, as determined by the joint committee, may con-
 24 stitute a subcommittee and be authorized to conduct hear-
 25 ings and make investigations. Any member of a sub-

1 committee so designated shall constitute a quorum for the
 2 conduct of any hearing or investigation, but the concurrence
 3 of a majority of the members of such subcommittee shall
 4 be necessary before any report or findings may be sub-
 5 mitted to the joint committee.

6 “(e) It shall be the duty of the joint committee—

7 “(1) (A) to inform itself on all matters relating
 8 to the annual budget of the agencies of the United
 9 States Government, during and after the preparation
 10 thereof; (B) to provide the Committee on Appropria-
 11 tions of the House of Representatives and the Com-
 12 mittee on Appropriations of the Senate with such in-
 13 formation on items contained in such budget, and the
 14 justifications submitted in support thereof, as may be
 15 necessary to enable said committees to give adequate
 16 consideration thereto; and (C) to consider all available
 17 information relating to estimated revenues, [including
 18 revenue estimates of the Joint Committee on Internal
 19 Revenue Taxation,] essential programs, and changing
 20 economic conditions, and, on the basis thereof, report to
 21 said committees findings relating to ^{necessary adjustments} [revisions in appro-
 22 priations required to hold expenditures to the minimum ^{or revisions in appropriations, as}
 23 ^{maybe required to balance the budget;} consistent with the requirements of Government opera-
 24 tions and national security;]

25 “(2) to recommend to the appropriate standing

1 committees of the House of Representatives and the
2 Senate such changes in existing laws as may effect
3 greater efficiency and economy in government;

4 “(3) to make such reports and recommendations
5 to any standing committee of either House of Congress
6 or any subcommittee thereof on matters within the
7 jurisdiction of such standing committee relating to devia-
8 tions from basic legislative authorization, or in relation
9 to appropriations approved by Congress which are not
10 consistent with such basic legislative authorization, as
11 may be deemed necessary or advisable by the joint
12 committee, or as may be requested by any standing
13 committee of either House of Congress or by any sub-
14 committee thereof.

15 “(f) The joint committee, or any subcommittee thereof,
16 shall have power to hold hearings and to sit and act any-
17 where within or without the District of Columbia whether
18 the Congress is in session or has adjourned or is in recess;
19 to require by subpoena or otherwise the attendance of wit-
20 nesses and the production of books, papers, and documents;
21 to administer oaths; to take testimony; to have printing
22 and binding done; and to make such expenditures as it deems
23 advisable within the amount appropriated therefor. Sub-
24 penas shall be issued under the signature of the chairman or

1 vice chairman of the committee and shall be served by any
 2 person designated by them. The provisions of sections 102
 3 to 104, inclusive, of the Revised Statutes (U. S. C., title 2,
 4 secs. 192-194) shall apply in the case of any failure of
 5 any witness to comply with any subpoena or to testify when
 6 summoned under authority of this section.

7 ^[i]“(g) The joint committee shall, without regard to the
 8 civil-service laws or the Classification Act of 1949, as
 9 amended, employ and fix the compensation of a staff director
 10 and such other professional, technical, clerical, and other
 11 employees, temporary or permanent, as may be necessary to
 12 carry out the duties of the joint committee, and all such
 13 employees shall be appointed without regard to political
 14 affiliation and solely on the ground of fitness to perform the
 15 duties to which they may be assigned: *Provided, however,*
 16 That ^{such appointment} ~~the~~ services of any such employee may be terminated
 17 by the concurrence of a majority of the members of the joint
 18 committee. No person shall be employed by the joint com-
 19 mittee until a thorough investigation as to loyalty and se-
 20 curity shall have been made by the Federal Bureau of
 21 Investigation and a favorable report on said investigation
 22 submitted to the chairman or vice chairman.

23 ^[h]“(h) The joint committee shall assign members of its
 24 staff (1) to assist the staff of the Committee on Appropria-
 25 tions of the House of Representatives and the several sub-

1 committees thereof during the periods when appropriation
 2 bills are pending in the House of Representatives, and (2) to
 3 assist the staff of the Committee on Appropriations of the
 4 Senate and the several subcommittees thereof during the
 5 periods when appropriation bills are pending in the Senate.
 6 At other times the staff of the joint committee shall serve the
 7 joint committee directly.]

8 ^(g)
 8 ⁽¹⁾ Employees of the joint committee, upon the writ-
 9 ten authority of the chairman or vice chairman, shall have
 10 the right to examine the books, documents, papers, reports,
 11 preliminary and other estimates of budget requirements, or
 12 other records of any agency of the United States Govern-
 13 ment within or without the District of Columbia: *Provided*,
 14 *however*, That such employees shall not be permitted access
 15 to books, documents, papers, reports, estimates, records, or
 16 any other thing containing information classified for security
 17 purposes unless specifically authorized by the joint com-
 18 mittee to receive such types of classified information.

19 " (j) It shall be the duty of each agency of the Govern-
 20 ment to supply to the joint committee ^{duplicate} [any] copies of any
 21 budgetary request submitted to the Bureau of the Budget,
 22 [which the joint committee or any subcommittee thereof may
 23 request,] either for regular or supplemental appropriations
 24 required for each fiscal year, with the detailed justifications
 25 in support thereof. [Members of the staff of the joint com-

1 mittee are authorized to attend hearings of the Bureau of
 2 the Budget at which representatives of agencies justify their
 3 budgetary requests.]

4 " (k) Qualified members of the staff of the Bureau of
 5 the Budget shall, at the request of the Committee on Ap-
 6 propriations of the House of Representatives or the Senate,
 7 or any subcommittee thereof, be assigned to attend executive
 8 sessions of the subcommittees of the Appropriations Com-
 9 mittees and to explain the content and basis of proposed
 10 appropriations.

✓ 11 [^(h) (l)] When used in this section, the term 'agency' means
 12 any executive department, commission, council, independent
 13 establishment, Government corporation, board, bureau, divi-
 14 sion, service, office, officer, authority, administration, or other
 15 establishment, in the executive branch of the Government.
 16 Such term includes the Comptroller General of the United
 17 States and the General Accounting Office, and includes any
 18 and all parts of the municipal government of the District of
 19 Columbia except the courts thereof.

✓ 20 [^L (m)] There are hereby authorized to be appropriated
 21 such sums as may be necessary to carry out the purposes of
 22 this section. Appropriations for the expenses of the joint
 23 committee shall be disbursed by the Secretary of the Senate
 24 upon vouchers signed by the chairman or vice chairman."

82ND CONGRESS
1ST SESSION

S. 913

A BILL

To amend the Legislative Reorganization Act of 1946 to provide for more effective evaluation of the fiscal requirements of the executive agencies of the Government of the United States.

By Mr. McCLELLAN

FEBRUARY 19 (legislative day, JANUARY 29), 1951
Read twice and referred to the Committee on
Expenditures in the Executive Departments

Dev. Eccles

March 8, 1951.

Honorable John L. McClellan,
United States Senate,
Washington 25, D. C.

Dear Senator McClellan:

This will acknowledge your letter of February 22, 1951, with which was attached your bill S. 913 which would amend the Legislative Reorganization Act of 1946 to provide for the more effective evaluation of the fiscal requirements of the executive agencies of the Government. As you have indicated, S. 913 is similar in every substantial respect to S. 2898 introduced in the 81st Congress.

You may recall that at your request I submitted my views on S. 2898 by letter dated February 15, 1950, copies of which I am enclosing for your ready reference. My views with reference to S. 913 are generally similar to those which I expressed with reference to S. 2898. I feel that some legislation of this kind is needed and that you are to be commended for your constructive efforts in this direction. The bill provides for an organization and adequate procedures which should enable the Congress to secure information essential to proper consideration of the complex problems involved in the appropriation requests of the various executive agencies.

If I can be of any further assistance to you in connection with this matter, please let me know.

With kindest personal regards, I am

Sincerely yours,

M. S. Eccles.

Enclosures

WHY:elh
2/28/51