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HEARINGS

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BEFORE THE

COMMITTEE ON
GOVERNMENT OPERATIONS
UNITED STATES SENATE
NINETY-SECOND CONGRESS

FIRST SESSION

ON

S. 1431

TO ESTABLISH A DEPARTMENT OF NATIONAL RESOURCES

AUGUST 5, 1971

PART 3

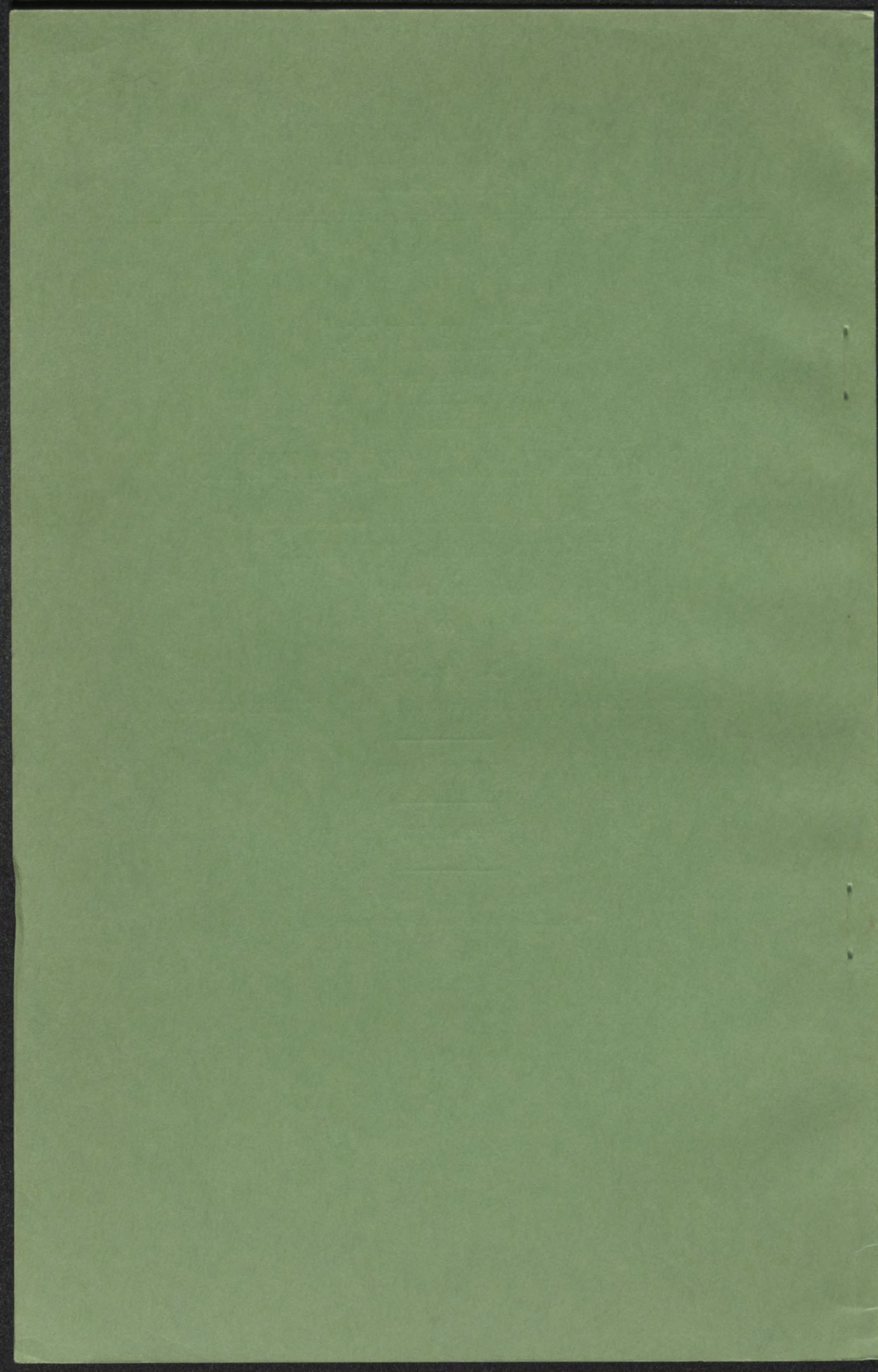
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ESTABLISH A DEPARTMENT OF NATURAL RESOURCES

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U.S. GOVERNMENT PRINTING OFFICE
WASHINGTON : 1971

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(II)

CONTENTS

	Page
Opening statement of Senator Henry M. Jackson.....	1055

AUGUST 5, 1971

Hon. Charles H. Percy, U.S. Senator from the State of Illinois.....	1056
Hon. Frank E. Moss, U.S. Senator from the State of Utah.....	1058
Hon. Rogers C. B. Morton, Secretary of the Interior.....	1069
Hon. Clifford M. Hardin, Secretary of Agriculture.....	1081
Hon. James T. Lynn, Under Secretary of Commerce.....	1085
Clarence E. Larson, Commissioner, U.S. Atomic Energy Commission.....	1088
James T. Ramey, Commissioner, U.S. Atomic Energy Commission.....	1091
Hon. Thaddeus Beal, Under Secretary of the Army.....	1095
Arnold R. Weber, Associate Director, Office of Management and Budget.....	1099

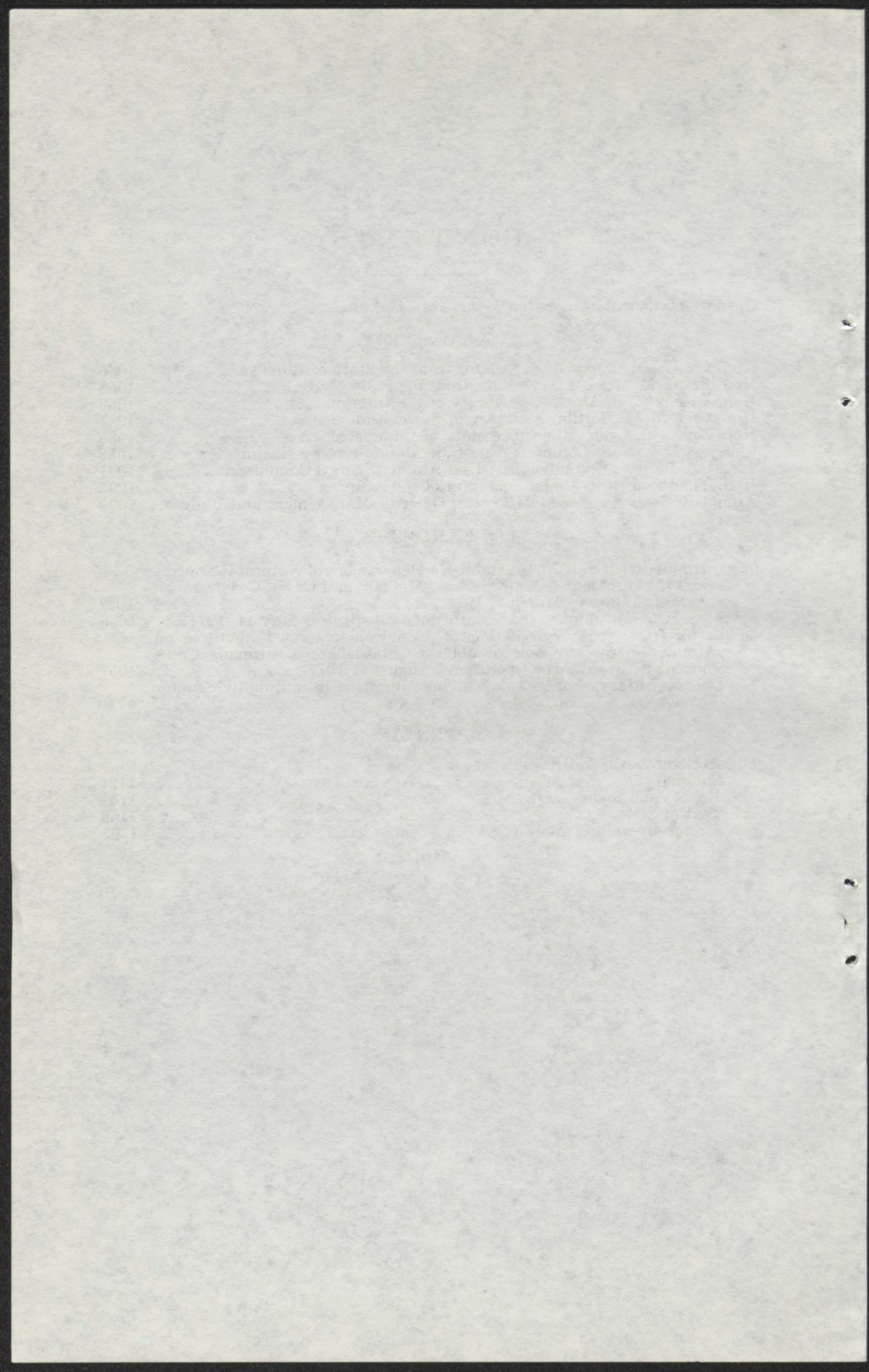
EXHIBITS

No.		
35.	Introduction of S. 1025, to establish a Department of Natural Resources and Environment (Senators Moss, Metcalf, and Case), <i>Congressional Record</i> , Monday, March 1, 1971.....	1027
	S. 1025 (amendment in the nature of a substitute), May 14, 1971.....	1036
36.	Letter from Senator John Pastore, Chairman, Joint Committee on Atomic Energy, to Senator John L. McClellan, Chairman, Committee on Government Operations, August 4, 1971.....	1057
37.	Departmental responses to questions submitted in writing by Senator McClellan.....	1110

APPENDIX

Department of Natural Resources:	
Summary.....	1121
Report and review.....	1131
Text of S. 1431.....	1169
Section-by-section analysis.....	1205

(III)



S. 1431, TO ESTABLISH A DEPARTMENT OF NATURAL RESOURCES

THURSDAY, AUGUST 5, 1971

U.S. SENATE,
COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D.C.

The committee met, pursuant to call, at 9:50 a.m., in room 3302, New Senate Office Building, Senator Henry M. Jackson presiding. Present: Senators Jackson, Metcalf, Javits, and Brock.

Also present: James R. Calloway, chief counsel and staff director; S. Arnold Smith, professional staff member; Miriam Kayser, secretary; and Grenville Garside, legislative assistant to Senator Jackson.

Senator JACKSON. The committee will come to order.

We are meeting today to receive testimony on legislation designed to create a new Department of Natural Resources. The committee has before it the administration's bill, S. 1431.¹ Also, legislation introduced by Senator Moss, S. 1025, as amended, together with his introductory speech, will be inserted in the record at this point.

(The documents referred to follow:)

EXHIBIT 35

[From the Congressional Record, Monday, Mar. 1, 1971]

By Mr. Moss (for himself, Mr. Metcalf, and Mr. Case)

S. 1025. A bill to establish a Department of Natural Resources and Environment. Referred to the Committee on Government Operations.

Mr. Moss. Mr. President, I am today introducing, once again, for myself, Senator Metcalf, and Senator Case, a bill to establish a Department of Natural Resources and Environment, and to transfer to it certain agencies and functions.

Since I first introduced a similar bill in the 89th Congress, events have marched toward the establishment of such a department. And this year, as explained in his State of the Union Address, President Nixon is urging the Congress to create a Natural Resources Department.

I commend the President for this reorganization proposal. Nevertheless, I am again introducing my bill. I do this because it differs in a major particular from the Nixon proposal and I believe it should be before the Congress for consideration at the same time.

First, let me explain this difference between the content of this bill and the President's proposal, at least as I now understand that proposal. Then I will discuss the provisions of my bill which is very similar in content to those I have introduced in prior years.

Ed. note.—The initial hearings on the President's reorganization proposals, S. 1430, to establish a Department of Community Development; S. 1431, to establish a Department of Natural Resources; S. 1432, to establish a Department of Human Resources; and S. 1433, to establish a Department of Economic Affairs, were held on May 25, 26, and June 22, 1971.

¹ See appendix, p. 1121, for complete text of S. 1431, and OMB summary, review, and section-by-section analysis of the bill.

A basic thrust of the Moss proposal is the establishment, within the same department, of functions having to do with protection of natural resources as well as those having to do with development. President Nixon, on the other hand, would retain a separate agency charged with responsibility for environmental protection—such matters as clear air, clean water, solid waste disposal, prevention of pesticide damage, and limitation of radiation hazards.

Last July, I testified before the Subcommittee on Executive Reorganization of the Committee on Government Operations on Mr. Nixon's Reorganization Plans Nos. 3 and 4 which established the Environmental Protection Agency.

I said at that time it would be helpful to have in one new agency all of the programs which deal with air and water pollution, solid waste disposal, radiation, and pesticides, just as it would be helpful to place all of the programs dealing with oceanography under one administrator.

However, I also said:

"But how much more sensible it would be if all our resources development programs be coordinated with our resource regulation programs."

For example, when a license is granted to build a hydroelectric plant on a river, I believe, the question of how much this plant will pollute the atmosphere, and how this pollution must be curbed, should be considered and settled within the same Department that grants the license.

In January, I told a meeting of mining executives of my concern at the trend toward giving "veto power over all natural resource development proposals to independent, 'ivory tower' agencies that have no responsibility for anything except to say 'no'."

I question giving authority to negate development programs to agencies that have no responsibility for affirmative action—for getting a job done. My point is that we must give ample consideration to the positive side of our production and consumption problems as well as emphasizing the "thou shall not" aspects.

In a sense, we are cast on the horns of a dilemma. Like a hero of Greek tragedy, we find only two courses of action open either of which is fatal. If we put the brakes on production, we face a sinking standard of living; if we press full steam ahead on production, we may—through pollution—destroy the life-giving environment.

Somehow, the technological and political genius of the American people must be harnessed to give us both development and conservation. Otherwise, American society as we have known it must pass into oblivion.

To accomplish this great task, I believe we need a Department of Natural Resources and Environment exercising comprehensive authority. It must have the responsibility and the capability of leading the Nation into the new paths that must be found—paths that will permit an advanced industrial society to grow and still survive.

Therefore, I repeat that the Department of Natural Resources and Environment established by my bill includes such protective agencies as the Water Quality Office, Air Quality Office, and Solid Waste Office, while the Nixon proposal apparently does not. There are also some other differences between the Moss and Nixon approaches to this problem, but they are less basic.

Regardless of my differences with the President, however, I am delighted to see the great prestige of the White House put behind the creation of a Department of Natural Resources. And I am confident that, if given the facts, the American people will wholeheartedly support such a move. Certainly those of us who stood for reelection last year can testify to the great concern of our citizens about the State of environment; and public opinion polls invariably show pollution as a major issue. The American people want pollution stopped; some even go so far as to advocate closing down major industrial establishments unless their contamination of air and water is virtually eliminated.

So there is no longer a question about the desirability of preserving the environment. Everyone agrees on that. But there is no agreement—and there is a great lack of understanding—as to what it will take to preserve it.

To state the issue again, but in different terms, we must do two things: first, provide the raw materials—minerals, food, timber, fuels—to assure a desirable rate of economic growth; and second, reverse the tide of environmental destruction.

These are monumental tasks. They are tasks that cannot be performed through half measures, and I am afraid half measures are all that we have had so far.

Mr. President, considering its importance, the bill I am introducing today is remarkably simple. In effect, it would abolish the Department of the Interior by transferring most of its agencies to new Department of Natural Resources and Environment, and transferring the few current Interior agencies that remain to other departments.

I have discussed the evolution of the Department of the Interior previously in this Chamber. Originally, it was a catchall for agencies handling internal problems. Over the last years, however, it has evolved into an organization chiefly concerned with management, protection and administration of natural resources—timber, forage, water, minerals, wildlife, and with the marketing of power and the promotion of outdoor recreation opportunities. Some of its functionaries have argued that it is already the Nation's Department of Natural Resources and Environment. But the rub is that there are many resource functions and responsibilities of great magnitude outside Interior. These include the work of the Forest Service and the Soil Conservation Service in the Department of Agriculture, and the vast multipurpose water resources activities of the U.S. Army Corps of Engineers. Also outside are the agencies responsible for the development of ocean resources and the abatement of ocean pollution.

My basic concern when I introduced a Department of Natural Resources bill 4 years ago was the lack of coordination and long-range planning in the management, development, and abatement of pollution of our water resources.

There are three major Federal departments with primary water resources responsibility. These are the Department of the Army, the Department of Agriculture, and the Department of the Interior. At one time, there was a fourth—Health, Education, and Welfare—but in 1967, President Johnson, under his reorganization powers, transferred the Water Pollution Control Administration from HEW to Interior. President Nixon has now moved it to the new Environmental Protection Agency and renamed it the Water Quality Office.

It must be understood that Congress did not deliberately fragment the water resource responsibilities. Our three major water managers were created years ago to solve specific problems. The Corps of Engineers was born in the 1820's with an appropriation of \$75,000 and an assignment to remove sandbars and "sawyers, planters and snags" in the Mississippi and Ohio Rivers to aid navigation. The Bureau of Reclamation—in the Department of the Interior—was created in 1892 to "reclaim" land in 17 western States for agriculture. With the passage of the years, both have graduated to multipurpose water resource development, often and with almost no overall direction. In 1954, the Department of Agriculture got into the water resources picture in a big way, with a watershed protection operation which was put—perhaps logically at that time—in the Soil Conservation Service. So we have three major dam-building agencies. All engage in river basin planning. In addition, an important independent agency—the Federal Power Commission—also does river basin planning because with it rests the authority to license the dams built by private power companies.

The need for coordinated water resource planning and management has, of course, been recognized for a long, long time. But it was only in 1965 that Congress enacted a Water Resources Planning Act. It provided, essentially, a committee of Cabinet officials (assisted by a very competent staff) to coordinate the programs of the great departments in the water field and to make a biennial assessment of the adequacy of the Nation's water supply.

The act was a step forward; but the weakness of this program is evident. First, it places responsibility in a committee of departmental secretaries, rather than in an individual. Second, it involves a number of men who have more than full time jobs running their own departments, and who already serve on several other high level committees. Such an arrangement might have worked quite well 30 years ago. But it is clearly inadequate today, when careful planning of our water resources is essential to prevent actual deficiencies.

The agencies dealing with lands should also be coordinated, although the problems in that area are not as severe as in water management. At present, we have the Bureau of Land Management in the Department of the Interior responsible for the administration of part of our public lands, while most of the remainder is administered by the Forest Service in the Department of Agriculture. It might be wise to maintain these as separate offices in a new department, but they now operate under many conflicting policies and procedures which should be coordinated in the interest of good resources management as well as for the convenience of the public.

The management of outdoor recreation resources is also divided up among major departments. Citizens are frequently surprised to learn that the Department of the Army serves more recreation "customers" than any other. This, of course is because of the millions of visits made each year to the reservoirs managed by the Corps of Engineers. Next in recreation volume is the Department of Agriculture, because of its management of the National Forests. Behind these two agencies trails the Department of the Interior, even though it contains the Bureau of Outdoor Recreation.

The sea is a somewhat new frontier in the resource field. In my view, coordinated natural resources programs cannot be set up without recognizing the rich resources of the oceans and the fact in management, it is difficult to separate the sea from the land or the ocean from the river which flows into it.

The need for an oceanography program has been well demonstrated. The only questions that remains is which department can operate it most efficiently. I believe it fits into a Department of Natural Resources and Environment.

It will be argued that placing protection and environment in the same agency could favor exploitation at the expense of conservation. It will be said that a check is needed, and that the Environmental Protection Agency provides such a check.

Yet, though I propose one department, I do not intend it to be the sole monitor of environmental condition. I would retain the Council on Environmental Quality, and I advocate passage of Senate Joint Resolution 17, to create a Joint Committee on Environment in the Congress. In brief, this would result in the following arrangement:

The Department of Natural Resources and Environment would exercise the operating responsibilities of the Federal Government relating to natural resources development and protection. The Council would exercise present responsibilities which would include evaluating the state of the environment and the operation of the Department. The Council would continue to prepare annually the official Environmental Quality Report of the President. The Joint Committee would have the responsibility to hold public hearings on the report and to recommend such action as it deemed necessary to the legislative committees of the Congress.

Such an arrangement, I believe, would constitute a rational solution to the problem of organizing the Federal resource management effort to best combine development and protection.

Now let us look briefly at the provisions of this bill. It provides for a Secretary of Natural Resources and Environment and a Deputy Secretary. It provides for two Under Secretaries, one for water and one for land.

The jurisdiction of the Under Secretary for Water includes: the functions exercised by the Bureau of Reclamation; the civil works functions of the Corps of Engineers in the Department of the Army; the work of the Soil Conservation Service; the Water Quality Administration; coordination of river basin plans with the Federal Power Commission; the Bonneville Power Administration; the Southwestern Power Administration; and all agencies in the Department of the Interior that have water resource matters as their principal concern.

The Under Secretary for Water will supervise the Assistant Secretary for Oceanography. He will have jurisdiction over the functions of the sea grant programs of the National Science Foundation, and appropriate data and engineering research. It would also be wise to transfer to this Assistant Secretary the portion of the U.S. Fish and Wildlife Service which deals with the fisheries resources of the oceans. An office might also be created to coordinate efforts of our other mineral resource agencies in development of the minerals in and under the ocean.

While I have not provided for further administrative division in the bill, it would appear logical to divide the responsibility of the Under Secretary for Land into four branches, each headed by an Assistant Secretary.

The Forest Service and the Bureau of Land Management could report to an Assistant Secretary for Land Resources. The National Park Service, the Fish and Wildlife Service, and the Bureau of Outdoor Recreation could report to an Assistant Secretary for Recreation and Wildlife. The Bureau of Mines, Geological Survey, the Office of Coal Research, and the several other agencies in the Department of the Interior with responsibility in the fields of minerals and Fuels could report to an Assistant Secretary of Minerals and Fuels. The fourth Assistant Secretary would supervise our air pollution abatement program.

The adoption of this proposal is long overdue. The task of protecting and wisely utilizing the land, the water, the forests, the wildlife, the oceans is one task. All these resources are interdependent. Today, all require wise management on a national basis.

In addition, consolidation of Federal resource agencies will improve the efficiency of State operations. The States cannot protect their resources without Federal cooperation. Our river basins, our waterfowl, our forests, our lakes do not recognize State boundaries. Yet State responsibilities in these fields are widespread. We should do everything possible to facilitate their carrying out their responsibilities effectively.

To sum up, what passage of this bill will do is to enable one executive department to coordinate, at the levels of Under Secretary and Secretary, the activities

of all agencies dealing with natural resources. It will enable the President, the Congress, and an executive department to evaluate effectively the Nation's resource requirements and the investment needed to meet them. It will provide the data and the management structure on which long-range planning can be based. It will enable us to consider with sufficient leadtime the raw material requirements of our industries.

It will, I believe, put more skill and more energy behind our efforts to control pollution.

It will provide coordinated administration of farflung resource programs. It will make it easier for the States, counties, and cities to carry out their expanding responsibilities in the natural resource field.

Mr. President, I send to the desk for appropriate reference my bill to establish a Department of Natural Resources and Environment. I ask unanimous consent that the bill be printed in the RECORD following my remarks.

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

"S. 1025

"A bill to establish a Department of Natural Resources and Environment

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

"SHORT TITLE; FINDINGS

"SECTION 1. (a) This Act may be cited as the "Department of Natural Resources and Environment Act".

"(b) The Congress hereby finds that—

"(1) expanding population and a rising standard of living combine to place unprecedented demands on the natural resources of the United States;

"(2) the natural environment is suffering a progressive deterioration which affects the air we breathe, the water we drink, the soil which nourishes our food, the areas in which we take our recreation, and the natural beauty of our homeland;

"(3) such deterioration demonstrates a failure in the larger sense of our conservation efforts, even though many successful conservation programs have been undertaken during the past many years by Federal, State, and local governments and by private groups;

"(4) safeguarding the environment—air, water, and land—is a necessity to maintain conditions under which man and wildlife may continue to exist, to provide the raw materials essential to an expanding standard of living, and to maintain the beauty and usefulness for all purposes of our land;

"(5) the responsibility of the Federal Government includes the exercise of leadership in water resource development, and air pollution abatement, as well as the operation of many programs and cooperation with State and local government and private groups in the carrying out of their resource management responsibilities; and

"(6) the Federal agency structure which deals with natural resources grew up during a less demanding period of our history, and must be coordinated and reorganized if today's tasks are to be performed effectively.

"DEPARTMENT OF NATURAL RESOURCES

"SEC. 2. (a) There is hereby established at the seat of government, as an executive department of the United States Government, the Department of Natural Resources and Environment.

"(b) The Secretary of Natural Resources and Environment may approve a seal of office for the Department, and judicial notice shall be taken of such seal.

"PERSONNEL OF THE DEPARTMENT

"Sec. 3. (a) There shall be at the head of the Department of Natural Resources and Environment a Secretary of Natural Resources and Environment (hereinafter referred to in this Act as the "Secretary"), who shall be appointed by the President, by and with the advice and consent of the Senate.

"(b) There shall be in the Department of Natural Resources and Environment a Deputy Secretary of Natural Resources and Environment, who shall be appointed by the President, by and with the advice and consent of the Senate. The Deputy Secretary of Natural Resources and Environment (or, during the absence or disability of the Deputy Secretary, or in the event of a vacancy in the office of

Deputy Secretary, an Under Secretary or the General Counsel of the Department, determined according to such order as the Secretary shall prescribe) shall act for, and exercise the powers of the Secretary, during the absence or disability of the Secretary or in the event of a vacancy in the Office of Secretary. The Deputy Secretary shall perform such functions as the Secretary shall prescribe from time to time.

"(c) There shall be in the Department of Natural Resources and Environment an Under Secretary of Natural Resources and Environment of Water, and an Under Secretary of Natural Resources and Environment for Lands, who shall be appointed by the President, by and with the advice and consent of the Senate.

"(d) There shall be in the Department of Natural Resources and Environment a General Counsel, who shall be appointed by the President, by and with the advice and consent of the Senate. The General Counsel shall perform such functions as the Secretary shall prescribe from time to time.

"(e) The Secretary is authorized to appoint and fix the compensation of such officers and employees, and prescribe their functions and duties, as may be necessary to carry out the purposes and functions of this Act.

"(f) The Secretary may obtain the services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code.

"TRANSFER OF FUNCTIONS TO DEPARTMENT

"SEC. 4. (a) Except to the extent otherwise specifically provided by this Act, there are hereby transferred to the Secretary of Natural Resources and Environment all functions which were carried out immediately before the effective date of this Act by the Secretary of the Interior, including all functions of the Secretary of the Interior being administered by him through any agency, service, bureau, office, or other entity of the Department of the Interior.

"(b) There are hereby transferred to the Secretary of Natural Resources and Environment all functions transferred to the Administrator of the Environmental Protection Agency by paragraphs (1), (2), and (3) of section 2(a), and paragraphs (1) and (2) of section 2(b) of Reorganization Plan No. 3 of 1970, and all functions transferred to the Secretary of Commerce pursuant to subsection (d) of section 1 of Reorganization Plan No. 4 of 1970.

"(c) There are hereby transferred to the Secretary of Natural Resources and Environment all functions which were carried out immediately before the effective date of this Act—

"(1) (A) by the Forest Service, Department of Agriculture; or

"(B) by the Secretary of Agriculture, insofar as the functions relate to functions transferred under this paragraph from such Service;

"(2) (A) by the Soil Conservation Service, Department of Agriculture; or

"(B) by the Secretary of Agriculture, insofar as the functions relate to functions transferred under this paragraph from such Service;

"(3) (A) by the Corps of Engineers, Department of the Army, relating to civil works;

"(B) by the Secretary of the Army, insofar as the functions relate to functions transferred under this paragraph from such Corps of Engineers; and

"(4) (A) by the National Oceanographic Data Center Department of the Navy; or

"(B) by the Secretary of the Navy, insofar as the functions relate to functions transferred under this paragraph from such Center.

"(d) In time of war or such other national emergency as the President determines, he may transfer—

"(1) the functions transferred under paragraph (3) of subsection (c) of this section to the Secretary of the Army, and

"(2) such personnel, assets, liabilities, contracts, property, and records as he determines are used with respect to such functions to the Department of the Army. At the end of the war or the period of national emergency the President shall transfer such functions back to the Secretary of Natural Resources and Environment, together with such personnel, assets, liabilities, contracts, property, and records.

"TRANSFERS FROM THE DEPARTMENT OF THE INTERIOR

"SEC. 5. (a) All functions of the Bureau of Indian Affairs in the Department of the Interior, and all functions of the Secretary of the Interior being administered through the Bureau of Indian Affairs, are transferred to the Secretary of Health, Education, and Welfare.

"(b) All functions of the Office of Territories in the Department of the Interior, and all functions of the Secretary of the Interior being administered through the Office of Territories, are transferred to the Secretary of Health, Education and Welfare.

"SAVINGS PROVISIONS; MATTERS RELATING TO TRANSFER OF AGENCIES AND OFFICES

"SEC. 6. (a) All orders, determinations, rules, regulations, permits, contracts, certificates, licenses, and privileges—

"(1) which have been issued, made, granted, or allowed to become effective in the exercise of functions which are transferred under this Act, by (A) any Federal instrumentality, any functions of which are transferred by this Act, or (B) any court of competent jurisdiction, and

"(2) which are in effect at the time this Act takes effect, shall continue in effect according to their terms until modified, terminated, superseded, set aside, or repealed by the appropriate officer to whom such functions are so transferred, by any court of competent jurisdiction, or by operation of law.

"(b) The provisions of this Act shall not affect any proceedings pending at the time this section takes effect before any Federal instrumentality, functions of which are transferred by this Act; but such proceedings, to the extent that they relate to functions so transferred, shall be continued before such instrumentality. Such proceedings, to the extent, they do not relate to functions so transferred, shall be continued before the instrumentality before which they were pending at the time of such transfer. In either case, orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made pursuant to such orders, as if this Act had not been enacted; and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or repealed by the appropriate officer to whom such functions are so transferred, by a court of competent jurisdiction, or by operation of law.

"(c) (1) Except as provided in paragraph (2)—

"(A) the provision of this Act shall not affect suits commenced prior to the date this section takes effect, and

"(B) in all such suits proceedings shall be had, appeals taken, and judgments rendered, in the same manner and effect as if this Act had not been enacted.

"No suit, action, or other proceeding commenced by or against any officer in his official capacity as an officer of any Federal instrumentality, functions of which are transferred by this Act, shall abate by reason of the enactment of this Act. No cause of action by or against any Federal instrumentality, functions of which are transferred by this Act, or by or against any officer thereof in his official capacity shall abate by reason of the enactment of this Act. Causes of actions, suits, or other proceedings may be asserted by or against the United States or such official of any such instrumentality as may be appropriate; and, in any litigation pending when this section takes effect, the court may at any time, on its own motion or that of any party, enter an order which will give effect to the provisions of this subsection.

"(2) If before the date on which this Act takes effect, any Federal instrumentality, or officer thereof in his official capacity, is a party to a suit, and under this Act—

"(A) such instrumentality is transferred, or

"(B) any function of such instrumentality or officer is transferred,

"then such suit shall be continued by the appropriate instrumentality (except in the case of a suit not involving functions transferred by this Act, in which case the suit shall be continued by the instrumentality or officer which was a party to the suit prior to the effective date of this Act).

"(d) With respect to any function transferred by this Act and exercised after the effective date of this Act, reference in any other Federal law to any Federal instrumentality or officer so transferred or functions of which are so transferred shall be deemed to mean the instrumentality or officer in which such function is vested pursuant to this Act.

"(e) Orders and actions of any Federal instrumentality or officer thereof, in the exercise of functions transferred under this Act, shall be subject to judicial review to the same extent and in the same manner as if such orders and actions had been issued or taken by the instrumentality or officer, exercising such functions, immediately preceding their transfer. Any statutory requirements relating to notice, hearings, action upon the record, or administrative review that apply to any function transferred by this Act shall apply to the exercise of such function by any other officer of the United States pursuant to this Act.

"(f) In the exercise of the functions transferred under this Act, the appropriate officer of the Federal instrumentality to which such functions were so transferred shall have the same authority as that vested in the officer exercising such functions immediately preceding their transfer, and such officer's actions in exercising such functions shall have the same force and effect as when exercised by such officer having such functions prior to their transfer pursuant to this Act.

"TRANSFER OF AGENCIES AND OFFICES

"SEC. 7. (a) All personnel, assets, liabilities, contracts, property, and records as are determined by the Director of the Office of Management and Budget to be employed, held, or used primarily in connection with any function transferred under the provisions of this Act, are transferred to the appropriate Secretary of the executive department to whom such function is transferred by this Act. Except as provided in subsection (b), personnel engaged in functions transferred under this Act shall be transferred in accordance with applicable laws and regulations relating to transfer of functions.

"(b) In any case where all of the functions of any Federal instrumentality are transferred pursuant to this title, such instrumentality shall lapse.

"TECHNICAL AMENDMENTS

"SEC. 8. (a) Section 19(d)(1) of title 3, United States Code, is amended by deleting 'Secretary of the Interior' and inserting in lieu thereof 'Secretary of Natural Resources and Environment'.

"(b) Section 101 of title 5, United States Code, is amended by deleting 'The Department of the Interior' and inserting in lieu thereof 'The Department of Natural Resources and Environment'.

"(c) Subchapter II of chapter 53 of title 5, United States Code (relating to executive schedule pay rates), is amended as follows:

"(1) Section 5312 is amended by deleting '(6) Secretary of the Interior' and inserting in lieu thereof '(6) Secretary of Natural Resources and Environment'.

"(2) Section 5313 is amended by adding at the end thereof the following:

"(20) Deputy Secretary of Natural Resources and Environment."

"(3) Section 5314 is amended by deleting '(8) Under Secretary of the Interior.' and inserting in lieu thereof the following:

"(8) Under Secretary of Natural Resources and Environment for Water."

"(8A) Under Secretary of Natural Resources and Environment for Land."

"(4) Section 5315 is amended (1) by deleting '(18) Assistant Secretaries of the Interior (5).', and (2) by deleting '(42) Solicitor of the Department of the Interior.' and inserting in lieu thereof '(42) General Counsel, Department of Natural Resources and Environment'.

"(d) The first sentence of section 4(e) of the Federal Power Act (16 U.S.C. 797(e)) is amended by (1) striking out 'the Chief of Engineers and the Secretary of the Army', and inserting in lieu thereof 'the Secretary of Natural Resources and Environment', and (2) inserting immediately before the period a colon and the following: *Provided further*, That no license affecting the comprehensive plan of any river basin commission developed pursuant to the Water Resources Planning Act shall be issued until the plans of the dam or other structures affecting any such comprehensive plan have been approved by the Secretary of Natural Resources and Environment".

"REPORT

"SEC. 9. The Secretary shall, as soon as practicable after the end of each calendar year, make a report to the President for submission to the Congress on the activities of the Department during the preceding calendar year.

"DEFINITION

"SEC. 10. As used in the Act, the term—

"(1) 'function' or 'functions' includes powers and duties; and

"(2) 'Federal instrumentality' means any executive department of the United States, or any agency, bureau, office, service, or other entity therein.

"DELEGATION OF FUNCTIONS

"SEC. 11. Any officer of the United States to whom functions are transferred pursuant to this Act, may delegate such functions, or part thereof, to such of his

officers and employees as he may designate, may authorize such successive re-delegations of such functions to his officers and employees as he may deem desirable, and may make such rules and regulations as he may determine necessary to carry out such functions.

"EFFECTIVE DATE; INITIAL APPOINTMENT OF OFFICERS

"SEC. 12. (a) This Act shall take effect ninety days after the date of its enactment.

"(b) Notwithstanding subsection (a) of this section, any of the officers provided for in section 3 of this Act may be appointed in the manner provided for in this Act, at any time after the date of enactment of this Act. Such officers shall be compensated from the date they first take office, at the rates provided for in this Act. Such compensation and related expenses of their offices shall be paid from funds available for the functions to be transferred pursuant to this Act."

92D CONGRESS
1ST SESSION

S. 1025

IN THE SENATE OF THE UNITED STATES

MAY 14, 1971

Referred to the Committee on Government Operations and ordered to be printed

AMENDMENT

(IN THE NATURE OF A SUBSTITUTE)

Intended to be proposed by MOSS (for himself, Mr. METCALF, and Mr. CASE) to S. 1025, a bill to establish a Department of Natural Resources and Environment, viz: Strike out all after the enacting clause and insert in lieu thereof the following:

1 SHORT TITLE; FINDINGS

2 SECTION 1. (a) This Act may be cited as the "Depart-
3 ment of Natural Resources and Environment Act".

4 (b) The Congress hereby finds that—

5 (1) expanding population and a rising standard of
6 living combine to place unprecedented demands on the
7 natural resources of the United States;

8 (2) the natural environment is suffering a progres-

Amdt. No. 91

1 sive deterioration which affects the air we breathe, the
2 water we drink, the soil which nourishes our food, the
3 areas in which we take our recreation, and the natural
4 beauty of our homeland;

5 (3) such deterioration demonstrates a failure in the
6 larger sense of our conservation efforts, even though
7 many successful conservation programs have been under-
8 taken during the past many years by Federal, State, and
9 local governments and by private groups;

10 (4) safeguarding the environment—air, water, and
11 land—is a necessity to maintain conditions under which
12 man and wildlife may continue to exist, to provide the
13 raw materials essential to an expanding standard of liv-
14 ing, and to maintain the beauty and usefulness for all
15 purposes of our land;

16 (5) the responsibility of the Federal Government
17 includes the exercise of leadership in water resource de-
18 velopment, land management, ocean resource develop-
19 ment, and air pollution abatement, as well as the opera-
20 tion of many programs and cooperation with State and
21 local government and private groups in the carrying out
22 of their resource management responsibilities; and

23 (6) the Federal agency structure which deals with
24 natural resources grew up during a less demanding

1 period of our history, and must be coordinated and re-
2 organized if today's tasks are to be performed effectively.

3 DEPARTMENT OF NATURAL RESOURCES

4 SEC. 2. (a) There is hereby established at the seat of
5 government, as an executive department of the United States
6 Government, the Department of Natural Resources and
7 Environment.

8 (b) The Secretary of Natural Resources and Environ-
9 ment may approve a seal of office for the Department, and
10 judicial notice shall be taken of such seal.

11 PERSONNEL OF THE DEPARTMENT

12 SEC. 3. (a) There shall be at the head of the Depart-
13 ment of Natural Resources and Environment a Secretary
14 of Natural Resources and Environment (hereinafter referred
15 to in this Act as the "Secretary"), who shall be appointed
16 by the President, by and with the advice and consent of the
17 Senate.

18 (b) There shall be in the Department of Natural Re-
19 sources and Environment a Deputy Secretary of Natural Re-
20 sources and Environment, who shall be appointed by the
21 President, by and with the advice and consent of the Senate.
22 The Deputy Secretary of Natural Resources and Environ-
23 ment (or, during the absence or disability of the Deputy
24 Secretary, or in the event of a vacancy in the office of Deputy

1 Secretary, an Under Secretary or the General Counsel of
2 the Department, determined according to such order as the
3 Secretary shall prescribe) shall act for and exercise the
4 powers of the Secretary during the absence or disability of
5 the Secretary or in the event of a vacancy in the office of
6 Secretary. The Deputy Secretary shall perform such func-
7 tions as the Secretary shall prescribe from time to time.

8 (c) There shall be in the Department of Natural Re-
9 sources and Environment an Under Secretary of Natural
10 Resources and Environment for Water, and an Under Sec-
11 retary of Natural Resources and Environment for Lands, who
12 shall be appointed by the President, by and with the advice
13 and consent of the Senate.

14 (d) There shall be in the Department of Natural Re-
15 sources and Environment a General Counsel, who shall be
16 appointed by the President, by and with the advice and
17 consent of the Senate. The General Counsel shall perform
18 such functions as the Secretary shall prescribe from time
19 to time.

20 (e) The Secretary is authorized to appoint and fix the
21 compensation of such officers and employees, and prescribe
22 their functions and duties, as may be necessary to carry out
23 the purposes and functions of this Act.

24 (f) The Secretary may obtain the services of experts

1 and consultants in accordance with the provisions of section
2 3109 of title 5, United States Code.

3 TRANSFER OF FUNCTIONS TO DEPARTMENT

4 SEC. 4. (a) Except to the extent otherwise herein pro-
5 vided, there are hereby transferred to and vested in the
6 Secretary:

7 (1) All of the functions of the Secretary of the Interior,
8 the Department of the Interior, and all officers and compo-
9 nents of that Department.

10 (2) Such of the functions of the Secretary of Commerce,
11 the Department of Commerce, and officers and components
12 of that Department, as relate to or are utilized by the Na-
13 tional Oceanic and Atmospheric Administration.

14 (3) (A) Such of the functions of the Secretary of De-
15 fense, the Secretary of the Army, the Assistant Secretary of
16 the Army for Civil Works, and the Chief of Engineers and
17 the Corps of Engineers of the Department of the Army, as
18 relates to or are utilized for civil works and civil regulatory
19 functions: *Provided*, That all civil works construction, opera-
20 tion and maintenance, flood and coastal emergencies, and
21 related activities, which shall be funded by the Secretary,
22 shall be accomplished through and under the direction of the
23 Secretary of the Army and the supervision of the Chief of
24 Engineers.

25 (B) All of the functions of the Board of Engineers for

1 Rivers and Harbors, Coastal Engineering Research Center,
2 Board on Coastal Engineering Research, Mississippi River
3 Commission, and California Debris Commission.

4 (4) Such of the functions of the Secretary of Agricul-
5 ture, the Department of Agriculture, and officers and com-
6 ponents of that Department, as relate to or are utilized by
7 the Forest Service.

8 (5) Such of the functions of the Secretary of Agricul-
9 ture, the Department of Agriculture, and officers and com-
10 ponents of that Department, as relate to or are utilized by the
11 Soil Conservation Service.

12 (6) Such of the functions of the Secretary of Agricul-
13 ture, the Department of Agriculture, and officers and com-
14 ponents of that Department, as relate to or are utilized by
15 the Natural Resource Economics Division of the Economic
16 Research Service.

17 (7) Such of the functions of the Secretary of Agricul-
18 ture, the Department of Agriculture, and officers and com-
19 ponents of that Department, as relate to or are utilized by
20 the Soil and Water Conservation Division of the Agricultural
21 Research Service.

22 (8) Such of the functions of the Secretary of Transpor-
23 tation, the Department of Transportation, and officers and
24 components of that Department, as relate to or are utilized
25 for pipeline safety.

1 (9) All of the functions of the Water Resources
2 Council.

3 (10) Such of the functions of the Atomic Energy
4 Commission, and officers and components of that Commis-
5 sion, as relate to or are utilized for the following:

6 (A) the civilian power program: *Provided*, That all
7 research and development programs and related activi-
8 ties, which shall be funded by the Secretary, shall be
9 accomplished through and under the direction of the
10 Commission;

11 (B) the raw materials program;

12 (C) the uranium enrichment and related distribu-
13 tion activities constituting part of the Commission's
14 production program; and

15 (D) the Plowshare program: *Provided*, That all
16 general research and development, device development,
17 explosive effect tests, development of fielding systems,
18 project execution, and related activities, which shall be
19 funded by the Secretary, shall be accomplished through
20 and under the direction of the Commission.

21 (11) Such functions transferred to the Administrator of
22 the Environmental Protection Agency by paragraphs (1),
23 (2), and (3) of section 2 (a), and paragraphs (1) and (2)
24 of section 2 (b) of Reorganization Plan Numbered 3 of 1970.

25 (b) (1) All functions of the Bureau of Indian Affairs in

1 the Department of the Interior, and all functions of the Secre-
2 tary of the Interior being administered through the Bureau
3 of Indian Affairs, are transferred to the Secretary of Health,
4 Education, and Welfare.

5 (2) All functions of the Office of Territories in the De-
6 partment of the Interior, and all functions of the Secretary of
7 the Interior being administered through the Office of Terri-
8 tories, are transferred to the Secretary of Health, Education,
9 and Welfare.

10 (c) With respect to the programs and activities of the
11 Atomic Energy Commission herein transferred, the functions
12 of the Secretary shall be carried out under the following pro-
13 visions of the Atomic Energy Act of 1954 (42 U.S.C. 2011
14 et seq.), and the Secretary shall perform the functions of the
15 Commission set forth therein with respect to such transferred
16 programs and activities, except as otherwise specified below:

17 (1) Chapter 1, "Declaration, Findings and Purpose".

18 (2) Chapter 2, "Definitions", except that the functions
19 of the Commission set forth in subsections j (extraordinary
20 nuclear occurrence), v (production facility), z (source mate-
21 rial), aa (special nuclear material), and ee (utilization facil-
22 ity) of section 11 shall remain with the Commission.

23 (3) The following provisions of chapter 3, "Organiza-
24 tion": sections 26 (General Advisory Committee), and 27
25 (consultation with the Department of Defense on atomic
26 energy matters; functions of the Department of Defense).

1 (4) Chapters 4, "Research", and 5, "Production of
2 Special Nuclear Material".

3 (5) The following provisions of chapter 6, "Special
4 Nuclear Material": clauses 53a (ii) and (iii) (making
5 available and distributing special nuclear material); sub-
6 section 53c (sale or lease, etc., of special nuclear material,
7 enrichment sources, sales prices, agreements with licensees,
8 use charges); subsection 53d (use charge for leased special
9 nuclear material); subsection 53f (distribution of special
10 nuclear material); section 54 (foreign distribution of special
11 nuclear material); section 55 (acquisition of special nuclear
12 material); section 56 (guaranteed purchase prices); sub-
13 section 57c (limitations on distributions of special nuclear
14 material); and section 58 (Joint Committee review).

15 (6) The following provisions of chapter 7, "Source Ma-
16 terial": section 63 (domestic distribution of source material),
17 except the authority with respect to the issuance of licenses
18 and of criteria governing such issuance; section 64 (foreign
19 distribution of source material), except the authority to make
20 the determination that the activity will not be inimical to the
21 interests of the United States; section 65 (reporting); section
22 66 (acquisition); and section 67 (operations on lands be-
23 longing to the United States).

24 (7) Chapter 8, "Byproduct Material", except the au-
25 thority of the Commission with respect to issuance of licenses,

1 establishing exemptions from licensing, and determinations
2 under subsection 82b as to whether foreign distributions
3 would be inimical to the common defense and security.

4 (8) In chapter 9, "Military Applications of Atomic
5 Energy", the authority in clause 91b (1) relating to delivery
6 of enriched uranium to Department of Defense.

7 (9) In chapter 11, "International Activities", sections
8 121 (effect of international arrangements) and 122 (policies
9 contained in international arrangements).

10 (10) In chapter 12, "Control of Information", subsec-
11 tions 144a (international cooperation pursuant to an agree-
12 ment for cooperation); 145b (restriction on access to Re-
13 stricted Data), except that the Commission shall make the
14 determinations relative to access to Restricted Data; and 146b
15 (power to control or restrict dissemination of information).

16 (11) In chapter 14, "General Authority", subsections
17 161a (advisory boards), c (investigations, subpoenas), d
18 (appointment and compensation of employees), e (acquisi-
19 tion and construction of facilities, etc.), f (utilization of serv-
20 ices of others), g (acquisition and disposal of property), k
21 (carrying of firearms), m (materials transactions with
22 licensees), o (reports and records) except with respect to
23 licensed activities, p (rules and regulations), q (easements),
24 r (utility and related services), t (contracts implementing
25 agreements for cooperation), u (long-term contract author-

ity), and v (contracts for producing or enriching special nuclear material); and sections 162 (contract exemption authority), 163 (service of advisory committee), 164 (electric utility contracts), 165 (proscribed contract practices), 166 (Comptroller General audit), 167 (claims settlements), 168 (payments in lieu of taxes), 169 (no subsidy), and 170 (indemnification and limitation of liability) insofar as it authorizes and applies to agreements of indemnification with contractors.

(12) In chapter 15, "Compensation for Private Property Acquired", sections 171 (just compensation), 172 (condemnation of real property), and 174 (Attorney General approval of title).

(13) In chapter 17, "Joint Committee on Atomic Energy", section 202.

(14) In chapter 18, "Enforcement", section 229 (authority to issue trespass regulations), which shall apply to any facility, installation, or real property subject to the jurisdiction, administration, or in the custody of the Secretary and utilized in carrying out any of the programs and activities of the Atomic Energy Commission herein transferred; section 230 (photographing, et cetera, of Commission installations), in which the words "property subject to the jurisdiction, administration, or in the custody of the Commission," shall be deemed to include property subject to the

1 jurisdiction, administration, or in the custody of the Secretary
2 and utilized in carrying out any of the programs and activi-
3 ties of the Atomic Energy Commission herein transferred;
4 and section 232 (injunction proceedings).

5 (15) In chapter 19, "Miscellaneous", sections 251 (re-
6 ports to Congress) and 261 (appropriations).

7 SEC. 5. (a) No license under the Atomic Energy Act
8 of 1954 (42 U.S.C. 2011 et seq.) shall be required for
9 the conduct, by the Secretary or by persons under contract
10 with and for the account of the Secretary, of the programs
11 and activities herein transferred from the Atomic Energy
12 Commission to the Secretary. In the conduct of such pro-
13 grams and activities, the Secretary shall establish standards
14 and procedures for radiological protection of the public
15 health and safety and the safeguarding of the national de-
16 fense and security that are consistent with those established
17 by the Commission to govern its own activities. Such stand-
18 ards and procedures shall be established with the advice and
19 concurrence of the Atomic Energy Commission.

20 (b) With respect to the programs and activities of the
21 Atomic Energy Commission herein transferred, the Secre-
22 tary shall have all the rights, powers, and duties of the
23 Commission under section 152 of the Atomic Energy Act
24 of 1954 (42 U.S.C. 2182), in the case of inventions and
25 discoveries, useful in the production or utilization of special

1 nuclear material or atomic energy, made or conceived in
2 the course of or under any contract, subcontract, or arrange-
3 ment entered into with or for the benefit of the Secretary,
4 to the same extent as if entered into with or for the benefit
5 of the Commission.

6 SAVINGS PROVISIONS; MATTERS RELATING TO TRANSFER
7 OF AGENCIES AND OFFICES

8 SEC. 6. (a) All orders, determinations, rules, regula-
9 tions, permits, contracts, certificates, licenses, and privileges—

10 (1) which have been issued, made, granted, or al-
11 lowed to become effective in the exercise of functions
12 which are transferred under this Act, by (A) any Fed-
13 eral instrumentality, any functions of which are trans-
14 ferred by this Act, or (B) any court of competent juris-
15 diction, and

16 (2) which are in effect at the time this Act takes
17 effect,

18 shall continue in effect according to their terms until modified,
19 terminated, superseded, set aside, or repealed by the appro-
20 priate officer to whom such functions are so transferred, by
21 any court of competent jurisdiction, or by operation of law.

22 (b) The provisions of this Act shall not affect any pro-
23 ceedings pending at the time this section takes effect before
24 any Federal instrumentality, functions of which are trans-
25 ferred by this Act; but such proceedings, to the extent that

1 they relate to functions so transferred, shall be continued be-
2 fore such instrumentality. Such proceedings, to the extent
3 they do not relate to functions so transferred, shall be con-
4 tinued before the instrumentality before which they were
5 pending at the time of such transfer. In either case, orders
6 shall be issued in such proceedings, appeals shall be taken
7 therefrom, and payments shall be made pursuant to such
8 orders, as if this Act had not been enacted; and orders issued
9 in any such proceedings shall continue in effect until modified,
10 terminated, superseded, or repealed by the appropriate officer
11 to whom such functions are so transferred, by a court of com-
12 petent jurisdiction, or by operation of law.

13 (c) (1) Except as provided in paragraph (2)—

14 (A) the provisions of this Act shall not affect suits
15 commenced prior to the date this section takes effect,
16 and

17 (B) in all such suits proceedings shall be had, ap-
18 peals taken, and judgments rendered, in the same man-
19 ner and effect as if this Act had not been enacted.

20 No suit, action, or other proceeding commenced by or against
21 any officer in his official capacity as an officer of any Federal
22 instrumentality, functions of which are transferred by this
23 Act, shall abate by reason of the enactment of this Act. No
24 cause of action by or against any Federal instrumentality,
25 functions of which are transferred by this Act, or by or

1 against any officer thereof in his official capacity shall abate
2 by reason of the enactment of this Act. Causes of actions,
3 suits, or other proceedings may be asserted by or against
4 the United States or such official of any such instrumentality
5 as may be appropriate; and, in any litigation pending when
6 this section takes effect, the court may at any time, on its
7 own motion or that of any party, enter an order which will
8 give effect to the provisions of this subsection.

9 (2) If before the date on which this Act takes effect,
10 any Federal instrumentality, or officer thereof in his official
11 capacity, is a part to a suit, and under this Act—

12 (A) such instrumentality is transferred, or

13 (B) any function of such instrumentality or officer
14 is transferred,

15 then such suit shall be continued by the appropriate instru-
16 mentality (except in the case of a suit not involving func-
17 tions transferred by this Act, in which case the suit shall be
18 continued by the instrumentality or officer which was a party
19 to the suit prior to the effective date of this Act).

20 (d) With respect to any function transferred by this Act
21 and exercised after the effective date of this Act, reference
22 in any other Federal law to any Federal instrumentality or
23 officer so transferred or functions of which are so transferred
24 shall be deemed to mean the instrumentality or officer in
25 which such function is vested pursuant to this Act.

1 (e) Orders and actions of any Federal instrumentality
2 or officer thereof, in the exercise of functions transferred un-
3 der this Act, shall be subject to judicial review to the same
4 extent and in the same manner as if such orders and actions
5 had been issued or taken by the instrumentality or officer,
6 exercising such functions, immediately preceding their trans-
7 fer. Any statutory requirements relating to notice, hear-
8 ings, action upon the record, or administrative review that
9 apply to any function transferred by this Act shall apply to
10 the exercise of such function by any other officer of the
11 United States pursuant to this Act.

12 (f) In the exercise of the functions transferred under
13 this Act, the appropriate officer of the Federal instrumentality
14 to which such functions are so transferred shall have the
15 same authority as that vested in the officer exercising such
16 functions immediately preceding their transfer, and such
17 officer's actions in exercising such functions shall have the
18 same force and effect as when exercised by such officer hav-
19 ing such functions prior to their transfer pursuant to this Act.

20 TRANSFER OF AGENCIES AND OFFICES

21 SEC. 7. (a) All personnel, assets, liabilities, contracts,
22 property, and records as are determined by the Director
23 of the Office of Management and Budget to be employed,
24 held, or used primarily in connection with any function
25 transferred under the provisions of this Act, are transferred

1 to the appropriate Secretary of the executive department
2 to whom such function is transferred by this Act. Except
3 as provided in subsection (b), personnel engaged in func-
4 tions transferred under this Act shall be transferred in accord-
5 ance with applicable laws and regulations relating to trans-
6 fer of functions.

7 (b) No transfer of personnel pursuant to this section
8 shall result in any such personnel being separated or reduced
9 in grade or compensation for one year after such transfer.

10 (c) In any case where all of the functions of any Fed-
11 eral instrumentality are transferred pursuant to this title,
12 such instrumentality shall lapse.

13 TECHNICAL AMENDMENTS

14 SEC. 8. (a) Section 19 (d) (1) of title 3, United States
15 Code, is amended by deleting "Secretary of the Interior" and
16 inserting in lieu thereof "Secretary of Natural Resources and
17 Environment".

18 (b) Section 101 of title 5, United States Code, is
19 amended by deleting "The Department of the Interior" and
20 inserting in lieu thereof "The Department of Natural Re-
21 sources and Environment".

22 (c) Subchapter II of chapter 53 of title 5, United States
23 Code (relating to executive schedule pay rates), is amended
24 as follows:

25 (1) Section 5312 is amended by deleting "(6) Sec-

26 SEC. 10. As used in this Act, the term—

1 (1) "function" or "functions" includes powers and
2 duties; and

3 (2) "Federal instrumentality" means any execu-
4 tive department of the United States or any agency,
5 bureau, office, service, or other entity therein.

6 DELEGATION OF FUNCTIONS

7 SEC. 11. Any officer of the United States to whom func-
8 tions are transferred pursuant to this Act may delegate such
9 functions, or part thereof, to such of his officers and em-
10 ployees as he may designate, may authorize such successive
11 redelegations of such functions to his officers and employees
12 as he may deem desirable, and may make such rules and
13 regulations as he may determine necessary to carry out such
14 functions.

15 EFFECTIVE DATE; INITIAL APPOINTMENT OF OFFICERS

16 SEC. 12. (a) This Act shall take effect ninety days
17 after the date of its enactment.

18 (b) Notwithstanding subsection (a) of this section,
19 any of the officers provided for in section 3 of this Act may be
20 appointed in the manner provided for in this Act, at any
21 time after the date of enactment of this Act. Such officers
22 shall be compensated from the date they first take office,
23 at the rates provided for in this Act. Such compensation and
24 related expenses of their offices shall be paid from funds
25 available for the functions to be transferred pursuant to this
26 Act.

OPENING STATEMENT OF SENATOR JACKSON

Senator JACKSON. The concept of a Department of Natural Resources, incorporating the major Federal programs of resource management and conservation, is not new. As chairman of the Subcommittee on Executive Reorganization, Senator Ribicoff held hearings on comparable legislation almost 4 years ago. A task force of the first Hoover Commission urged the creation of such a department in 1949.

If the concept is not new, there are still compelling reasons for taking a fresh look at the proposal to establish this department. In recent years, there has developed a new awareness of what is at stake in the management of our natural resources. Increasing concern for the state of our environment has helped to expose the shortcomings of Federal resource management.

As we have come to understand the ecological consequences of building a dam or dredging a swamp, we have become more aware of the broad impact of Federal resource activities on the environment. Despite significant progress, the Federal Government is still falling far short of meeting its minimum responsibilities for the preservation of our environment.

The lack of a coherent national energy policy, for example, is not only affecting the quality of our environment but is also contributing to the threat of a major energy shortage within this decade. The Federal Government is deeply involved in energy matters. More than a dozen departments and agencies are involved in such tasks as regulating the level of oil imports, the price of natural gas, the siting of atomic powerplants, and oil drilling on the Outer Continental Shelf. But there has been no overall management of our energy resources to assure the best possible use of these precious assets. This is one deficiency which could be remedied in a new Department of Natural Resources.

INTELLIGENT REORGANIZATION ESSENTIAL TO GOOD GOVERNMENT

Those of us who have survived various reorganizations in the executive branch, including the creation of new departments, do not see any magic in shuffling old agencies or establishing new ones. In fact, a major reorganization can sometimes be the substitute for creative thought and positive action. But there is also solid evidence that an intelligent reorganization, properly carried through with full support from the President and Congress, can pave the way for better management.

Many of us believe that an opportunity exists for this kind of reorganization in the creation of a Department of Natural Resources. Of course there is disagreement—even among advocates of such a department—as to what its components should be. The purpose of this hearing, and others to follow, is to explore the areas of agreement and disagreement to help the committee decide what form this department should take.

We are delighted to welcome a distinguished panel of witnesses from the executive branch this morning. They represent the principal departments and agencies involved in the proposed reorganization. Before hearing their testimony, the committee will hear from Senator Moss, who has been a leading advocate of the new department for

many years. It was his bill that was the subject of this committee's hearings in October, 1967. I believe it would be appropriate to incorporate those hearings by reference in today's proceedings.

Senator Percy regrets that he can't be here this morning. He has submitted a statement welcoming the witnesses before us which will be included in the record at this point. The Chair will place in the record also, at this point, a letter from Senator Pastore, chairman of the Joint Committee on Atomic Energy.

(The material referred to follows:)

STATEMENT OF HON. CHARLES H. PERCY, U.S. SENATOR FROM THE STATE OF ILLINOIS

I wish to welcome the distinguished witnesses appearing before the committee today. We begin with Senator Moss who has a deep and continuing interest in organizing Government for more effective conservation of our natural resources. We have present all of those officials necessary to explain the plans for the new Department of Natural Resources as proposed in S. 1431, of which I am pleased, on behalf of the administration, to be principal Senator sponsor.

I look on the Department of Natural Resources as one of the most needed, and most attainable of the President's four major departmental reorganization bills. Thus I am very pleased indeed that our distinguished chairman, Senator McClellan, has asked Senator Jackson to chair these hearings. Senator Jackson brings great talent and a wealth of experience to bear on issues of natural resource policy, reflecting his work as chairman of the Senate Interior Committee. I look forward to cooperating very closely with him in shaping this important legislation.

The need for such a new Department is truly urgent. A rapidly growing population demands recreational space. At the same time the increased use of existing recreation areas threatens to spoil them. Vastly increased use of energy of all forms puts heavy demands on our energy resource utilization, and further threatens conservation objectives. These difficult and urgent problems cannot be solved by the confused and fragmented departmental organization that exists now.

AGENCIES RESPONSIBLE FOR FEDERAL LANDS

For example, responsibility for management of onshore Federal lands is divided among at least five agencies. The Bureau of Land Management has jurisdiction over 475 million acres; the Forest Service, over 187 million acres; the National Park Service, over 30 million acres; the Bureau of Sport Fisheries and Wildlife, over 30 million acres; the Bureau of Reclamation, over 9 million acres; the Defense Department and other agencies, over 35 million acres.

The Department of Natural Resources will bring together into one agency most of the numerous natural resource and physical environment programs which currently are scattered throughout the Federal establishment. It will provide the essential governmental capabilities required to plan, weigh alternatives and priorities, establish policies, and operate programs to meet our needs for recreation, environmental protection, pure water, and abundant energy.

Support for a Department of Natural Resources as proposed in S. 1431 is impressively strong. Many conservation and wildlife

organizations have taken positions in favor of the proposed Department. This demonstration of wide public support, and the cosponsorship of the bill by Senators Jackson, Moss, and Anderson, along with 19 Republican Senators, has given this bill an appropriately bipartisan background. In my view this bill—and the other proposals for new Departments of Community Development, Human Resources, and Economic Affairs—have to do only with the issue of good government. They are entirely bipartisan, indeed nonpartisan. Good government cannot be the objective of a single political party—it is a goal for all Americans.

(Letter from Senator John Pastore follows:)

EXHIBIT 36

CONGRESS OF THE UNITED STATES,
JOINT COMMITTEE ON ATOMIC ENERGY,
Washington, D.C., August 4, 1971.

HON. JOHN L. McCLELLAN,
*Chairman,
Senate Committee on Government Operations,
New Senate Office Building,
Washington, D.C.*

DEAR MR. CHAIRMAN: I appreciate very much your letter asking for my comments on S. 1431 as it affects the Atomic Energy Commission.

The bill would transfer to the proposed Department of Natural Resources (DNR) "Such of the functions of the Atomic Energy Commission, and officers and components of that Commission, as relate to or are utilized" for the following four programs now administered by the AEC:

1. The civilian power program with a proviso that all research and development programs and related activities shall be funded by the Secretary, DNR, but shall be accomplished through and under the direction of the AEC;
2. The raw materials program;
3. The uranium enrichment and related distribution activities which constitute part of the AEC's production program; and
4. The Plowshare program with a proviso that all general research and development, device development, explosive effect tests, development of fielding systems, project execution, and related activities, shall be funded by the Secretary, DNR, but shall be accomplished through and under the direction of the AEC.

The bill sets forth the statutory provisions now in the Atomic Energy Act of 1954, as amended, which would continue, without change, to apply to the transferred programs. On the basis of a preliminary review and study, the statutory framework which would govern the transferred programs appears to be satisfactory.

Aside from statutory language however, a fundamental question which the bill raises is whether the proposed split in the Nation's civilian nuclear power program—planning, budgeting, establishing priorities, etc., in the DNR and accomplishment of related research and development programs by AEC—is a step forward or a step backward. The AEC has made considerable progress over a relatively short period in the development of nuclear power to generate electricity. Much remains to be done; many challenges have to be met in order to achieve the national goal set by the President in his Energy Message, June 4, 1971, that the commercial demonstration of the breeder reactor be completed by 1980. The remaining years of this decade will be crucial years in achieving that national goal. I am not convinced that planning, policy and funding responsibilities for so sophisticated a technological program as the breeder reactor should be placed in a new organization which would have a multiplicity of responsibilities other than to insure that the total resources of the Nation are effectively utilized. Even with lesser challenges, my own impression is that additional difficulties would be created for the civilian nuclear power program by placing planning and funding responsibility for that program in the DNR and research and development responsibility in the AEC.

I am confident that your committee will carefully weigh whether the proposed change in the civilian nuclear power program is, under present circumstances, in the best interest of this Nation.

I am grateful for the opportunity to express my views on this important subject.
Sincerely yours,

JOHN O. PASTORE, *Chairman*

Senator JACKSON. Senator Moss, we are delighted to welcome you as our first witness this morning. I believe you have a prepared statement and are ready to make some comments.

Senator Moss. I do, Mr. Chairman.

I appreciate this opportunity. I also ask that the full statement be placed in the record. I will attempt to refer only to parts of it because I know of the pressure of time and the number of witnesses to be heard.

TESTIMONY OF HON. FRANK E. MOSS, U.S. SENATOR FROM THE STATE OF UTAH

Senator Moss. As the opening statement of the chairman indicated, about 4 years ago I was before this committee testifying on a Department of Natural Resources. The idea of reorganizing the Federal structure which deals with natural resources so that today's great tasks in this field can be performed efficiently and effectively is, of course, not new. It has been pursued for many years and written about extensively.

Even in the 6 years that I have been actively advocating the establishing of such a department, the idea has acquired enormous momentum. Technological changes which have revolutionized our views on environment have made reorganization of the machinery which manages, conserves and protects our natural resources not only desirable, but in my opinion, truly essential.

I, therefore, warmly commended President Nixon when he presented the natural resources reorganization proposal to Congress earlier this year, and I now commend the chairman for calling these hearings.

I wanted time to testify not only to express my support for this general concept and for these hearings, but because my proposal differs in one or two major particulars from the administration proposal. I believe those differences should be considered by the subcommittee and the Congress.

OBJECTIVE OF THE MOSS BILL S. 1025

The version to which I wish to speak today is S. 1025, as amended, introduced May 14, 1971, which calls for the establishment of a Department of Natural Resources and Environment. (See p 1036.)

The most significant difference between my proposal and the administration proposal is indicated by the difference in name—my Department of Natural Resources and Environment would include the components of the Environmental Protection Agency—the Water Quality Office, Solid Waste Office, Air Pollution Control Office, Pesticides Office, and Radiation Office. The administration proposal retains EPA as a separate agency.

In other words, the basic thrust of the Moss bill is the placement—within the same department—of functions governing protection of natural resources as well as those governing development or exploitation of natural resources.

The second major difference is that the Moss proposal places the Bureau of Indian Affairs and the Office of Territories in the Department of Health, Education, and Welfare; the administration proposals place both in Natural Resources.

There are several other, less important, variations which I will discuss later.

But, to begin, let me discuss briefly the fundamental reasons for the establishment of a Federal resources department.

The first reason is the terrible toll American progress has enacted from the natural environment.

Members of the Senate have heard all too often the grim recital of foul rivers, smoky skies, scarred hillsides, crowded national parks, disappearing wetlands, and endangered species. We understand that time is running out on this recently virgin land.

A second fundamental reason for the placement of principal resources responsibility in one department is the structure of nature itself.

Robert Frost said that what makes a nation in the beginning is "a good piece of geography." A piece of geography is a unit: Land, water, atmosphere, forests, all part of the same system. For thousands of years man's activities left nature relatively unscarred. But, as we have placed more and more pressure on the environment, a "multiplier" effect has come into play.

The numerous and complex responsibilities of the Federal Government in the resources field offer numerous other reasons for the establishment of a DNR.

These responsibilities include not only resources management, but also construction of public works; establishment of resources policy, dissemination of a vast range of information and the conduct of many kinds of research and development.

Fulfilling such responsibilities for a nation expanding rapidly both in population and production of goods has led to the establishment of vast and numerous programs. Particularly in the last 15 years, Congress has enacted a long list of resources development and conservation laws. But most have applied to a single resource, or area of the country, or agency, or project. We have shied away from giving one head to our resource management effort.

DIFFERENCES IN PROPOSED LEGISLATION

Let me turn to a little more detailed examination of my proposal and that of the administration. What should a Department of Natural Resources do? What function should be assigned to it and what agency should it contain?

On these points I differ somewhat with the President.

The most significant difference, as I have pointed out, is that my Department of Natural Resources and Environment would include the components of the Environmental Protection Agency.

A year ago, I testified before the Subcommittee on Executive Reorganization of the Committee on Government Operations to offer my views on Mr. Nixon's Reorganization Plans Nos. 3 and 4 which established the Environmental Protection Agency and the National Oceanic and Atmospheric Administration.

I said at that time it would be helpful to have in one agency all of the programs directed to prevention of damage through air and water pollution, solid waste disposal, radiation, or pesticides, just as it would be helpful to place all of the programs dealing with oceanography under one administrator.

But I also said I would consider it more sensible if all our resources development programs could be coordinated with our resource regulation programs.

Let me use a specific example: A number of coal-fired electric generating plants are in various stages of development in the Four Corners area of the Southwest. These are designed to utilize the plentiful coal of the region and water from the Colorado River system.

Some plants may be built on Federal lands, and power directed to population centers. The transmission lines must cross large stretches of public land. Therefore, easements for land use and contracts for water use would have to be negotiated with the Department of Natural Resources as they now must be with the Department of the Interior.

Numerous environmental problems are arising including: Impact of plant construction on sites; discharges of pollutants into the air; disposal of coal waste; location of powerlines—frequently the least expensive route renders a scenic area unsightly; and the return of water to the river system at a temperature higher than that at which it came out.

Yet, though I propose only one executive Department of Natural Resources, I do not intend it to be the sole monitor of environmental condition. I would retain the Council on Environmental Quality; and I advocate passage of Senate Joint Resolution 17, to create in the Congress a Joint Committee on the Environment. In brief, this would result in the following arrangement.

First, the Department of Natural Resources and Environment would exercise the operating responsibilities of the Federal Government relating to natural resources development and protection.

Second, the Council on Environmental Quality would exercise present responsibilities which include evaluating the state of the environment and the operation of the Department. The Council would also continue to prepare annually the official Environmental Quality Report of the President.

Third, the congressional joint committee would have the responsibility of holding public hearings on the report and of recommending to the legislative committees of the Congress such action as it deemed necessary.

In short, we would have a manager—the Department—a watchdog—the Council—and a legislative investigator—the joint committee.

PROPOSED TRANSFER OF BIA

Such an arrangement, I believe, would constitute a rational solution to the problem of organizing the Federal resource management effort to provide most effectively both protection and development.

The second major difference between the Moss proposal and that of the administration, as I have pointed out, is that I would place the Bureau of Indian Affairs and the Office of Territories in the Department of Health, Education, and Welfare.

For some years, the argument has been advanced that the Indian people themselves prefer to work with Interior, and would therefore choose to be in a Department of Natural Resources, which is presumably more like home than HEW or a new Department of Human Resources.

A second argument for placing the Indian Bureau in the DNR is that Indian lands are important resources, and I cannot gainsay that.

But good arguments must give way to better ones. The soil, water, wildlife, and air of the Indian lands must, of course, be conserved,

as must all of the physical environment. Such conservation will be a responsibility of the Department of Natural Resources.

National policy, however, should be encouragement of the Indian to assume a full citizen's role, although, for some period, an additional measure of protection is required. The administration's own list of the functions of the Bureau of Indian Affairs and the Office of Territories shows a preponderance of nonresource items. This list includes: Natural resources and economic development, education, public health and safety, job training and placement, and community services and facilities.

The *Washington Evening Star* left little more to be said when it declared: "Surely the Indians belong with the rest of us under a Department of Human Resources."

The rationale for placing the Office of Territories in DNR is, apparently, similar to that for placing the Indian Bureau there. But the arguments against such a location prevail as before. The natural resources of the territories must receive the attention of DNR. These possessions, however, should be regarded primarily as living space for people, and they should be managed by the agency with responsibility for health, welfare, and education.

The usual reason for supporting creation of new Federal departments is to increase efficiency by putting under one roof various bureaus performing related tasks.

Creation of a Department of Natural Resources and Environment would bring much greater benefits than this. It would allow us to plan and direct the conservation and balanced use of our precious natural resources for the first time in our history.

For at least three decades, farsighted Americans have urged that something like this be done. I trust that these hearings are the first long step toward that most desirable objective.

As the chairman well knows, in his position as chairman of the Interior and Insular Affairs Committee, we are embarked on a study on energy resources. We have had broad hearings and a study of land uses. The fact that all of this comes through one committee would indicate that one Federal department, having the responsibility of all of these facets, could be the manager of these resources responsible for protecting them and also responsible for developing them to the degree needed to meet the demands of our society. In this way, we could have greater efficiency and, I think, greater protection of our resources.

Senator JACKSON. Thank you, Senator Moss, for a very fine statement. I want to commend you for your pioneering effort in this area.

I would ask just one question: I notice that one difference in your bill—there are other differences—but one difference in particular is that you include all components of the Environmental Protection Agency while the administration proposal retains EPA, I believe, as a separate entity.

Senator Moss. Right.

POSSIBLE CONFLICT OF INTEREST IN RESOURCES DEVELOPMENT

Senator JACKSON. Do you see a problem here with EPA in the Department of Natural Resources producing a possible conflict of

interest because of other functions of the Department relating to resource development?

Do you believe, in short, that the policeman's role ought to be separate and outside of the department that they are watching? They watch other departments, too, but—

Senator Moss. That is right.

Senator JACKSON. This is always, as you know, a major policy question that is raised. I have some views on it, but I would like to get your reasoning.

Senator Moss. I have thought a great deal about that, Mr. Chairman. I believe the function would be better served if the environmental responsibilities were placed with the Secretary of the department that also has the responsibility for authorizing various other matters having to do with resources exploitation.

In other words, I think that having a separate department separates the functions and is too easy for that department not only to be a watchdog, but also to impede moving ahead in areas where there should be movement ahead. It is better in my judgment, to have the responsibility centered in one administrator who must bear the responsibility both of managing and protecting.

Now, I think there ought to be an overseer, and as I have heard, the Council of Economic Advisers would continue to function and continue to report on the state of environment to the President and to the Congress. There would be therefore somebody making an evaluation outside of the department.

But the basic responsibility should be in the department.

INDIANS CONCERNED ABOUT TRANSFER OF BIA ACTIVITIES

Senator JACKSON. Well, I appreciate having your comments on that.

I just have one other question and then I will defer to my colleague from Montana.

Your bill places the Bureau of Indian Affairs and the Office of Territories, which are now in Interior, in the Department of HEW, and the administration bill puts them in the new Department of Natural Resources.

As my good friend from Utah knows, the Indians have real reservations about moving any of their activities, although they don't like the way BIA operates—out from Interior. Through all the years, under all administrations, the whipping boy has been the Bureau of Indian Affairs. You know we had a measure up the other day to transfer some education function from BIA, but the Indians honestly feel if these are taken out from under the Bureau and put over in HEW that somehow the security and the arrangements they have had over the years will be lost.

You would agree this is a troublesome problem?

Senator Moss. I agree. The chairman states it correctly. The Indians, generally, I believe, are apprehensive about having the Bureau moved elsewhere. I think it is because historically they have been under the direction of the Interior. The Department of the Interior has been a conglomerate type of department and the Indians have just been placed there to receive different kinds of functions: education, health, and community services, as well as the management of their resources.

Now, as far as their management of land and water, game, pollution, and anything of that sort, I think that should be the function of the Department of Natural Resources. I believe, however, it would be logical and really beneficial for the Indian people to have such items as education, hospitalization, and community development handled by the Department of Human Resources, if the President's full plan of reorganization is approved. Indians should not be treated differently in these aspects from the rest of the population.

Senator JACKSON. In other words, you would modify your present bill to split off the education function and so on and put it in HEW?

Senator MOSS. Yes.

Senator JACKSON. But retain the resource management requirements, such as irrigation and timber management and all that sort of thing, you would leave that within the Department of Natural Resources.

Senator MOSS. Yes, I would.

Senator JACKSON. What I was concerned about is that the bill as drafted does put the whole Bureau in HEW.

NATIONAL LAND POLICY NEEDED

Senator MOSS. If I haven't made that clear I would like to do so. As the chairman knows, what we need is a national land policy for this country. Indian lands ought to be part of this plan, too, and they should be encouraged to begin the planning functions and integrate their plan with the States. I would like to encourage them that way.

Senator JACKSON. Thank you very much.

I appreciate your fine statement. I will defer now to Senator Metcalf for some questions.

Senator METCALF. Senator MOSS, I welcome you and your splendid testimony on behalf of this program in the creation of a Department of Natural Resources.

It has been my privilege to cosponsor your legislation ever since I came to the Senate, as well as similar legislation when I was a Member of the House of Representatives.

I may say, to continue the dialog you were having with the chairman, I have hoped that one of these days we can terminate the Bureau of Indian Affairs. It has always seemed to me that—when you spoke partly to this question—the things we do for the Indians we do for the non-Indians, too, and we should put them all in the same agency.

For example: a few years ago we changed the Indian health service by putting it into the Public Health Service so that the same people are serving Indians and non-Indians alike. At the same time they are contracting with the Extension Service. So we don't have all that Indian agriculture. We have Extension Service doing the same job for two neighbors that have the same problem.

So I would like this opportunity of treating the Indians' human resources in the same way as the others. I am a cosponsor of the legislation. I know you and I are not wedded to any particular provision. I am looking forward to the hearings.

I want to say that just the other day you, as chairman of an important subcommittee, got some support for this sort of legislation from Senator Morton's Advisory Group on Energy. It was headed by Dr. J. McKetta, Jr., of the University of Texas.

Among his recommendations he said that because of the complexity of energy problems our environment requires a coordinated analytical examination on a continuing basis, primarily Government responsibility for analysis of energy policy should be placed in the hands of one entity knowledgeable about all entity problems such as the proposed Department of Natural Resources as we go forward in our study of environment, as you pointed out, our study in pollution and our work with the development of minerals and oil and other resources. You are very close to this need for this energy crisis, almost, and that is another argument that has come up.

Senator MOSS. Well, I do thank the Senator; it is true, we have been working together on general ideas in this field for a long time. I certainly appreciate his contribution and support to the ideas that we have expounded.

I want to underline that, of course, I am not rigidly tied to every word or phrase in the bill that I have proposed. I am simply trying to get ideas out before the committee which will then have the job of marking up a bill and trying to bring it to the floor as comprehensible legislation.

I will be glad to support it when it comes on the floor.

Senator METCALF. Thank you.

Thank you, Mr. Chairman.

Senator JACKSON. Thank you, Senator MOSS. We are most appreciative for a very fine statement.

(Senator MOSS' prepared statement referred to previously follows:)

STATEMENT OF SENATOR FRANK E. MOSS

Mr. Chairman, no one could welcome more than I these hearings on the proposals to establish a Department of Natural Resources. As you know, I introduced my first bill to establish such a department in the 89th Congress and have reintroduced a bill, adjusted and improved, but essentially the same in structure, in every Congress since.

Hearings were held on S. 886 in the 90th Congress before the Subcommittee on Executive Reorganization of the Government Operations Committee under the chairmanship of the able Senator from Connecticut, Mr. Ribicoff. A record was made at that time of the views of officials of the departments which would be affected by the reorganization, but no outside witnesses were heard. I sincerely hope that the hearings which are being launched today will be extensive and complete.

FORMER PLANS

The idea of reorganizing the Federal structure which deals with natural resources so that today's great tasks in this field can be performed efficiently and effectively is, of course, not new. It has been pursued for many years, and much has been written about it.

Even in the six years that I have been actively advocating the establishment of such a department, the idea has acquired enormous momentum. Technological changes which have revolutionized our views on environment, has made reorganization of the machinery which manages, conserves, and protects our natural resources not only desirable, but, in my opinion, truly essential.

I therefore, warmly commended President Nixon when he presented the natural resources reorganization proposal to Congress earlier this year, and I now commend the chairman for calling these hearings.

I asked for time to testify, not only to express my support for these hearings, but because my proposal differs in one or two major particulars from the Administration proposal, and I believe these differences should be considered by the Committee and the Congress.

MOSS BILL

The version to which I wish to speak today is S. 1025, as amended, introduced May 14, 1971, which calls for the establishment of a Department of Natural Resources and Environment.

The most significant difference between my proposal and the Administration proposal is indicated by the difference in name—my Department of Natural Resources and Environment would include the components of the Environmental Protection Agency—the Water Quality Office, Solid Waste Office, Air Pollution Control Office, Pesticides Office, and Radiation Office. The Administration proposal retains EPA as a separate agency.

In other words, the basic thrust of the Moss bill is the placement—within the same Department—of functions governing protection of natural resources as well as those governing development or exploitation of natural resources.

The second major difference is that the Moss proposal places the Bureau of Indian Affairs and the Office of Territories in the Department of Health, Education, and Welfare; the Administration proposals place both in Natural Resources.

And there are several other, less important, variations which I will discuss later.

But, to begin, let me discuss briefly the fundamental reasons for the establishment of a Federal resources department.

First, perhaps is the terrible toll American progress has exacted from the natural environment.

Members of the Senate have heard all too often the grim recital of fouled rivers, smoky skies, scarred hillsides, crowded national parks, disappearing wetlands, and endangered species. We understand that time is running out on this recently virgin land.

A second fundamental reason for the placement of principal resources responsibility in one department is the structure of nature itself.

Robert Frost said that what makes a nation in the beginning is "a good piece of geography." A piece of geography is a unit: Land, water, atmosphere, forests all are part of the same system. For thousands of years, man's activities left nature relatively unscarred. But as we have put more and more pressure on the environment, a "multiplier" effect has come into play.

The numerous and complex responsibilities of the Federal Government in the resources field offer numerous other reasons for the establishment of a DNR. These responsibilities include not only resources management, but also construction of public works; establishment of resources policy, dissemination of a vast range of information; and the conduct of many kinds of research and development.

Fulfilling such responsibilities for a nation expanding rapidly both in population and production of goods has led to the establishment of vast and numerous programs. Particularly in the last 15 years, Congress has enacted a long list of resource development and conservation laws. But most have applied to a single resource, or area of the country, or agency, or project. We have shied away from giving one head to our resource management effort.

WATER

Primary water resources responsibility is still divided among three Federal departments. These are the Department of the Army, the Department of Agriculture, and the Department of the Interior. At one time there was a fourth—Health, Education and Welfare—but in 1967 President Johnson, under his reorganization of part of our public lands, transferred the Water Pollution Control Administration from HEW to Interior. Now there are again four, as President Nixon has moved WPCA to the new Environmental Protection Agency and renamed it the Water Quality Office.

Congress did not set out to confuse water resource responsibilities. The Federal water management agencies were created years ago to solve specific problems and were placed on departments which were deemed appropriate then. The Corps of Engineers was born in the 1820's with an appropriation of \$75,000 and an assignment to remove sandbars and "sawyers, planters and snags" in the Mississippi and Ohio Rivers to aid navigation. The Bureau of Reclamation—in the Department of the Interior—was created in 1902 to "reclaim" for agriculture land in 17 Western States.

With the passage of the years, both agencies have expanded greatly and have graduated to multipurpose water resource development.

In 1954 a watershed protection operation which was assigned to the Soil Conservation Service put the Department of Agriculture into the water resource picture in a big way. Thus we came to have three major dam-building agencies.

All three engage in river basin planning. In addition, an important independent agency—the Federal Power Commission—also does river basin planning because with it rests the authority to license the dams built by investor-owned power companies.

A higher degree of coordination in water resource planning and management has, of course, been advocated for a long, long time.

But it was only in 1965 that Congress enacted a Water Resource Planning Act. It provided, essentially, a committee of Cabinet officials—assisted by a very competent staff—to coordinate the programs of the great departments in the water field and to make a biennial assessment of the adequacy of the Nation's water supply.

The act was a step forward; but the weakness of the program it established is evident.

First, it places responsibility in a committee rather than in an individual.

Second, it involves cabinet secretaries who have more than full time jobs managing their own departments, and who already serve on several other high level committees. Such an arrangement might have worked 30 years ago, but it is clearly inadequate today.

LAND

Administration of public lands is another resource area which suffers from dispersed management responsibility.

At present, the Bureau of Land Management in the Department of the Interior is responsible for the administration of our public lands, while forest lands are administered by the Forest Service in the Department of Agriculture.

These two agencies now operate under many conflicting policies and procedures which should be coordinated in the interest of good resource management as well as for the convenience of the public.

RECREATION

The management of outdoor recreation resources is also divided up among major departments. Citizens are frequently surprised to learn that the Army serves more recreation "customers" than any other department. This, of course, results from the millions of visits made each year to the reservoirs built and managed by the Corps of Engineers.

Next in recreation volume is the Department of Agriculture which manages the National Forests. Behind Army and Agriculture trails the Department of the Interior, even though it contains the Bureau of Outdoor Recreation.

OCEANS

The problems of two other resources—the oceans and the estuaries—should also be mentioned.

The sea is a somewhat new frontier in the resource field. In my view, coordinated natural resources programs cannot be set up without recognizing the rich resources of the oceans and the fact that—in management—it is difficult to separate the sea from the land or the ocean from the river which flows into it.

The need for an oceanography program has been well demonstrated. The only question that remains is which department can operate most efficiently. I believe it fits into a Department of Natural Resources, and I am pleased to support Mr. Nixon's efforts to place it here.

Also the need for a policy to preserve, develop and restore the estuaries of the United States coastal and estuarine zone is well known, and the development and management of such a policy should be directed by a department concerned with ocean and other water resource management.

ADMINISTRATION BILL

Let me now turn to a more detailed examination of my proposal and that of the Administration. What should a Department of Natural Resources do? What functions should be assigned to it? What agencies should it contain?

On these points I differ somewhat with the President.

The most significant difference, as I have pointed out, is that my Department of Natural Resources and Environment would include the components of the Environmental Protection Agency, while the Administration proposal retains EPA as a separate agency.

A year ago, I testified before the Subcommittee on Executive Reorganization of the Committee on Government Operations to offer my views on Mr. Nixon's Reorganization Plans Nos. 3 and 4 which established the Environmental Protection Agency and the National Oceanic and Atmospheric Administration.

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But I also said I would consider it more a sensible if all our resources development programs could be coordinated with our resource regulation programs.

Let me use a specific example.

A number of coal-fired electric generating plants are in various stages of development in the Four Corners area of the southwest. These are designed to utilize the plentiful coal of the region and water from the Colorado River system.

Some plants may be built on Federal lands, and power directed to population centers. The transmission lines must cross large stretches of public land. Therefore, easements for land use and contracts for water use would have to be negotiated with the Department of Natural Resources as they now must be with the Department of the Interior.

Numerous environmental problems are arising including: Impact of plant construction on sites; discharge of pollutants into the air; disposal of coal waste; location of powerlines—frequently the least expensive route renders a scenic area unsightly; and the return of water to the river system at a temperature higher than that at which it came out.

Should not these questions be considered and resolved by the same department that grants permission for the use of public property? My answer is "Yes."

I am concerned about the interaction between protection and development because I recognize that both are essential. In this matter, our Nation is cast on the horns of a dilemma. Like a hero of Greek tragedy, we find only two courses of action open, either of which could be fatal. If we put the brakes on production, we face a sinking standard of living; if we press full steam ahead on production, we may—through pollution—destroy the life-giving environment.

Somehow, the technological and political genius of the American people must be harnessed to give us both development and conservation. Otherwise, American society as we have known it must pass into oblivion.

To accomplish this dual task, I believe we need a Department of Natural Resources and Environment exercising comprehensive authority. It must have the responsibility and the capability of keeping the environment clean and of developing sufficient resources to maintain an acceptable standard of living. It must lead the Nation into the new paths that must be found and marked—paths that will permit an advanced industrial society to grow and still survive.

It has been argued that placing protection and development functions in the same department could favor exploitation at the expense of conservation. It has been said that a check on project promotion is needed, and that the Environmental Protection Agency provides such a check.

OVERSIGHT AGENCIES

Yet, though I propose only one executive department for natural resources, I do not intend it to be the sole monitor of environmental condition. I would retain the Council on Environmental Quality; and I advocate passage of Senate Joint Resolution 17, to create in the Congress a Joint Committee on the Environment. In brief, this would result in the following arrangement:

First, the Department of Natural Resources and Environment would exercise the operating responsibilities of the Federal Government relating to natural resources development and protection.

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Third, the congressional joint committee would have the responsibility of holding public hearings on the report and of recommending to the legislative committees of the Congress such action as it deemed necessary.

In short, we would have a manager—the Department—a watchdog—the Council—and a legislative investigator—the joint committee.

Such an arrangement, I believe, would constitute a rational solution to the problem of organizing the Federal resource management effort to provide most effectively both protection and development.

FUNCTIONS REMOVED

The second major difference between the Moss proposal and that of the Administration, as I have pointed out, is that I would place the Bureau of Indian Affairs and the Office of Territories in the Department of Health, Education, and Welfare; the Administration places both in Natural Resources.

For some years, the argument has been advanced that the Indian people themselves prefer to work with Interior, and would therefore choose to be in a Department of Natural Resources, which is presumably more like home than HEW or a new Department of Human Resources.

A second argument for placing the Indian Bureau in DNR is that Indian lands are important resources, and I cannot gainsay that.

But good arguments must give way to better ones. The soil, water, wildlife, and air of the Indian lands must, of course, be conserved, as must all of the physical environment. And such conservation will be a responsibility of the Department of Natural Resources.

But national policy should be encouragement of the Indian to assume a full citizen's role, although, for some period, an additional measure of protection is required. The Administration's own list of the functions of the Bureau of Indian Affairs and the Office of Territories shows a preponderance of nonresource items. This list includes: Natural resources and economic development, education, public health and safety, job training and placement, and community services and facilities.

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"Surely the Indians belong with the rest of us under a Department of Human Resources."

The rationale for placing the Office of Territories in DNR is, apparently, similar to that for placing the Indian Bureau there. But the arguments against such a location prevail as before. The natural resources of the territories must receive the attention of DNR. But these possessions should be regarded primarily as living space for people, and they should be managed by the agency with responsibility for health, welfare and education.

I support the Administration in the positioning of the Corps of Engineers. Mr. Nixon would place the planning, project evaluation, and policy formulation functions of the corps in Natural Resources. He would fund the civil works program of the corps through the DNR. But he would retain construction, operation, and maintenance of projects under the jurisdiction of the Secretary of the Army. This is a good solution to the thorny problem of maintaining a national defense capability in the corps while providing more highly coordinated water resources planning, and I am pleased to support it.

I agree also that we should include in Natural Resources all of the functions now part of the National Oceanic and Atmospheric Administration, and certain responsibilities now exercised by the Atomic Energy Commission.

The Administration proposes transferring from the Department of Agriculture more functions than my bill originally included, but my May 14th amendments adjusted my proposal so that it now coincides with the Nixon proposals in all respects—transferring the Soil Conservation Service, watershed loans in the Farmers Home Administration, natural resource economics in the Economic Research Service, and soil and water conservation in the Agricultural Research Service into the new Department of Natural Resources. I go along completely on these changes.

Mr. Chairman, if ever there were an idea whose time had come, it is a Department of Natural Resources and Environment. It would for the first time make a member of the President's Cabinet responsible for formulating and augmenting a program to care for all of the Nation's natural resources.

Consider the example of the streams of the United States. They would be looked upon not only as locations for dams or objects of pollution abatement, but also as parts of a national system of waterways and water supply and scenic beauty—a public treasure to be preserved and enhanced.

Consider the land. The responsibility of the Secretary of Natural Resources would include evaluating its use on a national basis. For instance, how much more land can we afford to devote to subdivisions or to super highways and how much must be retained open and free?

NATIONAL LAND PLANNING IS NEEDED

Consider energy. How much will be required in the years ahead? How much pollution can we afford in this generation? What fuels and what quantities need to be burned in its production?

Creation of a Department of National Resources should also focus and make more efficient all research programs relating to resources. And it should mean that areas, mostly neglected in the past—estuaries for example—now will be fully considered as part of resource planning.

The usual reason for supporting creation of new Federal departments is to increase efficiency by putting under one roof various bureaus performing related tasks.

But creation of a Department of Natural Resources and Environment would bring much greater benefits than this. It would allow us to plan and direct the conservation and balanced use of our precious natural resources for the first time in our history.

For at least three decades, far-sighted Americans have urged that something like this be done. I trust that these hearings are the first long step toward that most desirable objective.

Senator JACKSON. Senator McClellan has submitted some questions to the various Departments on S. 1431 which can be responded to in writing at a later date. (See exhibit 37, p. 1110.)

We are delighted to welcome to the committee the Secretary of Interior, Rogers C. B. Morton; the Secretary of Agriculture, Clifford M. Hardin; and Mr. James Lynn, Under Secretary of Commerce; Dr. Clarence E. Larson and James T. Ramey of the Atomic Energy Commission; Mr. Thaddeus R. Beal, Under Secretary of the Army and General F. J. Clarke, Chief of the Corps of Engineers; and Mr. Arnold Weber, Assistant Director of the Office of Management and Budget.

Gentlemen, come on up here. This is all very informal.

At the outset the Chair would like to suggest that the statements of each of the witnesses be placed in the record at the conclusion of their remarks. I will start out by calling on the Secretary of Interior to make a brief summary, if that is agreeable, in the interest of time.

Secretary Morton, I believe that you have to leave at noon.

Secretary MORTON. I have rearranged my schedule, Mr. Chairman, in order to be with you at least for the early part of the afternoon if you would wish to continue.

Senator JACKSON. Well, we will try to conclude it all this morning if we can. We have votes coming up and I am afraid it is going to be a bit hectic, to put it mildly. There is a vote in about 7 or 8 minutes.

Secretary Morton, we are pleased to call on you first.

TESTIMONY OF HON. ROGERS C. B. MORTON, SECRETARY, DEPARTMENT OF THE INTERIOR

Secretary MORTON. Mr. Chairman and Senator Metcalf, I am very privileged to meet with this distinguished panel before the subcommittee this morning.

I think that probably in the interest of time, since the statement that I have deals with the overriding philosophical points of view that underline this legislative proposal, it might be well if I read this statement which I think is pertinent to the testimony of the other members of this panel and then from that you would be able to formulate your questions and to go into more detail on any part. It probably will only take me about 6 or 8 minutes to do it.

Senator JACKSON. All right; why don't you proceed, then, in your own way.

Secretary MORTON. Mr. Chairman, we are most delighted that the committee has chosen to commence hearings on S. 1431, the proposed administration legislation which would establish a Department of Natural Resources.

The Ash Council under President Nixon, after careful examination of the previous studies, also concluded that the creation of a Department of Natural Resources is necessary and timely. The Ash report formed the basis for what was translated into S. 1431.

You have before you a compilation of the President's reorganization proposals which includes descriptions of how each proposed new department would operate; how they would be structured; what their constituent elements would be, and other related details.

Rather than attempting to duplicate this information in explicit detail, I would like to limit my remarks this morning to a philosophical overview regarding the need to create a department of natural resources and bring the committee up to date on the planning efforts which have taken place since the President's proposal to create a department of natural resources was transmitted to the Congress in March.

Representatives present here today from the other agencies affected by the proposed reorganization will also present brief remarks about how the elements from their organizations will contribute to the development of a strong and viable new department. The representative from the Office of Management and Budget is also with us to discuss the rationale behind the administrative and management provisions of the bill.

Returning to the philosophical realm, Thomas Jefferson, one of the most profound political thinkers our country has ever known, once commented:

I am certainly not an advocate for frequent and untried changes in laws and constitutions, but . . . laws and constitutions must go hand-in-hand with the progress of the human mind. As that becomes more developed, more enlightened, as new discoveries are made, new truths disclosed, and manners and opinions change with the change of circumstances, institutions must advance also, and keep pace with the times.

BASIC OBJECTIVES TO BE ACHIEVED

This same reasoning provided the impetus for proposing a Department of Natural Resources. In advancing institutions to keep pace with the times, we have recognized the need to deal with three basic objectives:

(1) The management by the executive branch of our Nation's natural resources as a whole rather than by the presently fragmented system.

(2) The system of management for our natural resources should be centered around an organization capable of effective management and which would be responsive and accountable to the President, the Congress and to the people.

(3) The underlying substantive management philosophy of the organization would be based on the conviction that the development of all natural resources should be harmonized with the most practicable possible means to protect and preserve the environment, consistent with the social and economic needs of the Nation.

I am fully persuaded that if these three objectives are to be realized, the creation of a Department of Natural Resources, as provided for in S. 1431, is absolutely essential. The legislation was carefully designed to make the achievement of these objectives possible.

Under the present Federal structure, the proper achievement of these objectives is nearly impossible.

In response to the many questions raised by Members of Congress and interested members of the public about practical details concerning the functioning of this proposed new Department of Natural Resources, the President asked me to lead an interagency task force to produce such information. We have been hard at work. We are confident that this effort will provide answers to many of the questions you may have about the proposed new Department.

This morning, however, I would like to present you a preview of some of the highlights of our thinking to date.

On page 164 of the gray reference compilation before you, there is included an organization chart of the Department of Natural Resources. Details concerning the top management tier are spelled out in that document and I need not repeat them here. Instead, I would like to focus on the second tier—that is, the Administrator level—because these are the principal units in which the knotty problems regarding policy and program matters will first be addressed before being reviewed by the Department's top management.

As you see on the chart, there will be five major administrations, one each for land and recreation resources; water resources; energy and mineral resources; oceanic, atmospheric, and earth sciences; and Indian and territorial affairs. I will discuss them one by one.

LAND AND RECREATION RESOURCES

The Land and Recreation Resources Administration would provide a central focus for managing Federal lands, and for development of national land-use planning to assure that planning is done before—not after—lands are developed. This single Administration would insure that such planning, done in conjunction with regional and State organizations, will provide optimum opportunity for developing multiple uses of our Nation's lands.

Land and Recreation Resources Administration would be composed of the following functions: from Interior—the Bureau of Outdoor Recreation, the Bureau of Sport Fisheries and Wildlife, the National Park Service, and the Bureau of Land Management; and from Agriculture—the Forest Service, the Natural Resources Economics Division of the Economic Research Service, and the Soil and Water Conservation Research Division of the Agriculture Research Service.

This functional grouping of agencies dealing with land and recreation resources would place bureaus with interrelated missions and programs alongside each other. They would operate under a single administrator and work cooperatively, rather than competitively, toward achieving a desirable balance in development and preservation of our Nation's land areas.

The Land and Recreation Resources Administration would have enormous responsibilities. It would manage 762 million acres—approximately one-third of the Nation's lands, including 475 million acres of BLM lands, 187 million acres of Forest Service lands, and 30 million acres each administered by the National Park Service and

the Bureau of Sport Fisheries and Wildlife. It would also provide technical and financial assistance to State and local governments in fields of forestry, outdoor recreation, fish and wildlife, and land-use planning. This administration would have a strong research arm to fully support these action programs on both private and public lands.

Its specific objectives would include establishing a Federal structure that enhances comprehensive natural resources planning; developing a national land-use policy; assisting with water resources planning; developing better services to the public; and improving the management of our public domain, forests, parks, refuges, wilderness areas and wild and scenic areas.

In the existing Federal structure numerous inconsistencies and conflicts exist among our four principal land managing agencies in such areas as outdoor recreation, streams and watershed management, timber management practices, and those related to grazing and range lands, wildlife and mineral resources, and land-use planning—including proper emphasis for preservation.

As you know, most of these conflicts and inconsistencies were identified by the Public Land Law Review Commission with recommendations for corrective action.

The Land and Recreation Resources Administration will be able to provide more adequate expertise to assist urban-oriented agencies in their recreation planning. It will develop recreation plans in a manner more responsive to urban and rural needs.

Finally, the Land and Recreation Resources Administration will be able to administer more efficiently activities which affect all public lands, such as fire prevention and suppression and control of forest and plant diseases and insects.

WATER RESOURCES

Turning now to water resources, the establishment of a Department of Natural Resources will serve to provide the first opportunity to proceed with unified, comprehensive planning in all major water resource areas under a single administration.

Transfers to the DNR Water Resources Administration would include the following functions: From the Department of the Interior—the Bureau of Reclamation, the Office of Saline Water, the Office of Water Resources Research, and the hydropower marketing agencies; from the Department of Agriculture—the Soil Conservation Service. The planning, project evaluation, policy formulation, and budgeting responsibilities relating to civil functions would be transferred from the Department of the Army's Corps of Engineers. The functions of the Water Resources Council also would be transferred.

Water resource supply can then be considered in the new Department in planning and developing a national land-use policy. This objective can best be accomplished through a consolidation of Federal functions relating to planning, evaluation, and the determination of priorities so assure that specific water development and related land uses will serve our regional and national requirements and objectives. Thus, the administrator for land and recreation resources will work closely with the administrator for water resources.

The Water Resources Administration will work with Government and private groups to assure the achievement of such vital objectives as adequate water supplies for municipal, agricultural, and industrial

uses; flood and drought control, improved navigation; sound agricultural water management; improved water-oriented recreation, including that related to preservation of wetlands for wildlife; and the development of hydropower. Past duplication and competition between and among agencies involved with water resource development will be eliminated.

ENERGY AND MINERAL RESOURCES

Turning now to energy and minerals, the new Energy and Mineral Resources Administration in the Department of Natural Resources will be a great boon for those who deal in any form of marketable energy, as well as for consumers across the country.

President Nixon recently stated that the single authority established in DNR would be "better able to clarify, express, and execute Federal energy policy than any unit in our present structure" and that it would provide "a focal point where energy policy in the executive branch could be harmonized and rationalized."

The Nation needs a strong, unified agency authority to solve critical and complex problems that relate to energy exploration, development, production, transportation, conversion, and use. It will also have to face up to such troublesome situations as supply and demand, environmental effects in energy and mineral production, and the disposal of solid wastes.

Present dispersion of energy responsibilities within the executive branch is so extensive that the President has to rely on a special committee of the Domestic Council to provide them with needed energy information.

Here are the functions which would constitute the new Energy and Mineral Resources Administration: from Interior—the Bureau of Mines, the Office of Minerals and Solid Fuels, the Office of Oil and Gas, the Oil Import Administration, the Office of Coal Research, the Defense Electric Power Administration, and the underground electric power transmission research project; from the Atomic Energy Commission—raw materials management, uranium enrichment, and planning and budgeting only for the civilian nuclear power development and parts of the plowshare program. The functions of the Office of Pipeline Safety of the Department of Transportation also would be transferred.

The new Energy and Mineral Resources Administration will be able to deal effectively with such problems as making adequate energy available; considering the interrelationships of all energy forms for technical and economic planning; and devising leadtimes needed for technological developments related to future needs for clean energy.

PLANNING FOR FUTURE ENERGY NEEDS

This Administration will have responsibility for a broad range of research and development activities, including those that relate to coal, petroleum and natural gas, oil shale, nuclear energy, urban refuse, health and safety, metallurgy, mining and underground power transmission, among others. A consolidated approach to these various energy forms seems absolutely necessary to abate the present crisis, and to provide a planning focus for our future energy needs.

The responsibility for statistics and information—always of vital interest to industry, Government and others—will include collection, compilation, analysis, and publication of all kinds of energy and mineral statistics on an integrated basis, heretofore unattainable. An urgent need exists today for an analytical capability to develop available data into usable reports that have options and recommendations which departmental managers and other decisionmakers can use to make policies and develop programs.

The Administrator's regulatory and enforcement program will be extremely important because it will have to create a healthy and safe environment in the mining and energy industries. At the same time, it will be utilized to insure a balanced supply and demand pattern for the Nation's mineral and energy resources.

The special proprietary operation of the Energy and Minerals Resources Administration will consist of the uranium enrichment program, the management of our national uranium stockpile, and our helium conservation program. Placing those operations under a single administrator will offer numerous opportunities to improve and simplify management practices.

Thus, by improved information and statistics collection and evaluation, coordinated program and policy planning, an integrated energy and mineral research and development program, a more systematic regulatory effort, and a more effective series of proprietary operations, the Administrator for Energy and Mineral Resources can do much to improve the outlook for a fuel-and-metal-dependent society.

Senator METCALF (now presiding). Mr. Secretary, it seems that this is a good point to interrupt you. A rollcall is under way on the floor right now. You have been going for about 12 or 15 minutes. I wonder if you and members of your distinguished panel will excuse me while I go to the floor and answer the rollcall and then we can pick up with your statement beginning with "Oceanic, Atmospheric, and Earth Sciences Administration."

Secretary MORTON. Your experience is one that I have enjoyed many times.

Senator METCALF. I can't say we have enjoyed it, but it has happened to us.

We will be temporarily in recess.

Thank you.

(Short recess).

Senator JACKSON (presiding). The committee will resume.

Mr. Secretary, we are sorry about the votes, but maybe shouldn't be. We are trying to move along. I think you understand.

Secretary MORTON. Oh, very well.

OCEANIC, ATMOSPHERIC, AND EARTH SCIENCES

We are going to turn now to Oceanic, Atmospheric, and Earth Sciences Administration, we are dealing with the major scientific and technological components of the Department of Natural Resources.

From the earliest historic times, man has been interested in acquiring new knowledge about his physical environment, not only to learn more about the forces that affect him, but also to alter unfavorable natural conditions in order that he might make his earthly existence safer and happier.

Developing a better understanding of our earth, waters, atmosphere and the physical processes that govern our planet is a long range objective and commitment of the world's scientific community.

This goal can be more easily achieved by transferring the functions of the Geological Survey of the Department of the Interior and those of the National Oceanic and Atmospheric Administration of the Department of Commerce to the new administration in the Department of Natural Resources.

In some earthquake, hydrology, and mapping activities, the two agencies conduct similar operations. Bringing the two organizations together will strengthen their efforts.

CONSOLIDATION OF RELATED FUNCTIONS

Many opportunities exist for consolidating related surveying, mapping and charting programs that exist within these organizations.

This administration will be responsible for such major functions as national weather services, resource and environmental remote sensing studies, operation of environmental satellites, geologic investigations and surveys, water data collection and investigations, environmental data services, earth hazard programs, prediction of natural hazards and warnings for public health and safety, and topographic and other mapping and charting services, ocean and lake surveys, fishery resources, research and information services, and technical and financial assistance to the States.

The coordinated efforts of this administration can offer greater protection against those hazards that confront man through such natural causes as the weather, earthquakes, volcanoes, and landslides—and thereby reduce the consequences of such catastrophies.

We can anticipate many other significant improvements under the consolidated strength of the Geological Survey and NOAA. Consider environmental impact analysis. Typically, environmental problems are complicated and no single agency now has sufficient expertise to achieve the desired breadth of perspective and evaluation needed for a comprehensive environmental analysis.

The Geological Survey recently identified 88 specific physical, biological, cultural, and ecological factors for consideration in making an environmental impact analysis. Neither the survey nor NOAA has all the competence needed, but together they would have the expertise required to make a more thorough environmental impact analysis. Also, they would work closely with other entities within the DNR possessing environmental expertise.

Closer working relationships will develop with the other agencies in DNR that now use the information, data and research collected and disseminated by the Geological Survey and NOAA. Under DNA management, service functions of this important scientific component can be better tailored to serve major resource and environmental action agencies thus saving money, time and effort.

INDIAN AND TERRITORIAL AFFAIRS

Let me turn briefly to the Administration for Indian and Territorial Affairs. The President consulted with many American Indian groups concerning their preference regarding their place within the Federal

structure. They indicated, as they had on previous occasions, that they preferred to remain with a land resource agency.

This is understandable inasmuch as the Indians own over 50 million acres of land that is held in trust for them. This is as much land as a number of the New England States combined. Involved is a tremendously important job of managing natural resources of all kinds—timber, forage, minerals, water, agricultural land. The land provides in a large measure their livelihood, a sense of security, and in some cases, it is even intimately a part of their culture and religion.

The Indian programs concerned with resource development will benefit from close association with the other natural resource programs of the Federal Government within the Department.

The important U.S. territorial programs will also be a part of the Administration for Indian and Territorial Affairs. This arrangement will assure that territorial policies and programs will receive the high-level leadership and attention they deserve.

Each of the five Administrators will be personally accountable to the Secretary for the ultimate success or failure of the programs he administers. Within broad guidelines and objectives, each will have considerable freedom in managing his organization including flexibility in organizing his office in the way he believes most effective. Each Administrator will also be a key member of the top departmental management team. In this role, he must rise above his primary functional responsibilities and develop broad perspectives to give objective advice to the Secretary on departmentwide matters.

These few highlights of the plans for the Department of Natural Resources point up the many practical advantages that can be expected to be realized at the policy and working levels of the new department.

In closing, let me conclude with a philosophical note. The general welfare of the Nation requires that its limited natural resources, including energy sources, be conserved, managed, and utilized so as to help realize a sound balance between preservation and development. The establishment of the Department of Natural Resources will provide the necessary organizational capability for best achieving these objectives.

THIS REORGANIZATION . . . PRODUCT OF MANY MINDS

This reorganization legislation represents the thoughtful product of many minds both within and without the Government.

It contains the promise of what is needed to efficiently structure the Federal natural resource entities within the executive branch so that they can work more responsibly and responsively to the American public and its elected representatives in the Congress.

I am hopeful and expectant that the Congress will give this landmark legislation priority attention and support.

Thank you, Mr. Chairman.

Senator JACKSON. Thank you, Mr. Secretary, for a fine statement.

I think the sensible thing to do here would be to call on all the witnesses and then we will ask the questions, because questions I put to Secretary Morton now might be covered in the comments that you make or in your statement. In that way it will be handled in a more orderly way.

(Secretary Morton's prepared statement referred to previously follows:)

STATEMENT OF ROGERS C. B. MORTON, SECRETARY OF THE INTERIOR

Mr. Chairman, we are most delighted that the Committee has chosen to commence hearings on S. 1431, the proposed Administration legislation which would establish a Department of Natural Resources.

As you know, the idea of establishing a Department of Natural Resources is not a new one. Many Senators and Congressmen over the past several sessions of the Congress have sponsored similar legislation. Nearly every advisory body to each President concerning government reorganization since, and including, the administration of Franklin D. Roosevelt, has recommended the creation of a Department with overall responsibility for conservation and natural resources.

The Ash Council under President Nixon, after careful examination of the previous studies, also concluded that the creation of a Department of Natural Resources is necessary and timely. The Ash Report formed the basis for what was translated into S. 1431.

You have before you a compilation of the President's reorganization proposals which include descriptions of how each proposed new Department would operate; how they would be structured; what their constituent elements would be, and other related details.

Rather than attempting to duplicate this information in explicit detail, I would like to limit my remarks this morning to a philosophical overview regarding the need to create a Department of Natural Resources and bring the Committee up-to-date on the planning efforts which have taken place since the President's proposal to create a Department of Natural Resources was transmitted to the Congress in March.

Representatives present here today from the other agencies affected by the proposed reorganization will also present brief remarks about how the elements from their organizations will contribute to the development of a strong and viable new Department. The representative from the Office of Management and Budget is also with us to discuss the rationale behind the administrative and management provisions of the bill.

Returning to the philosophical realm, Thomas Jefferson, one of the most profound political thinkers our country has ever known, once commented:

"I am certainly not an advocate for frequent and untried changes in laws and constitutions, but * * * laws and constitutions must go hand-in-hand with the progress of the human mind. As that becomes more developed, more enlightened, as new discoveries are made, new truths disclosed, and manners and opinions change with the change of circumstances, institutions must advance also, and keep pace with the times."

This same reasoning provided the impetus for proposing a Department of Natural Resources. In advancing institutions to keep pace with the times, we have recognized the need to deal with three basic objectives:

(1) The management by the Executive Branch of our nation's natural resources as a whole rather than by the presently fragmented system.

(2) The system of management for our natural resources should be centered around an organization capable of effective management and which would be responsive and accountable to the President, the Congress and to the people.

(3) The underlying substantive management philosophy of the organization would be based upon the conviction that the development of all natural resources should be harmonized with the most practicable possible means to protect and preserve the environment, consistent with the social and economic needs of the Nation.

I am fully persuaded that if these three objectives are to be realized, the creation of a Department of Natural Resources, as provided for in S. 1431, is absolutely essential. The legislation was carefully designed to make the achievement of these objectives possible.

Under the present Federal structure, the proper achievement of these objectives is nearly impossible.

In response to the many questions raised by Members of Congress and interested members of the public about practical details concerning the functioning of his proposed new Department of Natural Resources, the President asked me to lead an interagency task force to produce such information. We have been hard at work. We are confident that this effort will provide answers to many of the questions you may have about the proposed new Department.

This morning, however, I would like to present to you a preview of some of the highlights of our thinking to date.

On page 164 of the gray Reference Compilation before you, there is included an organization chart of the Department of Natural Resources. Details concerning the top management tier are spelled out in that document and I need not repeat them here. Instead, I would like to focus on the second tier—that is, the Administrator level—because these are the principal units in which the knotty problems regarding policy and program matters will first be addressed before being reviewed by the Department's top management.

As you see on the chart, there will be five major Administrations, one each for Land and Recreation Resources; Water Resources; Energy and Mineral Resources; Oceanic, Atmospheric and Earth Sciences; and Indian and Territorial Affairs. I will discuss them one by one.

The Land and Recreation Resources Administration would provide a central focus for managing Federal lands, and for development of national land use planning to assure that planning is done before—not after—lands are developed. This single administration would ensure that such planning, done in conjunction with regional and State organizations, will provide optimum opportunity for developing multiple uses of our nation's lands.

Land and Recreation Resources would be composed of the following functions: from Interior—the Bureau of Outdoor Recreation, the Bureau of Sport Fisheries and Wildlife, the National Park Service, and the Bureau of Land Management; and from Agriculture—the Forest Service, the Natural Resources Economics Division of the Economic Research Service, and the Soil and Water Conservation Research Division of the Agriculture Research Service.

This functional grouping of agencies dealing with land and recreation resources would place bureaus with inter-related missions and programs alongside each other. They would operate under a single Administrator and work cooperatively, rather than competitively, toward achieving a desirable balance in development and preservation of our Nation's land areas.

The Land and Recreation Resources Administration would have enormous responsibilities. It would manage 762 million acres—approximately one-third of the Nation's lands, including 475 million acres of BLM lands, 187 million acres of Forest Service lands, and 30 million acres each administered by the National Park Service and the Bureau of Sport Fisheries and Wildlife. It would also provide technical and financial assistance to State and local governments in fields of forestry, outdoor recreation, fish and wildlife and land use planning. This Administration would have a strong research arm to fully support these action programs on both private and public lands.

Its specific objectives would include establishing a Federal structure that enhances comprehensive natural resource planning; developing a national land use policy; assisting with water resource planning; developing better services to the public; and improving the management of our public domain, forests, parks, refuges, wilderness areas and wild and scenic areas.

In the existing Federal structure numerous inconsistencies and conflicts exist among our four principal land managing agencies in such areas as outdoor recreation, streams and watershed management, timber management practices, and those related to grazing and range lands, wildlife and mineral resources, and land use planning—including proper emphasis for preservation.

As you know, most of these conflicts and inconsistencies were identified by the Public Land Law Review Commission with recommendations for corrective action.

The Land and Recreation Resources Administration will be able to provide more adequate expertise to assist urban-oriented agencies in their recreation planning. It will develop recreation plans in a manner more responsive to urban and rural needs.

Finally, the Land and Recreation Resources Administration will be able to administer more efficiently activities which affect all public lands, such as fire prevention and suppression and control of forest and plant diseases and insects.

Turning now to Water Resources, the establishment of a Department of Natural Resources will serve to provide the first opportunity to proceed with unified, comprehensive planning in all major water resource areas under a single Administration.

Transfers to the DNR Water Resources Administration would include the following functions: from the Department of the Interior—the Bureau of Reclamation, the Office of Saline Water, the Office of Water Resources Research, and the hydro power marketing agencies; from the Department of Agriculture—the Soil

Conservation Service. The planning, project evaluation, policy formulation and budgeting responsibilities relating to civil functions would be transferred from the Department of the Army's Corps of Engineers. The functions of the Water Resources Council also would be transferred.

Water resource supply can then be considered in the new Department in planning and developing a national land use policy. This objective can best be accomplished through a consolidation of Federal functions relating to planning, evaluation, and the determination of priorities to assure that specific water development and related land uses will serve our regional and national requirements and objectives. Thus, the Administrator for Land and Recreation Resources will work closely with the Administrator for Water Resources.

The Water Resources Administration will work with government and private groups to assure the achievement of such vital objectives as adequate water supplies for municipal, agricultural and industrial uses; flood and drought control; improved navigation; sound agricultural water management; improved water-oriented recreation, including that related to preservation of wetlands for wildlife; and the development of hydro power. Past duplication and competition between and among agencies involved with water resource development will be eliminated.

Turning now to Energy and Minerals, the new Energy and Mineral Resources Administration in the Department of Natural Resources will be a great boon for those who deal in any form of marketable energy, as well as for consumers across the country.

President Nixon recently stated that the single authority established in DNR would be "better able to clarify, express, and execute Federal energy policy than any unit in our present structure" and that it would provide "a focal point where energy policy in the Executive Branch could be harmonized and rationalized."

The Nation needs a strong, unified agency authority to solve critical and complex problems that relate to energy exploration, development, production, transportation, conversion, and use. It will also have to face up to such troublesome situations as supply and demand, environmental effects in energy and mineral production, and the disposal of solid wastes.

Present dispersion of energy responsibilities within the Executive Branch is so extensive that the President has to rely on a special committee of the Domestic Council to provide him with needed energy information.

Here are the functions which would constitute the new Energy and Mineral Resources Administration: from Interior—the Bureau of Mines, the Office of Minerals and Solid Fuels, the Office of Oil and Gas, the Oil Import Administration, the Office of Coal Research, the Defense Electric Power Administration, and the Underground Electric Power Transmission Research project; from the Atomic Energy Commission—Raw Materials Management, Uranium Enrichment, and planning and budgeting only for the Civilian Nuclear Power Development and parts of the Plowshare program. The functions of the Office of Pipeline Safety of the Department of Transportation also would be transferred.

The new Energy and Mineral Resources Administration will be able to deal effectively with such problems as making adequate energy available; considering the interrelationships of all energy forms for technical and economic planning; and devising leadtimes needed for technological developments related to future needs for clean energy.

This Administration will have responsibility for a broad range of research and development activities, including those that relate to coal, petroleum and natural gas, oil shale, nuclear energy, urban refuse, health and safety, metallurgy, mining and underground power transmission, among others. A consolidated approach to these various energy forms seems absolutely necessary to abate the present crisis, and to provide a planning focus for our future energy needs.

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The Administrator's regulatory and enforcement program will be extremely important because it will have to create a healthy and safe environment in the mining and energy industries. At the same time, it will be utilized to ensure a balanced supply and demand pattern for the Nation's mineral and energy resources.

The special proprietary operations of the Energy and Minerals Resources Administration will consist of the uranium enrichment program, the management of our National uranium stockpile, and our helium conservation program. Placing those operations under a single Administrator will offer numerous opportunities to improve and simplify management practices.

Thus, by improved information and statistics collection and evaluation, coordinated program and policy planning, an integrated energy and mineral research and development program, a more systematic regulatory effort, and a more effective series of proprietary operations, the Administrator for Energy and Mineral Resources can do much to improve the outlook for a fuel-and-metal-dependent society.

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Developing a better understanding of our earth, waters, atmosphere and the physical processes that govern our planet is a long range objective and commitment of the world's scientific community.

This goal can be more easily achieved by transferring the functions of the Geological Survey of the Department of the Interior and those of the National Oceanic and Atmospheric Administration of the Department of Commerce to the new administration in the Department of Natural Resources.

In some earthquake, hydrology, and mapping activities, the two agencies conduct similar operations. Bringing the two organizations together will strengthen their efforts.

Many opportunities exist for consolidating related surveying, mapping and charting programs that exist within these organizations.

This Administration will be responsible for such major functions as national weather services, resource and environmental remote sensing studies, operation of environmental satellites, geologic investigations and surveys, water data collection and investigations, environmental data services, earth hazard programs, prediction of natural hazards and warnings for public health and safety, and topographic and other mapping and charting services, ocean and lake surveys, fishery resources, research and information services, and technical and financial assistance to the States.

The coordinated efforts of this Administration can offer greater protection against those hazards that confront Man through such natural causes as the weather, earthquakes, volcanoes, and landslides—and thereby reduce the consequences of such catastrophes.

We can anticipate many other significant improvements under the consolidated strength of the Geological Survey and NOAA. Consider environmental impact analysis. Typically, environmental problems are complicated and no single agency now has sufficient expertise to achieve the desired breadth of perspective and evaluation needed for a comprehensive environmental analysis.

The Geological Survey recently identified 88 specific physical, biological, cultural and ecological factors for consideration in making an environmental impact analysis. Neither the Survey nor NOAA has all the competence needed, but together they would have the expertise required to make a more thorough environmental impact analysis. Also, they would work closely with other entities within the DNR possessing environmental expertise.

Closer working relationships will develop with the other agencies in DNR that now use the information, data and research collected and disseminated by the Geological Survey and NOAA. Under DNR management, service functions of this important scientific component can be better tailored to serve major resource and environmental action agencies thus saving money, time and effort.

Let me turn briefly to the Administration for Indian and Territorial Affairs. The President consulted with many American Indian groups concerning their preference regarding their place within the Federal structure. They indicated, as they had on previous occasions, that they preferred to remain with a land resource agency.

This is understandable inasmuch as the Indians own over 50 million acres of land that is held in trust for them. This is as much land as a number of the New England states combined. Involved is a tremendously important job of managing natural resources of all kinds—timber, forage, minerals, water, agricultural land. The land provides in a large measure their livelihood, a sense of security, and, in some cases, it is even intimately a part of their culture and religion.

The Indian programs concerned with resource development will benefit from close association with the other natural resource programs of the Federal Government within the Department.

The important United States territorial programs will also be a part of the Administration for Indian and Territorial Affairs. This arrangement will assure that territorial policies and programs will receive the high level leadership and attention they deserve.

Each of the five Administrators will be personally accountable to the Secretary for the ultimate success or failure of the programs he administers. Within broad guidelines and objectives, each will have considerable freedom in managing his organization including flexibility in organizing his office in the way he believes most effective. Each Administrator will also be a key member of the top Departmental management team. In this role, he must rise above his primary functional responsibilities and develop broad perspectives to give objective advice to the Secretary on Department-wide matters.

These few highlights of the plans for the Department of Natural Resources point up the many practical advantages that can be expected to be realized at the policy and working levels of the new Department.

In closing, let me conclude with a philosophical note. The general welfare of the Nation requires that its limited natural resources, including energy sources, be conserved, managed and utilized so as to help realize a sound balance between preservation and development. The establishment of the Department of Natural Resources will provide the necessary organizational capability for best achieving these objectives.

This reorganization legislation represents the thoughtful product of many minds both within and without the Government. It contains the promise of what is needed to efficiently restructure the Federal natural resource entities within the Executive Branch so that they can work more responsibly and responsively to the American public and its elected representatives in the Congress.

I am hopeful and expectant that the Congress will give this landmark legislation priority attention and support.

Senator JACKSON. I would like now to call on Secretary Clifford M. Hardin, Secretary of Agriculture.

We are delighted to welcome you to the committee, Mr. Secretary. You may proceed in your own way. Your entire statement may go in or you may summarize it, whichever is convenient.

TESTIMONY OF HON. CLIFFORD M. HARDIN, SECRETARY OF AGRICULTURE

Secretary HARDIN. All right, Mr. Chairman. My statement is relatively short.

I do appreciate the opportunity to meet with you today and discuss the functions of the Department of Agriculture that are proposed for transfer to the new Department of Natural Resources under the reorganization plan.

At first let me say that I strongly support the President's plan to establish four new Departments. I encourage you to give favorable consideration to the entire plan, in order to obtain maximum benefits in improved efficiency, effectiveness, and responsiveness in providing Government services.

I believe that it is equally important that you support the principle of providing as much latitude as possible to the Secretaries of the new Departments, so that they can make adjustments when necessary in the organizational structures and functions of the agencies under them, and be equipped with the full range of management tools needed to administer the Departments effectively.

While the establishment of a new Department of Natural Resources is an important and essential part of the reorganization, the establishment of only one of the four new Departments would not achieve the

full benefits that would result from substantially streamlining the Federal Departments.

AGRICULTURE WILL PROVIDE MAJOR INPUT IN REORGANIZATION PROPOSAL

Of the five administrations proposed for the Department of Natural Resources, the Department of Agriculture will provide a major input to two of them: the Land and Recreation Resources Administration and the Water Resources Administration.

Transfers from the Department of Agriculture to the Department of Natural Resources would include:

The Forest Service, which administers 187 million acres of public lands, conducts forestry research, and provides assistance to State and private forest landowners.

The Soil Conservation Service which provides soil and water conservation technical assistance to communities and individuals, plans and constructs water resource development projects, and carries out soil and snow surveys.

The Soil and Water Conservation Research Division of the Agricultural Research Service, which carries out a nationwide program of soil and water research closely supporting the activities of the Soil Conservation Service.

The National Resource Economics Division of the Economic Research Service, which conducts land and water economic research and analyses also closely supporting the activities of the Soil Conservation Service.

These are the basic organizations within the Department of Agriculture directly and primarily engaged in administering natural resource functions that are closely related to the basic mission of the proposed Department of Natural Resources.

As most members of this committee know, the Department of Agriculture is the most highly decentralized Department in the Government. The Forest Service, operating through the 154 national forests and 19 national grasslands, and the Soil Conservation Service, operating through over 3,000 soil and water conservation districts, are among the most decentralized of Federal agencies.

One of the basic principles followed in the proposed reorganization is that existing programs and delivery systems will remain intact under the new departments. There would be no interruption of services at the point of contact with citizens, communities, farmers, and ranchers.

The improvements in management and coordination resulting from establishment of a Department of Natural Resources will be achieved largely through improved organization in Washington and the regional offices, rather than at the local level.

I believe that the reorganization will make it possible to solve longstanding problems of government in managing our natural resources. It will put all of the major functions involved in land, water, and natural resource planning and protection into one coordinated operation, as Secretary Morton has pointed out.

The overlapping and fragmentation that now occur in the Federal administration of laws concerning resources management, ownership, research, technical assistance, and services to local governments and individuals can be worked out more effectively under the unified administration of the agencies concerned.

REFORMS INCLUDED IN PROPOSAL

As you know, the reorganization plans are part of a coordinated package of reforms designed by the President to correct serious weaknesses in the way the Federal Government works, and the failure of Government programs to meet the needs of the people. In addition to the President's departmental reorganization program, the package of reforms includes—

Decentralization to get decisions made out where the problems are, by people who know local conditions, rather than in Washington, D.C., by Federal officials unfamiliar with local needs.

Management assistance to State and local governments to help them improve their administrative ability to plan and manage programs.

Farmers and rural residents, as well as other Americans, will benefit from the reorganization and other governmental reforms proposed by the President.

These reforms will make government at all levels more responsive to local needs, better able to provide coordinated solutions to public problems, and more economical and efficient in serving citizens.

As citizens and taxpayers, farmers and rural residents will benefit from the general improvement in the economy, efficiency, and effectiveness of government.

Farmers and rural residents also share with all Americans the desire for better services, a more attractive environment, improved economic opportunities, better schools, and more adequate medical services; these can only exist in healthy, growing communities.

The establishment of the new Departments of Natural Resources, Human Resources, Community Development, and Economic Affairs will meet these needs better by—

Bringing together the fragmented programs and uncoordinated activities now found in seven separate departments, and grouping them together according to major national purposes for more effective management;

Eliminating the overlapping and duplication of services and the complex redtape citizens now struggle with when dealing with so many organizations;

Merging in one department, under coordinated management, the many different land management agencies and programs of the Government;

Assigning to a single department the primary responsibility for developing our natural resources and protecting the quality of our environment;

Making a single department responsible for coordinated management of all programs aimed at improving the health, welfare, and education of our citizens; and

Concentrating in one department, under coordinated management, Government programs for promoting the economic and social development of rural communities.

Reorganization and decentralization will bring these programs closer to the people who live in rural communities, and will give farmers and rural people more powerful tools to make their local communities better places to live and work.

I conclude, Mr. Chairman, by joining my Cabinet colleague in hoping that the committee will consider all of these plans and give them urgent attention, and we hope, react favorably.

Senator METCALF (now presiding). Yes. Well, of course the committee is very much interested, not only with this plan, but all the four new Departments, and we are going to give it careful and fair consideration. I am hopeful that some very valuable and important reorganization will finally result from the legislation that we are talking about.

(Secretary Hardin's prepared statement referred to previously follows:)

STATEMENT OF CLIFFORD M. HARDIN, SECRETARY OF AGRICULTURE

Mr. Chairman, it is a pleasure to meet with the Committee today, to discuss the functions of the Department of Agriculture that are proposed for transfer to the new Department of Natural Resources under the President's Departmental Reorganization Plan.

First, let me say that I strongly support the President's plan to establish four new departments. I encourage you to give favorable consideration to the entire plan, in order to obtain maximum benefits in improved efficiency, effectiveness, and responsiveness in providing government services.

I believe that it is equally important that you support the principle of providing as much latitude as possible to the Secretaries of the new departments, so that they can make adjustments when necessary in the organizational structures and functions of the agencies under them, and be equipped with the full range of management tools needed to administer the departments effectively.

While the establishment of a new Department of Natural Resources is an important and essential part of the reorganization, the establishment of only one of the four new departments would not achieve the full benefits that would result from substantially streamlining the Federal departments.

Of the five Administrations proposed for the Department of Natural Resources, the Department of Agriculture will provide a major input to two of them: the Land and Recreation Resources Administration and the Water Resources Administration.

Transfers from the Department of Agriculture to the Department of Natural Resources would include:

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One of the basic principles followed in the proposed reorganization is that existing programs and delivery systems will remain intact under the new departments. There would be no interruption of services at the point of contact with citizens, communities, farmers, and ranchers.

The improvements in management and coordination resulting from establishment of a Department of Natural Resources will be achieved largely through improved organization in Washington and the regional offices, rather than at the local level.

I believe that the reorganization will make it possible to solve long standing problems of government in managing our natural resources. It will put all of the the major functions involved in land, water, and natural resource planning and protection into one coordinated operation.

The overlapping and fragmentation that now occur in the Federal administration of laws concerning resource management, ownership, research, technical assistance, and services to local governments and individuals can be worked out more effectively under the unified administration of the agencies concerned.

As you know, the reorganization plans are part of a coordinated package of reforms designed by the President to correct serious weaknesses in the way the Federal Government works, and the failure of government programs to meet the needs of the people. In addition to the President's Departmental Reorganization Program, the package of reforms includes:

Decentralization to get decisions made out where the problems are, by people who know local conditions, rather than in Washington, D.C., by Federal officials unfamiliar with local needs.

Management assistance to State and local governments to help them improve their administrative ability to plan and manage programs.

Farmers and rural residents, as well as other Americans, will benefit from the reorganization and other governmental reforms proposed by the President.

These reforms will make government at all levels more responsive to local needs, better able to provide coordinated solutions to public problems, and more economical and efficient in serving citizens.

As citizens and taxpayers, farmers and rural residents will benefit from the general improvement in the economy, efficiency, and effectiveness of government.

Farmers and rural residents also share with all Americans the desire for better services, a more attractive environment, improved economic opportunities, better schools, and more adequate medical services; these can only exist in healthy, growing communities.

The establishment of the new Departments of Natural Resources, Human Resources, Community Development, and Economic Affairs will meet these needs better by:

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Reorganization and decentralization will bring these programs closer to the people who live in rural communities, and will give farmers and rural people more powerful tools to make their local communities better places to live and work.

Senator METCALF. The next witness is Mr. James T. Lynn, Under Secretary of Commerce.

Mr. Lynn, if you have a prepared statement, go right ahead.

TESTIMONY OF HON. JAMES T. LYNN, UNDER SECRETARY OF COMMERCE

Mr. LYNN. Thank you, Mr. Chairman.

I am very pleased to be here to speak on behalf of the Department of Commerce on S. 1431, legislation which the administration has proposed for the purpose of establishing a Department of Natural Resources.

As I understand it, the full statement will be inserted in the record. Senator JACKSON (presiding). That is right.

Mr. LYNN. Let me make an effort to point out a few of its highlights.

The Department of Commerce would like to lend support to the President's reorganization proposals, both as to the concept and the more detailed realinement of programs.

Under the President's reorganization proposal elements of our Department would be placed in each of the four proposed new Departments. Most of the present Department of Commerce would go to the new Department of Economic Affairs. However, in the reorganization plan a substantial portion of the Department, the National Oceanic and Atmospheric Administration, NOAA, would move into the Department of Natural Resources. There it joins the Department of Interior and elements of the Department of Agriculture and other executive agencies concerned with the conservation and management of natural resources.

Inclusion of NOAA in the Department of Natural Resources will permit the new Department to take a comprehensive approach to problems of environmental management.

I think it is well to emphasize a little history of NOAA. NOAA is the culmination of new concepts of organization for environmental problems which have developed over the past decade. The Department of Commerce was the first Cabinet agency to recognize the unity of environmental sciences by bringing together its environmental sciences activities within the Environmental Science Services Administration, familiarly known as ESSA, in 1965.

President Nixon, in his Reorganization Plan No. 4 of last year, created NOAA as one of the major institutions for dealing with the Nation's environmental problems. NOAA resulted from recommendations of the congressionally chartered Presidential Commission on Marine Science, Engineering and Resources. NOAA further consolidated environmental activities residing in a number of different agencies. It was placed in the Department of Commerce by the President because the great bulk of the activities of NOAA already resided within our Department.

Secretary Morton has already presented information on the advantages anticipated from the transfer of the National Oceanic and Atmospheric Administration to the Department of Natural Resources, where it would be a part of the Administration for Oceanic, Atmospheric and Earth Sciences. This is a sound approach within the context of the President's proposal to change departmental structures to reflect new types of missions. Within the newly proposed mission structure for cabinet agencies, NOAA's most logical place falls within the Department of Natural Resources.

Thank you.

(Under Secretary Lynn's prepared statement follows:)

STATEMENT OF JAMES T. LYNN, UNDER SECRETARY OF COMMERCE

Mr. Chairman, I am very pleased to be here to speak on behalf of the Department of Commerce on S. 1431, legislation which the Administration has proposed for the purpose of establishing a Department of Natural Resources. We would like to lend support to the President's reorganization proposal, both as to concept and to the more detailed realignment of programs. In particular, we support it as an alternative to the present structure of the Executive Branch. This structure has evolved over a period of many years and is based, in most instances, on valid but narrow concepts of need or highly specialized functions. For example, the original reasons for creating a Department of Commerce and other executive establishments were good ones, but obviously they do not take into account the changes that have occurred since those establishments were created. This is not a criticism of the dedicated men who run the government's many programs. It reflects our

sincere belief that the structure of the Executive Branch is outdated and not responsive to the major needs of the country today.

Under the President's proposals, elements of the Department of Commerce would be placed into each of the four proposed new departments. Most of the present Department of Commerce would go into the new Department of Economic Affairs, which would also include elements of the Department of Agriculture, Labor, Transportation, the Small Business Administration and other executive establishments.

The scope of these programs and the fact that they would all be brought under one roof would permit the government to take a much more coordinated approach to the problems of our nation's economic well being. In a similar way the Department of Natural Resources would consolidate programs concerned with land, water, minerals, energy and the environment to permit a more coordinated approach to the Nation's resource and environmental problems.

We are, of course, very interested in the potential relations between the Department of Natural Resources and the Department of Economic Affairs. The Department of Natural Resources would play a strong role not only in insuring the Nation's supply of natural resources but also in insuring that such resources are acquired and managed in an environmentally sound manner. It would also provide a wide variety of environmental services which will enable industry, government, and the public to carry out their activities in an environmentally effective, harmonious and safe manner.

We will look to the Department of Natural Resources for assistance on issues that vitally affect the Nation's economic growth. I need only cite the massive growth of the Nation's energy and water resource demands and possible shortages of critical metals and chemicals to illustrate my point.

In the reorganization plan, a substantial portion of the Department of Commerce, the National Oceanic and Atmospheric Administration (NOAA), would move to the Department of Natural Resources. There it would join the Department of Interior and elements of the Department of Agriculture and other executive agencies concerned with the conservation and management of natural resources. Inclusion of NOAA in the Department of Natural Resources will permit the new Department to take a comprehensive approach to problems of environmental management.

NOAA is the culmination of new concepts of organization for environmental problems which have developed over the past decade. The Department of Commerce was the first Cabinet agency to recognize the unity of the environmental sciences by bringing together its environmental science activities within the Environmental Science Services Administration, familiarly known as ESSA, in 1965.

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The proposal to place NOAA within the Department of Natural Resources is viewed by the Department of Commerce as another logical step in fully coordinating and integrating the Nation's environmental activities.

When NOAA is combined with the Geological Survey and related science and service activities we believe that major advantages would accrue to the Nation. For example, the closely related programs of NOAA and the Geological Survey in hydrology, mapping and charting, marine resources and seismology would be better planned and managed.

The new unit of DNR would also place a strong scientifically and technically oriented organization in the DNR which is expected to carry out resource and environmental management responsibilities. Thus, a strong scientific and technical organization would be readily available to support services and management in the same Department. For example, the marine resources programs of NOAA are related to Department of Natural Resources responsibilities for development and use of off-shore oil, gas, and other mineral resources.

Secretary Morton has already presented further information on the advantages anticipated from the transfer of the National Oceanic and Atmospheric Administration to the Department of Natural Resources where it would be a part of the Administration for Oceanic, Atmospheric and Earth Sciences. This is a sound approach within the context of the President's proposal to change departmental

structures to reflect new types of missions. Within the newly proposed mission structure for cabinet agencies, NOAA's most logical place falls within the Department of Natural Resources.

Senator METCALF. Mr. Lynn, I just comment that Senator Jackson appointed a Special Subcommittee on Outer Continental Shelf for the Interior Committee. The Commerce Committee has a similar subcommittee under Senator Hollings, and of course the Foreign Relations Committee has Senator Pell working on oceanography.

So here in the Congress we share many problems with you in the administration.

Mr. LYNN. I am aware of that, Senator.

Senator METCALF. Thank you very much.

Senator JACKSON. Senator Metcalf did all the excellent work on the Outer Continental Shelf in the area you mentioned.

Senator METCALF. That is why I mentioned it. The seacoast of Montana isn't very extensive.

Senator JACKSON. The next witness is Mr. Clarence E. Larson, Commissioner, U.S. Atomic Energy Commission.

TESTIMONY OF CLARENCE E. LARSON, COMMISSIONER, U.S. ATOMIC ENERGY COMMISSION

Mr. LARSON. Mr. Chairman, it is a privilege to appear before this committee to testify in support of the President's reorganization plan for the executive branch. My testimony is in particular reference to the proposed Department of Natural Resources and its energy and mineral resources component, which would incorporate parts of the present Atomic Energy Commission.

For the last quarter century, the Atomic Energy Commission has been the Government agency responsible for all aspects of the Nation's nuclear energy program. We feel that during this crucial period we have succeeded in bringing this new form of energy into a beneficial and controllable form for the American people and that it may now be considered for administration with the established, conventional forms of energy.

It may be helpful to review for this committee the opening words of the Atomic Energy Act which stipulate that:

The development, use, and control of atomic energy shall be directed so as to promote world peace, improve the general welfare, increase the standard of living, and strengthen free competition in private enterprise.

In being responsive to this part of the act, AEC has been turning over to private industry more and more of its work previously carried out in AEC facilities and has withdrawn from numerous activities which can be carried out by the private sector.

Private industry has made a tremendous investment in nuclear power reactors, for example. The estimated cost of the 22 operable plants, the 55 being built, and the 44 on order comes to more than \$20 billion. This, of course, is just the start.

I may add that we recently celebrated the 25th anniversary of the AEC, and during the next 25 years we expect that \$300 billion or more will be involved in the application of nuclear energy to the generation of electric power.

While atomic energy was initially developed as a separate entity, it has gradually been integrated into the total energy picture and the everyday industrial process.

ENERGY SHORTAGE CRITICAL

The President's reorganization plan comes at a time when the Nation is facing a critical energy shortage. The energy needs are so great that the Government's role has changed from a position of supporting individual energy sources to determining how the Nation's needs might best be met from all of the available energy sources. We are projecting a considerable shift in generating capacity among the various energy sources in the next 20 years and a substantial shift in fuel use by electric utilities during this period. These forecasts of the relative energy mix for power generation are based on fuel availability at the requisite quality level of prescribed environmental standards and at economically feasible prices.

Considering the substantial changes that will be taking place in the energy field, it is logical and important that one Government agency have the total picture and be able to establish policy and to allocate funds for development of the appropriate and necessary energy resources. The responsible formulation of national energy policy must be based on the comprehensive balancing of all factors aimed at serving the total public interest.

How does atomic energy fit into this picture? Specifically, the President's plan provides that the AEC's uranium raw materials and enrichment programs would be transferred to the new Department of Natural Resources. The new Department would also provide policy direction for the development of civilian nuclear power reactors and the Plowshare program of peaceful nuclear explosives. However, the AEC would continue to conduct the research, development, and demonstration in the latter two programs because of its expertise, its facilities and the need for close integration of the programs with other AEC activities.

While the functions of planning, budgeting and funding, coordination, assessment of resources, and establishment of priorities as related to national energy planning would be transferred to the new department, the reorganization is not intended to preclude AEC continuance of research and development effort in health and safety, reactor and device technology, fuel reprocessing, waste management, and other activities that relate primarily to programs remaining with the Commission.

Obviously, this type of administrative arrangement requires close coordination between agencies. A task force on implementation of the Presidential reorganization proposal has been established with appropriate study groups to work out planning arrangements for future relationships between AEC and the new agency.

AEC has had a good history of coordination with other agencies on specific programs. They include the joint program with the Department of Defense on nuclear weapons; the joint program with the Navy Department, which has resulted in the development of more than 100 nuclear submarines and surface craft; the joint AEC-NASAS nuclear propulsion program; cooperation with the Department of Interior on Plowshare and nuclear desalting; and the various interagency committees on energy.

Because of this experience on these projects, we feel certain that satisfactory arrangements can be worked out in areas of joint responsibility with the Department of Natural Resources. As participants in a dynamic scientific program, we recognize the inevitability

of change. The AEC has maintained in its own organizational philosophy a policy of maximum innovation and flexibility to achieve most effectively the objectives of our program. The President's objective in reorganizing the executive branch of the Federal Government is to make it a more effective instrument in serving the needs of the American people. This is a goal we all can and should support.

Thank you, Mr. Chairman.

(Commissioner Larson's prepared statement follows:)

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It may be helpful to review for this Committee the opening words of the Atomic Energy Act which stipulate that "the development, use, and control of atomic energy shall be directed so as to promote world peace, improve the general welfare, increase the standard of living, and strengthen free competition in private enterprise." In being responsive to this part of the Act, AEC has been turning over to private industry more and more of its work previously carried out in AEC facilities and has withdrawn from numerous activities which can be carried out by the private sector.

Private industry has made a tremendous investment in nuclear power reactors, for example. The estimated cost of the 22 operable plants, the 55 being built, and the 44 on order comes to more than \$20 billion. While atomic energy was initially developed as a separate entity, it has gradually been integrated into the total energy picture and the everyday industrial process.

The President's reorganization plan comes at a time when the nation is facing a critical energy shortage. The energy needs are so great that the Government's role has changed from a position of supporting individual energy sources to determining how the nation's needs might best be met from all of the available energy sources. We are projecting a considerable shift in generating capacity among the various energy sources in the next 20 years and a substantial shift in fuel use by electric utilities during this period. These forecasts of the relative energy mix for power generation are based on fuel availability at the requisite quality level of prescribed environmental standards and at economically feasible prices.

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AEC would continue to be responsible for policies, procedures, and requirements relating to the control of Restricted Data, and none of AEC's licensing authority and responsibility would be transferred to the Secretary. Other divisions of responsibility are spelled out in these sections.

Obviously, this type of administrative arrangement requires close coordination between agencies. A Task Force on Implementation of the Presidential Reorganization Proposal has been established with appropriate study groups to work out planning arrangements for future relationships between AEC and the new agency.

AEC has had a good history of coordination with other agencies on specific programs. They include the joint program with the Department of Defense on nuclear weapons; the joint program with the Navy Department, which has resulted in the development of more than 100 nuclear submarines and surface craft; the joint AEC-NASA Nuclear Propulsion Program; cooperation with the Department of Interior on Plowshare and nuclear desalting; and the various interagency committees on energy.

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Senator METCALF. Thank you very much for your statement and your testimony, Mr. Larson.

Now, to give us some perspective and another point of view, we are going to hear from Mr. James T. Ramey, Commissioner, U.S. Atomic Energy Commission.

TESTIMONY OF JAMES T. RAMEY, COMMISSIONER, U.S. ATOMIC ENERGY COMMISSION

Mr. RAMEY. Thank you very much.

My views are of a different nature. I haven't agreed with this program as applied to AEC functions. I submitted a statement to the committee at its invitation and I will try to summarize my comments here.

It seems to me that all of the functions proposed for transfer from the Commission to the new Department are—and I believe should remain—integral parts of a complex of interrelated programs carried out through the Atomic Energy Commission's unique system of organization and management.

This system involves a utilization of industrial concerns, universities and not-for-profit organizations to operate Government-owned plants and laboratories under cost-type contracts with a highly skilled management team in the Commission.

The proposed transfer of the diffusion plants' operation from the Commission to the new Department involves plants located at Oak Ridge, Tenn., Portsmouth, Ohio, and Paducah, Ky. The original cost of these facilities was approximately \$2.4 billion with a current book value now of around \$1.2 billion and an annual operating cost at present capacity of around \$200 million. By 1976 when we get back to full-scale operation, the annual revenues will be around \$473 million.

PROPOSED TRANSFER WOULD AGGRAVATE SITUATION

Due to some delays in providing for improving these facilities, we have gotten behind and there has been some uncertainty in the nuclear

industry and among our free world friends as to the long-term dependability of the Commission as a supplier of enrichment services.

To transfer this program to a new agency at this critical juncture in the development of nuclear power, with all the problems inevitable in such a change, can do little but aggravate the situation.

In my opinion what is needed instead is to continue the enrichment program under the Commission's experienced management.

Another question on this issue is that the relationship of the proposed transfer of the enrichment program and facilities and the ultimate disposal of such facilities to private industry or otherwise requires consideration. The question of disposal of these large diffusion plants has been explored by the Joint Committee on Atomic Energy.

Now, to nuclear powerplants. I also believe transferring to the new department those AEC civilian nuclear power development functions involving planning, budgeting and funding, coordination, assessment of resources, and establishment of priorities would be very undesirable.

The essential independence of the AEC from other energy-oriented agencies was deliberately established by the Congress to assure attention commensurate with its potential as a leading element in the national energy program. The success of the light water reactor development program and the progress on the fast breeder reactor testify to the wisdom of such a decision.

I might note in this regard that the President's Energy Message of June 4, 1971, gave top priority to the development of the fast breeder reactor. To now transfer these key reactor development functions to a new "super agency" would run counter to this intent of Congress and inevitably downgrade the vital breeder reactor program on which the energy needs of the Nation will depend for the next 50 years.

COORDINATION CAN BE ACHIEVED WITHOUT COMPLETE REORGANIZATION

In this connection, under the proposed reorganization, energy development is only one of a number of functions under one of a number of administrators in a very large department. I hardly think the proposed organizational location of the energy function is commensurate with its significance. And again, the traditional background and experience of the Department of Interior which, as reconstituted, would constitute the new Department of Natural Resources, has been in the field of coal and oil development and hydroelectric power. The Department's experience in large scale industrial research and development has been limited.

Coordination between energy development programs—which I certainly believe to be needed—can be more readily achieved without necessarily a complete reorganization of the involved agencies such as has been proposed by the reorganization bills.

For example, in the field of power supply and siting, significant and mutually beneficial coordination and liaison has already been established between AEC and those other agencies of the Federal Government with responsibility for energy and energy resources through the Interagency Power Plant Siting Group. The AEC was delegated to head up the development of this group's research and development recommendations.

In this regard, I might also mention that the Atomic Energy Commission has had very good relations with the Department of the

Interior in coordinating various aspects of research and development, particularly in the areas of desalting and related power and water matters under Assistant Secretary Smith.

Effective—but necessarily limited in scope—cooperation between Government and industry in the area of research and development has also been achieved through the Electric Research Council—in which the Interior Department has taken the leadership but in which AEC is also a participant.

Well, that, Mr. Chairman, is the general substance of my comments. I would point out that the Commission doesn't have much disagreement very often and I am not a chronic dissenter, but every once in a while I have to, on what I believe to be important issues.

Senator METCALF. We are delighted to have your views and to have another light shed on this very complicated matter.

(Commissioner Ramey's prepared statement follows:)

STATEMENT OF JAMES T. RAMEY, COMMISSIONER, U.S. ATOMIC ENERGY COMMISSION

Mr. Chairman, members of the Committee, I am pleased to be given the opportunity today to provide a statement of my views regarding S. 1431 providing for the establishment of a Department of Natural Resources.

On June 7, 1971, by a letter from Chairman Seaborg to Chet Holifield, Chairman of the House Committee on Government Operations, the Commission provided its comments on H.R. 6959 which is the companion bill to the bill under discussion today.

At my request, the letter included a statement informing the Committee of my belief that the bill was neither desirable nor workable as it affects the programs and organization of the Commission. I would like to take just a few moments this morning to explain why I believe this to be the case.

All of the functions proposed for transfer from the Commission to the Department are—and I believe should remain—integral parts of a complex of interrelated programs carried out through the Commission's unique and highly successful system of organization and management. This system involves utilization of industrial concerns, universities and not-for-profit organizations to operate government-owned plants and laboratories under cost-type contracts and a highly skilled management team in the Commission. To alter the existing system, in my view, will increase the cost of essential government programs, reduce the effectiveness of the Federal efforts to resolve critical energy and environmental problems and result in less-than-optimum utilization of expertise and facilities within the Commission complex.

I am particularly concerned regarding the proposed transfer of the uranium enrichment and nuclear power functions.

URANIUM ENRICHMENT PROGRAM

A somewhat piecemeal approach has already been required of AEC in this nation's enrichment operations which provide fuel for civilian nuclear power plants. As you may know, the AEC's facilities for the enrichment of uranium are located in Oak Ridge, Tennessee; Portsmouth, Ohio; and Paducah, Kentucky. The original cost of these facilities was approximately \$2.4 billion, they have a current book value of about \$1.2 billion and their current annual operating cost on a full cost basis is approximately \$200 million. The plants are now operating at less than half of their full capacity, but by 1976 or so we expect them to be operating at full capacity with annual revenues of about \$473 million.

The piecemeal approach to which I refer is typified by the annual budget basis of enrichment construction and operations, the delays which have occurred in much needed programs to improve and uprate the facilities (the Cascade Improvement and Uprating Programs) and the two most recent increases in price for enrichment services. Hopefully the delays are now over on the Cascade Improvement and Uprating Programs; however, the overall approach taken in the uranium enrichment program has already created some uncertainty in the nuclear industry and among our free world friends as to our long term dependability as a supplier of enriching services. To transfer this program to a new agency at this critical

juncture in the development of nuclear power with all the problems inevitable in such a change can do little but aggravate this situation.

Among such problems, I would point out that supervisory management and overall policy and planning for such an organization would be extremely difficult in an agency with limited prior experience in large scale industrial management. The various interrelationships with AEC research and development programs, particularly at Oak Ridge, could also present difficulties.

What is needed instead is to continue the enrichment program under experienced Commission management but with greater emphasis on consideration of the various elements of the program as parts of an integral enrichment enterprise and within a framework of stable long range planning.

It would also make sense in the public interest to institute some early improvements in financing to give AEC authority outside the annual budget process to:

a. Utilize revenue for operations and capital improvements for these purposes and

b. Obtain supplementary capital financing from the Treasury.

The relationship of the proposed transfer of the enrichment program and facilities and the ultimate disposal of such facilities to private industry also requires consideration. The question of disposal of such diffusion plants has been explored by the Joint Committee on Atomic Energy.

NUCLEAR POWER RESPONSIBILITIES

I also believe transferring to the new Department those AEC civilian nuclear power development functions involving planning, budgeting and funding, coordination, assessment of resources, and establishment of priorities would be very undesirable.

The essential independence of the AEC from other energy oriented agencies was deliberately established by the Congress to assure attention commensurate with its potential as a leading element in the national energy program. The success of the light water reactor development program and the progress on the fast breeder reactor testify to the wisdom of such a decision. I might note in this regard that the President's Energy Message of June 4, 1971, gives top priority to the development of the fast breeder reactor. To now transfer these key reactor development functions to a new "super agency" would run counter to this intent of Congress and inevitably downgrade the vital breeder reactor program on which the energy needs of the nation will depend for the next fifty years.

In this connection, under the proposed reorganization, energy development is only one of a number of functions under one of a number of Administrators in a very large Department. I hardly think the proposed organizational location of the energy function is commensurate with its significance. And again, the traditional background and experience of the Department of Interior which, as reconstituted, would constitute the new Department of Natural Resources, has been in the field of coal and oil development and hydroelectric power. The Department's experience in large scale industrial research and development has been limited.

Coordination between energy development programs—which I certainly believe to be needed—can be more readily achieved without necessarily a complete reorganization of the involved agencies such as has been proposed by the Reorganization Bills.

For example, in the field of power supply and siting, significant and mutually beneficial coordination and liaison has already been established between AEC and those other agencies of the Federal Government with responsibility for energy and energy resources through the Interagency Power Plant Siting Group. The AEC was delegated to head up the development of this group's research and development recommendations.

In this regard, I might also mention that the Atomic Energy Commission has had very good relations with the Department of Interior in coordinating various aspects of research and development, particularly in the areas of desalting and related power and water matters under Assistant Secretary Smith.

Effective—but necessarily limited in scope—cooperation between government and industry in the area of research and development has also been achieved through the Electric Research Council—in which the Interior Department has taken the leadership but in which AEC is also a participant.

I believe that the experience gained in groups such as the Interagency Power Plant Siting Group and the Electric Research Council can readily—and perhaps even more effectively—be applied to the development of a coordinated governmental energy development effort. A suggestion somewhat similar to this was made by Chairman Nassikas of the FPC in his speech last June at the Edison Electric

Institute annual convention in Boston and I believe such a proposal has great merit.

One very logical step in the right direction has already been taken in this regard. Here I refer to the provisions in the AEC FY 1972 authorization legislation which recently passed Congress, and which would amend the Atomic Energy Act to broaden the Commission's authority to conduct environmental and energy-related research for others or under its own programs in areas other than those related strictly to nuclear missions. The Commission, its laboratories and its contractors have unique capabilities which can be devoted to work in the development of new technologies and improvements in existing technologies for the production of energy sources and the generation, transmission and utilization of energy. Under this legislation these capabilities could be used to this end. Let me mention a few examples of this sort of work:

The Argonne National Laboratory is embarked on a significant research program looking toward the development of a long-lived, lightweight battery. While EPA is currently supporting this battery development from the standpoint of pollution-free vehicle propulsion, the idea may be adaptable to bulk energy storage.

Our Oak Ridge Laboratory came up with the concept of large scale floating power plants for use in coastal areas. Such a concept has obvious environmental advantages, such as for cooling water. Westinghouse is seriously interested in the commercial application of this concept and Consolidated Edison and Jersey Central have been looking into it.

Oak Ridge has also studied the idea of large, multi-purpose, agro-industrial energy centers. Such a grouping might include interrelated industrial processes and large scale desalting of seawater for a highly intensified program of irrigating food crops.

In conclusion, I would note that the Department as proposed in the legislation does not consolidate in one agency all of the energy related functions of the Federal government. A number of key Federal agencies dealing with energy matters have not been included—notably the Federal Power Commission, the Rural Electrification Administration, and the Tennessee Valley Authority. In addition, under the Administration plan there will not even be a unification of energy related functions within the Department itself. For example, the operation of large hydroelectric facilities and the marketing of electricity will be under the Water Resources Administration rather than the Energy and Minerals Resources Administration.

Senator METCALF. Our next witnesses are Hon. Thaddeus R. Beal; Undersecretary of the Army and Gen. F. J. Clarke, Chief of the Corps of Engineers.

Secretary Beal?

Mr. BEAL. If I may lead off by asking that my full statement be placed in the record, I will try to summarize it for the committee.

Senator METCALF. There is a general order that all of these statements will appear in the record in their entirety as if read. We will be delighted to have you summarize.

TESTIMONY OF HON. THADDEUS BEAL, UNDER SECRETARY OF THE ARMY

Mr. BEAL. Thank you. The reason I am here today to testify in favor of the President's proposal for a Department of Natural Resources is that one of my responsibilities is to supervise the civil works program of the Army Corps of Engineers for the Department of the Army.

Rather than reemphasize some of the advantages, I would like to present an overall point of view of the proposed reorganization. I would simply say that one of the things we like about this reorganization is that it will strengthen the regional administration of virtually all Federal natural resource activities. The system, codified by the President's proposal, will permit a high degree of responsiveness to regional needs. This managerial philosophy for controlling this

essential organization is quite similar to that presently used by the Corps of Engineers.

I might just outline the main provisions of the administration's bill as they affect the Department of the Army and as they relate to the following two essential national capabilities.

First is the capability for planning, development, and management of our vital water and related land resources; and second, the capability to mobilize in order to meet those continually recurring disruptions caused by flood, hurricane, and other disasters and related civilian emergencies, and to mobilize for national defense and other national emergencies.

REORGANIZATION PROPOSALS AS RELATED TO DOD

The main feature of the proposed legislation relating to the Department of the Army is section 301(c)(1). That section transfers all civil works functions of the Department of the Army to the Department of Natural Resources, including all of the Corps' regulatory functions with the proviso that all civil works construction, operating and maintenance, flood and coastal emergencies, and related activities shall be funded by the Secretary of Natural Resources and accomplished through the Secretary of the Army and the Chief of Engineers.

Section 301(c)(2) of the proposed legislation transfers to the Department of Natural Resources all functions of the Board of Engineers for Rivers and Harbors, Coastal Engineering Research Center, Board on Coastal Engineering Research, Mississippi River Commission and the California Debris Commission; and section 501 would permit the Secretary of Natural Resources to abolish these Boards and Commissions. Section 506 authorizes the Director of the Office of Management and Budget to make such additional incidental dispositions of functions, personnel and funds as may be necessary to accomplish the purposes of the proposed legislation.

We think this approach has the advantage of achieving the objective of including in one department responsibility for comprehensive multiobjective overview of water resource policy and programs while permitting the effective and proven organization of the Corps of Engineers to continue to construct, operate and maintain particular approved projects.

The President's proposal also provides that natural disaster and emergency activities will be performed under the direction of the Secretary of the Army and the Chief of Engineers. Special disaster activities would continue to be carried out in cooperation with the Office of Emergency Planning. Over the years, the Corps of Engineers field organization, operating in all 50 States, has developed an invaluable body of knowledge and experience in dealing with natural disasters such as floods and hurricanes. Corps personnel possess an intimate acquaintance with local conditions and are experienced in dealing with States and local officials and contractors.

A viable engineering construction organization with planning capabilities is necessary to react effectively in performing this natural disaster function. It is essential to maintain in the Department of Defense an organization in being that is capable of providing an adequate mobilization base for times of national emergency. The Corps of Engineers organization has demonstrated its flexibility and

competence to undertake the urgent large-scale engineering and construction programs involved in the SAFEGUARD ABM missile system, NASA space program, Air Force MINUTEMAN system, and military buildup during the Korean and Vietnam wars. In addition, retention of such an organization in the Department of Defense means that Corps of Engineers officers will continue to receive the invaluable training provided by civil works assignments.

In conclusion, I want to state my belief that the quality of the Corps of Engineers' performance in water resources matters is unmatched by any other agency. Nevertheless, the challenges of a new era require that new means be found to fully coordinate planning and policy for all of our natural resources, including water. The President's proposal to put direction of water resources planning in one agency along with other planning for natural resources is a major step in preparing our Federal Government to work effectively with State and local governments and with private individuals in meeting the environmental and resource management problems that we face today and in the future.

The President's proposal is also advantageous because it would utilize the specialized technical capabilities of the Corps of Engineers and other existing agencies in performing detailed project planning, execution, operation and maintenance under the overall guidance of the Department of Natural Resources.

Moreover, it will preserve in the Defense Department the standby engineering and construction mobilization capability that is now more important than ever as we face a period of declining military standing forces. For all of these reasons, the Department of the Army and the Corp of Engineers support the proposed legislation.

Senator METCALF. Thank you very much for a very helpful statement.

General Clarke, do you want to supplement—

General Clarke. Mr. Chairman, I have no opening statement. Secretary Beal presented our position, sir.

(Under Secretary Beal's prepared statement follows:)

STATEMENT OF THADDEUS BEAL, UNDER SECRETARY OF THE ARMY

Mr. Chairman, and Members of the Committee, I am Thaddeus Beal, Under Secretary of the Army. Among my responsibilities is supervision of the Civil Works Program of the Army Corps of Engineers.

I am here today to testify in favor of the President's proposal for a Department of Natural Resources. With me is Lieutenant General Frederick J. Clarke, Chief of Engineers.

In recent years increasing public recognition has been given to the importance of accomplishing comprehensive and innovative planning for water and related land resources to meet the full needs of our changing society. Planning that was regarded as advanced a few years ago and adequate today will certainly be deficient in the years to come. Today, our nation faces the challenge of ever-mounting demands for water supply, water pollution abatement, recreation, flood protection, hydro-electric power, low-cost transportation, and other services of water resources development. As these public demands grow, we are faced with the challenge to meet them in ways that maintain and enhance environmental quality.

To respond to these and similar challenges involving our natural resources, the President proposes to give the Department of Natural Resources overall direction and coordination of Federal natural resources programs either by placing them in that Department or by providing the Department with the necessary comprehensive planning overview, policy formulation, project evaluation and budgeting review. As a result of being assigned this overall responsibility for shaping environmentally sound water resource development programs, the Secretary of Natural

Resources can, in coordination with other agencies, particularly the Environmental Protection Agency, most effectively respond to our nation's water resources problems. There is no question that the water planning and related efforts now executed by the Corps of Engineers, Bureau of Reclamation, Soil Conservation Service and Water Resources Council will benefit from the central direction and unity of purpose provided by the Department of Natural Resources.

In addition, the President's proposal for a Department of Natural Resources will strengthen regional administration of virtually all Federal natural resource activities. The regional system contemplated by the President's proposal will permit a high degree of responsiveness to regional needs by providing more regional decision-making authority enabling many of the problems now settled in Washington to be settled in the field. The managerial philosophy of utilizing a decentralized organization is quite similar to that presently used by the Corps of Engineers.

I wish to outline the main provisions of the Administration's bill as they affect the Department of the Army and as they relate to the following two essential national capabilities: First, the capability for planning, development and management of our vital water and related land resources; and second, the capability to mobilize in order to meet those continually recurring disruptions caused by flood, hurricane and other disasters and related civilian emergencies, and to mobilize for national defense and other national emergencies.

The main feature of the proposed legislation relating to the Department of the Army is Section 301(c)(1). That section transfers all Civil Works functions of the Department of the Army to Department of Natural Resources, including all of the Corps' regulatory functions, with the proviso that all Civil Works construction, operation and maintenance, flood and coastal emergencies, and related activities shall be funded by the Secretary of Natural Resources and accomplished through the Secretary of the Army and the Chief of Engineers. Section 301(c)(2) of the proposed legislation transfers to the Department of Natural Resources all functions of the Board of Engineers for Rivers and Harbors, Coastal Engineering Research Center, Board on Coastal Engineering Research, Mississippi River Commission and the California Debris Commission; and Section 501 would permit the Secretary of Natural Resources to abolish these Boards and Commissions. Section 506 authorizes the Director of the Office of Management and Budget to make such additional incidental dispositions of functions, personnel and funds as may be necessary to accomplish the purpose of the proposed legislation.

We think this approach has the advantage of achieving the objective of including in one Department responsibility for comprehensive multi-objective overview of water resource policy and program, while permitting the effective and proven organization of the Corps of Engineers to continue to construct, operate and maintain particular approved projects.

The President's proposal also provides that natural disaster and emergency activities will be performed under the direction of the Secretary of the Army and the Chief of Engineers. Special disaster activities would continue to be carried out in cooperation with the Office of Emergency Planning. Over the years, the Corps of Engineers field organization, operating in all 50 states, has developed an invaluable body of knowledge and experience in dealing with natural disasters such as floods and hurricanes. Corps personnel possess an intimate acquaintance with local conditions and are experienced in dealing with State and local officials and contractors.

A viable engineering construction organization with planning capabilities is necessary to react effectively in performing this natural disaster function. It is essential to maintain in the Department of Defense an organization in being that is capable of providing an adequate mobilization base for times of national emergency. The Corps of Engineers organization has demonstrated its flexibility and competence to undertake the urgent large-scale engineering and construction programs involved in the SAFEGUARD ABM missile system, NASA space program, Air Force MINUTEMAN System, military buildup during the Korean and Viet Nam wars. In addition, retention of such an organization in the Department of Defense means that Corps of Engineers officers will continue to receive the invaluable training provided by Civil Works assignments.

In conclusion, I want to state my belief that the quality of the Corps of Engineers performance in water resources matters is unmatched by any other agency. Nevertheless, the challenges of a new era require that new means be found to fully coordinate planning and policy for all of our natural resources, including water. The President's proposal to put direction of water resources planning in one agency along with other planning for natural resources is a major step in preparing our Federal Government to work effectively with State and local

governments and with private individuals in meeting the environmental and resource management problems that we face today and in the future. The President's proposal is also advantageous because it would utilize the specialized technical capabilities of the Corps of Engineers and other existing agencies in performing detailed project planning, execution, operation and maintenance under the overall guidance of the Department of Natural Resources. Moreover, it will preserve in the Defense Department the standby engineering and construction mobilization capability that is now more important than ever as we face a period of declining military standing forces. For all of these reasons, the Department of the Army and the Corps of Engineers support the proposed legislation.

General Clarke and I will be pleased to answer any questions that the Committee may have.

Senator METCALF. We are going to try to complete the panel discussion and then have you all respond in open interrogation.

Our next witness is Mr. Arnold R. Weber, Associate Director, Office of Management and Budget.

TESTIMONY OF ARNOLD R. WEBER, ASSOCIATE DIRECTOR, OFFICE OF MANAGEMENT AND BUDGET

Mr. WEBER. Thank you very much, Senator.

I am the anchor man in this array of witnesses, and I think my greatest contribution at this point can be brevity. The previous witnesses have spoken to the particular details of the proposed Department of Natural Resources. I would just like to make three comments:

First, OMB, on behalf of the Executive Office of the President, supports S. 1431, which would establish a new Department of Natural Resources. This bill is part of a set of four bills which aims at a comprehensive restructuring of the executive branch whereby seven major executive departments would be combined into four, each one of which would reflect a central mission or purpose of the executive branch of the Government. This is the theory which is common to the establishment of all the departments.

Having said that, I think it is important to note that each of the bills and each of the increments in the reorganization proposal is separable and stands on its own feet.

PROPOSED DEPARTMENT COULD BE ESTABLISHED INDEPENDENTLY

The Department of Natural Resources has definite benefits in its own right. It would be a viable department and could be established independently of the other three proposed new departments. Of course, it is still important that positive measures be taken on all four bills.

So I would like to underscore that fact. This bill is part of a comprehensive plan, but each component of the plan is separable and each has its own merits.

The second point I would like to make is that to be sure, as the chairman indicated, any reorganization involves, if you will, the shuffling of boxes and the development of new boxes. This is necessary, but in many instances it is unfairly characterized as having an excessively bureaucratic flavor to it. There is a feeling that somehow this will not affect the real functioning of programs in the field. I would just say that we think the redefinition and combination of functions will have a very real, perceptible, and dramatic effect on the functioning of government at all levels. The President's proposal does not merely involve the realignment of functions and establishment of new units.

Inherent in it, as described in the reference compilation of papers relating to the President's departmental reorganization program, is the articulation of a new delivery system; that is, specific steps to strengthen the authority of each Secretary so that he is more clearly accountable to the Congress and responsible to the President in carrying out his duties and so that he is provided with the tools to do this.

Therefore, although it is not explicitly defined in the proposed legislation, the reorganization program would involve a concerted effort to decentralize so that power, authority and resources would be moved on a concerted basis from Washington to the field where they can be closer to the people and closer to the problems that the programs are designed to solve. So I think that one important consideration to which OMB has given a great deal of attention in concert with the particular departments is how each reorganization will affect the real functioning of programs in the field.

INTELLIGENT DEBATE ESSENTIAL

As my third and final point—and just as a passing reference—we of course welcome Commissioner Ramey's comments, and we are aware that one of the purposes of this hearing and the President's proposal is to stimulate intelligent debate on a very important public issue that is often obscured.

I think Commissioner Ramey's statement has added to that debate, but for the record and for parliamentary reasons, it is significant to note that there are four commissioners and one chairman on the AEC, and one position, I understand, is vacant. When the commissioners and the chairman considered the role of AEC in the reorganization, the proposal finally developed was supported by Chairman Seaborg and by the other two commissioners.

Of course, as you know, Jim Schlesinger has been nominated as the new chairman of the AEC, and we hope he will be confirmed by the Senate. Since he got his experience in on-the-job training as an Assistant Director of OMB we very much expect he will endorse this program.

That completes my comments, Mr. Chairman.

Thank you.

Senator METCALF. Thank you very much.

(Mr. Weber's prepared statement follows:)

STATEMENT OF ARNOLD R. WEBER, ASSOCIATE DIRECTOR, OFFICE OF MANAGEMENT AND BUDGET

Mr. Chairman and members of the committee, I am pleased to appear before you today to present views of the Office of Management and Budget on S. 1431, a bill to reorganize and consolidate certain related functions of the Executive Branch in a new Department of Natural Resources.

Before commenting specifically on S. 1431, I would like to express the appreciation of the Administration for the attention which this Committee and its Chairman have given to the reorganization proposals transmitted by the President on March 25, 1971. The Committee has already held several days of hearings in which witnesses with extensive backgrounds in the organization and administration of Federal departments and agencies have unanimously endorsed the general objectives sought by the President in his Departmental Reorganization Program. As these witnesses have emphasized, the enactment of the four departmental bills now before this Committee will increase greatly the effectiveness of our Government by regrouping related programs now scattered among seven domestic Departments and several independent agencies into four Departments organized

around the major purposes which they will serve. The purposes relate respectively to community development, human resources, economic affairs, and natural resources.

Today's hearing constitutes an important milestone in the Congressional consideration of the President's departmental reorganization program since this is the first time that a Congressional Committee has taken up a bill establishing a specific Department. Moving from the general consideration of the reorganization program to the examination of S. 1431 is, therefore, an important step toward the enactment of this urgently needed legislation.

It is appropriate that the Department of Natural Resources be considered first by this Committee. Public concern over the preservation and utilization of our national heritage of water, land, mineral, energy and other natural resources has risen sharply in recent years—a concern that gives an increased urgency to the early establishment of a Natural Resources Department. It is also noteworthy that such a Department has been recommended by most groups which have studied the organization of Federal agencies in recent years, including the Ash Council in 1970 and earlier task forces which submitted reports to President Johnson in 1964 and 1967. It is also practicable to establish a Natural Resources Department without foreclosing the opportunity of the Congress to take such action as it may desire on the other departmental bills. In other words the proposed Department can be established so as to give recognition to the need for the integrated conservation and management of our natural resources without at the same time undermining the surviving departments. The Department of the Interior will, of course, be incorporated in its entirety into the new Department.

Secretary Morton and the witnesses from the other affected Departments and agencies have commented on the programs proposed for inclusion in the new Department and the reasons why their integration in a new Department will contribute to the improved management and conservation of our natural resources. I should like to add that the concepts underlying the proposed organization of this Department are the best we can draw from our experience. We have also proposed that the Secretary be equipped with the authority he will need to assure that the Department of Natural Resources will be well managed and will achieve a superior level of efficiency and effectiveness.

The departmental management system is based on two principles. First, as noted by Secretary Morton, there will be administrations to assure that substantive operations are vigorously directed by officials with the authority needed to bring about a high quality of management. Second, the Secretary will have the means in his office to assure that matters cutting across the administrations are effectively dealt with at the secretarial level.

The Secretary's direction of the Department will be aided by the important roles which the Deputy Secretary, the two Under Secretaries, an Assistant Secretary, and General Counsel will play as officials charged with assisting in matters of departmental policy formulation, priority setting, evaluation, and management. Important as these cross-cutting officials will be in the overall direction of the Department they are, with the sole exception of the Deputy Secretary, expected to serve in primarily staff capacities. Each administrator will have direct access to the Secretary and the Deputy Secretary on matters in which they have a substantive concern.

I should also like to call to the Committee's attention that the Secretary will have field representatives in the form of departmental regional directors. While it is expected that in most cases the program administrations will have their own field regions responsive to the administrators, it is likewise important that there be a departmental presence in each region. These regional directors will report to the Secretary and will assist in assuring that matters involving more than one administration are effectively handled in the field. The departmental regional directors will also represent the Department in dealings with State and local officials, interpret and communicate the policies of the Secretary and assist the Secretary in the evaluation of the field impact of the Department's program.

The bill supplies the Secretary of Natural Resources with the various authorities and powers which he needs to effectively manage the resources of the Department and to take those actions of an administrative character which are necessary for the efficient discharge of the program responsibilities vested in him by the Congress. He will, for example, be authorized to adjust the organization of the department, appoint many of its principal officials, delegate his functions, acquire facilities, establish a working capital fund, and conduct research and development.

The Department of Natural Resources is thus designed to draw upon the best experience which we have had in the management of departments and large agencies. We are confident that the Department will make a major contribution to the vitality of our democratic institutions.

Senator METCALF. When Secretary Connally testified before this committee he suggested that perhaps we should treat all four bills as a package, so I am delighted to have you come up and tell us that while the sum is greater than any of the parts, every one of these proposals: Human Affairs, Natural Resources, can stand on its own two feet. Maybe in a discussion with Senator Moss—we talked about human resources in connection with Indian Affairs—it may be that it cannot stand on its own two feet. If we have to do some shuffling and try to organize on that basis we would have to have natural resources here and human resources over on the other side.

But anyway, it is your opinion that we can consider each of these bills as a separate entity?

Mr. WEBER. Yes, sir.

FPC NOT INCLUDED IN PROPOSAL

Senator METCALF. I agree that Mr. Ramey has made a contribution, and having sometimes been on the minority side when I was on the court, and wrote some dissenting opinions, I don't always add up and call the score. I think you made a contribution.

But I don't understand, Mr. Ramey, why you bring regulatory agencies in as a part of this reorganization plan. You suggest that a number of key Federal agencies dealing with energy matters have not been included, including the Federal Power Commission.

Now, the regulatory agencies are outside, are they not, of all of this discussion, and that would include the Federal Power Commission?

Mr. RAMEY. There are certain functions, for example, that the Federal Power Commission carries on and does a very good job on, I might add, that are really essentially power planning and planning for energy. There is more controversy, I guess, on the gas side these days. It is more of a planning function that this bill seems to be aimed at, in part at least, and provides that there be put in one place the coordination of planning and budgeting and this kind of thing.

The power survey that Joe Swidler, as Chairman of the Federal Power Commission, initiated was issued in 1964, and I think just this year FPC is coming up with the first big updating of it, which is essentially a very good planning document for the electric power industry and they have an advisory group. It seems to me that is a part of what we are talking about on this need for coordinating energy development.

Now, the Federal Power Commission, as I mentioned in my statement, has been an active member of the Interagency Powerplant Siting Group, and also the environmental agencies were a part of that group. So at this overall coordinating level it was possible to get these groups together and to do at least some of this planning function.

Senator METCALF. The regulatory agencies are doing some of those jobs that you are talking about right now and allegedly independent agencies. Would you want to put something like the Federal Trade Commission over in the Department of Human Resources?

Mr. RAMEY. Well, that is a question a good deal out of my competence.

Senator METCALF. It is analogous, is it not?

Mr. RAMEY. I have seen some suggestions that the Federal Trade Commission and the Department of Justice ought to be combined in a consumer's protection agency or something like that.

My own theory of organization is a little more old fashioned and says that when you have got a big problem you concentrate on it. So, if you've got a big problem with the environment you set up an environmental protection administration; if you have an energy crisis you set up a separate energy administration or an energy commission.

Senator METCALF. You would want the Federal Power Commission, then, incorporated in this division of energy and mineral resources?

Mr. RAMEY. Only, I think, logically in relation to its planning functions as I was saying, Senator Metcalf.

Senator METCALF. You are probably talking to the wrong Senator, because I am very critical sometimes of the regulatory agencies, and I am glad to hear you say that you think the Federal Power Commission has done a good job. I am in complete concurrence with that at all times.

Maybe Senator Mansfield's suggestion that we get rid of all of these regulatory agencies and incorporate them into the new entity would be a little better suggestion. But that is outside the concept of these quasi-judicial agencies, such as regulatory agencies are. I am not prepared to make such a revolutionary proposal.

Mr. RAMEY. I think the thrust of my question and suggestion was that, in the case of the Atomic Energy Commission, its planning functions relating to the energy would be put in this new department. Logically, in the cases of other agencies that do planning, apart from quasi-judicial and regulatory, their planning functions relating to energy ought to at least be coordinated. I wouldn't propose they be put in this new agency, but they certainly ought to be part of an overall coordination of energy development.

RECESS FOR ROLL CALL

Senator METCALF. I am sorry, Mr. Secretary, but I had hoped that Senator Jackson would be back. That is the 5-minute bell. If I am going to get my name on the rollcall I will have to go over right away.

I wanted to ask Secretary Hardin why the Rural Electrification Administration was not included in this energy area?

Secretary HARDIN. The reason is that its primary function, Mr. Chairman, is with loaning funds to the various rural electric and telephone organizations to provide services to rural communities, rather than energy planning as such; therefore, it was judged by those who were participating in preparing the reorganization plan that its activities came under the jurisdiction of the Department of Community Development where these credit aspects of community development programs were being handled.

Senator METCALF. What about the Tennessee Valley Authority; is it your feeling that it is just such an independent agency that it doesn't have to be incorporated anywhere along the line?

Secretary MORTON. My personal feelings, Senator Metcalf—

Senator METCALF. You know much more about it than I.

Secretary MORTON. Our first concern is to get major related programs within a Department of Natural Resources. The feeling was that the Tennessee Valley Authority is a regional authority and moving it out into a department was sort of a reversal of the direction that was intended to achieve here, of moving the power of program planning and development closer to the people. To move that agency, because of the nature of it, into the DNR would sort of be bucking the stream of what we are trying to accomplish. Probably some others can speak to that problem far better than I can. I am sure Mr. Weber can because this was studied very closely by his group.

But my feeling is that if this would be contemplated it would be contemplated much further down the line than this initial step, because you would be putting another layer of management on top of it that I don't believe it needs in this point in time.

Senator METCALF. Again, my apologies. I hope Senator Jackson is back soon. I will be back just as quickly as I can. I don't know who is minding the store down at the other end of Pennsylvania Avenue with this influential group of panelists up here, but we can go along for 5 minutes or so.

(Short recess.)

Senator JACKSON (presiding). The committee will resume.

Secretary Morton, how would the proposed land-use planning legislation be handled? Are you in a position to comment on that—in the new department?

Secretary MORTON. First, Mr. Chairman, as you know, the Administration has a land-use bill, which is a bill to institutionalize the States. This is somewhat different than the approach that your bill has taken, and the approach to the bill which I introduced in the House at the same time you introduced your first land-use bill text.

The problem that we have now is that we don't really have a land-use planning expertise centralized in the Government. We know that as we go downstream and as we begin to develop greater effectiveness, we are going to have to develop a land-use planning expertise and capability in the Government to coordinate Federal functions with State and regional functions, with local government functions and with the functions that we visualize would develop in the community development agency or in the present HUD Agency.

NEED FOR LAND-USE CAPABILITY

The thing we would be able to do under this system is to develop a land-use capability that would really begin to function and would begin to do something and get it out of the talk stage, which I don't think we are really going to be able to do without some massive reorganization.

Now, we have already taken some steps in the Department of the Interior through departmental reorganization to address ourselves to the whole land-use problem. But I feel very, very strongly that by developing a Land and Recreation Administration within the Department of Natural Resources that we will at last have an organization which can totally address itself to the problem of land-use planning and the lead role in developing the policies and procedures required by either of the proposed bills which very properly fall into the DNR.

The bureaus and the other organizational entities get scheduled for inclusion in DNR have the capabilities and experiences, both organizationally and professionally, to provide strong leadership in developing these policy procedures for application to federally owned lands and for guidance in the State and local government efforts toward coordinating planning with other Federal agencies concerned with land-use planning, such as HUD and the Department of Community Development.

So I really feel, and I know we have discussed this privately and over and over again in the testimony of various land-use bills, that unless we really decide to build an expertise, an organization that can really do this, and we fund it properly which we can do in this proposed DNR, we are going to fall way short of the mark.

The need for land use planning has gone so far ahead of our capability that to execute land use plans, to make the necessary set-asides, we have got a long way to go to catch up. I think this is one way we can go to do it—it is obvious—look what has happened: take the jet port problem. Here is a jet port with millions of dollars spent on the development of the runway, the drainage of an area that was concluded to be environmentally an unsound proposition. All of that effort is now wasted. The project is shut down. There was no adequate land use planning that measured the sensitivity of the environment and correlated that airport with the environmental areas as well as developed areas.

So here we have in the DNR a proposal which would incorporate land use planning that would project into the future and not just be a remedial action that takes place after the fact.

Senator JACKSON. I would say by virtue of the fact that the proposed DNR would be responsible for over a third of the Nation's land, that that in itself should be one of the major reasons why it should play a major role in land use planning. Would you agree?

Secretary MORTON. Absolutely; I agree with that 100 percent.

COORDINATED EFFORT NEEDED

The problem today is there are two real land use plans that we have to have: one for the public domain and one for all the rest. This is a matter of coordination between Federal agencies involved and the State and local agencies involved. If we fragment the Federal responsibility and don't have the expertise in the Federal area, you are not going to have a coordinated effort.

We have got to bite this bullet. This is one of the important things that we have got to accomplish in the development of a Department of Natural Resources.

Senator JACKSON. How are we going to handle the kind of coordination problem that arose in this jet port case? What kind of coordination are we going to have to avoid that sort of thing in the future? These functions are not in the proposed bill.

Secretary MORTON. This is a very good example that you bring up. You are going to have your Land Management Administrator who is going to be your Land and Recreation Resources Administrator and your land use capability. Your land use capability is going to be an area where these things are going to come to light before somebody puts a bulldozer on the ground. You will have an undersecretary for policy, which will be a staff function in this very area.

Permits are not going to be issued until those resolutions are made, and we are not going to have to back off.

The Florida Barge Canal is another striking example of this. This taking one step forward and two steps back-type of approach that they have had to development, will be worked out in a department area that will be fully accountable. If this kind of thing occurs there will be some place that the Congress can put its finger and call for an accountability, which it can't do today.

Senator JACKSON. Well, there is no doubt that there has to be some real interagency coordination because so many of the activities of the other departments impinge on this whole problem of land use and without that kind of effort we will continue to have serious conflicts.

Was consideration given to placing the very large grant program of the EPA in connection with pollution control into the DNR? It seems to me that that is a function that ought to be within the DNR.

ENVIRONMENTAL POLICY ACT

Secretary MORTON. Well, we have listed that as a possibility for future study inasmuch as the EPA has just recently created its primary responsibilities, and they are of a regulatory nature. It was decided to keep the EPA independent for the time being. Following the creation of a Department of Natural Resources, a close relationship will be established with the EPA. Based on the experience gained through these relationships the Administration will be in a far better position to consider such reorganizational possibilities.

We are all too new under the Environmental Policy Act, I think, to make a firm judgment on this question. I think you will probably find some personal difference, both among your members of the committee who studied this, as well as among people who were studying this in the executive branch.

I would like to keep the door open for all functions of the EPA which are not regulatory, which are not of an enforcement nature, to be brought back into the line functions of the Department of Natural Resources. But I think we have got to recognize, Senator Jackson, that this step is a first step. It is going to require perfecting as we go downstream. We are setting up an organization which will, from a practical point of view, lend itself to perfective amendments and subsequent moves during the rest of the decade.

Senator JACKSON. I have a question that Senator McClellan wanted to ask Secretary Hardin. If I might ask this, Mr. Secretary.

I understand that the Soil Conservation Service has been very effective, particularly in its field operations which have assisted millions of farmers and other rural Americans. What benefits, therefore, will accrue from its transfer to the new department; that is, how will present functions operating in the department differ in the new department? Will the service be expanded or cut back; have a larger budget or less money with which to function? What is going to happen to it, in short?

Secretary HARDIN. Mr. Chairman, the fact of reorganization would not change the programs or the funding of the Soil Conservation Service, and I do not believe that there would be any change in the servicing of the farmers and ranchers in the more than 3,000 soil and water conservation districts.

We do think it is very important—and this came into the discussion several times—that the watershed planning function of the Soil Conservation Service be kept in the same department with the agency that has charge of carrying out the water development program.

We think it makes good sense that the Soil Conservation Service which is involved with a major portion of our national land and water resources, be a part of the new Department of Natural Resources.

I do not believe that the program levels would be changed by the fact of reorganization.

Senator JACKSON. In other words, you don't see much change in connection with the work that has been performed?

WILDLIFE CAN BE ENHANCED

Secretary MORTON. I believe the effectiveness in carrying out the functions would be enhanced. I believe we would move forward. We have some Soil Conservation Service watershed development projects that are being held up because SCS is at loggerheads with other agencies, and at the moment some of which are being held up because of differences of opinion and concern that has been voiced by one of the bureaus in the Department of the Interior. This resulted in the bringing of two Secretaries together.

I got together with Secretary Hardin at his request and we think there are solutions. We think there are plenty of ways that the wildlife habitat can even be enhanced instead of perhaps degraded by the efforts that the Soil Conservation Service wants to carry out to serve a rather substantial block of its constituency, namely, the farmers.

By bringing these into one agency instead of just waiting year after year—and that is what has happened in this particular case—the agencies so involved will attack the problem, will come up with a solution and we will move forward. We will move forward so that the environment does not have to pay the price. I think that by bringing the Soil Conservation Service into closer relationship with other elements in the DNR that not only will it be more efficient as far as the cost benefits are concerned, but it will get a lot more done in a lot less time and in a way that will preserve the other elements in the environment which we must preserve.

Senator JACKSON. Secretary Morton, in connection with the consolidation of the energy programs, I noticed that in the proposed table the administrator for water resources retains the marketing of electric power.

Now, shouldn't that really be under energy and mineral resources? Do you want to comment on that?

Secretary MORTON. The facts, are, Senator Jackson, as we all well know, the electric power that is produced and marketed today, and it is proposed to be marketed by the Administrator for Water Resources in the DNR, is hydroelectric power. It is the result of water management.

You raise a good question. There are so many other factors involved, such as the requirement to maintain fish ladders and other natural environmental aspects of the dams and reservoirs that water management is very important in the determination of the amount of electric

power that is available for marketing. I think it is a more conservative view than to keep the power marketing under the administrator for water resources.

EXCLUSION OF REGULATORY AGENCIES

Senator JACKSON. Along this same line—of course, the regulatory agencies like the FPC are excluded. TVA, REA, and AEC research are left out of the energy part of this operation. What is your comment on that?

Senator MORTON. I didn't hear what you said was left out; research?

Senator JACKSON. The Federal Power Commission is out. Of course that is a regulatory agency, but there are functions within the Federal Power Commission that could be included. I am not talking about the regulatory part but about TVA, REA, and the AEC research functions that relate to energy. I am not saying whether they should or shouldn't be included but it seems to me this is something that does raise certain problems and you may want to make a comment for the record.

I may say that I am going to submit some questions.

Secretary MORTON. First, Mr. Chairman, the activities of the Federal Power Commission were not included in the new organization because its role is being looked at separately in connection with the study of all regulatory agencies. That is No. 1.

The Environmental Protection Agency has just started in operation and we are studying how its functions could be incorporated.

The Ash Council recommended that the REA be included in the Department of Natural Resources, but a detailed study, as brought out by Secretary Hardin, shows that it is more interrelated with community development than really with the management of energy, and for that reason it was left out. There isn't any question that as these regulatory agencies are studied and where they have branched out from true regulatory functions into research and program functions at various times, they should be independently looked at. After the DNR is established it would be logical then to continue the study and continue a review of the functions of other related regulatory agencies to see if they would logically fit.

POSSIBLE INCLUSION OF OTHER AGENCIES

Senator JACKSON. What you are saying is that this is really not a final judgment, what we have before us; that there are other agencies as times goes on that should be drawn in, and what you have done basically is to take the key agencies, recognizing that you can't have all the relevant departments under one roof; isn't that a fact? It is a little bit of the compromising that goes on up here in the legislative process.

Secretary MORTON. I don't consider it a compromise—

Senator JACKSON. There is nothing wrong with it, you have had to compromise in the executive branch like we do up here.

Secretary MORTON. The facts are that you would not be able to put those functions constructively and profitably, from a return on tax dollars point of view, into an existing department. In order to make their transfer meaningful you would have to create, first, a Department of Natural Resources and develop the expertise, develop the

overall management concepts and develop the interrelations of what should be between functions that might exist outside of the agency with those that exist inside of the agency.

So, any such transfer of those functions, not being a compromise, would logically be a second step after you had an on-going and functional Department of Natural Resources.

Senator JACKSON. Well, Mr. Secretary, I want to thank you for your statement.

I want to thank all of the witnesses. We regret the constant interruptions. We want to finish this this morning. We will undoubtedly have you back at another time when we have had all of the other testimony.

If you could wait about 5 minutes I think one of the other Senators will be back. Senator Brock had some questions he wanted to ask Commissioner Ramey, and there may be some others. If you could bear with us it will save an afternoon session.

My guess is that we are going to have more votes this afternoon. It is going to be very difficult to carry on in an orderly way and I want to apologize for all of our activity over on the floor.

Secretary MORTON. Mr. Chairman, just one second.

If you would like, we would be very delighted and would like to send in to be included in the record of this hearing, answers to questions that you might want to address to us.

Senator JACKSON. Very good. We will submit the interrogatories. I will, and others will, too, and we will have them available. (The material not immediately available will be included when the hearings are resumed.)

(Short recess)

Senator METCALF (presiding). I want to say on behalf of the committee, and I know Senator Jackson would concur, that we are very pleased and honored that such a distinguished group came up here. This is important and significant legislation. I hope that some of the things I have advocated over the years will finally come about as a result of the activity this morning. It has been a very profitable and important hearing.

Thank you very much.

We will be in recess subject to the call of the Chair.

(Whereupon, at 12:20 o'clock p.m. the committee recessed, subject to call of the Chair).

(The following material was submitted for the record:)

EXHIBIT 37

U.S. SENATOR JOHN L. McCLELLAN QUESTIONS ON S. 1431 TO CREATE A DEPARTMENT OF NATURAL RESOURCES

Questions for General F. J. Clarke, Chief, Corps of Engineers

1. In connection with a typical project of the Corps of Engineers (such as a single purpose flood control project), how would it be authorized under the proposed Department (i.e., explain the present authorizing process and compare it to the process to be established under the new Department)?
2. Who would perform the survey for such a project?
3. How would it be determined who would perform such a survey?
4. In whose name would the survey report be transmitted to Congress?
5. What would be the review process for such a project?
6. Who would construct the project?
7. Who would seek funds for such a project?
8. Who would guide or supervise the undertaking for funds?
9. What would be the status of the Board of Engineers for Rivers and Harbors in the proposed Department? Does section 301(c)(2) abolish this Board?
10. What would become of the Board's present authority to initiate surveys by resolution?

Questions for Arnold Weber, Associate Director, Office of Management and Budget

11. Could you describe the specific functions of the Corps to be transferred under section 301(c)(1)?
 - (a) How much planning will go to the New Department—how many people?
 - (b) Should all construction be in one place—all planning in another?
12. There are a number of bills pending in this Congress to revitalize rural America. S. 10, which I introduced, is among these measures. What role, if any, would the new Department play in this field of rural development?
13. Is the language of section 506 standard (e.g., how does it compare with a similar provision in P.L. 89-670 which established DOT)?

Questions for Rogers C. B. Morton, Secretary of Interior

14. What regulatory functions would DNR have and how would they be administered? (Sec. 10) Construction permits—Refuse Act (Sec. 13) (1899 Rivers and Harbors Act) dredging and ocean dumping (1888 Supervisory Harbors Act) all now being handled by the Corps.
15. One of the purposes cited by the Administration for the proposed Department is "to achieve an integrated national policy for water resources management and use." In this regard, why was the Environmental Protection Agency excluded from the reorganization plan?
16. What is the history of the Department proposal? Why were prior reorganization attempts unsuccessful?

Question for Clifford M. Hardin, Secretary of Agriculture

I understand that the Soil Conservation Service has been very effective, particularly in its field operations which have assisted millions of farmers and other rural Americans. What benefits, therefore, will accrue from its transfer to the proposed Department? (i.e., How will present functions, operations and funding of the Service differ in the new Department—will the Service be expanded or cut back, have a larger budget or less money with which to function?)

DEPARTMENT OF THE ARMY,
OFFICE OF THE CHIEF OF ENGINEERS,
Washington, D.C., January 24, 1972.

HON. JOHN McCLELLAN,
Chairman, Committee on Government Operations,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: On 5 August 1971, in conjunction with hearings on S. 1431, a bill to create a Department of Natural Resources, you directed a series of questions to be answered by the Corps of Engineers, the Department of Interior and the Office of Management and Budget.

We regret the long delay in responding to the questions. However, since they addressed both matters of policy and Executive Branch organization and procedure, it was necessary that the answers be developed through extensive coordination between the several agencies involved.

Attached are answers to the questions addressed specifically to the Corps of Engineers and which indicate the major continuing responsibilities which the Corps will retain under the President's proposed reorganization plan. Please advise me if you have need for any additional or clarifying information.

Sincerely yours,

F. J. CLARKE,
Lieutenant General, USA, Chief of Engineers.

Question No. 1. In connection with a typical project of the Corps of Engineers (such as a single purpose flood control), how would it be authorized under the proposed Department (i.e., explain the present authorizing process and compare it to the process to be established under the new Department)?

CURRENT PROCESS

Answer. The authorization of a typical project of the Corps of Engineers initiates with the pre-authorization survey or study of a problem as authorized in a River & Harbors & Flood Control Act. Where previous legislation is broad enough to cover the problem area, the survey can be accomplished pursuant to a resolution of the House or Senate Public Works Committees. The Secretary of the Army also has the authority to cause a review of completed studies or project when necessitated by changed economic conditions, national defense need or to evaluate the need for changes in project operation or design.

Surveys are conducted by the appropriate field office of the Corps—generally the district offices. The project report resulting from the survey, including recommendations of the District Engineer are reviewed in the Division Office. The Division Engineer makes his recommendation and the report is sent to the Board of Engineers for Rivers and Harbors. The Board evaluates the report which then goes to the Office of the Chief of Engineers where it is circulated to the States and interested Federal agencies for review and comments.

Upon completion of the above steps, the Chief makes his recommendation to the Secretary of the Army. The Secretary, after appropriate consideration of all such recommendations, then transmits the project report, along with his recommendations, to the Office of Management and Budget for advice as to relationship of the proposal to the President's program. After receiving the advice of the Office of Management and the Secretary of the Army sends the report to the Congress where it is considered by the House and Senate Public Works Committees. Authorization of a project then follows the usual procedures concerning legislation in the Congress.

PROPOSED PROCESS

Congress would continue to authorize surveys and studies through the Rivers and Harbors and Flood Control Acts or by resolution of the Public Works Committees. Recommendations for a survey could come from concerned citizens, Congressmen and Senators, or from Federal and State agencies for consideration by the Committees as is now done for Corps studies. The Department of Natural Resources would be authorized to conduct the survey as part of its responsibility for planning, development and management of the Nation's water resources. The Secretary DNR would be authorized by Congress to conduct all field surveys. He, in turn, would assign specific project level preauthorization surveys to be accomplished by the Secretary of the Army, acting through the Chief of Engineers with DNR providing overall policy guidance and general overall coordination of the planning effort. Upon completion of the report of the Chief of Engineers, it would be circulated to the States and other Federal agencies for comments. The report would then be submitted to the Secretary of the Army for review and submission to the Secretary of DNR for DNR departmental review and evaluation.

Upon approval, the project would be transmitted by the Secretary of Natural Resources to the Office of Management and Budget for advice and then to the Congress for authorization. The Corps could appear with DNR in testimony before congressional committees. When the project is authorized for construction, the authorizing legislation would specify that the project is to be constructed by the Corps of Engineers, thus assuring that the Corps construction capability is preserved as contemplated by the reorganization legislation.

Question No. 2. Who would perform the survey for such a project?

Answer. Under the proposed reorganization, comprehensive multi-objective planning would be performed by DNR as described in the answer to question No. 1 above. Surveys leading to project authorization would continue to be performed by the Corps of Engineers.

Question No. 3. How would it be determined who would perform such a survey?

Answer. Survey authorization would be directed to the Secretary of DNR who would assign the project survey to the Secretary of the Army for accomplishment by the Chief of Engineers.

Question No. 4. In whose name would the survey report be transmitted to Congress?

Answer. The Secretary of Natural Resources.

Question No. 5. What would be the review process for such a project?

Answer. See answer to Question No. 1.

Question No. 6. Who would construct the project?

Answer. Section 301(c)(1) of the DNR bill specifically provides that all civil works construction, operation and maintenance, flood and coastal emergencies and related activities transferred to the Secretary of DNR shall be accomplished through and under the direction of the Secretary of the Army and the supervision of the Chief of Engineers. Accordingly, projects planned by the Corps of Engineers would be constructed by the Corps of Engineers.

Question No. 7. Who would seek funds for such a project?

Question No. 8. Who would guide or supervise the undertaking of funds?

Answer. Under the proposal, the Department of the Army would submit recommendations to the Secretary of DNR for funding project planning, design, construction, operation and maintenance. The Secretary of Natural Resources would review the estimates for these Corps activities along with estimates for other natural resources programs and make his recommendations to the Office of Management and Budget. The Secretary's recommendations would be considered in the preparation of the President's budget. The President's budget would then be considered by the Congress in the usual manner. It is anticipated that in presenting the budget of DNR to the Appropriations Committees, the Corps would participate in justifying its needs as would agencies within DNR.

Question No. 9. What would be the status of the Board of Engineers for Rivers and Harbors in the proposed Department? Does Section 301(c)(2) abolish this board?

Answer. Section 301(c)(2) does not abolish the Board. It transfers the functions of the Board of Engineers for Rivers and Harbors to the Secretary of Natural Resources. However, the Board would lapse under the provisions of section 501. A similar review group would be established at an organizational level above the Water Resources Administrator, probably in the Office of the Secretary of DNR, to provide the review previously given by the Board. In view of the Boards' expanded role and its responsibility relative to the Secretary DNR as the highest internal level of water resource project planning review, another name probably would be assigned to the review group. (Approximately 60 man-years of effort would be transferred to DNR from the Corps of Engineers.)

Question 10. What would become of the Board's present authority to initiate surveys by resolution?

Answer. No change is anticipated in the procedure whereby the Public Works Committee authorize surveys through Committee resolutions. However, such resolutions would authorize the DNR, rather than the Board, to conduct a study.

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., January 26, 1972.

Hon. JOHN L. McCLELLAN,
Chairman, Committee on Government Operations,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Enclosed are our responses to the three questions you directed to the Office of Management and Budget during the August 5, 1971, hearings on S. 1431, a bill to create a Department of Natural Resources. You should also be receiving from the Chief of Engineers and the Secretary of the Interior responses to the questions directed at them.

I regret the considerable delay in responding, but careful analysis and many discussions with the representatives of the affected agencies were necessary to provide clear and well supported answers to the procedural and substantive policy matters raised by your questions.

If we may be of any further assistance in clarifying how the Department of Natural Resources would discharge its water resources functions, please let us know.

Sincerely,

FRANK C. CARLUCCI,
Associate Director.

Enclosure. Questions 11-13.

Question No. 11. Could you describe the specific functions of the Corps to be transferred under section 301(c)(1)?

Answer. All of the functions of the Corps related to civil works or regulatory functions would be transferred. But the same section also provides that all civil works construction, operation and maintenance, flood and coastal emergencies, and related activities shall be accomplished through and under the direction of the Secretary of the Army and the supervision of the Chief of Engineers with funds transferred from DNR. Construction would include the design and advance engineering of projects.

Question No. 11 a. How much planning will go to the New Department—how many people?

Answer. All of the planning, including preauthorization surveys, would be carried out under the direction of the new Department. The actual conduct of project planning will utilize Corps personnel. Close collaboration is therefore expected between the planning personnel in DNR and the planning personnel in the Corps. Consideration is being given to locating these two groups in the same locations so that coordination can be facilitated. Further study will be required to determine the exact number of Corps personnel who would be transferred but it is estimated, based upon current work loads, that about 300 man-years of planning and related support effort (including budget) would be transferred from the Corps. In addition to the permanent DNR staff, provision may be necessary for reimbursable help from the Corps as required to meet peak planning needs.

Question No. 11b. Should all construction be in one place—all planning in another?

Answer. If it were not for the need to retain mobilization construction capability in the Army, it would be logical to transfer all civilian personnel concerned with civil functions of the Corps to the DNR. However, the responsibilities for project design, construction, operation and maintenance are left with the Corps because of the need to retain this capability. There is no need to transfer additional construction capability to the Corps to maintain its mobilization functions.

Certainly it is desirable that the planning and the construction functions not be separated completely. For that reason while DNR would direct all water resources planning, the project planning activities would be carried out by Corps personnel.

Question No. 12. There are a number of bills pending in this Congress to revitalize rural America. S. 10, which I introduced, is among these measures. What role, if any, would new Department of Natural Resources play in this field of rural development?

Answer. The revitalization of rural America will be more the responsibilities of the proposed Departments of Agriculture and Community Development rather than the Department of Natural Resources. Nevertheless, the proper management of our public lands and our vital natural resources under the direction of the DNR will also directly foster the development of rural areas.

Question No. 13. Is the language of Section 506 (of the Department of Natural Resources Bill) standard? For example, how does it compare with a similar provision in Public Law 89-670 which established the Department of Transportation?

Answer. Section 506 of the DNR Bill is standard in the four reorganization bills. It appears as Section 506 in the Community Development and Economic Affairs Bills and as Section 505 in the Human Resources Bill.

The Department of Transportation Act, Public Law 89-670, does not contain a separate provision precisely comparable to Section 506 of the DNR Bill. However, Section 9(g) of the DOT Act is roughly comparable to Section 506 of the DNR Bill. It too provides for the transfer of personnel, personnel positions, assets, liabilities, contracts, etc., from superseded agencies. Section 9(g) of the DOT Act confines such transfers to such of the foregoing "as the Director of the Bureau of the Budget shall determine shall be transferred to the Secretary." Section 506 of the DNR Bill is more limited in that the Director of the Office of Management and Budget is confined to "incidental dispositions of functions, personnel positions, assets, liabilities, contracts, etc. (italic supplied)

Congress has required that Presidential Reorganization Plans "shall provide for the transfer or other disposition of the records, property, and personnel affected by the reorganization" and for the "transfer of such unexpended balances

of appropriations, and of other funds, available for use in connection with a function or agency affected by a reorganization, as the President considers necessary by reason of the reorganization, or for the use of the agency which shall have the functions after the reorganization plan is effective." (5 U.S.C. 904.) Consistent with this mandate Presidential Reorganization Plans have long included a provision authorizing the Director of the Office of Management and Budget to make incidental dispositions.

Sec. 1003 of No. 3 of 1946, 60 Stat. 1102 (Numerous functions).
 Sec. 3 of No. 7 of 1949, 63 Stat. 1070 (Public Roads Admin.).
 Sec. 3 of No. 16 of 1950, 64 Stat. 1268 (Education and Health).
 Sec. 4 of No. 17 of 1950, 64 Stat. 1269 (Public Works).
 Sec. 4 of No. 18 of 1950, 64 Stat. 1271 (Buildings and Space Management).
 Sec. 305 of No. 21 of 1950, 64 Stat. 1277 (Maritime).
 Sec. 5 of No. 22 of 1950, 64 Stat. 1278 (FNMA).
 Sec. 4(b) of No. 8 of 1953, 67 Stat. 643 (U.S. Information Agency).
 Sec. 3 of No. 10 of 1953, 67 Stat. 645 (Payments to Air Carriers).
 Sec. 6(d) of No. 1 of 1954, 68 Stat. 1280 (Foreign Claims Settlement Comm.).
 Sec. 3(c) of No. 2 of 1954, 68 Stat. 1281 (RFC Liquidation).
 Sec. 7(c) of No. 1 of 1958, 72 Stat. 1800 (Civilian Mobilization).
 Sec. 303(b) of No. 7 of 1961, 75 Stat. 843 (Maritime Functions).
 Sec. 31(b) of No. 2 of 1962, 76 Stat. 1256 (Science Agencies).
 Sec. 3(b) of No. 1 of 1966, 80 Stat. 1607 (Community Relations Service).
 Sec. 4(b) of No. 2 of 1966, 80 Stat. 1609 (Water Pollution Control).
 Sec. 2(b) of No. 1 of 1967, 81 Stat. 947 (Ship Mortgages).
 Sec. 502(b) of No. 3 of 1967, 81 Stat. 979 (Government of District of Columbia).
 Sec. 6(b) of No. 1 of 1970, 3 C.F.R. 196 (1970 Comp.) (Office of Telecommunications Policy).
 Sec. 4(b) of No. 3 of 1970, 3 C.F.R. 202 (1970 Comp.) (Environmental Protection Agency).
 Sec. 4(b) of No. 4 of 1970, 3 C.F.R. 205 (1970 Comp.) (National Oceanic and Atmospheric Administration).

U.S. DEPARTMENT OF THE INTERIOR,
 Washington, D.C., January 24, 1972.

HON. JOHN L. MCCLELLAN,
 Chairman, Committee on Government Operations,
 U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: As a part of the August 5, 1971, hearings on S. 1431, a bill to create a Department of Natural Resources, you directed a series of questions to be answered by the Corps of Engineers, the Office of Management and Budget and this Department.

We regret the long delay in responding to the questions. As Chairman of the Department of Natural Resources Task Force, it was necessary that I participate fully in the extensive analysis and interagency discussions which were required to assure that meaningful answers were developed which clearly reflected implementation of the President's reorganizational objectives. Since the questions addressed to the Chief of Engineers and to the Office of Management and Budget involved policy, organization and procedures, it was necessary that the answer to any one question be delayed until all related factors had been resolved.

I am confident that, as a result of the type of questions you asked, much progress has been made in laying the groundwork for more effective water resource management with a Department of Natural Resources. Attached are the answers to the questions addressed to me. Please call upon us for any additional information or clarification that you may need.

Sincerely yours,

ROGERS C. B. MORTON,
 Secretary of the Interior.

Enclosure: Questions 14-16.

Question No. 14. What regulatory functions would DNR have and how would they be administered? (Sec. 10) Construction permits—Refuse Act (Sec. 13) (1899 Rivers and Harbors Act) dredging and ocean dumping (1888 Supervisory Harbors Act) all now being handled by the Corps.

Answer. Starting on page 206 of the Papers Relating to the President's Departmental Reorganization Program, March 1971, the transferred Corps functions and relationships are described as follows:

Subsection 301(c) transfers to the Secretary of Natural Resources, under paragraph (2), such of the functions of the Secretary of Defense, the Secretary of the Army, the Assistant Secretary of the Army for Civil Works, and the Chief of

Engineers and the Corps of Engineers of the Department of the Army, as related to or are utilized for civil works and regulatory functions, with the proviso that all civil works construction, operation and maintenance, flood and coastal emergencies, and related activities so transferred shall be accomplished through and under the direction of the Secretary of the Army and the supervision of the Chief of Engineers. To the extent they are codified, the laws authorizing these programs are found in title 33 of the United States Code.

The civil works functions of the Corps include the investigation, study, planning, construction, and operation and maintenance of measures for navigation, flood control, fish and wildlife enhancement, hydroelectric power, recreation, municipal and industrial water supply, beach erosion control and beach restoration, and water quality. Included are authorities for compensive river basin studies, flood plain information studies, emergency flood and coastal protection, a vast number of individual project authorizations, and continuing authorities to construct small projects without the specific authorization of the Congress.

The bill provides that the construction and operation of civil works, the provision of aid in flood and coastal emergencies, and related activities so transferred would continue to be accomplished through and directed by the Secretary of the Army and the Corps of Engineers. This will assure the continued training and experience of officers of the Army Corps of Engineers in contract administration, construction, and coordination with civilian authorities; preserve the flexibility, efficiency, and responsiveness of the Corps to meet alternating civil and national defense needs; and maintain the capability of the Corps to provide assistance to civilians in emergencies. However, the functions of investigation, study, planning, budgeting and funding, and coordination would be transferred to the Secretary.

The civil regulatory functions of the Corps, which would be transferred to the Secretary, pertain generally to the protection of the navigable waters of the United States. No filling, erection of structures, dredging, diversion of flow, or depositing of refuse in such waters may be done unless permitted by the Secretary, who, in determining whether permission should be granted, considers all matters relating to the general public interest, including navigation, flood control, economic matters, fish and wildlife values, and ecological, esthetic, and environmental values.

Certain study and review functions are vested by law in the Board of Engineers for Rivers and Harbors, the Coastal Engineering Research Center, the Board on Coastal Engineering Research, the Mississippi River Commission, and the California Debris Commission. These functions are also transferred to the Secretary by paragraph (2) of the subsection.

Within these concepts the DNR would be responsible for water resource planning, policy and funding for civil activities to be performed by the Corps. While the civil regulatory functions are included in this transfer, the Corps would be delegated the responsibility of their implementation subject to appropriate DNR policy, plans and funding allocations. There will be more positive and closer correlation and coordination with all other DNR land use, water and resource and environmental activities. However, changes subsequently may be made either by decision of the Secretary of DNR or by legislative action. An example of the latter is the Administration's proposal to transfer the 1899 Refuse Act administration to the Environmental Protection Agency since its use is most applicable to water quality considerations. Similarly, other regulatory functions being incorporated into the DNR would continue to be administered by the organizational unit currently responsible until such time as the Secretary may find that such responsibilities could otherwise be more effectively accomplished.

Question No. 15. One of the purposes cited by the Administration for the proposed Department is "to achieve an integrated national policy for water resources management and use." In this regard, why was the Environmental Protection Agency excluded from the reorganization plan?

Answer. Creation of the Environmental Protection Agency was proposed by Reorganization Plan No. 3, July 9, 1970. The new agency came into being as of December 2, 1970.

In organizational terms, this required pulling together into one agency a variety of research, monitoring, standard-setting, and enforcement activities that were scattered through several departments and agencies. This provides a central focus for setting, enforcing and achieving pollution control standards.

In establishing EPA as a separate agency, the President considered the following major factors:

1. Almost every part of government is concerned with environment in some way, and affects it in some way. Yet each department also has its own primary mission—such as resource development, transportation, health, defense, urban growth or agriculture—which necessarily affects its own view of environmental questions.

2. If the critical standard-setting functions were centralized within any one existing department it would require that department constantly to make decisions affecting other departments—in which, whether fairly or unfairly, its own objectivity as an impartial arbiter could be called into question.

3. Because environmental protection cuts across so many jurisdictions, and because arresting environmental deterioration is of great importance to the quality of life in our country and the world, a strong, independent agency is needed. EPA works closely with and draws upon the expertise and assistance of all other agencies having experience in the environmental area.

In view of the close relationships that exist between natural resources use and development and the need for protecting and enhancing the quality of the environment, consideration was given to the merits of including EPA in the proposed Department of Natural Resources. In the final analysis there are significant advantages to maintaining EPA as a separate regulation, monitoring and control agency which can respond to environmental problems in a manner far beyond the capability of individual pollution control programs. Placing the environmental standard-setting and enforcement functions in a department which has direct program operational relationships with industries which can pollute could raise questions of the department's objectivity. EPA, working closely with all other Federal agencies has the authority and capacity to do research on important pollutants irrespective of the media in which they appear, and on the impact of these pollutants on the total environment. EPA will also participate in regional water resources planning with DNR.

EPA was just beginning to become operational at the time the President was formulating his reorganization proposal for the Department of Natural Resources. In view of the dominant importance of environmental regulation, control and monitoring which cuts across such a wide range of Federal activities, the decision was to implement the functions of EPA as an independent agency to assure timely achievement of its related benefits. However, this does not preclude further study of individual EPA functions, programs, etc., for possible future transfer to the Department of Natural Resources as a part of its overall natural resource responsibilities.

Question No. 16. What is the history of the Department proposal? Why were prior reorganization attempts unsuccessful?

Answer. The recommendation of the President's Advisory Council on Executive Organization parallels in many respects various proposals which have been put forth by previous Presidential Councils and by members of Congress. Examples of previous Presidential efforts include the President's Administrative Management Committee (Brownlow) in 1937, a minority of the Hoover Commission in 1949, and the President's Task Force on Government Organization in 1964. It is difficult to evaluate why prior reorganization attempts were unsuccessful. However, the principal reason appears to be that earlier attempts to reform the structure and procedure of Government have suffered from an unwillingness to attack the system in its entirety. Instead, minor corrections have been made which have not produced significant changes in Government effectiveness.

President Nixon set forth the concepts for his proposed reforms in his State of the Union Message of January 22, 1971:

"Based upon a long and intensive study with the aid of the best advice available, I have concluded that a sweeping reorganization of the executive branch is needed if the Government is to keep up with the times and with the needs of the people. * * *

"The time has come to match our structure to our purposes—to look with a fresh eye, to organize the Government by conscious, comprehensive design to meet the needs of a new era."

President Nixon's reorganization proposals face the issues squarely and present to the Congress and the people a total plan rather than the relatively piecemeal approaches of previous Administrations. His major emphasis is to organize the executive branch around the major purposes of government—natural resources, human resources, economic affairs and community development.

For many years various members of Congress have proposed legislation calling for a natural resource oriented reorganization similar to the proposed Department of Natural Resources. Congressional hearings have been held, but none of the Congresses pursued such proposals to enactment.

QUESTION FOR CLIFFORD M. HARDIN, SECRETARY OF AGRICULTURE AT HEARING BEFORE THE SENATE COMMITTEE ON GOVERNMENT OPERATIONS, AUGUST 5, 1971, ON S. 1431, A BILL TO ESTABLISH A DEPARTMENT OF NATURAL RESOURCES

Question. I understand that the Soil Conservation Service has been very effective, particularly in its field operations which have assisted millions of farmers and other rural Americans. What benefits, therefore, will accrue from its transfer to the proposed Department? (i.e., How will present functions, operations and funding of the Service differ in the new Department—will the Service be expanded or cut back, have a larger budget or less money with which to function?)

Answer. The principal advantage of the reorganization is that all of the significant policy formulation, planning and evaluation activities associated with water resource project development and management will be under the direction of a single Cabinet Officer, the Secretary of the Department of Natural Resources. It will provide him with the authorities and capabilities to shape water and land resource programs to most effectively meet national, regional and local water needs in the decades ahead. It will provide for positive coordination of water resource activities with land use and other natural resource and environmental programs to be centered in the DNR.

The direction of change will be toward an organization pattern centered on achieving "common purpose" and "broad program area" integration. Accordingly, over a period of three to five years, some of the existing bureaus and programs could lose their present identities and be merged or restructured into new components which will be more closely integrated to achieve the Secretary's broad water, land use and other resource, and environmental "common purpose" objectives. Bureaus having more of a single-purpose nature could remain relatively unchanged, except for improved direction toward, and systems for, achieving optimum program coordination.

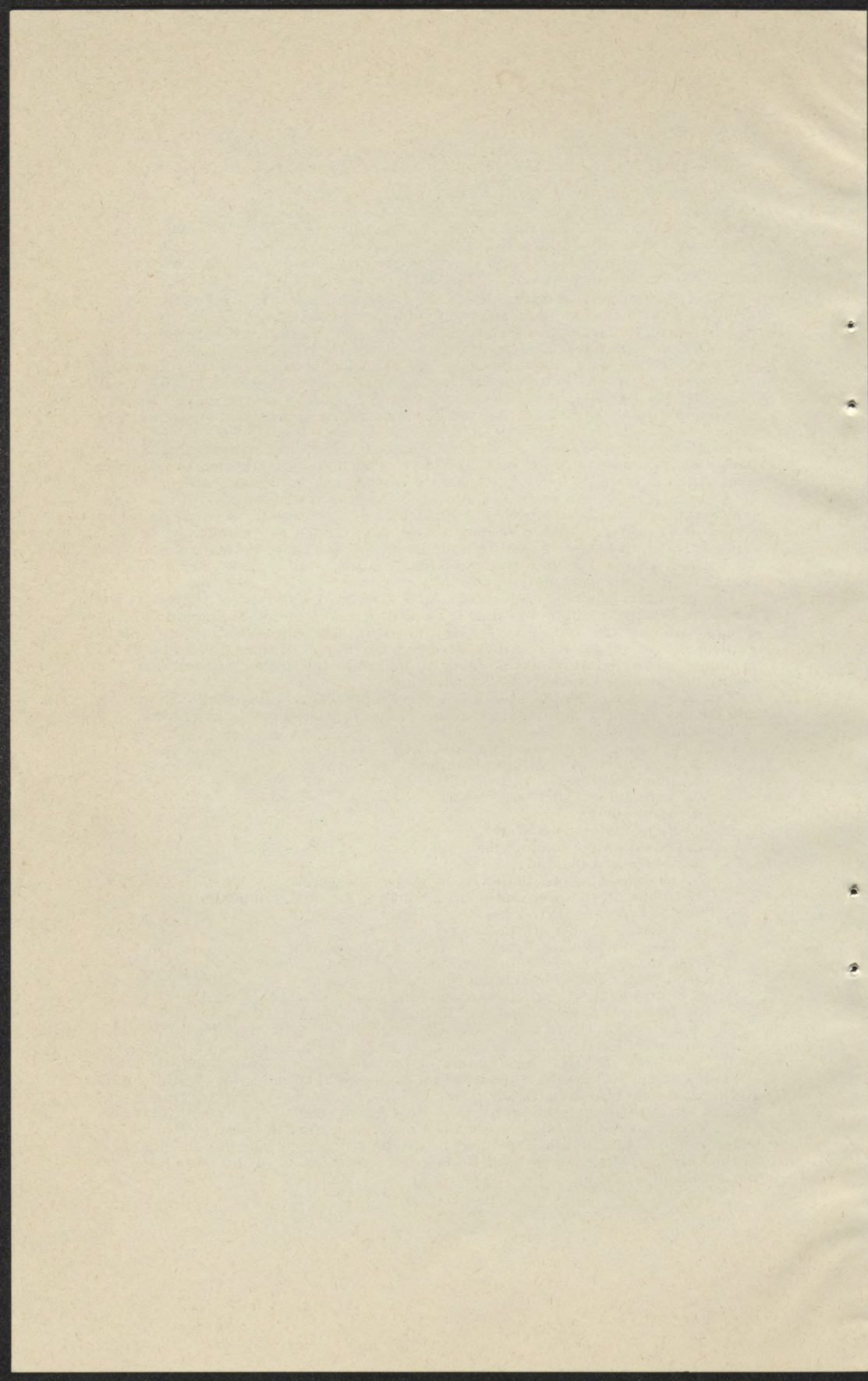
The inventory, financial and technical assistance endeavors of the Soil Conservation Service would be continued. Their programs focus on aiding individuals, groups, communities and units of government to plan land and water and use to implement conservation measures designed to protect water, soil and related resources. Every effort would be made to maintain the delivery system and the highly decentralized mode of CSS operations.

The wide range of Soil Conservation Service programs will continue to impact and benefit the farm and ranch programs of the Department of Agriculture.

These include:

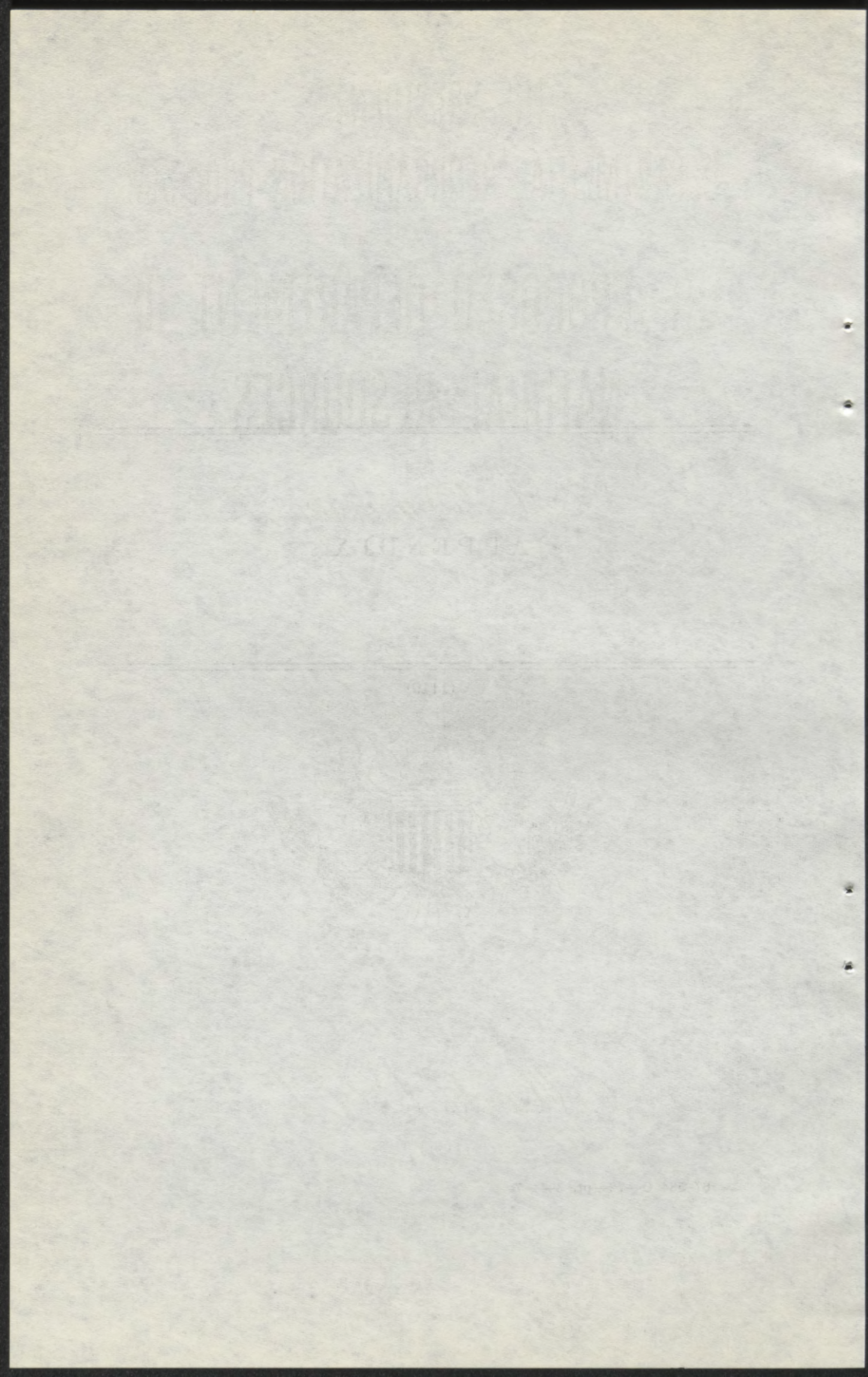
1. Conservation operations programs.
 - a. Resource conservation planning.
 - b. Land treatment.
 - c. National soil surveys.
 - d. Snow surveys.
 - e. Plant materials centers.
2. Watershed protection and flood prevention (P.L. 83-566).
 - a. Watershed planning.
 - b. Design and construction of structural measures.
 - c. Cooperative water and related land and resource studies.
3. Flood prevention (P.L. 78-534).
 - a. Subwatershed work plans.
 - b. Design and construction of structural measures.
4. Great Plains Conservation Program.
5. Resource conservation and development program.
 - a. Project investigations and planning.
 - b. Resource development and technical services.

The Secretary of DNR would seek the funding for water resources programs. The Secretary of the Army would submit the Corps of Engineers recommendations to the Secretary of DNR for funding of project planning, design, construction, operation and maintenance. Similar submissions would be made for the Bureau of Reclamation, Soil Conservation Service and other water resources programs by the various bureaus through the Water Resources Administrator. The Secretary of the DNR would review the estimates of the Corps along with the estimates for other water resource and natural resource programs and make his recommendations to the Office of Management and Budget for consideration in the preparation of the President's budget.



APPENDIX

(1119)



THE PRESIDENT'S
DEPARTMENTAL REORGANIZATION PROGRAM
THE PROPOSED DEPARTMENT OF
NATURAL RESOURCES

A Summary



March 1971

(1121)

THE PRESIDENT
DEPARTMENTAL REORGANIZATION PROGRAM
THE PROPOSED DEPARTMENT OF
NATURAL RESOURCES

BY CHANDLER



May 1921

Department of Natural Resources

Summary

Introduction - The President has proposed establishment of a Department of Natural Resources concerned with our physical environment, including the preservation and balanced use of the Nation's natural resources. This proposal is consonant with the need for consolidation of resource programs recognized in studies over the past fifty years.

The needs of future generations can only be met if effective action is taken now to accommodate the demands of a growing population, increased per capita consumption, and the need for restoring, protecting, and enhancing environmental quality. The challenges facing the Nation are:

- To provide sufficient supplies of petroleum and other sources of energy, water, minerals, and timber to support our future economic development;
- To maintain and enhance our forests, unique natural resource areas, historic properties, lands, waters, fish and wildlife, beaches, and estuaries so as to meet aesthetic, cultural and recreational needs of the people;
- To understand our physical environment and the natural and man-made changes that are taking place so that modifications can be made when advantageous and possible, and, when modifications are not possible, to provide advance hazard warnings;
- To manage our resources in a way which will assure ecological balance and thus sustain the basis on which public needs can continue to be fulfilled.

The close relationships among resource uses must be recognized. Forestry practices directly affect water supplies, fish and wildlife, and outdoor recreation. Flood control or water supply projects have similar impacts on other resource values. Mineral development and utilization can, if carelessly done, destroy other resources and result in serious water and air pollution. The need for balance and environmental protection and enhancement is linked directly to every form of natural resource use. These inter-relationships are not recognized under the current organizational structure.

The Department of Natural Resources will bring together natural resource programs which are now scattered throughout several Federal organizations and will provide the essential capabilities required to weigh alternatives and priorities in program planning, establish policies, and operate programs to meet national objectives. The mission of DNR will be to provide leadership for assuring: adequate supplies of natural resources; a better understanding of the earth, atmosphere and the oceans; availability of technology for development and utilization of natural resources; a national energy policy that optimizes use of limited resources; an aesthetically pleasing environment; and adequate outdoor recreational opportunities.

Rationale for DNR - Federal natural resource programs have developed on a piecemeal basis over the years, resulting in programs scattered among agencies with attendant overlaps, inefficiencies and voids. Examples of this scattered array are major water resources development programs in the Departments of the Interior, Agriculture, and Army. Nonmilitary Federal lands are administered by four agencies in the Departments of Agriculture and the Interior, with lands often adjacent to each other and sometimes intermingled. Federal recreation areas are administered by six different agencies in the Departments of the Interior, Agriculture, and Army and by the Tennessee Valley Authority. While creation of the National Oceanic and Atmospheric Administration within Commerce achieved significant consolidation, the related offshore oil, gas, and mineral resource programs are separately managed by Interior. Energy programs are scattered among the Departments of the Interior, Transportation, Army and the Atomic Energy Commission.

Under the existing structure, there are numerous problems:

- No single official is responsible for formulating and implementing a unified national policy in such areas as land management, energy resources development or water resources management.
- Agencies' programs are sometimes at cross purposes, generating jurisdictional conflicts, wasted effort or lack of vigorous action.
- Duplication results in common management functions such as construction, surveys and mapping, and land appraisal and acquisition.
- State and local governments, private organizations, and individuals have had to deal with several agencies in addressing common natural resource problems.

Functions - DNR will provide national leadership and establish effective working relationships with private organizations and individuals, State and local governments, and other Federal agencies in order to:

- foster the conservation, management, and utilization of natural resources;
- assure maintenance of the ecological balance necessary to sustain human and unique plant and animal life systems;
- explore and survey the earth, the atmosphere, and the oceans and to assess their physical characteristics;
- conduct scientific research and encourage development of technology to conserve and efficiently

utilize natural resources with minimum impact on the environment;

- undertake programs for the optimal development of various energy sources, including research on nuclear power and managing uranium raw materials and enrichment;
- provide physical and economic data, maps, charts, and hazard warnings, and other information regarding the earth, atmosphere and oceans;
- manage Federal public lands and other resources, including national parks, forests, wildlife refuges, fish hatcheries, and minerals;
- preserve irreplaceable park, wilderness, scientific, historic, fish and wildlife, and other biotic resources;
- assist in providing outdoor recreational opportunities;
- plan and undertake programs for the conservation, management, and utilization of land, water, forest, range, mineral, fish and wildlife resources;
- facilitate the development and protection of commercial fisheries;
- foster the health and safety of miners;
- assist in achieving oil and gas pipeline safety; and
- foster development of the potential of Indians, Alaska natives, and territorial peoples.

Organization of DNR - Natural resource programs will be grouped on the basis of common purposes. Following are

the primary groups with functions of the existing statutory agencies and programs that would be placed therein.

- Land and Recreation Resources - The land component would include the Bureau of Land Management of Interior and the Forest Service, Economics Research Service (Natural Resources Economics), and Agricultural Research Service (Soil and Water Conservation) of Agriculture. The recreation component would include the Bureau of Outdoor Recreation, National Park Service and Bureau of Sport Fisheries and Wildlife of Interior.
- Water Resources - This would include the functions of the Water Resources Council, including policy formulation, comprehensive river basin planning, and administration of planning grants to States. Also, included would be the Bureau of Reclamation, Power Marketing Agencies, Office of Saline Water and Office of Water Resources Research of Interior; the Corps of Engineers (civil functions planning, policy and funding) of the Army; and the Soil Conservation Service and Farmers Home Administration (Watershed Loans) of Agriculture.
- Energy and Mineral Resources - This would include the existing constituents of Interior, oil and gas pipeline safety of Transportation, and four programs of the Atomic Energy Commission: raw materials management, uranium enrichment, civilian nuclear power development, and Plowshare. R&D and related activities of the latter two nuclear programs would be carried out through the AEC.
- Oceanic, Atmospheric, and Earth Sciences - This would include the Geological Survey of Interior and the National Oceanic and Atmospheric Administration of Commerce.
- Indian and Territorial Affairs - This would include functions of the Bureau of Indian Affairs and Office of Territories now vested in Interior.

Management of DNR - Effective management of DNR will be ensured by providing the Secretary with the authority and

capabilities to carry out its mission. The Secretary would be vested with the functions of DNR and have authority over its internal organization and appointment of subordinates.

The Secretary would concern himself primarily with the priorities and strategy for his department, its overall performance and be its spokesman to the President, the Congress and the public. He would be assisted by a strong managerial team. The Deputy Secretary would serve as the General Manager and the Secretary's alter-ego and would be responsible for allocating resources, assessing the quality of program performance, and harmonizing the efforts of the line and staff elements. Two Under Secretaries would serve as staff arms in such areas as development of overall policy strategy and plans for implementation, organization, and business management. An Assistant Secretary for Research and Technology would provide staff support in promoting, assessing and coordinating activities in this area.

The programs would be carried out through five Administrations representing broad subdivisions of the Department: Land and Recreation Resources; Water Resources; Energy and Mineral Resources; Oceanic, Atmospheric, and Earth Sciences; and Indian and Territorial Affairs. The respective Administrators will be appointed by the President and confirmed by the Senate and will be accountable for the programs under their purview.

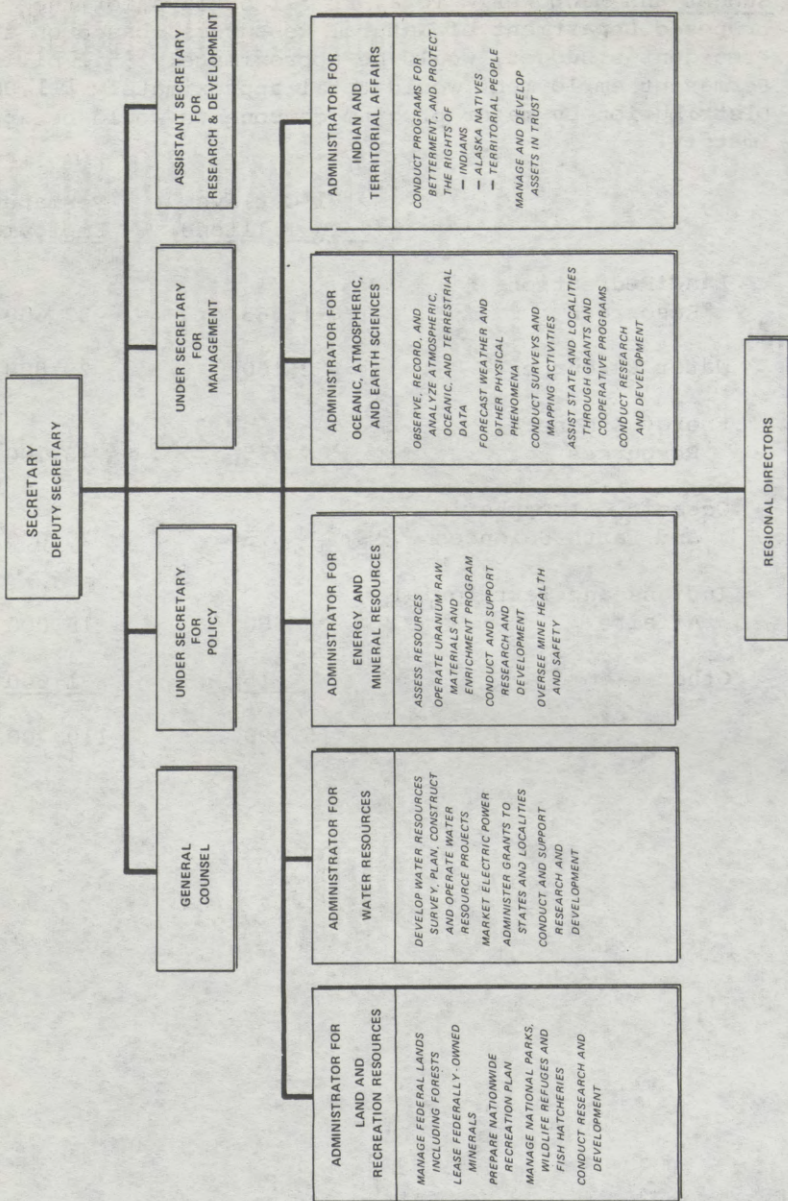
Secretarial representation in the field will be provided by Regional Directors who will coordinate related departmental activities within their areas, and evaluate performance.

Current plans ensure that the interests of employees affected by the reorganization are protected. No employee will be separated. No employee will be reduced in classification or compensation for one year after the reorganization.

Budget and Manpower - Total FY '71 outlays for the proposed Department of Natural Resources, based on the President's Budget, would be approximately \$5.1 billion. Permanent employment would total approximately 111,000. Distribution by major program components would be approximately:

	<u>'71 Outlays</u> <u>(\$ in millions)</u>	<u>Permanent</u> <u>Employment</u>
Land Recreation Resources	1,365	37,600
Water Resources	2,160	29,800
Energy & Mineral Resources	695	6,100
Oceanic, Atmospheric and Earth Sciences	375	20,600
Indians and Territorial Affairs	480	15,000
Other	<u>15</u>	<u>1,600</u>
	5,090	110,700

PROPOSED
DEPARTMENT OF NATURAL RESOURCES



THE PRESIDENT'S
DEPARTMENTAL REORGANIZATION PROGRAM
THE PROPOSED DEPARTMENT OF
NATURAL RESOURCES

A Report and Review



March 1971

(1131)

THE PRESIDENT'S

DEPARTMENTAL REORGANIZATION PROGRAM

THE PROPOSED DEPARTMENT OF

NATURAL RESOURCES

The Department of Natural Resources is proposed to be created by the reorganization of the Department of the Interior and the Department of Agriculture. The Department of the Interior is to be reorganized to include the Bureau of Land Management, the Bureau of Reclamation, the Geological Survey, and the United States Fish and Wildlife Service. The Department of Agriculture is to be reorganized to include the Bureau of Animal Industry, the Bureau of Plant Industry, the Bureau of Entomology and Plant Quarantine, the Bureau of Soils, the Bureau of Agricultural Economics, and the Bureau of Plant Industry.

The Department of Natural Resources is to be headed by a Secretary, who will be appointed by the President. The Secretary will be responsible for the general administration of the Department and for the coordination of the activities of the various bureaus.

The Department of Natural Resources is to be organized into six bureaus, each of which will be headed by a Chief of Bureau. The bureaus are to be the Bureau of Land Management, the Bureau of Reclamation, the Geological Survey, the United States Fish and Wildlife Service, the Bureau of Animal Industry, and the Bureau of Plant Industry.

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REPORT ON THE
DEPARTMENT OF NATURAL RESOURCES

I. INTRODUCTION

A. President's Reorganization Plan

President Nixon, in his State of the Union Address on January 22, 1971, proposed a sweeping reorganization of the Executive Branch to enable the Federal Government to carry out its responsibilities in meeting the changing needs and concerns of the American people. The President's reorganization proposal is largely based on the findings and recommendations of a detailed study conducted by the President's Advisory Council on Executive Organization (Ash Council).

The President structure of the Executive Branch has evolved over a long period of time and is based in most instances on narrow constituencies and fragmented functions. While the original rationale for creating existing departments and agencies may have been valid, the changes that have occurred in this Nation create a need for substantial revamping of this structure. The President is therefore recommending that many of the domestic programs of government be rearranged and assigned to the four new departments which he proposed in his State of the Union Address:

Human Resources - a department dealing with the concerns of people as individuals, as members of a family--a department focused on human needs.

Community Development - a department concerned with the community -- rural communities and urban communities--with the need to create and preserve a safe and wholesome living environment for every person.

Economic Development (now Economic Affairs) - a department concerned with the growth and health of our economy--with our jobs, our businesses, our farms, and those many activities that maintain and strengthen the American economy.

Natural Resources - a department concerned with our physical environment and the preservation and balanced use of those great natural resources on which this Nation depends.

B. Concept for the Department of Natural Resources

The people of this Nation enjoy the highest standard of living in the world, in large part, as the result of having an abundance of natural resources and the technological capability to develop and operate a sophisticated, industrialized economy. This abundance of natural resources has served the Nation well, but the needs of future generations can only be met if effective action is taken to recognize not only the demands of a growing population, but the effects of increased per capita consumption, higher standards of living, and the need for restoring, protecting, and enhancing environmental quality.

Population growth is a major factor that will determine future resource demand. Moreover, its impacts are compounded by rapid improvement in standards of living, economic growth, and a general public desire for improved quality of life. As a result of the combination of these factors, resource consumption will increase at a rate far greater than population growth. Currently, with only 6 percent of the world population, the United States consumes 30 percent of the total world mineral production. If present trends continue, the U. S. demand for primary minerals could increase by more than 400 percent by the year 2000, energy requirements could more than triple, and water withdrawals could be over four-fifths of the entire streamflow. We will have to construct as many houses and other structures as now exist. In the remaining years of this century, the United States will use more energy and other key resources than it has consumed since its beginning.

In addition to satisfying future demands for water, timber, minerals and energy, our people also will need and demand the preservation of forests, lakes, wilderness, beaches and the general environment for increased recreational use, and to maintain the quality of life for the Nation.

The world is an ecological system--the sum of all of the living and nonliving components that support the chain of life. As some natural resources have begun to be depleted, as foreign sources of supply becomes less plentiful and more insecure, and as environmental problems become more evident, the Nation suddenly has become aware of the full importance and significance of the need for the conservation and management of natural resources and the protection and preservation of the environment, not only to sustain and provide for continued social and economic growth and the quality of life, but for man's well-being and survival.

The Nation needs a better understanding of the total environment -- the oceans, the atmosphere, and lands and their interaction -- to enable us to monitor more

effectively and predict environmental actions and to exercise some degree of control of the environment for the better protection of life and property from natural hazards. There is also need for exploration and development leading to more intelligent use of our resources wherever they are found with full consideration of the environment.

In summary, the natural resource and related environmental challenges facing the Nation are:

- To provide sufficient supplies of petroleum and other sources of energy, water, minerals, and timber to support our future economic development;
- To maintain and enhance our forests, unique natural areas, historic properties, lands, waters, fish and wildlife, beaches, and estuaries in a manner which meets aesthetic, cultural, and recreational needs of the people;
- To understand our physical environment and the natural and man-made changes that are taking place so that modifications can be made when advantageous and possible, and when modifications are not possible, to provide advance hazard warnings.
- To manage our resources in ways which will assure ecological balance and thus sustain the basis on which all public needs can continue to be fulfilled.

If this Nation's future natural resource requirements are to be met through the wisest conservation and management of available resources, there is urgent need to provide that governmental organization and capability which can most effectively achieve the essential coordination and implementation of comprehensive natural resource policies and programs. Both operational programs and scientific investigations for the land, oceans and atmosphere need to be integrated as elements of a total system rather than as separate entities under diverse administration. Since natural resources policies and programs involve more than the conservation and management of Federally owned resources, there needs to be consistency of treatment by the Federal Government in its policies and programs affecting natural resources owned or administered by State and local governments, private organizations, and individuals.

The distribution and mixed ownership of natural resources is a major consideration which requires a more effective and efficient Federal organization to assure that these resources most effectively meet future needs. This Nation's resources are distributed over some 2.3 billion acres of onshore lands and 527 thousand square miles of the

Continental Shelf. Ownership and management responsibilities are divided among Federal State, local governments, and the private sector.

Responsibility for management of the onshore Federal lands is divided among a number of organizations:

Bureau of Land Management	475 mil. acres
Forest Service	187 mil. acres
National Park Service	30 mil. acres
Bureau of Sport Fisheries & Wildlife	30 mil. acres
Bureau of Reclamation	9 mil. acres
Defense and Other	<u>35 mil. acres</u>
	766 mil. acres

Future planning and management must adequately recognize and provide for the most effective use and productivity of all resources, both publicly and privately owned. For example, only about 30 percent of rainfall can be intercepted and managed as it flows toward the sea through surface and subsurface systems involving lands of all ownerships and uses. Water resource management therefore must recognize and provide for all lands and uses if the regions of the Nation are to be assured that water needs will be met. Other examples of closely related public-private resource ownership relationships which affect future availability of resources are:

	<u>Federal land</u>	<u>Non-Federal land</u>
Outdoor recreation visits	14%	86%
Petroleum reserves (incc. OCS)	52%	48%
Natural gas reserves (incl. OCS)	52%	48%
Coal	39%	61%
Shale oil potential	75%	25%
Uranium	40%	60%
Geothermal Steam	60%	40%
Saw timber inventory	48%	52%
Commercial forest land area	22%	78%
State and County		(6%)
Industry		(13%)
Farm and miscellaneous private		(59%)

The close relationships among resource uses also must be recognized. Forestry practices directly affect water supplies, fish and wildlife, and outdoor recreation. Flood control or water supply projects likewise have similar impacts on other resource values. Mineral development and utilization can, if carelessly done, destroy other resource values and result in serious water and air pollution. The

need for environmental protection is linked directly to every form of natural resource use.

To better meet these challenges, the Department of Natural Resources will bring together into one agency most of the numerous natural resource and physical environmental programs which currently are scattered throughout several Federal organizations. It will provide the essential governmental capabilities required to plan, weigh alternatives and priorities, establish policies, and operate programs so that this Nation's natural resources will make their maximum contribution to meeting our national objectives.

The availability of adequate water, energy, timber, other resources, and outdoor recreation opportunities contributes to individual well-being, community development, and economic growth and productivity. For example, adequate energy resources are important for general economic development, for the growth of communities, and for public well-being. The same is true for adequate supplies of water and for recreational facilities. Thus, the Department of Natural Resources will have commonality of purposes with the other three proposed departments. However, since natural resources involve a coherent system of interrelatedness among resources and with the environment, they need to be managed within one framework. The management of natural resources also requires conservation to meet future needs, so there can be serious dangers to tying management of resources too closely to immediate pressures for short-term development and utilization.

Accordingly, the proposed Department will be so structured and organized as to properly integrate and coordinate related land, resource and environmental values. Through its policy formulation function and its program operation function, the Department will be able to respond more vigorously and coherently to the needs for economic and community development, for environmental protection and enhancement, for the conservation of resources and other national goals than can present agencies.

C. Functions of the Proposed Department

To achieve national objectives the Department of Natural Resources must incorporate the necessary planning, policy formulation, program management, research and other activities required to provide adequate Federal leadership. However, Federal responsibilities will vary, depending on a number of factors such as ownership of resources and the responsibilities of the private sector and of the States and local governments. Recognition of these responsibilities is germane to the development and operation of the various functions of this Department.

It will be the function of the Department of Natural Resources -- by providing national leadership and establishing effective working relationships with private organizations and individuals, State and local governments, and other Federal agencies --

- to foster the conservation, management, and utilization of natural resources, based upon studies and analyses of supply and demand and alternative measures for meeting such demands;
- to help assure maintenance of the ecological balance necessary to sustain human and unique plant and animal life systems;
- to explore and survey the earth, the atmosphere, and the oceans and to assess their physical characteristics;
- to conduct scientific research and to encourage development of natural resource technology to conserve and efficiently utilize natural resources with minimum impact on the environment;
- to undertake programs for the optimal development of various energy sources, including research on nuclear power and managing uranium raw materials and uranium enrichment;
- to provide physical and economic data, maps, charts, and hazard warnings, and other information regarding the earth, atmosphere and oceans;
- to manage Federal public lands and other resources, including national parks, forests, wildlife refuges, fish hatcheries, and minerals;
- to preserve irreplaceable park, wilderness, scientific, historic, fish and wildlife, and other biotic resources;
- to assist in providing outdoor recreational opportunities;
- to plan and undertake programs for the conservation, management, and utilization of land, water, forest, range, mineral, fish and wildlife resources;
- to facilitate the development and protection of commercial fisheries;
- to foster the health and safety of miners;
- To assist Indians, Alaska natives, and territorial peoples to achieve their cultural and economic objectives.
- Atmospheric, and Earth Sciences; and Indian and Territorial Affairs.

II. RATIONALE FOR THE NEW DEPARTMENT

A. Problems with Existing Organizations

Federal natural resource programs have developed historically on a piecemeal basis in response to problems, specific needs, various pressures and urgencies over a long period. This has resulted in programs scattered among agencies with overlaps, duplications, inefficiencies, and also voids. Examples of this scattered array of agency responsibilities are:

- Major water resources development programs are located in three different departments: Agriculture, Interior, and Army. A separate agency, the Water Resources Council, was established for the purpose of providing a mechanism to coordinate the several agencies' planning efforts and water resources policy. The Council has had limited effectiveness since it is basically an interagency committee. While some improvements have been made, interagency rivalry, duplicative planning, and conflicting policies still persist. For example, in California and in Oregon, the Corps of Engineers and the Bureau of Reclamation each contended it should build certain projects. These jurisdictional problems, which necessarily involve the Executive Office of the President, need not arise if there were one water resource agency.
- Nonmilitary Federal lands are administered by four agencies in two departments. Agriculture's national forest lands and Interior's public domain lands generally involve the same types of resources and uses. These lands often are adjacent to each other and sometimes intermingled. Even though these lands are managed to meet similar objectives and frequently are used by the same clientele, management procedures and policies have been dissimilar and are not uniformly applied. Their separate administration results in unnecessary problems for forest and range users, overlapping efforts, and less effective land use planning for public uses. For example, BLM typically manages lands of lower elevation while the Forest Service manages the higher areas. Quite often, a rancher desires to graze his livestock in the lower areas in the spring and the higher areas during the summer. Dual management of these lands is an undue hardship to the rancher who must obtain two permits from the two agencies.
- Federal recreation areas are administered by six different agencies in three departments and by one independent agency. Each agency tends to plan its own recreation development without appropriate recognition of the total public need or the interaction among Federal

and non-Federal public and private facilities and programs to meet national needs.

- A variety of marine resources and environmental programs were located in several agencies of the government, inhibiting the development of a cohesive national marine resources programs. Many of these were transferred to the National Oceanic and Atmospheric Administration by Reorganization Plan No. 4 of July 9, 1970. However, this still left the related offshore oil, gas, mineral resource and earth sciences programs separately managed by Interior.
- Energy programs consist of separate activities concentrating on particular sources of energy. They are scattered among several agencies with no single agency charged with formulating and implementing a unified policy and approach to assure effective energy resource utilization and conservation, and at the same time, meeting future energy requirements and the achievement of environmental objectives.

The present government organizational structure is not conducive to effective natural resource management because there is no mechanism for the effective coordination of policies, authorities, programs, activities, and services, as discussed above.

- In the southeastern States, widespread stream channel straightening and deepening (Agriculture) has been protested vigorously by the Department of the Interior, supported by conservation interests. The process of balancing fish and wildlife and scenic values against economic development needs is unnecessarily frustrated by fragmented planning and evaluation responsibility within the Federal Government.
- A Corps of Engineers project for flood control and water supply for agriculture had serious impacts on the Everglades National Park and on fish and wildlife values in Florida as a result of incomplete planning and coordination. Settlement of the conflict would have been expedited had one department been responsible for consideration of all facets of the problem.

The grouping together of natural resources programs with broad common purposes and the establishment of a coordinated natural resource management policy through the Department of Natural Resources will eliminate many of these problems, or enable the resolution of them within one department.

D. Reorganization Studies and Recommendations

Over the past fifty years, a number of studies have focussed on the management problems posed by the proliferation of natural resource functions among departments. For example, after laboring for several years, the Congress' Joint Commission on Reorganization of Government Departments rendered its report to President Harding who, in turn, transmitted it to the Congress with his recommendation for adoption. The report recommended transfer of the nonmilitary engineering activities of the War Department to the Department of the Interior and the transfer of the functions of the Federal Power Commission to Interior. There were joint House and Senate Hearings on those recommendations but no further action.

Late in 1932, President Hoover submitted a plan to Congress that, among other things, would have transferred the Corps of Engineers' civil functions to Interior and the General Land Office from Interior to Agriculture. All of President Hoover's reorganization recommendations including those affecting natural resources, were disapproved by a House Resolution of January 19, 1933.

The President's Committee on Administrative Management in 1937 recommended creation of a National Resources Board which was established in 1939. It functioned largely in the natural resources field and helped coordinate agency activities and Federal-State relationships until its abolition in 1943. The Committee recommended a basic structure of 12 departments, one to be the Department of the Interior retitled the Department of Conservation.

In 1949, a majority of the Hoover Commission overrode the recommendation of its Task Force and its Committee on Natural Resources which would have consolidated water resources and public land management functions in a Department of Natural Resources. Instead, the Commission recommended that public land management be consolidated by transferring the Bureau of Land Management to the Department of Agriculture and that civil functions of the Corps of Engineers be transferred to Interior. Three commissioners vigorously dissented, proposing consolidation of natural resources within one department.

The Second Hoover Commission reporting in 1955, recommended creation of a Water Resources Board and that the Corps of Engineers assume the Soil Conservation Service function of constructing headwater dams for flood control. The proposal to establish a Board was similar to a scheme going back to the Inland Waterways Commission established by Theodore Roosevelt. The present Water Resources Council represents the kind of coordinating mechanism advocated by the two Commissions.

President Eisenhower, in his final budget message of 1961, recommended consolidating the water resources functions of the Corps of Engineers, the Department of the Interior, and the river basin survey work of the Federal Power Commission.

The June 1970 report to the President by the Public Land Law Review Commission (One Third of the Nation's Land) recommended the establishment of a Department of Natural Resources which would bring together the major public land agencies.

C. Expected Benefits and Improvements

The general welfare of the Nation requires that its limited natural resources, including energy sources, be conserved, managed and utilized so as to help achieve the highest practicable environmental quality; harmony between man and nature; social, economic and community development; individual fulfillment; and the security of the American people of this and future generations. The establishment of the Department of Natural Resources will provide the necessary organizational capability for best achieving natural resource objectives, improving government operations, and assuring the coordinated and effective administration of programs. It will bring together and provide leadership and direction for all of those Federal activities which most directly relate to the discovery, assessment, preservation, development, utilization, future adequacy and enjoyment of natural resources, including energy sources, and achieving a sound balance between preservation and development. By grouping together all natural resource programs with broad common purposes in the Department of Natural Resources, it will be possible to:

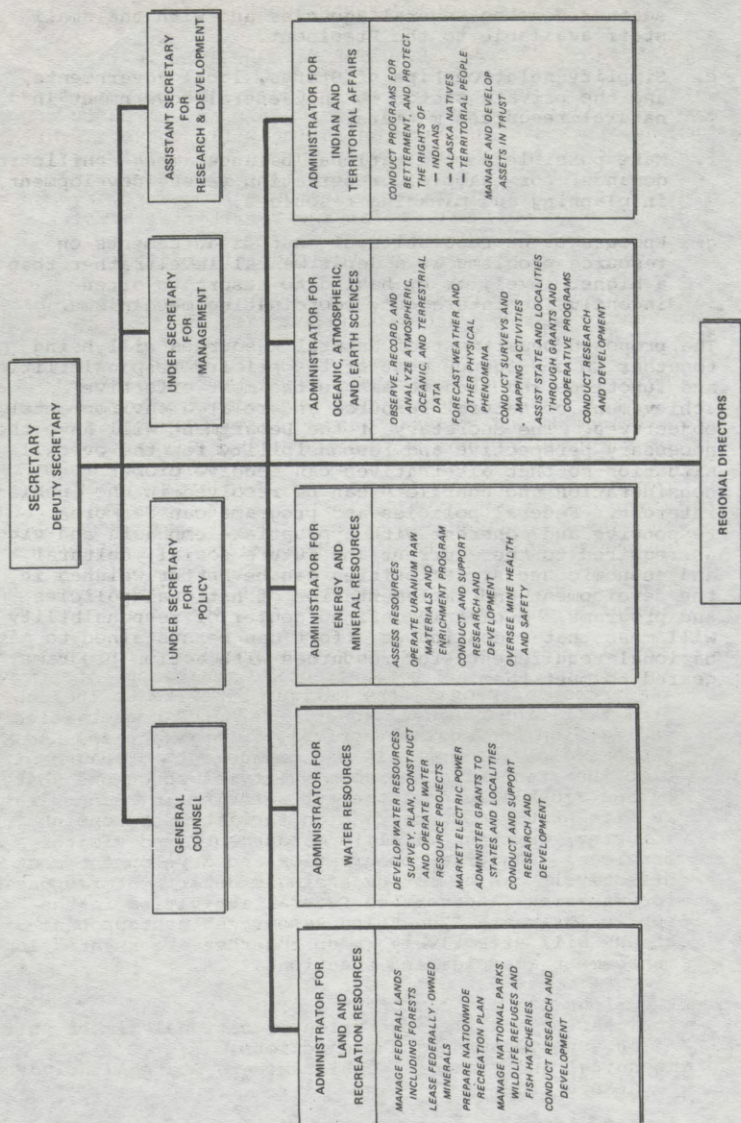
- a. Establish a center of responsibility for developing essential, broad, unified natural resources policies, such as energy policy and water policy for consideration by the President, the Congress, and the people.
- b. Provide for necessary accountability to the public through discrete assignments of responsibilities on such matters as public land management.
- d. Allow the President to look to a single key official, the Secretary of DNR, to carry out his administration's natural resources policies and programs.
- e. Provide greater effectiveness in the development of policies, plans, and evaluation of performance than is now possible with responsibilities and programs

scattered among several agencies and with the small staff available to the President.

- c. Simplify relationships of States, local governments, and the private sector to the Federal Government in natural resources matters.
- f. Make possible a more rational balance among conflicting demands, for example, preservation versus development, in planning and managing resources.
- g. Encourage the resolution of most disagreements on resource problems at a departmental level rather than a higher level, or by having to resort to often inconclusive interagency coordinating mechanisms.

The proposed Department of Natural Resources will bring together in one agency most of the primary responsibilities and functions required to assure the most effective achievement of natural resource and related environmental objectives. The Secretary of the Department will have the necessary perspective and responsibility for the overall situation so that alternatives can receive proper consideration and conflicts can be resolved in the public interest. Federal policies and programs can be more responsive and coherent with appropriate emphasis and vigor as required to meet current and future social, cultural, and economic needs. Priorities can be better weighed in the development and implementation of national policies and programs. A clearly defined center of responsibility will mean that a continuous effort can be sustained to match national requirements for resources with action programs geared to meet them.

PROPOSED
DEPARTMENT OF NATURAL RESOURCES



IV. ORGANIZATION OF THE PROPOSED DEPARTMENT

A. Consolidation of Natural Resources Functions

Natural resources programs are conducive to being grouped into a small number of major components on the basis of common purposes. The reorganization will, therefore bring together related resource functions in the following administrations: Land and Recreation Resources; Water Resources; Energy and Mineral Resources; Oceanic, Atmospheric and Earth Sciences; and Indian and Territorial Affairs.

1. Land and Recreation Resources Administration

This component is divided into two related subcomponents: Land Resources and Recreation Resources.

Land Resources- This subcomponent is concerned with both publicly and privately owned land resources. Federal land management and development programs cover all nonmilitary Federal lands--some 760 million acres, of which 90 percent are in the West. Sixty percent of the Nation's softwood saw timber grows on Federally owned lands, and the value of the Federal timber inventory is estimated at \$30 billion. Some 12 million livestock in 31 states graze at least part of the year on these lands. A third of the Nation's big game and 10 percent of all other game is taken from them. Recreational use is heavy--some 450 million visits annually--and growing.

Consolidation of management responsibility for public lands would provide more effective management of resources and provide the maximum benefits to the public from this rich national asset. Resource conservation and development must effectively incorporate and use the principle of multiple use management. Management also must recognize the commonality of functions shared by the Federal land management agencies in such things as fire protection, recreation facility development, forestry, grazing, wildlife management, and visitor services. Resource conservation and development most effectively can be met by a single department responsible for managing interrelated Federal activities in the public interest. The "Land Resources" subcomponent of DNR will effectively group together the related land management agencies and functions.

The functions of this component are:

- Formulation and implementation of national timber policy based on supply and demand projections;
- Technical and financial assistance to States (including grants) for:

Fire protection, forest management, tree planting,
 insect and disease control;
 Research and information services;
 Management of Federally-owned lands and minerals:
 Timber resource management
 Range resource management
 Provision of outdoor recreation resources and facilities
 Fish and wildlife management and preservation
 Mineral resource management
 Natural resource preservation
 Soil and moisture conservation
 Resource protection
 Related environmental considerations
 The organizational entities that would be transferred to
 this component are:
 From Interior:
 Bureau of Land Management
 From Agriculture:
 Forest Service
 Economic Research Service - Natural Resources Economics
 Agricultural Research Service - Soil and Water Con-
 servation

The Forest Service is a land management agency devoted to the same basic purposes as most of the other land management agencies of the Federal Government. Over 85 percent of its funds are spent on managing 187 million acres of public forest and range lands, a function similar in purpose and scope to that of the Bureau of Land Management. The importance of the national forests as a recreation resource is attested to by the 180 million annual visits to them--as many visits as to National Parks. It not only shares activities with common purposes with the Bureau of Land Management but also fish wildlife management with the Bureau of Sport Fisheries and Wildlife, and recreation with the Bureau of Outdoor Recreation and the National Park Service. It also has the principal forest resources research capabilities which are essential for improving the management of all of the Nation's forest resources--Federal, State and private.

But it is not alone the commonality of purposes serviced which justified inclusion of the Forest Service in the DNR. Common management would enable better planning of timber harvest, better location of facilities to meet recreational demands, and other improvements for more efficient and consistent management of the separate tracts which make up the aggregate of Federal lands.

The rapidly increasing use of forest lands for timber and forage, recreational areas, management of wildlife, preservation of scenic beauty, and protection of downstream lands from floods and erosion dictates their placement in the DNR, where all competing claims may be balanced. This is more likely to result in effective land management and a greater overall contribution to the public good.

Recreation Resources - There is great national concern for the preservation and enhancement of the environment so it may be enjoyed. Part of this concern centers on having adequate amounts of parks, historic sites, open spaces, fish and wildlife, and other outdoor recreation resources and facilities.

The emphasis on outdoor recreation opportunities requires a focal point within the Government for the formulation and implementation of national recreation policies. Recreation demand is increasing rapidly and varies widely depending on the desires of people and the nature of lands and facilities available. The provision of outdoor recreation opportunities depends on the private sector, local governments, States, and the Federal Government. The DNR will provide the focus that considers all relevant factors so that Federal land and water recreation programs can be planned, and evaluated, have priorities established, and be administered effectively. The DNR will also provide a center for coordinated relationships with the States and communities on outdoor recreation matters.

The functions of this component are:

- Formulation and implementation of national recreation policy;
- Research and information services;
- Nationwide recreation planning;
- Technical and financial assistance to States (including grants) for planning, land acquisition, facility development, fish and wildlife, historic sites preservation;
- Management of Federally-owned lands:
 - Preservation of unique natural resource and historic sites,
 - Provision of outdoor recreation resources and facilities,
 - Fish and wildlife management and preservation,
 - Soil and moisture conservation,
 - Resource protection,
 - Related environmental considerations.

The organizational entities that would be transferred to this component are:

From Interior:

- Bureau of Outdoor recreation
- National Park Service
- Bureau of Sport Fisheries and Wildlife

The Recreation Component of the DNR will provide planning and coordination capabilities for the most effective use by the public of recreation areas managed by Federal agencies as in the following cases. Water-based recreation is one of the most desired forms of outdoor recreation. Bureau of Reclamation and Corps of Engineers water projects provide large amounts of recreation opportunities as part of national water multiple-purpose water resources development. National forests and public domain lands provide outdoor recreation

opportunities as part of multiple-use management of lands. The Forest Service and the Bureau of Land Management also administer wilderness and primitive areas, wild and scenic rivers, fish and wildlife, historical and other sites of cultural and recreation value. National parks and wildlife refuges have the primary mission of preservation and availability of unique natural, historical, or scientific areas and fish and wildlife species for public enjoyment.

2. Water Resources Administration

Planning, development and management of the Nation's water resources are the responsibility of many Federal, State and local agencies, as well as private interests. There is little dispute that the Federal Government should encourage comprehensive river basin planning in which all interested parties participate to meet long-range water-related needs. Construction of projects by Federal agencies should be integrally incorporated to fit these plans in proper sequence and timing.

With this objective in mind, the Congress established the Water Resources Council to take the lead in water resources planning, guide the activities of the several Federal agencies, and bring order to water resources policy. While the Council has made progress, it has had limited effectiveness in policy development and guidance of Federal water resources programs.

Critical to the realization of an integrated national policy for water resources management and use are the water planning and project evaluation functions. The responsibility for these functions needs to be transferred from the Corps of Engineers (Army), the Soil Conservation Service (Agriculture), and the Bureau of Reclamation (Interior) to the Department of Natural Resources. That Department would then be responsible for evaluating water resource projects for their economic and other benefits, and for making decisions as to which projects should be recommended for implementation.

The functions of this component are:

- Formulation and implementation of national water resources policy;
- Assistance (grants) to States;
- Water resources planning, development and management;
- Provision of outdoor recreation facilities;
- Fish and wildlife management;
- Flood control;
- Improvement of navigation;
- Provision of water supply;
- Conservation of soil;
- Marketing of electric power from Federal water projects;
- Research and informational services;

Related environmental considerations.

The organizational entities and programs that would be transferred to this component are:

From Interior:

- Bureau of Reclamation
- Office of Saline Water
- Office of Water Resources Research
- Power marketing agencies

From Army:

- Corps of Engineers--civil functions (planning, policy, and funding)

From Agriculture:

- Soil Conservation Service
- Farmers Home Administration - Watershed Loans

From Water Resources Council:

- All functions (planning, policy and grants)

The construction capabilities of the Soil Conservation Service, and the Bureau of Reclamation would be integrated and coordinated to accomplish detailed project cost estimating, engineering and construction.

The planning, project evaluation, and policy formulation functions of the Corps of Engineers are proposed to be transferred to DNR. This will allow a single Federal agency, the DNR, to consider all facets of water problems, programs, and interrelationships to other resource programs and to assess priorities. It is proposed to fund the Corps civil works program through the DNR. The Corps will retain its functions of construction, operation and maintenance of projects. This arrangement will continue to provide the opportunity for training military officers and the quick-response construction capability of the Corps to meet mobilization requirements and assistance in times of natural disasters and other emergencies.

The Office of Saline Water and the Office of Water Resources Research, will also be included in the Water Resources component of the DNR.

The Secretary of the Department of Natural Resources would receive the statutory powers of the Water Resources Council, including policy formulation, comprehensive river basin planning, and the administration of planning grants to the States.

With these consolidations, all of the significant policy formulation, planning, and project evaluation activities associated with water resources projects will be placed in the hands of a single Cabinet Officer. This will make it possible for him to shape water resources programs to meet effectively the needs of our Nation in the decades ahead.

3. Energy and Mineral Resources Administration

Energy is a vital ingredient in our national life. Without it, nearly everything stops--as we discovered in the Northeast blackout several years ago. Energy consumption is growing five times as fast as population, and countless industrial processes depend on increasing amounts of fuels and electric power. Our affluent society has come using energy to depend upon conveniences to a degree unknown a few decades ago.

Insuring an adequate energy supply to meet these future needs, while preserving the quality of our environment, is a fundamental priority for our Nation. The Federal interest in the energy field is all the more sharpened by the fact that more than half of our oil and gas resources, and over one-third of our coal and uranium, are on Federal lands.

The functions of this component are:

- Formulation and implementation of national energy resources policy;
- Development of energy production technology;
- Development of resource development and utilization technology;
- Management of uranium stockpile;
- Production of enriched uranium;
- Ore body and resource delineation and information;
- Resource conservation;
- Supply, demand, and other economic information.
- Mining, recovery, processing and utilization studies;
- Waste disposal, reuse, recycling and substitutes studies;
- Protection and restoration of mined areas;
- Research and informational service;
- Fostering mining health and safety;
- Fostering oil and gas pipeline safety
- Related environmental consideration.

The organizational entities and programs that would be transferred to this component are:

From Interior:

- Bureau of Mines
- Office of Coal Research
- Office of Oil and Gas
- Oil Import Administration and Appeals Board
- Office of Minerals and Solid Fuels
- Defense Electric Power
- Underground power transmission research

From Atomic Energy Commission:

- Raw materials management
- Uranium enrichment
- Civilian nuclear power development (policy and funding)
- Plowshare program (policy and funding)

From Transportation:

Oil and gas pipeline safety

Some Federal energy programs are administered by separate agencies which promote particular forms of energy, such as the Bureau of Mines, the Office of Coal Research, or the Atomic Energy Commission. These programs were initiated to meet a specific problem. No responsibility was assumed for considering the impact of one program on the other. It is now time to take those steps to assure the adequacy of government organization for formulating a cohesive energy policy to meet future needs.

Since a change in policy regarding one form of energy may profoundly affect competitive forms, energy programs should be organized as a unit. Only in this way can competing interests be adequately evaluated. In the future, certain energy materials may need to be conserved for other purposes, such as the production of plastics. One agency which includes all the energy programs, and is charged with optimizing the use of natural resources, can make the necessary tradeoffs.

International negotiations, such as those with Canada and Mexico to develop a North American energy policy would be simplified with the establishment of a single energy agency.

Federal energy policy could be better integrated since it would be formulated with all energy activities in mind. Broader scope and greater balance would be given to nationally supported research and development work in the energy field. Finally, an energy organization would help assure more economic and effective use of our total energy resources. Nonfuel mineral activities of the consolidated agencies would continue to be located with their energy-mineral counterparts, as separation would offer no significant benefits and would unnecessarily disrupt existing organizations. The Bureau of Mines health and safety activities will be transferred to DNR along with the other programs of that Bureau because of the close interrelationship of health and safety activities to research on mining technology.

Many of the constituent agencies of the "Energy and Mineral Resources" component are presently located in the Interior Department--the major shift involves transfer of the civilian power programs from the AEC.

The Atomic Energy Commission was created in 1946 to handle all aspects of atomic energy. It has been successful in its various missions, including advancing technology to the point where nuclear power is becoming a realistic alternative to other forms of energy. With this fact in mind, AEC's major civilian energy activities should be

consolidated with other energy activities in an agency charged with the mission of insuring that the total energy resources of the Nation are effectively used.

The benefits to be obtained from a balanced and integrated power program are the overriding consideration. The time has come when the need to nurture a new energy technology, which was part of the justification for the separate organization of the AEC in 1946, should give way to an organization formed around the purpose to which that technology was directed.

The uranium raw materials and enrichment programs are proposed for transfer to DNR. The DNR would fund and establish policy and priorities for the Plowshare Program and the development of civilian nuclear power reactors. However, the AEC will continue to conduct the research, development, and demonstration (including safety), with funding by DNR, in the latter two programs because of its expertise and its facilities. The AEC will continue its program of controlled thermonuclear research until such time as the scientific feasibility has been demonstrated.

4. Oceanic, Atmospheric and Earth Sciences Administration
Federal efforts to increase knowledge of the physical environment and to improve our ability to predict and modify geophysical phenomena, would be brought together into one component. So organized, these programs can better serve to help us understand the earth, its waters and atmosphere, and the physical processes that govern our planet. There is now a realization of the interactions of the oceans, the atmosphere, and lands in predicting weather and understanding the causes of natural disasters.

The functions of this component are:

- National weather services;
- Resource and environmental remote sensing studies;
- Operation of environmental satellites;
- Geologic and soil investigations and surveys;
- Water data collection and investigations;
- Environmental data services;
- Earth hazard programs (earthquake, volcano, landslides, etc.);
- Predictions of natural hazards and warnings for public health and safety;
- Topographic and other mapping and charting services;
- Ocean and lake surveys, investigations and research;
- Fishery resources management, research, and assistance to industry;
- Research and information service;
- Technical and financial assistance to States.

The organizational entities that would be transferred to this component are:

From Interior:

Geological Survey

From Commerce:

National Oceanic and Atmospheric Administration

Both the Geological Survey and NOAA combine scientific skills with data gathering and dissemination services required by many different users. Much of the activity of both agencies is carried out for other Federal agencies. In some earthquake, hydrology, and mapping activities, they conduct similar and sometimes overlapping operations. These duplications should be eliminated by bringing the two organizations together.

Because the services of NOAA are widely used, no compelling logic dictates its location in any specific department. However, when NOAA is combined with the Geological Survey and related science service activities, the resulting entity has closer ties to the proposed DNR than any other Department. For example, the marine resource programs of NOAA are related to DNR responsibilities regarding the development and use of offshore oil, gas, and other mineral resources. For that reason, an "Oceanic, Atmospheric and Earth Sciences" component of the DNR is proposed to emphasize that this agency serves all components of the new Department, as well as other government agencies and private users.

There are also major opportunities for consolidating and improving related surveying, mapping and charting programs that now exist within these organizations.

5. Indian and Territorial Affairs Administration

The social and economic needs of Indians, Alaska natives, and territorial peoples are acute and require special handling. The President has enunciated his policy of providing Indians with greater self-determination over the management of their affairs. The challenge is to focus the resources of the Federal Government to meet the unique needs of different cultures in ways that allow the recipients to determine their own priorities.

The functions of this component are:

Natural resources and economic development;

Education;

Public health and safety;

Job training and placement;

Community services and facilities.

The organizational entities that would be transferred to this component are:

From Interior:

Bureau of Indian Affairs
Office of Territories

The Indian and Territorial programs are included in the Department of Natural Resources at this time because of their historical association with the natural resource functions of the Department of the Interior. Most Indians in the past have rejected proposals for transfer of the Indian program to other Departments. In view of the current lack of existing capabilities by these other agencies, no convincing case for transfer can be made at this time. Any transfer proposal would have to have the full involvement and general concurrence of the Indian and Territorial peoples. These programs therefore are proposed for inclusion in the Department of Natural Resources, subject to further study.

IV. MANAGEMENT OF THE NEW DEPARTMENT

A. Management System

1. Perspective

The concept for a Management System for the four new departments is based upon three key principles derived from the recommendations of the President's Advisory Council on Executive Organization. These are:

- a. That each department should represent a broad purpose and have sufficient breadth to accomplish its mission.
- b. That the Secretary should be the sole repository and source of all authority within his department.
- c. That, to the maximum extent practicable, authority and responsibility for the operation of each department's programs should be decentralized to the field.

The implementation of these principles will produce an organization fully responsive to the needs of the people. The proposed legislation for the establishment of the new departments is based on these principles.

2. Organization

The key officials of the department are as follows:

- a. The Secretary who, once he has selected his key officials, will concern himself primarily with the strategy for his department, its goals and priorities, its overall performance, and be its spokesman to the President, the Congress and the public.
- b. The Deputy Secretary who, as the "alter ego" of the Secretary, serves as the General Manager for the department with responsibility for allocating resources, assessing the quality of program performance, and harmonizing the efforts of the line and staff elements.
- c. Two Under Secretaries to serve as staff arms of the departmental leadership in such areas as the development of overall policy strategy and plans for implementation, organization, business management, information systems, resources deployment, and the efficiency and effectiveness of the department.

- d. An Assistant Secretary for Research and Development who, in direct support of the departmental leadership, guides, promotes, evaluates, and coordinates the research, technology and technology transfer activities of the department.
- e. Administrators with line authority over programs representing broad subdivisions of the purpose of the department. There would be an Administrator for each of the first tier organizations; for example, Land and Recreation Resources Administration, and Energy and Mineral Resources Administration. These key officials appointed by the President and confirmed by the Senate will be accountable for the success or failure of those programs under their purview. They will be the managers and implementors of the Department's programs.
- f. Regional Directors reporting to the Secretary with such authority as may be delegated by him together with regional administrators with line authority for each of the major program groupings.

Under this concept, the regional director would serve as a communicator of Presidential and Secretarial policy to other field officials of his Department and provide a source of information to the Secretary. He would be delegated authority by the Secretary to coordinate and expedite matters, and to perform or insure performance of regional planning which cut across program lines, and to resolve conflicts between programs. He would be responsible for the evaluation of the effectiveness of programs carried out in his region, including management problems, and adequacy of resources. He would be the focus for receiving citizen complaints and for resolving complaints when they can be handled at the regional level.

The regional director would serve as the Department's representative in relationships with Governors, other and local officials, and public interest and clientele groups. He would represent his Department on the Federal Regional Council and other regional coordinating groups.

He could, as designated by the Secretary, serve as a line official for special programs or functions. Otherwise, the line official is the regional administrator reporting to the Administrator in Washington.

B. Manageability

Significant to the question of manageability of an organization are:

- (1) Clarity of purpose of the organization, and
- (2) The structure of the organization

It is the marked improvement of these two vitally important characteristics of a manageable organization that helps assure the Department of Natural Resources will be able to serve the people of this Nation better than former organizations.

In addition, provision will be made for the Secretary to have adequate authority and adequate staff to effectively manage his department. Furthermore, manageability can and will be enhanced through the application of proven management procedures applicable to large organizations.

1. Clarity of purpose

By creating a Department of Natural Resources, the objective of conserving and managing the Nation's natural resources becomes clearly the purpose of a single department of government for the first time. Until now, this important purpose was shared by several major departments, so that the President was the only person who had full responsibility, and he had to be concerned with coordinating the various programs. Now, the major responsibility for natural resources will be vested in the Secretary of the Department of Natural Resources and he can be held accountable.

2. Organization Structure

There is much interdependence among natural resources programs. For example, the various sources of energy are substitutable and competitive. How minerals are mined has an impact on other land management activities and on scenic value. Recreation depends on scenic value and on a number of resources such as land and water. The present organization structure of the Government does not recognize this interdependence.

By not recognizing the interdependence, the present structure encourages fragmentation. Thus, a comprehensive response to natural resource problems cannot now be made. By bringing together related programs and organizations with similar missions, the Secretary will have an organization that can make a comprehensive response to problems.

Considerable thought and planning has been directed to this structure which will bring together under common direction at the Administrator level formerly competitive organization and activities such as the Forest Service and the Bureau of Land Management; the Bureau of Reclamation, the Corps of Engineers civil functions, and the Soil Conservation Service; the conventional sources of energy (coal, gas, and oil) and nuclear energy. At the same time, the organization structure will be made more comprehensive and more manageable.

3. Adequate authority

The Secretary must have wide flexibility to manage his Department effectively. This depends on the Secretary having:

- Statutory authority rather than his subordinates;
- Authority to organize his Department;
- Authority to appoint his subordinates; and
- An appropriate appropriation structure.

Statutory authority - The Secretary is responsible for his Department and he is held accountable. Thus, statutory authority regarding his Department must reside with him rather than his subordinates. He can then delegate authority to them with commensurate accountability for results. The proposed reorganization legislation will place all statutory authority in the Secretary.

Authority to organize - The Secretary must be able to organize his Department in a manner that will group interdependent programs with similar missions so that the Department's objectives can be effectively and efficiently achieved. He must be able to centralize policy formulation and decentralize operations so that program outputs may be delivered on a timely basis for the benefit of the people. The proposed reorganization legislation will give the Secretary power to organize his Department.

Authority to appoint - The Secretary must be able to select and appoint subordinates. the Secretary is held accountable for his Department and he should be the authority to run it. The proposed reorganization legislation will give him this capability.

Appropriation structure - The existing multitude of appropriations to the various constituents units of a department according to functions or object classes formed an obstacle to effective management. It causes compartmentalization and rigidity -- making it difficult to cope with changing conditions and shifting priorities. An appropriation structure for the new department will be proposed to help correct this situation.

4. Adequate staff

The Secretary must have adequate staff to effectively manage his Department. The Secretary especially needs staff for:

- Planning, policy formulation, program evaluation; and
- Establishment and operation of management systems.

Planning, policy formulation, and program evaluation
Attainment of departmental goals will be enhanced by a plan of operation which sets concrete objectives for each element of the organization; milestones of progress; clear and specific assignments of responsibility; and a reporting system for regularly monitoring progress. As part of this anticipatory planning process, programs and policies can be formulated and evaluated and recommendations made to the Secretary. This will decrease the need to adopt ad hoc policies in response to crises and assist the Secretary in keeping on top of his Department.

The Secretary needs staff that is concerned with the entire Department so that policies are consistent with trade-offs among programs can be considered. He needs staff who can assist and work with the program Administrators to solve a host of problems so that only the larger problems need the attention of the Secretary.

While the proposed reorganization is not necessary for planning, policy formulation, and program evaluation, the reorganization will bring together related programs with similar objectives so that a more effective job can be done.

Management systems - Effective management systems for the control and improvement of departmental operations will enable the Secretary and other top managers to make the best use of manpower, funds, and facilities. Such systems will also facilitate corrective actions where program execution needs improvement.

Conclusions

The management of the Department of Natural Resources will be achieved through proven management techniques and methods. In addition, the proposed reorganization, by establishing a clear purpose for the Department and by bringing together programs of similar purpose, will further enhance manageability.

V. ADMINISTRATIVE AND BUDGETARY IMPROVEMENT

A. Efficiencies and Savings

In addition to the substantive improvements for more effective planning, policy formulation, and programs set forth in the previous sections, there will be opportunity for administrative efficiencies and savings over the long run. The simple act of consolidating seven existing agencies into four will permit some consolidation of common services and reduction in overhead staffing. Elimination of much of the need for coordination among agencies also will reduce work load.

B. Appropriation Structures The new Department of Natural Resources will require a new appropriation structure, merging and consolidating the accounts now in use for the activities being moved to the new Department. The revised appropriation structure should assist management effectiveness and provide the flexibility to respond to rapidly changing conditions.

To facilitate effective management, it must correspond to the organization of the new Department. Further, appropriations will be proposed to be made to the Secretary, with some appropriation items identified to the level of the first major program grouping of the Department. With the concurrence of the Congress, this should result in a simplification of the appropriation structure and facilitate legislative review of the President's budget requests.

The existence of many relatively small "pockets" of appropriations, transferred from the existing departments and agencies, could be a handicap to the new Department in integrating its operations as well as a handicap to the Congress and the public in understanding the Federal budget. It is not the intent of the measures discussed here to freeze an appropriation pattern for all time. An appropriation structure is subject to change by Congress from year to year, and indeed should be changed as programs and organizations are modified.

It is contemplated that two principal appropriation accounts will be proposed for each major program grouping of the Department. The first includes financing for day-to-day operating expenses and other activities for which the requirements for a specific year can be readily estimated. This one-year appropriation would facilitate annual Congressional review.

The second proposed appropriation would cover funds for construction, land acquisition, project-oriented research, and certain types of loan and grant activity, for which

there is a need for longer term availability. In these cases, "no-year" appropriations would be proposed; that is, such amounts, upon the concurrence of the Congress, would be available until expended.

In addition, the financial accounts of the Department will continue to provide separately for the major trust funds and for the various public enterprise funds transferred to the Department. To the extent that the Department receives and administers "ear-marked" funds which have been created by statute, the statutory provisions would be observed; e.g., the Land and Water Conservation Fund and the Migratory Bird Conservation Fund. A working capital fund at the departmental level to finance department-wide administrative services is also desirable. Service funds could also be established where necessary, to merge accounts which provide for services performed for others at a charge approximating cost, or which continue earmarking now required by law in connection with programs of the Department.

VI. RELATED CONSIDERATIONSA. Relationship to State and Local Governments, the Public, and Other Federal Agencies

The basic concept of the President's reorganization plan is to enable the Government to do a better job in meeting the needs of the people. This is the primary reason for organizing the four new departments around the major purposes of Government. The responsibility for solving problems related to the conservation, development, and utilization of natural and energy resources will be focused and concentrated in the Department of Natural Resources. Most of the major natural resources and related environmental programs will be brought together in one governmental organization, and the Secretary will be held accountable.

State and local governments and the public will be able to do business relating to natural resources with one department rather than several agencies. Thus, the reorganization will simplify their relationship to the Government. Furthermore, it will be possible to assist them more efficiently and effectively.

Federal intragovernmental coordination and relationships also should be significantly improved. Questions regarding such matters as energy and water resources policies and programs can be resolved within one responsible and accountable department.

However, because of the interrelatedness of the various sectors of modern society and some commonality of purpose between the Department of Natural Resources and other Federal agencies, coordination will continue to be required. For example, the responsibilities of the Environmental Protection Agency relating to air and water pollution, pesticides, and disposal of solid wastes have an impact on the development and utilization of natural resources. The weapons development program and technical expertise of the Atomic Energy Commission bear some relationship to the civilian nuclear power programs proposed for transfer to DNR. Forest, water, and energy resources contribute to economic and community development.

All factors considered, however, external relationships should be improved greatly with a corresponding improvement in the effectiveness of the total Federal-State-local government-private sector effort for achievement of overall national goals.

B. Relationship to Revenue-Sharing Proposals

The revenue sharing plan proposed by the President will provide funds for State and local governments in a way that will:

- assign both revenues and management discretion to those levels of government closest to the problem;
- alleviate the fiscal problems of State and local governments by providing additional unrestricted revenues through general revenue sharing and by eliminating the present matching requirements of the categorical grants being absorbed into special revenue sharing; and
- make State and local elected officials responsible for capably dealing with their problems.

Under the President's proposal, only those existing grant programs for which there is a clear, continuing national requirement will be maintained; for example, the Land and Water Conservation Fund which provides grants for planning, land acquisition, and development of land, water areas, and facilities needed to provide people with recreation opportunities.

Characteristically, the programs recommended for conversion to special revenue-sharing programs deal with top priority national problems which have State and local solutions and benefits. These are in six broad functional areas: transportation, education, urban and rural community development, manpower training, and law enforcement. Of the programs to be transferred to the Department of Natural Resources, four categorical grant programs are proposed for conversion to the special revenue-sharing program. These are the Forest Service's grants for forestry assistance (\$21 million) and tree planning assistance (\$1 million) and the Soil Conservation Service's grants for resources conservation and development (\$4 million) and the Great Plains conservation program (\$11 million). These are planned for conversion to special revenue sharing for rural community development.

These four grant programs will continue in the Department of Natural Resources until the special revenue-sharing legislation is enacted. However, if the revenue-sharing legislation is enacted prior to the establishment of the Department of Natural Resources, the four grant programs would not transfer to the new department. The revenue-sharing program for rural community development will be administered by one of the existing departments or the new Department of Community Development, depending on which is in existence at the time.

No changes are contemplated in the revenue sharing associated with receipts from the sale or lease of federally owned resources such as land, timber, forage, and minerals or from excise taxes on hunting and fishing equipment.

C. Policy of Minimum Change Consistent with Departmental Goals

In planning the new department, consideration has been given to how to preserve necessary program continuity and effectiveness in meeting current needs. Upon enactment of the proposed legislation, existing organizational units transferred to the Department of Natural Resources will lapse. The Secretary will administratively re-establish these units so that they will remain relatively intact to avoid serious disruption of essential functions or services. However, at appropriate times, he may be expected to reorganize his department so that various programs and activities will be grouped around common purposes and functions to achieve the maximum potential benefits associated with the new departmental concepts. Making such transitions on a well-planned schedule will afford sufficient time to consider all factors, to assure the most orderly achievement of departmental objectives with a minimum of adverse impacts.

D. Regional Boundaries

Initially, the field organization of the Department of Natural Resources probably would continue as currently structured in each of the constituent organization entities. However, there will be need to provide for more uniformity and effectiveness at the regional-office level and possibly some restructuring of field offices.

The various components proposed for inclusion in the Department of Natural Resources have over 5,000 field offices such as research laboratories, weather stations, fish hatcheries, reservoirs, wildlife refuges, National Parks, National Forests, public domain lands, irrigation projects, power projects and Indian reservations.

The proposed units of the Department of Natural Resources have developed over the years their respective regional organizations so as best to accommodate their individual administrative needs. In the past, no overall departmental standard or guidance dictated common regional organizations or boundaries; hence, no two of the existing regional boundary patterns are alike. The current national emphasis on problems of the environment, conservation of natural resources, and the quality of life has increased the need for a coordinated and integrated approach to ensure that natural resources planning, acquisition, development, and

use are consistent with environmental considerations and other national goals.

Under the Federal Assistance Review (FAR) plan, ten common regional boundaries have been established for six Federal departments and agencies with major grant programs. These ten standard regions primarily are oriented to urban related socio-economic problems rather than natural resource problems.

While all programs and functions of the DNR may not require a regional structure, a regional organizational level is necessary for most to carry out effectively the missions of the Department. All possible action will be taken to accommodate the approach towards uniform regional boundaries because of the advantages of such an arrangement. To provide adequate consideration for the unique characteristics of the Department, regional boundaries should be established, based generally on river basins but adjusted to State boundaries, and allowing flexibility to accommodate the requirements of different programs.

The number of regions to be established for the Department of Natural Resources probably should be about 7 to 10 with flexibility to combine certain contiguous regions to accommodate the requirements of different programs and functions. These combinations can be accomplished without creating any new or unrelated regional boundaries. A more detailed study needs to be made to determine the exact number of regions and the location of regional boundaries. Where possible, the regional headquarter cities for the DNR should be the same as for the ten standard regions.

E. Budget and Manpower Summary

Total FY 1971 outlays for the proposed Department of Natural Resources, based on the President's Budget, would be approximately \$5.1 billion. Permanent employment would total approximately 111,000. Distribution by major program components would be approximately:

	1971 Outlays (\$ in millions)	Permanent Employment
Land and Recreation Resources	1,365	37,600
Water Resources	2,160	29,800
Energy and Minerals Resources	695	6,100
Oceanic, Atmospheric and Earth Sciences	375	20,600
Indians and Territorial Affairs	480	15,000
Other	15	1,600
	5,090	110,700

F. Safeguards for Federal Personnel

The proposed Governmental reorganization will directly involve seven of the present Cabinet Departments and several independent agencies. Their programs will become a part of one or another of four new departments. Programs and services will be grouped according to similarity of purpose. The changes proposed are not in what the Government does, but, rather, in the manner in which the Government's business is conducted. These changes, while primarily affecting programs, also will affect each Federal employee and it is expected that they will participate fully in accomplishing the reorganization. To that end, current plans include sound provisions to insure that disruption to employees will be kept to an absolute minimum, that cut-backs in staffs, where necessary, will be taken care of by attrition, and that actions which could adversely affect employees are to be avoided.

More specifically, it can be stated that no employee will be separated because of the reorganization. In addition, the reorganization bills include a provision that no employee will be reduced in classification or compensation as a result of the plan for one year after the reorganization becomes effective. All movements of functions and jobs will be governed by current law and Civil Service Commission regulations, with full employee protections and appeal rights. From another standpoint, the reorganization can be viewed as improving the range of opportunities for promotion and career development, as more broadly conceived program management and staff positions evolve in the new departments. Full consideration is being given to the impact of reorganization on the existence of union recognition and agreements, in light of the possible changes in unit structure that may result from transfers, realignments and combination.

The reorganization bills provide salary retention for an Executive Level Office (Level I to V) who is transferred to a new department and is assigned to a position with duties comparable to those he performed immediately preceding the transfer, for the duration of his service in the new position. This provision permits the proposed departments to retain the services of its experienced executives, who might seek other positions if they were to suffer a loss in pay, and thus provides for essential continuity of operations during the formative phases of the Department.

IN THE SENATE OF THE UNITED STATES

APRIL 1, 1971

Mr. PERCY (for himself, Mr. RIBICOFF, Mr. SCOTT, Mr. GRIFFIN, Mr. JAVITS, Mr. ANDERSON, Mr. BENNETT, Mr. BROCK, Mr. DOMINICK, Mr. GURNEY, Mr. JACKSON, Mr. JORDAN of Idaho, Mr. MATHIAS, Mr. MOSS, Mr. MUNDT, Mr. ROTH, and Mr. SAXBE) introduced the following bill; which was read twice and referred to the Committee on Government Operations

A BILL

To promote more effective management of certain related functions of the executive branch by reorganizing and consolidating those functions in a new Department of Natural Resources, 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 That this Act may be cited as the "Department of Natural
4 Resources Act."

5 TITLE I

6 DECLARATION OF PURPOSE

7 SEC. 101. (a) (1) The Congress hereby declares that
8 the general welfare of the Nation requires that its limited
9 natural resources, including energy sources, be conserved,

1 managed, and utilized so as to help achieve the highest
2 practicable environmental quality, harmony between man
3 and nature, economic and community development, indi-
4 vidual fulfillment, and security of the American people of
5 this and future generations.

6 (2) The Congress further declares that, while recog-
7 nizing the substantial responsibility of State and local gov-
8 ernments, private organizations and individuals for natural
9 resources, the Federal Government has a national respon-
10 sibility to practice, with respect to the natural resources it
11 administers, and to foster the practice of, with respect to
12 natural resources administered by others, appropriate con-
13 servation, management, and utilization policies.

14 (b) To best achieve these objectives, improve Govern-
15 ment operations, and assure the coordinated and effective ad-
16 ministration of natural resource programs, the Congress finds
17 that it is necessary to establish a Department of Natural Re-
18 sources to bring together and provide leadership and direc-
19 tion for all those Federal activities which most directly
20 relate to the discovery, assessment, preservation, develop-
21 ment, utilization, future adequacy, and enjoyment of natural
22 resources, including energy sources, achieving a sound bal-
23 ance between preservation and development. The Congress
24 further finds that it is appropriate for the Department of
25 Natural Resources to administer the trust responsibility for,

1 and selected programs to assist, the Indians, Alaska
2 Natives, and territorial peoples.

3 (c) Among other things it shall be the function of the
4 Department of Natural Resources, through providing na-
5 tional leadership and establishing effective working relation-
6 ships with State and local governments, public and private
7 institutions and individuals, and other Federal agencies, to
8 foster the conservation, management, and utilization of nat-
9 tural resources; help assure maintenance of the ecological
10 balance necessary to sustain human and unique plant and
11 animal life systems; explore and survey the earth, the
12 atmosphere, and the oceans; conduct scientific research and
13 encourage development of technology to conserve and effi-
14 ciently utilize natural resources with minimum impact on the
15 environment; undertake programs for the optimal develop-
16 ment of various energy sources, including nuclear power;
17 provide physical and economic data, maps, charts, and haz-
18 ard warnings; manage Federal lands, including national parks
19 and forests, and minerals; preserve irreplaceable park, wild-
20 erness, scientific, historic, fish and wildlife resources; assist in
21 providing outdoor recreational opportunities; and undertake
22 programs for the conservation, management, and utilization
23 of land, water, forest, range, mineral, fish and wildlife re-
24 sources; and to provide for the fulfillment of Federal trust
25 responsibilities over land and other resources of Indians,

1 Alaska Natives and territorial peoples and assist such
2 peoples to achieve their cultural and economic objectives.

3 TITLE II

4 ESTABLISHMENT OF DEPARTMENT

5 SEC. 201. (a) There is hereby established at the seat
6 of government an executive department to be known as the
7 Department of Natural Resources (hereinafter referred to
8 as the "Department"). There shall be at the head of the
9 Department a Secretary of Natural Resources (hereinafter
10 referred to as the "Secretary"), who shall be appointed by
11 the President by and with the advice and consent of the
12 Senate. The Secretary shall receive compensation at the
13 rate now or hereafter prescribed for offices and positions at
14 level I of the Executive Schedule (5 U.S.C. 5312). The
15 Department shall be administered under the supervision and
16 direction of the Secretary, who shall be responsible for the
17 efficient and coordinated management of the Department.

18 SEC. 202. (a) There shall be in the Department a
19 Deputy Secretary who shall be appointed by the President
20 by and with the advice and consent of the Senate and who
21 shall receive compensation at the rate now or hereafter pre-
22 scribed for offices and positions at level II of the Executive
23 Schedule (5 U.S.C. 5313).

24 (b) There shall be in the Department two Under Secre-
25 taries who shall be appointed by the President by and with

1 the advice and consent of the Senate and who shall receive
2 compensation at the rate now or hereafter prescribed for
3 offices and positions at level III of the Executive Schedule
4 (5 U.S.C. 5314).

5 (c) There shall be in the Department a Land and Rec-
6 reation-Resources Administration, at the head of which shall
7 be an Administrator of Land and Recreation Resources; a
8 Water Resources Administration, at the head of which shall
9 be an Administrator of Water Resources; an Energy and
10 Mineral Resources Administration, at the head of which
11 shall be an Administrator of Energy and Mineral Resources;
12 an Oceanic, Atmospheric, and Earth Sciences Administra-
13 tion, at the head of which shall be an Administrator of
14 Oceanic, Atmospheric, and Earth Sciences; and an Indian
15 and Territorial Affairs Administration, at the head of which
16 shall be an Administrator of Indian and Territorial Affairs.
17 The Administrators appointed pursuant to this subsection
18 shall be appointed by the President by and with the advice
19 and consent of the Senate and shall receive compensation at
20 the rate now or hereafter prescribed for offices and positions
21 at level III of the Executive Schedule (5 U.S.C. 5314).

22 (d) There shall be in the Department one Assistant
23 Secretary and a General Counsel who shall be appointed
24 by the President by and with the advice and consent of the
25 Senate and who shall receive compensation at the rate now

1 or hereafter prescribed for offices and positions at level IV
2 of the Executive Schedule (5 U.S.C. 5315).

3 (e) There shall be within the Department not more
4 than twenty-five additional officers, as determined from time
5 to time by the Secretary, who shall be appointed by the
6 Secretary and shall receive compensation at the rate now or
7 hereafter prescribed for offices and positions at level IV or
8 level V of the Executive Schedule (5 U.S.C. 5315 or
9 5316), as the Secretary may specify.

10 (f) Officers appointed pursuant to this section shall per-
11 form such functions as the Secretary shall specify from time
12 to time.

13 SEC. 203. The Deputy Secretary (or in the absence or
14 disability of the Deputy Secretary or in the event of a va-
15 cancy in the Office of the Deputy Secretary, an Under Sec-
16 retary, Administrator, Assistant Secretary, or the General
17 Council, determined according to such order as the Secre-
18 tary shall prescribe) shall act for and perform the functions
19 of the Secretary during any absence or disability of the Sec-
20 retary or in the event of a vacancy in the Office of the
21 Secretary.

22 TITLE III

23 TRANSFERS

24 SEC. 301. Subject to the remaining sections of this
25 title, there are hereby transferred to and vested in the
26 Secretary:

1 (a) All of the functions of the Secretary of the In-
2 terior, the Department of the Interior, and all officers and
3 components of that Department.

4 (b) Such of the functions of the Secretary of Com-
5 merce, the Department of Commerce, and officers and com-
6 ponents of that Department, as relate to or are utilized by
7 the National Oceanic and Atmospheric Administration.

8 (c) (1) Such of the functions of the Secretary of De-
9 fense, the Secretary of the Army, the Assistant Secretary of
10 the Army for Civil Works, and the Chief of Engineers and
11 the Corps of Engineers of the Department of the Army, as
12 relate to or are utilized for civil works and civil regulatory
13 functions: *Provided*, That all civil works construction, opera-
14 tion, and maintenance, flood and coastal emergencies, and
15 related activities, which shall be funded by the Secretary,
16 shall be accomplished through and under the direction of the
17 Secretary of the Army and the supervision of the Chief of
18 Engineers.

19 (2) All of the functions of the Board of Engineers for
20 Rivers and Harbors, Coastal Engineering, Research Center,
21 Board on Coastal Engineering Research, Mississippi River
22 Commission, and California Debris Commission.

23 (d) Such of the functions of the Secretary of Agricul-
24 ture, the Department of Agriculture, and officers and com-

1 ponents of that Department, as relate to or are utilized by
2 the Forest Service.

3 (e) Such of the functions of the Secretary of Agricul-
4 ture, the Department of Agriculture, and officers and com-
5 ponents of that Department, as relate to or are utilized by
6 the Soil Conservation Service.

7 (f) Such of the functions of the Secretary of Agriculture,
8 the Department of Agriculture, and officers and components
9 of that Department, as relate to or are utilized by the Natural
10 Resource Economics Division of the Economic Research
11 Service.

12 (g) Such of the functions of the Secretary of Agricul-
13 ture, the Department of Agriculture, and officers and com-
14 ponents of that Department, as relate to or are utilized by
15 the Soil and Water Conservation Division of the Agricul-
16 tural Research Service.

17 (h) Such of the functions of the Secretary of Trans-
18 portation, the Department of Transportation, and officers
19 and components of that Department, as relate to or are
20 utilized for pipeline safety.

21 (i) All of the functions of the Water Resources Council.

22 (j) Such of the functions of the Atomic Energy Com-
23 mission, and officers and components of that Commission,
24 as relate to or are utilized for the following:

25 (1) the civilian power program: *Provided, That*

1 all research and development programs and related
2 activities, which shall be funded by the Secretary, shall
3 be accomplished through and under the direction of the
4 Commission;

5 (2) the raw materials program;

6 (3) the uranium enrichment and related distribu-
7 tion activities constituting part of the Commission's pro-
8 duction program; and

9 (4) the Plowshare program: *Provided, That* all
10 general research and development, device development,
11 explosive effect tests, development of fielding systems,
12 project execution, and related activities, which shall be
13 funded by the Secretary, shall be accomplished through
14 and under the direction of the Commission.

15 SEC. 302. Functions vested by subchapter II of chap-
16 ter 5 of title 5 of the United States Code in hearing exam-
17 iners employed by any department, agency, or component
18 thereof, the functions of which are transferred under the pro-
19 visions of this Act, shall be vested in hearing examiners of
20 the Department.

21 SEC. 303. In any case in which the head of a depart-
22 ment or agency is required to consult or obtain the approval
23 of the head of another department or agency as a condition
24 to his performance of a function and the functions of both

1 with respect to the matter involved have been transferred
2 to the Secretary, the requirement for such consultation or
3 approval is hereby terminated.

4 SEC. 304. Except as provided in the next sentence, the
5 personnel employed in connection with, and the personnel
6 positions, assets, liabilities, contracts, property, records, and
7 unexpended balances of appropriations, authorizations, allo-
8 cations, and other funds employed, held, used, arising from,
9 available to, or to be made available in connection with the
10 functions transferred to the Secretary by this Act are, sub-
11 ject to section 202 of the Budget and Accounting Pro-
12 cedures Act of 1950 (31 U.S.C. 581c), transferred to the
13 Secretary for appropriate allocation. Personnel positions
14 expressly created by statute or reorganization plan, person-
15 nel occupying those positions on the effective date of this
16 Act, and personnel authorized to receive compensation at
17 the rate prescribed for offices and positions at level I, II,
18 III, IV, or V of the Executive Schedule (5 U.S.C. 5312-
19 5316) on the effective date of the Act shall be subject to
20 the provisions of sections 306 and 501 of this Act.

21 SEC. 305. Except as provided in section 306, transfer of
22 nontemporary personnel pursuant to this title shall not cause
23 any such employee to be separated or reduced in grade or
24 compensation for one year after such transfer.

25 SEC. 306. Any person who, on the effective date of this

1 Act, held a position compensated in accordance with the
 2 Executive Schedule prescribed in chapter 53 of title 5 of the
 3 United States Code, and who, without a break in service, is
 4 appointed in the Department to a position having duties com-
 5 parable to those performed immediately preceding his ap-
 6 pointment shall continue to be compensated in his new posi-
 7 tion at not less than the rate provided for his previous posi-
 8 tion, for the duration of his service in the new position.

9 SEC. 307. With respect to the programs and activities of
 10 the Atomic Energy Commission herein transferred, the func-
 11 tions of the Secretary shall be carried out under the following
 12 provisions of the Atomic Energy Act of 1954 (42 U.S.C.
 13 2011 et seq.), and the Secretary shall perform the functions
 14 of the Commission set forth therein with respect to such trans-
 15 ferred programs and activities, except as otherwise specified
 16 below:

17 (a) Chapter 1, "Declaration, Findings and Purpose".

18 (b) Chapter 2, "Definitions", except that the functions
 19 of the Commission set forth in subsections j (extraordinary
 20 nuclear occurrence), v (production facility), z (source ma-
 21 terial), aa (special nuclear material), and cc (utilization
 22 facility) of section 11 shall remain with the Commission.

23 (c) The following provisions of chapter 3, "Organiza-
 24 tion": sections 26 (General Advisory Committee), and 27

1 (consultation with the Department of Defense on atomic
2 energy matters; functions of the Department of Defense).

3 (d) Chapters 4, "Research", and 5, "Production of
4 Special Nuclear Material".

5 (e) The following provisions of chapter 6, "Special
6 Nuclear Material": clauses 53a (ii) and (iii) (making
7 available and distributing special nuclear material); sub-
8 section 53c (sale or lease, etc., of special nuclear material,
9 enrichment sources, sales prices, agreements with licensees,
10 use charges); subsection 53d (use charge for leased special
11 nuclear material); subsection 53f (distribution of special
12 nuclear material); section 54 (foreign distribution of spe-
13 cial nuclear material); section 55 (acquisition of special
14 nuclear material); section 56 (guaranteed purchase prices);
15 subsection 57c (limitations on distributions of special nuclear
16 material); and section 58 (Joint Committee review).

17 (f) The following provisions of chapter 7, "Source
18 Material": section 63 (domestic distribution of source mate-
19 rial), except the authority with respect to the issuance of
20 licenses and of criteria governing such issuance; section 64
21 (foreign distribution of source material), except the author-
22 ity to make the determination that the activity will not be
23 inimical to the interests of the United States; section 65
24 (reporting); section 66 (acquisition); and section 67 (op-
25 erations on lands belonging to the United States).

1 (g) Chapter 8, "Byproduct Material", except the au-
 2 thority of the Commission with respect to issuance of licenses,
 3 establishing exemptions from licensing, and determinations
 4 under subsection 82b as to whether foreign distributions
 5 would be inimical to the common defense and security.

6 (h) In chapter 9, "Military Applications of Atomic
 7 Energy", the authority in clause 91b (1) relating to deliv-
 8 ery of enriched uranium to Department of Defense.

9 (i) In chapter 11, "International Activities", sections
 10 121 (effect of international arrangements) and 122 (policies
 11 contained in international arrangements).

12 (j) In chapter 12, "Control of Information", subsec-
 13 tions 144a (international cooperation pursuant to an agree-
 14 ment for cooperation); 145b (restriction on access to re-
 15 stricted data), except that the Commission shall make the
 16 determinations relative to access to restricted data; and
 17 146b (power to control or restrict dissemination of infor-
 18 mation).

19 (k) In chapter 14, "General Authority", subsections
 20 161a (advisory boards), c (investigations, subpoenas), d
 21 (appointment and compensation of employees), e (acquisi-
 22 tion and construction of facilities, etc.), f (utilization of
 23 services of others), g (acquisition and disposal of property),
 24 k (carrying of firearms), m (materials transactions with
 25 licensees), o (reports and records) except with respect to

1 licensed activities, p (rules and regulations), q (easements),
 2 r (utility and related services), t (contracts implementing
 3 agreements for cooperation), u (long-term contract author-
 4 ity), and v (contracts for producing or enriching special
 5 nuclear material); and sections 162 (contract exemption
 6 authority), 163 (service of advisory committees), 164 (elec-
 7 tric utility contracts), 165 (proscribed contract practices),
 8 166 (Comptroller General audit), 167 (claims settlements),
 9 168 (payments in lieu of taxes), 169 (no subsidy), and
 10 170 (indemnification and limitation of liability) insofar as
 11 it authorizes and applies to agreements of indemnification
 12 with contractors.

13 (l) In chapter 15, "Compensation for Private Property
 14 Acquired", sections 171 (just compensation), 172 (con-
 15 demnation of real property), and 174 (Attorney General
 16 approval of title).

17 (m) In chapter 17, "Joint Committee on Atomic En-
 18 ergy", section 202.

19 (n) In chapter 18, "Enforcement", section 229 (author-
 20 ity to issue trespass regulations), which shall apply to any
 21 facility, installation, or real property subject to the jurisdic-
 22 tion, administration, or in the custody of the Secretary and
 23 utilized in carrying out any of the programs and activities
 24 of the Atomic Energy Commission herein transferred; section
 25 230 (photographing, etc., of Commission installations), in

1 which the words "property subject to the jurisdiction, ad-
2 ministration, or in the custody of the Commission," shall be
3 deemed to include property subject to the jurisdiction, ad-
4 ministration, or in the custody of the Secretary and utilized
5 in carrying out any of the programs and activities of the
6 Atomic Energy Commission herein transferred; and section
7 232 (injunction proceedings).

8 (o) In chapter 19, "Miscellaneous", sections 251 (re-
9 ports to Congress) and 261 (appropriations).

10 SEC. 308. No license under the Atomic Energy Act of
11 1954 (42 U.S.C. 2011 et seq.) shall be required for the
12 conduct, by the Secretary or by persons under contract with
13 and for the account of the Secretary, of the programs and
14 activities herein transferred from the Atomic Energy Com-
15 mission to the Secretary. In the conduct of such programs
16 and activities, the Secretary shall establish standards and
17 procedures for radiological protection of the public health
18 and safety and the safeguarding of the national defense and
19 security that are consistent with those established by the
20 Commission to govern its own activities. Such standards and
21 procedures shall be established with the advice and concur-
22 rence of the Atomic Energy Commission.

23 SEC. 309. With respect to the programs and activities
24 of the Atomic Energy Commission herein transferred, the
25 Secretary shall have all the rights, powers, and duties of

1 the Commission under section 152 of the Atomic Energy
2 Act of 1954 (42 U.S.C. 2182), in the case of inventions
3 and discoveries, useful in the production or utilization of spe-
4 cial nuclear material or atomic energy, made or conceived in
5 the course of or under any contract, subcontract, or ar-
6 rangement entered into with or for the benefit of the Secre-
7 tary, to the same extent as if entered into with or for the
8 benefit of the Commission.

9 SEC. 310. (a) The Commissioned Officer Corps of the
10 National Oceanic and Atmospheric Administration shall be-
11 come the Commissioned Officer Corps of the Oceanic, Atmos-
12 pheric, and Earth Sciences Administration (hereinafter re-
13 ferred to as the "Commissioned Officer Corps of OAESA").
14 Members of the corps (hereinafter referred to as "com-
15 missioned officers of OAESA"), including those appointed
16 hereafter, shall be entitled to all rights, privileges, and bene-
17 fits heretofore available under any law to commissioned offi-
18 cers of the National Oceanic and Atmospheric Administra-
19 tion, including those rights, privileges, and benefits hereto-
20 fore accorded by law to commissioned officers of the former
21 Environmental Science Services Administration and to com-
22 missioned officers of the former Coast and Geodetic Survey.

23 (b) The Secretary may appoint one of the commis-
24 sioned officers of OAESA from the active list to one of the
25 positions at level IV or V of the Executive Schedule estab-

1 lished pursuant to subsection 202 (e) of this Act. Such ap-
2 pointment shall create a vacancy on the active list; and while
3 holding such position, the officer shall have rank, pay, and
4 allowances not exceeding those of a vice admiral.

5 (c) The Secretary may designate two commissioned
6 officers from the active list to serve at any one time as the
7 designated heads of two principal constituent organizational
8 entities of the Oceanic, Atmospheric, and Earth Sciences Ad-
9 ministration, or the Secretary may designate one such officer
10 as the head of such an organizational entity and the other as
11 the head of the Commissioned Officer Corps of OAESA. Any
12 such designation shall create a vacancy on the active list and
13 the officer while serving under this subsection shall have the
14 rank, pay, and allowances of a rear admiral (upper half).

15 (d) Any commissioned officer of OAESA who has
16 served under (b) or (c) and is retired while so serving or is
17 retired after the completion of such service while serving in
18 a lower rank or grade, shall be retired with the rank, pay,
19 and allowances authorized by law for the highest grade and
20 rank held by him; but any such officer, upon termination of
21 his appointment in a rank above that of captain, shall, unless
22 appointed or assigned to some other position for which a
23 higher rank or grade is provided, revert to the grade and
24 number he would have occupied had he not served in a rank

1 above that of captain and such officer shall be an extra num-
2 ber in that grade.

3 TITLE IV

4 DEFINITIONS AND ADMINISTRATIVE PROVISIONS

5 SEC. 401. (a) As used in this Act—(1) references to
6 “function” or “functions” shall be deemed to include refer-
7 ences to duty, obligation, power, authority, responsibility,
8 right, privilege, and activity, or the plural thereof, as the
9 case may be; and (2) references to “perform” or “perform-
10 ance,” when used in relation to functions, shall be deemed
11 to include the exercise of power, authority, rights, and
12 privileges.

13 (b) Any reference in this Act to any provision of law
14 shall be deemed to include, as appropriate, references thereto
15 as now or hereafter amended or supplemented.

16 SEC. 402. (a) The Secretary is authorized to prescribe
17 such policies, standards, criteria, procedures, rules, and regu-
18 lations as he may deem to be necessary or appropriate to
19 perform functions now or hereafter vested in him.

20 (b) The Secretary shall engage in such policy planning
21 and perform such program evaluation analyses and other
22 studies as may be necessary to promote the efficient and
23 coordinated administration of the Department and properly
24 assess progress toward the achievement of its missions.

25 SEC. 403. (a) The Secretary may delegate any of his

1 functions to such officers and employees of the Department
2 as he may designate, and may authorize such successive
3 redelegations of such functions as he may deem to be
4 necessary or appropriate.

5 (b) The Secretary may, from time to time, establish,
6 alter, rename, or discontinue such organizational units or
7 components within the Department as he may deem to be
8 necessary or appropriate, but such authority shall not ex-
9 tend to the discontinuance of administrations or other or-
10 ganizational units or components expressly established with-
11 in the Department by this Act or by any future Act or re-
12 organization plan.

13 SEC. 404. The Secretary is authorized to establish, alter,
14 or discontinue and to maintain such State, regional, district,
15 local, or other field offices as he may deem to be necessary
16 or appropriate to perform functions now or hereafter vested
17 in him.

18 SEC. 405. The Secretary is authorized, subject to the
19 civil service and classification laws, to select, appoint, em-
20 ploy, and fix the compensation of such officers and em-
21 ployees, including attorneys, as are necessary to perform the
22 functions now or hereafter vested in him and to prescribe
23 their functions.

24 SEC. 406. The Secretary may obtain services as author-
25 ized by section 3109 of title 5 of the United States Code, at

1 rates not to exceed the rate prescribed for grade GS-18 of
2 the General Schedule by section 5332 of title 5 of the United
3 States Code.

4 SEC. 407. The Secretary is authorized to appoint, with-
5 out regard to the civil service laws, such advisory committees
6 as he may deem appropriate for the purpose of consultation
7 with and advice to the Secretary in the performance of his
8 functions. Members of advisory committees, other than those
9 regularly employed by the Federal Government, while at-
10 tending meetings of such committees or while otherwise
11 serving at the request of the Secretary, may be paid compen-
12 sation at rates not exceeding those authorized for individuals
13 under section 5332 of title 5 of the United States Code and,
14 while so serving away from their homes or regular places of
15 business, may be allowed travel expenses, including per diem,
16 as authorized by section 5703 of title 5 of the United States
17 Code for persons in the Government service employed
18 intermittently.

19 SEC. 408. (a) Notwithstanding any other provision of
20 law, a member of the Coast Guard, the Commissioned Officer
21 Corps of OAESA, or the Regular or Reserve Commissioned
22 Corps of the Public Health Service may be appointed, de-
23 tailed, or assigned to any position in the Department other
24 than a position the occupant of which must be approved by
25 and with the advice and consent of the Senate.

1 (b) The Secretary is authorized to provide for partici-
2 pation of military personnel in the performance of his func-
3 tions. Members of the Army, the Navy, the Air Force, or
4 the Marine Corps may be detailed for service in the Depart-
5 ment by the appropriate Secretary, pursuant to cooperative
6 agreements with the Secretary.

7 (c) Appointment, detail, or assignment to, acceptance
8 of, and service in any appointive or other position in the De-
9 partment under this section shall in no way affect status,
10 office, rank, or grade which officers or enlisted men may
11 occupy or hold or any emolument, perquisite, right, privilege
12 or benefit incident to or arising out of any such status, office,
13 rank, or grade, nor shall any member so appointed, detailed,
14 or assigned be charged against any statutory limitation on
15 strengths applicable to the Armed Forces. A member so ap-
16 pointed, detailed, or assigned shall not be subject to direction
17 or control by his armed force or any officer thereof directly or
18 indirectly with respect to the responsibilities exercised in the
19 position to which appointed, detailed, or assigned.

20 SEC. 409. The Secretary is authorized to pay transporta-
21 tion expenses, and per diem in lieu of subsistence expenses,
22 in accordance with chapter 57 of title 5 of the United States
23 Code for travel between places of recruitment and duty, and
24 while at places of duty, of persons appointed for temporary or
25 seasonal services in the field service of the Department.

1 SEC. 410. The Secretary is authorized to enter into such
2 contracts and agreements, including grant agreements, with
3 public agencies and private organizations and persons; make
4 such payments (in lump sum or installments, and in advance
5 or by way of reimbursement, and with necessary adjustments
6 on account of overpayments and underpayments) ; and gen-
7 erally take such steps as he may deem to be necessary or ap-
8 propriate to perform functions now or hereafter vested in him.

9 SEC. 411. The Secretary is authorized to acquire (by
10 purchase, lease, condemnation, or otherwise) , construct, im-
11 prove, repair, operate, and maintain facilities and real prop-
12 erty. However, such authority shall apply only to facilities
13 required for the maintenance and operation of laboratories,
14 research, and testing sites and facilities, quarters, and related
15 accommodations for employees and dependents of employees
16 of the Department, and such other special purpose real prop-
17 erty as the Secretary deems to be necessary in and outside
18 the District of Columbia. The Secretary may, through the
19 Administrator of General Services, acquire, by purchase,
20 lease, condemnation, or otherwise, general purpose office and
21 warehouse buildings or parts of buildings in and outside the
22 District of Columbia for the use of the Department. Title to
23 any property or interest therein, real, personal, or mixed,
24 acquired pursuant to this section shall be in the United States.

25 SEC. 412. (a) The Secretary is authorized to provide,

1 construct, or maintain, as necessary and when not otherwise
2 available, the following for employees and their dependents
3 stationed at remote locations:

- 4 (1) Emergency medical services and supplies;
- 5 (2) Food and other subsistence supplies;
- 6 (3) Messing facilities;
- 7 (4) Audiovisual equipment, accessories, and sup-
8 plies for recreation and training;
- 9 (5) Reimbursement for food, clothing, medicine, and
10 other supplies furnished by such employees in emer-
11 gencies for the temporary relief of distressed persons;
- 12 (6) Living and working quarters and facilities; and
- 13 (7) Transportation for school-age dependents of
14 employees to the nearest appropriate educational facili-
15 ties.

16 (b) The furnishing of medical treatment under para-
17 graph (1) of subsection (a) and the furnishing of services
18 and supplies under paragraphs (2) and (3) of subsection
19 (a) shall be at prices reflecting reasonable value as deter-
20 mined by the Secretary.

21 (c) Proceeds from reimbursement under this section
22 shall be deposited in the Treasury and may be withdrawn
23 by the Secretary to pay directly the cost of such work
24 or services, to repay or make advances to appropriations
25 of funds which do or will bear all or a part of such cost,

1 or to refund excess sums when necessary: *Provided*, That
2 such payments may be credited to a service or working
3 capital fund otherwise established by law, and used under
4 the law governing such funds, if the fund is available for
5 use by the Department for performing the work or services
6 for which payment is received.

7 SEC. 413. The Secretary, under such terms, at such
8 rates, and for such periods not exceeding thirty years, as he
9 may deem to be in the public interest, is authorized, under
10 regulations prescribed by the President, to permit the use
11 by concessionaires, including public and private agencies,
12 corporations, associations, or other organizations or individu-
13 als, of any real property, or any facility, structure, or other
14 improvement thereon, under the jurisdiction of the Secre-
15 tary. The Secretary may require permittees under this sec-
16 tion to recondition and maintain to a satisfactory standard
17 and at their own expense, the real property, facilities, struc-
18 tures, and improvements involved.

19 SEC. 414. The Secretary is authorized to acquire any
20 of the following described rights if the property acquired
21 thereby is for use by or for, or is useful to, the performance
22 of functions vested in him—

23 (1) Copyrights, patents, and applications for pat-
24 ents, designs, processes, and manufacturing data;

1 (2) Licenses under copyrights, patents, and appli-
2 cations for patents; and

3 (3) Releases, before suit is brought, for past in-
4 fringement of patents or copyrights.

5 SEC. 415. The Secretary is authorized to engage in
6 basic and applied research and development and disseminate
7 technology through information programs, demonstrations,
8 and cooperative arrangements with such scientific and other
9 public and private organizations and persons as he may deem
10 necessary to carry out the functions now and hereafter
11 vested in him.

12 SEC. 416. (a) (1) The Secretary is authorized, within
13 his own discretion or upon the request of any person, firm,
14 organization, or others, public or private, to make special
15 studies concerning matters within his jurisdiction; to prepare
16 from the records of the Department special compilations,
17 lists, bulletins, or reports; to furnish transcripts or copies of
18 such studies, compilations, and other records; to provide
19 copies of charts, maps, or photographs; and to provide serv-
20 ices incident to the conduct of the regular work of the De-
21 partment. The Secretary may, as appropriate, require pay-
22 ment of the actual or estimated cost of such special work.

23 (2) In the case of nonprofit organizations, research or-
24 ganizations, or public organizations or agencies, the Secre-

1 tary may engage in joint projects, or perform services, on
2 matters of mutual interest, the cost of which shall be appor-
3 tioned equitably, as determined by the Secretary, who may,
4 however, waive payment of any portion of such costs by
5 others, when otherwise authorized to do so.

6 (b) All payments for work or services performed or
7 to be performed under this section shall be deposited in the
8 Treasury and may be withdrawn by the Secretary to pay
9 directly the cost of such work or services, to repay or make
10 advances to appropriations or funds which do or will bear
11 all or a part of such cost, or to refund excess sums when
12 necessary: *Provided*, That such payments may be credited
13 to a service or working capital fund otherwise established
14 by law, and used under the law governing such funds, if the
15 fund is available for use by the Department for performing
16 the work or services for which payment is received.

17 SEC. 417. The Secretary, when he deems such action
18 necessary, may make provision for the printing and distri-
19 bution of reports and other documents in such number and in
20 such manner as he deems appropriate with respect to mat-
21 ters under his jurisdiction.

22 SEC. 418. The Secretary is authorized to accept, hold,
23 administer, and utilize gifts and bequests of property, both
24 real and personal, for the purpose of aiding or facilitating
25 the work of the Department. Gifts and bequests of money

1 and proceeds from sales of other property received as gifts
2 or bequests shall be deposited in the Treasury and shall be
3 disbursed upon the order of the Secretary. Property ac-
4 cepted pursuant to this section, and the proceeds thereof,
5 shall be used as nearly as possible in accordance with the
6 terms of the gift or bequest. For the purpose of Federal
7 income, estate, and gift taxes, property accepted under this
8 section shall be considered as a gift or bequest to the United
9 States.

10 SEC. 419. The Secretary shall cause a seal of office to be
11 made for the Department of such device as he shall approve
12 and judicial notice shall be taken of such seal.

13 SEC. 420. The Secretary is authorized to establish a
14 working capital fund, to be available without fiscal year limi-
15 tation, for expenses necessary for the maintenance and opera-
16 tion of such common administrative services as he shall find
17 to be desirable in the interests of economy and efficiency.
18 There shall be transferred to the fund the stocks of supplies,
19 equipment, other assets, liabilities, and unpaid obligations re-
20 lating to the services which he determines will be performed
21 through the fund. Appropriations to the fund in such amounts
22 as may be necessary to provide additional working capital
23 are authorized. The working capital fund shall recover from
24 the appropriations and funds for which services are per-
25 formed, either in advance or by way of reimbursement,

1 amounts which will approximate the costs incurred, includ-
2 ing the accrual of annual leave and the depreciation of equip-
3 ment. The fund shall also be credited with receipts from the
4 sale or exchange of its property, and receipts in payment for
5 loss or damage to property owned by the fund.

6 SEC. 421. To the extent necessary or appropriate to
7 perform functions transferred by this Act, the Secretary may
8 exercise, in relation to the functions so transferred, any au-
9 thority or part thereof available by law, including appro-
10 priations Acts, to the official or agency from which such func-
11 tions were transferred.

12 SEC. 422. Except as may be otherwise expressly pro-
13 vided in this Act, all functions expressly conferred by this
14 Act shall be in addition to and not in substitution for func-
15 tions existing immediately before the effective date of this
16 Act and transferred by this Act.

17 SEC. 423. The Secretary shall, as soon as practicable
18 after the end of each fiscal year, make a report to the
19 President for submission to the Congress on the activities of
20 the Department during the preceding fiscal year. Such report
21 shall include a statement of his goals, priorities, and plans
22 for the Department together with an assessment of the
23 progress made toward the attainment of those objectives,
24 the more effective and efficient management of the Depart-
25 ment and the coordination of its functions.

1 SEC. 424. The Secretary, when authorized in an appro-
2 priation Act, may, in any fiscal year, transfer funds from
3 one appropriation to another within the Department: *Pro-*
4 *vided*, That no appropriation shall be either increased or de-
5 creased pursuant to this section by more than 5 per centum
6 of the appropriation for such fiscal year.

7 SEC. 425. There is hereby established a service fund
8 for the Land and Recreation Resources Administration, the
9 Water Resources Administration, the Energy and Mineral
10 Resources Administration, the Oceanic, Atmospheric, and
11 Earth Sciences Administration, and the Indian and Terri-
12 torial Affairs Administration. Each such fund shall be avail-
13 able, without fiscal year limitations, for the purpose of pro-
14 viding services on a reimbursable basis for other departments,
15 agencies, and instrumentalities of the Government and for
16 persons outside the Government as authorized by law. The
17 costs of providing such services shall be paid from the appro-
18 priate service fund. Proceeds received as reimbursement for
19 services performed with funds from a service fund shall be
20 credited to that fund. Refunds may be made from a service
21 fund whenever an advance for services is subsequently deter-
22 mined to exceed the cost of such service.

23 SEC. 426. There are hereby authorized to be appropri-
24 ated, without fiscal year limitation, such sums as may be

1 provided for from time to time in appropriation Acts to carry
2 out functions now or hereafter vested in the Secretary.

3 SEC. 427. The Secretary shall from time to time prepare
4 and publish such compilations of laws and treaties applica-
5 ble to the various program areas of the Department as he
6 deems to be in the public interest.

7 TITLE V

8 TRANSITIONAL AND CONFORMING PROVISIONS

9 SEC. 501. Whenever all of the functions of a depart-
10 ment, agency, or other body, or any component thereof,
11 affected by this Act, have been transferred from that depart-
12 ment, agency, or other body, or any component thereof,
13 whether by this Act or by this Act in combination with trans-
14 fer by another Act, presidential reorganization plan, Execu-
15 tive order, or otherwise, the department, agency, or other
16 body, or component thereof shall lapse. Whenever a depart-
17 ment, agency, or other body, or any component thereof lapses
18 pursuant to the preceding sentence, each position and office
19 therein which was expressly created by statute or reorganiza-
20 tion plan or the incumbent of which was authorized to receive
21 compensation at the rate prescribed for an office or position at
22 level I, II, III, IV, or V of the Executive Schedule (5
23 U.S.C. 5312-5316) shall lapse.

24 SEC. 502. Section 211 of the Flood Control Act of 1970,
25 84 Stat. 1818, 1829, establishing the position of the Assist-

1 ant Secretary of the Army for Civil Works, is hereby
2 repealed.

3 SEC. 503. Section 101 of title 5 of the United States
4 Code is amended by substituting "Department of Natural Re-
5 sources" for "Department of the Interior".

6 SEC. 504. Section 19 (d) of title 3 of the United States
7 Code is amended by substituting "Secretary of Natural Re-
8 sources" for "Secretary of the Interior".

9 SEC. 505. Section 201 of Reorganization Plan Numbered
10 2 of 1970 is amended by substituting the "Secretary of
11 Natural Resources" for the "Secretary of the Interior".

12 SEC. 506. The Director of the Office of Management
13 and Budget is authorized to make such additional incidental
14 dispositions of functions, personnel, personnel positions, as-
15 sets, liabilities, contracts, property, records, and unexpended
16 balances of appropriations, authorizations, allocations, and
17 other funds held, used, arising from, available to or to be
18 made available in connection with the functions transferred
19 by this Act as he may deem necessary or appropriate to
20 accomplish the intent and purposes of this Act.

21 TITLE VI

22 SAVINGS PROVISIONS

23 SEC. 601. All orders, determinations, rules, regulations,
24 permits, contracts, certificates, licenses, and privileges—
25 (1) which have been issued, made, granted, or al-

1 lowed to become effective by the President, any Federal
2 department or agency or official thereof, or by a court
3 of competent jurisdiction, in the performance of func-
4 tions which are transferred under this Act, and

5 (2) which are in effect at the time this Act takes
6 effect,

7 shall continue in effect according to their terms until modi-
8 fied, terminated, superseded, set aside, or revoked by the
9 President, the Secretary, or other authorized official, a court
10 of competent jurisdiction, or by operation of law.

11 SEC. 602. (a) The provisions of this Act shall not affect
12 any proceedings pending at the time this section takes effect
13 before any department or agency (or component thereof),
14 functions of which are transferred by this Act; but such pro-
15 ceedings, to the extent that they relate to functions so trans-
16 ferred, shall be continued before the Department. Orders
17 shall be issued in such proceedings, appeals shall be taken
18 therefrom, and payments shall be made pursuant to such or-
19 ders, as if this Act had not been enacted; and orders issued
20 in any such proceedings shall continue in effect until modified,
21 terminated, superseded, or revoked by the Secretary, by a
22 court of competent jurisdiction, or by operation of law. Noth-
23 ing in this subsection shall be deemed to prohibit the dis-
24 continuance or modification of any such proceeding under the
25 same terms and conditions and to the same extent that such

1 proceeding could have been discontinued if this Act had not
2 been enacted.

3 (b) Except as provided in subsection (d) —

4 (1) the provisions of this Act shall not affect suits
5 commenced prior to the date this Act takes effect, and

6 (2) in all such suits proceedings shall be had, ap-
7 peals taken, and judgments rendered, in the same manner
8 and effect as if this Act had not been enacted.

9 (c) No suit, action, or other proceeding commenced
10 by or against any officer in his official capacity as an officer
11 of any department or agency, functions of which are trans-
12 ferred by this Act, shall abate by reason of the enactment
13 of this Act. No cause of action by or against any department
14 or agency, functions of which are transferred by this Act,
15 or by or against any officer thereof in his official capacity
16 shall abate by reason of the enactment of this Act. Causes
17 of actions, suits, actions, or other proceedings may be as-
18 serted by or against the United States or such official of the
19 Department as may be appropriate and, in any litigation
20 pending when this section takes effect, the court may at any
21 time, on its own motion or that of any party, enter any
22 order which will give effect to the provisions of this section.

23 (d) If, before the date on which this Act takes effect,
24 any department or agency, or officer thereof in his official
25 capacity, is a party to a suit, and under this Act any function

1 of such department, agency, or officer is transferred to the
2 Secretary or any other official, then such suit shall be con-
3 tinued as if this Act had not been enacted, with the Secretary
4 or other official, as the case may be, substituted.

5 (e) Final orders and actions of the Secretary or any
6 official or component of the Department in the performance
7 of functions transferred to the Secretary by this Act shall
8 be subject to judicial review to the same extent and in the
9 same manner as if such orders or actions had been made or
10 taken by the officer, department, agency, or instrumentality
11 in the performance of such functions immediately preceding
12 the effective date of this Act. Any statutory requirements
13 relating to notices, hearings, action upon the record, or
14 administrative review that apply to any function transferred
15 to the Secretary by this Act shall apply to the performance
16 of those functions by the Secretary, or any officer or com-
17 ponent of the Department.

18 SEC. 603. With respect to any function transferred by
19 this Act and performed after the effective date of this Act,
20 reference in any other law (including reorganization plans)
21 to any department or agency or any officer or office the
22 functions of which are so transferred shall be deemed to
23 refer to the Secretary or other officials in which this Act
24 vests such functions.

25 SEC. 604. Nothing contained in this Act shall be

1 construed to limit, curtail, abolish, or terminate any func-
2 tion of the President which he had immediately before the
3 effective date of this Act; or to limit, curtail, abolish, or termi-
4 nate his authority to perform such function; or to limit,
5 curtail, abolish, or terminate his authority to delegate, redele-
6 gate, or terminate any delegation of functions.

7 TITLE VII

8 SEPARABILITY

9 SEC. 701. If any provision of this Act or the application
10 thereof to any person or circumstance is held invalid, the re-
11 mainder of this Act, and the application of such provision to
12 other persons or circumstances shall not be affected thereby.

13 TITLE VIII

14 EFFECTIVE DATE AND INTERIM APPOINTMENTS

15 SEC. 801. (a) The provisions of this Act shall take
16 effect one hundred and twenty days after the Secretary first
17 takes office, or on such earlier date as the President may pre-
18 scribe and publish in the Federal Register, except that any of
19 the officers provided for in title II of this Act may be nomi-
20 nated and appointed, as provided in that title, at any time
21 after the date of enactment of this Act. Funds available to
22 any department or agency (or any official or component
23 thereof), any functions of which are transferred to the Secre-
24 tary by this Act, may, with the approval of the President, be
25 used to pay the compensation and expenses of any officer ap-

1 pointed pursuant to this subsection until such time as funds
2 for that purpose are otherwise available.

3 (b) In the event that one or more officers required by
4 this Act to be appointed by and with the advice and consent
5 of the Senate shall not have entered upon office on the
6 effective date of this Act, the President may designate any
7 officer, whose appointment was required to be made by
8 and with the advice and consent of the Senate and who was
9 such an officer immediately prior to the effective date of
10 the Act, to act in such office until the office is filled as pro-
11 vided in this Act. While so acting such persons shall receive
12 compensation at the rates provided by this Act for the re-
13 spective offices in which they act.

SECTION-BY-SECTION ANALYSIS

of

A bill to promote more effective management of certain related functions of the executive branch by reorganizing and consolidating those functions in a new Department of Natural Resources, and for other purposes.

SHORT TITLE

Section 1 states that the Act may be cited as the "Department of Natural Resources Act."

TITLE I - DECLARATION OF PURPOSE

Section 101 expresses congressional recognition that our natural resources, including energy sources, although abundant, are not unlimited; that their proper conservation, management, and utilization underlies all of the aspirations of the American people now and in the future; and that the Federal Government has a national responsibility to itself practice, and to foster the practice by others of, appropriate resource conservation, management and utilization policies. To best achieve these objectives, and to improve Government operations, the Congress finds that it is necessary to establish a Department of Natural Resources, bringing together those Federal activities which bear most directly on resource policy. The administration of the trust responsibility for, and selected programs to assist, the Indians, Alaska natives, and territorial peoples is also placed in the Department.

TITLE II - ESTABLISHMENT OF DEPARTMENT

Section 201 establishes the Department of Natural Resources under the supervision and direction of a Secretary of Natural Resources, who shall be appointed by the President by and with the advice and consent of the Senate and shall receive compensation at the rate provided for Level I of the Executive Schedule.

Section 202 establishes the top policy offices in the Department and describes the general structure for the internal organization of the Department. There will be a Deputy Secretary, at Level II of the Executive Schedule, and two Under Secretaries at Level III. In addition, there will be five Level III Administrators heading, respectively, a Land and Recreation Resources Administration, a Water Resources Administration, an Energy and Mineral Resources Administration, an Oceanic, Atmospheric, and Earth Sciences Administration, and an Indian and Territorial Affairs Administration. The bill also provides for an Assistant Secretary and a General Counsel at Level IV. All of the foregoing Level II to IV officers will be appointed by the President by and with the advice and consent of the Senate.

Subsection (e) establishes a pool of twenty-five Level IV and V officers to be appointed by the Secretary to assist in the management of the Department. Subsection (f) provides that all of the Level II to V officers will perform such functions as the Secretary shall specify from time to time.

Section 203 provides for the order of succession in the event of the absence or disability of the Secretary or in the event of a vacancy in the Office of the Secretary.

TITLE III - TRANSFERS

Title III effectuates the transfer of the functions under existing law which will be carried out by the new Department of Natural Resources. Section 301 identifies the functions that are transferred and provides that they shall be vested in the Secretary. The remaining sections of title III contain technical provisions relating to these transfers. Under the broad definitions in section 401 and the savings provisions of section 601, the operative term "functions" includes all existing relevant powers, rights, duties, etc., whether created, vested, or assigned by statute, reorganization plan, executive order, delegation, agreement, or otherwise. Section 506 authorizes the Director of the Office of Management and Budget to make additional incidental dispositions of functions as necessary to accomplish the purposes of the Act.

Subsection 301(a) transfers to the Secretary of Natural Resources all of the functions of the Secretary of the Interior, the Department of the Interior, and all officers and components of that Department. The Interior Department operates under the authority of several thousand laws, many of which do not appear in the United States Code. Those that are codified are found principally in title 16 of the United States Code, relating to the national park system, outdoor recreation, fish and wildlife, power marketing, and various other resource programs; title 25, Indians; title 30, mineral lands and mining, including mine health and safety; title 42, pertaining to desalination and water resources research; title 43, public lands, reclamation, and Department of the Interior; and title 48, territories.

Virtually all of the authority under these laws is presently vested in the Secretary of the Interior, pursuant to Reorganization Plan No. 3

of 1950, 64 Stat. 1262, 5 U.S.C.A., App., and as provided in statutes enacted thereafter; and subsection (a) transfers this authority to, and vests it in, the Secretary of Natural Resources. The additional reference in the subsection to all functions of officers and components of that Department similarly transfers to and vests in the Secretary the few remaining miscellaneous authorities that reside expressly or by implication in subordinate officers and components of the Department.

Subsection 301(b) transfers to the Secretary of Natural Resources such of the functions of the Secretary of Commerce, the Department of Commerce, and officers and components of that Department, as relate to or are utilized by the National Oceanic and Atmospheric Administration (NOAA). NOAA was created by Reorganization Plan No. 4 of 1970 (84 Stat. 2090), which brought together the Environmental Science Services Administration and its major elements, the Weather Bureau, Coast and Geodetic Survey, Environmental Data Service, National Environmental Satellite Center and Research Laboratories (Reorganization Plan No. 2 of 1965, 15 U.S.C. Chapter 9, 49 U.S.C. Chapter 20, 33 U.S.C. Chapter 17); the Bureau of Commercial Fisheries, Marine Fish Research Program and Marine Minerals Technology Center, formerly in the Department of Interior (16 U.S.C. passim); the National Oceanographic Data Center and National Oceanographic Instrumentation Center, formerly administered by the United States Navy; the National Data Buoy Development Project, formerly of the Coast Guard; the National Sea Grant Program, formerly of the National Science Foundation (33 U.S.C. Chapter 22); and elements of the United States Lake Survey, formerly of the Corps of Engineers. This consolidation of activities and functions was designed to improve man's

comprehension and uses of the physical environment and its oceanic life.

Subsection 301(c) transfers to the Secretary of Natural Resources, under paragraph (2), such of the functions of the Secretary of Defense, the Secretary of the Army, the Assistant Secretary of the Army for Civil Works, and the Chief of Engineers and the Corps of Engineers of the Department of the Army, as relate to or are utilized for civil works and regulatory functions, with the proviso that all civil works construction, operation and maintenance, flood and coastal emergencies, and related activities so transferred shall be accomplished through and under the direction of the Secretary of the Army and the supervision of the Chief of Engineers. To the extent they are codified, the laws authorizing these programs are found in title 33 of the United States Code.

The civil works functions of the Corps include the investigation, study, planning, construction, and operation and maintenance of measures for navigation, flood control, fish and wildlife enhancement, hydroelectric power, recreation, municipal and industrial water supply, beach erosion control and beach restoration, and water quality. Included are authorities for comprehensive river basin studies, flood plain information studies, emergency flood and coastal protection, a vast number of individual project authorizations, and continuing authorities to construct small projects without the specific authorization of the Congress.

The bill provides that the construction and operation of civil works, the provision of aid in flood and coastal emergencies, and related activities so transferred would continue to be accomplished through and directed by the Secretary of the Army and the Corps of Engineers. This will assure the continued training and experience of officers of the Army Corps of

Engineers in contract administration, construction, and coordination with civilian authorities; preserve the flexibility, efficiency, and responsiveness of the Corps to meet alternating civil and national defense needs; and maintain the capability of the Corps to provide assistance to civilians in emergencies. However, the functions of investigation, study, planning, budgeting and funding, and coordination would be transferred to the Secretary.

The civil regulatory functions of the Corps, which would be transferred to the Secretary, pertain generally to the protection of the navigable waters of the United States. No filling, erection of structures, dredging, diversion of flow, or depositing of refuse in such waters may be done unless permitted by the Secretary, who, in determining whether permission should be granted, considers all matters relating to the general public interest, including navigation, flood control, economic matters, fish and wildlife values, and ecological, esthetic, and environmental values.

Certain study and review functions are vested by law in the Board of Engineers for Rivers and Harbors, the Coastal Engineering Research Center, the Board on Coastal Engineering Research, the Mississippi River Commission, and the California Debris Commission. These functions are also transferred to the Secretary by paragraph (2) of the subsection.

Subsection 301(d) transfers to the Secretary of Natural Resources such of the functions of the Secretary of Agriculture, the Department of Agriculture, and offices and components of that

Department, as relate to or are utilized by the Forest Service.

Forest Service activity covers three major areas of operation concerned with the country's forest and related range, watershed and other wildland natural resources: (1) management, protection, and development of the National Forests and National Grasslands; (2) cooperation with the States in obtaining better forestry on State and private forest lands; and (3) research needed for (1) and (2) and for forest and range lands generally.

There are numerous laws relating to the Forest Service. Of those which have been codified, the principal statutes appear in title 16 of the United States Code, relating to the three major programs of the Forest Service, and in title 7 of the United States Code, relating to the general authorities of the Department of Agriculture. Reorganization Plan No. 2 of 1953 (67 Stat. 633, 7 U.S.C.A. 2201 note) vested in the Secretary of Agriculture all of the functions of the Service, as well as all of the functions of the other components of the Department of Agriculture transferred under this Act.

Subsection 301(e) transfers to the Secretary of Natural Resources such of the functions of the Secretary of Agriculture, the Department of Agriculture, and officers and components of that Department, as relate to or are utilized by the Soil Conservation Service. Soil Conservation Service activities cover four major areas of operation: (1) the development and carrying out of a national soil and water conservation program (primarily through conservation districts), including the national cooperative soil survey, technical assistance in the development of conservation plans and application of conservation treatments; the conduct of snow surveys to develop stream flow

forecasts, and the operation of plant material centers; (2) the development and carrying out of watershed protection and flood prevention projects, including furnishing technical and financial assistance to State and local organizations, and conduct of river basin surveys and investigations in cooperation with other agencies; (3) the administration of the Great Plains Conservation program for the mitigation of wind and water erosion damages in the Great Plains area; and (4) the aiding of local sponsors in developing and carrying out of multicounty resource conservation and development projects.

There are numerous laws relating to the programs of the Soil Conservation Service. Of those which have been codified, the principal statutes appear in title 7 of the United States Code, sections 1010 et seq. (resource conservation and development) and other sections related to the general authorities of the Department of Agriculture; title 16, sections 590(a) to (f) (soil and water conservation operations), 590(p)(b) (Great Plains conservation), and 1001 et seq. (watershed protection); and title 33, sections 701(a) et seq. (flood prevention).

Subsection 301(f) transfers to the Secretary of Natural Resources such of the functions of the Secretary of Agriculture, the Department of Agriculture, and officers and components of that Department, as relate to or are utilized by the Natural Resource Economics Division of the Economic Research Service. This Division conducts research in the economics of the use, conservation and development of land and water resources. These activities are authorized under various statutes, including primarily 7 U.S.C. 411, 1621 et seq., 1761, 2201, 2202; 42 U.S.C. 1891 - 1893.

Subsection 301(g) transfers to the Secretary of Natural Resources such of the functions of the Secretary of Agriculture, the Department of Agriculture, and officers and components of that Department, as relate to or are utilized by the Soil and Water Conservation Division of the Agricultural Research Service. This Division conducts research in the conservation of soil and water and the control of certain forest and range insects and diseases. These activities are authorized under various statutes including primarily the Department of Agriculture Organic Act of 1862 (7 U.S.C. 2201) and the Research and Marketing Act of 1946, as amended (7 U.S.C. 427, 427i).

Subsection 301(h) transfers to the Secretary of Natural Resources such of the functions of the Secretary of Transportation, the Department of Transportation, and officers and components of that Department as relate to or are utilized for pipeline safety. The referenced functions consist of all of the authority under the Natural Gas Pipeline Safety Act of 1968 (49 U.S.C. 1671 et seq.); and such of the authority under sections 831-835 of title 18 of the United States Code as relates to pipeline safety. The latter, originally administered by the Interstate Commerce Commission, was transferred to the Department of Transportation for administration through the Federal Railroad Administration pursuant to subsections 6(e) and (f) of the Department of Transportation Act (80 Stat. 931, 939, 940).

Subsection 301(i) transfers to the Secretary of Natural Resources all of the functions of the Water Resources Council. The Council

was established by and functions under the Water Resources Planning Act (42 U.S.C. 1962 et seq.). Its responsibilities include the coordination of all Federal water resource programs, assessment of water supplies and requirements, establishment of principles, standards and procedures for Federal water and related land resources projects, review of comprehensive regional and river basin plans, and the administration of grants to States for comprehensive planning.

Subsection 301(j) transfers certain programs and activities from the Atomic Energy Commission to the Secretary of Natural Resources as follows:

(1) The civilian power program. In general, this encompasses the programs to make possible the maximum exploitation for civilian use of the vast energy resources latent in nuclear material. Their objectives apply to nuclear units for central station power plants, desalting and dual purpose plants; propulsion and power for civilian maritime uses; attended and unattended earth and undersea power devices; and related fuel reprocessing, waste disposal and environmental systems. They include development of civilian power and test reactors, isotopes, waste and environmental related systems, and associated equipment for general nuclear oriented research; new and advanced technology leading to improvements in fuel utilization, reprocessing and waste disposal, and new concepts and processes; investi-

gations and research into safety of reactor systems and nuclear processes, and establishment of environmental and safety criteria; and fostering and coordinating development and application of civilian nuclear power in cooperative arrangements with industrial, utilities, and other government organizations.

In order to assure that the vital research and development program and related activities can continue to benefit from the closest possible integration with other highly technical AEC programs, activities, and personnel, such work would continue to be accomplished through and directed by AEC and carried out under AEC contracts administered by that agency. However, the functions of planning, budgeting and funding, coordination, assessment of resources and establishment of priorities as related to national energy planning would be transferred to the new Department. It is not intended, by the transfer of any civilian power functions to the Department, to preclude AEC continuance of research and development effort in safety, reactor technology, fuel reprocessing, waste management, or other activities that relate primarily to programs remaining with the Commission.

(2) The raw materials program. This encompasses acquisition and management of uranium ore concentrates; assistance in the development of a viable competitive domestic

uranium mining and milling industry; and development and evaluation of information on availability of uranium and thorium for nuclear programs.

(3) The uranium enrichment and related distribution activities constituting part of the Commission's program for the production of special nuclear materials. This encompasses the program for uranium enrichment services to meet the needs for enriched uranium in domestic and foreign peaceful applications of atomic energy, for Department of Defense applications, and for AEC research and development programs. It includes operation and maintenance, and improvement of three existing gaseous diffusion plants (and related feed facilities), together with manufacture of special materials and components; research and development to advance enriching technology; the sale of uranium enriching services, including determination of prices to be charged; and the planning for future needs.

(4) With respect to the Flowshare program, the Department would have funding responsibility for all aspects of the program. The Department's responsibilities would also encompass the identification of programs to be undertaken which would utilize nuclear explosives, such as specific projects for gas stimulation or geothermal enhancement; negotiation and administration of contracts for industrial participation in such projects; and conduct of economic studies anticipating future

provision of Plowshare services on a commercial basis. General research and development, device research and development, device technology, explosive effects tests, development of fielding systems, project execution and related activities would remain with AEC, and the Department would budget for and transfer to AEC the necessary funds for these activities.

Section 302 provides that functions vested in hearing examiners by subchapter II of chapter 5 of title 5 of the United States Code will continue to be vested in hearing examiners of the Department of Natural Resources.

Section 303 provides that in any case in which the head of a department or agency is required to consult or obtain the approval of the head of another department or agency as a condition to his performance of a function, and the functions of both with respect to the matter involved have been transferred to the Secretary of Natural Resources, the requirement for such consultation or approval is terminated.

Section 304 provides that personnel, personnel positions, assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds relating to functions transferred to the Secretary shall follow those functions and be transferred to the Secretary. Appropriations so transferred will be accounted for in accordance with the provisions of section 202 of the Budget and Accounting Procedures Act

of 1950 (31 U.S.C. 581c) under which transfers of this type normally are made. To the extent that additional incidental adjustments may be needed to accomplish the intent of the Act, section 506 of the Act authorizes the Director of the Office of Management and Budget to make those adjustments. Personnel positions expressly created by statute or Reorganization Plan, personnel occupying those positions on the effective date of the Act, and personnel authorized to receive compensation at one of the rates prescribed by the Executive Schedule (5 U.S.C. 5312-5316) would not be transferred to the new Department by the Act. Those personnel positions would lapse, as provided in section 501. Persons under the Executive Schedule may be employed by the Department, without loss of pay, under section 306 of the Act.

Section 305 provides that non-temporary personnel, other than personnel entitled to compensation under the Executive Schedule (Level I to V), shall not be separated or reduced in grade or compensation, as a result of the establishment of the new Department, for one year after being transferred to the new Department pursuant to section 304 of the Act. This provision is designed to preclude reductions in force solely as a result of the enactment of this Act for one year after the new Department becomes operational. However, this provision would not preclude the separation or reduction in grade or compensation of any such personnel under the same circumstances that such adverse action could have been taken if this Act had not been enacted--for example, separation for cause or removal from a Schedule C position. (See Sec. 9(h))

DOT Act, 80 Stat. 944).

Section 306 provides that persons entitled to compensation under the Executive Schedule (Level I to V) may be employed by the new Department and if that employment is without break in service and if the duties of the new position are comparable to the duties performed immediately preceding the new appointment, such person will be entitled to receive compensation at a rate not less than he received in his previous position for the duration of his service in the new position. (See Sec. 9(h), DOT Act.)

Sections 307, 308 and 309 set forth the specific statutory framework within which the Secretary will carry out the AEC programs and activities to be transferred by this bill. Although many of the authorities and requirements of the Atomic Energy Act would thereby be made applicable to the Secretary, it would not be feasible for both AEC and the Department to duplicate programs or staffs, or, even more important, for responsibility to be diffused, in several sensitive areas. Hence, these sections contemplate that AEC would continue to be responsible for policies, procedures, and requirements relating to the control of Restricted Data; the Department would administer the transferred programs and activities under AEC physical security and classification policies, guides and procedures; and Department employees and other persons engaged in the transferred programs and activities would be required to have appropriate AEC security clearances.

None of AEC's licensing authority and responsibility would be transferred to the Secretary. In the transferred programs and activities, the Department and contractors for its account would be exempt from requirements for AEC licenses, but the Department's standards and procedures for radiological protection of the public health and safety and the safeguarding of the national defense and security would be required to be consistent with those of the Commission governing its own activities, and to be established with the Commission's advice and concurrence.

The Commission would retain its present exclusive authority in the definition of extraordinary nuclear occurrence, source and special nuclear materials, and production and utilization facilities, an authority that is basic to the licensing, indemnification, and weapons programs of the Commission. AEC would also retain the authority with respect to negotiation of international arrangements and agreements for cooperation with foreign countries and organizations; the Secretary would, however, have the authority, consistent with the overall international agreements, to negotiate implementing agreements for distribution of source and special nuclear materials and for reprocessing and toll enrichment of such materials for peaceful uses.

Section 307 lists the specific provisions of the Atomic Energy Act under which the Secretary will administer the transferred programs and activities, with all the powers and duties of the Commission thereunder except as otherwise specified. These pro-

visions include:

1. Chapters 1 and 2 of the Act, stating overall policies and purposes and prescribing definitions, with the determinations as to "extraordinary nuclear occurrence," "production facility," "source material," "special nuclear material," and "utilization facility" retained in the Commission (subsections (a), (b)).

2. Those provisions of chapter 3 ("Organization") that relate to advice from the General Advisory Committee and to liaison with the Department of Defense (subsection (c)). It is intended that with respect to the transferred programs and activities the Department of Defense shall have the same rights and responsibilities vis-a-vis the Secretary as it has in other respects with the Commission.

3. Chapters 4 ("Research") and 5 ("Production"), which provide the principal statutory base for the civilian power, Flowshare, and uranium enrichment programs and activities transferred to the Secretary (subsection (d)). The provisions of section 44 of the Act, relating to disposition of energy produced in Commission operations, will apply to energy produced in Department operation of production or utilization facilities.

4. The provisions of chapter 6 that relate to the acquisition and distribution, as distinguished from the defining or licensing, of special nuclear material (subsection (e)).

These include the provisions governing determination of charges and guaranteed purchase prices. The Commission would retain its function under subsection 57b with respect to authorizing persons to directly or indirectly engage in the production of any special nuclear material outside the United States.

5. The provisions of chapter 7 that relate to the reporting, acquisition, and distribution, as distinguished from the defining or licensing, of source material (subsection (f)). The Commission would retain the authority under section 64 to determine whether proposed foreign distributions not undertaken pursuant to an agreement for cooperation will be inimical to the interests of the United States.

6. The provisions of chapter 8 that relate to distribution, as distinguished from the licensing, of byproduct material (subsection (g)). The Commission would retain the authority under subsection 82b to determine whether foreign distributions not undertaken pursuant to an agreement for cooperation will be inimical to the common defense and security.

7. In chapter 9, the authority under subsection 91b (1) relating to delivery under Presidential direction of enriched uranium to the Department of Defense (subsection (h)).

8. In chapter 11, the provisions of section 121 with respect to the effect of Commission actions in conflict with any international arrangement made after enactment of the Atomic Energy Act, and section 122 requiring maximum Commission implementation of any international arrangement made after such enactment, are made applicable to the Department (subsection (i)); the remaining sections of chapter 11 concern the entering into of agreements for cooperation and international arrangements, and no responsibilities or authority thereunder are transferred to the Secretary.

9. In chapter 12, "Control of Information," subsection 144a would apply to the Secretary's implementation of agreements for cooperation; subsection 145b, with respect to security investigations and clearances, would apply to Department employees and others for whom access to Restricted Data is required, but the Commission would retain the security clearance function; and the Department would be subject to the limitation in subsection 146b with respect to controlling or restricting dissemination of information (subsection (j)). No responsibilities or authority under the remaining provisions of chapter 12 relating to policy, classification and declassification of Restricted Data, Department of Defense participation, international cooperation, and restrictions, are transferred to the Secretary.

10. Numerous listed sections and subsections of chapter 14, "General Authority," which have provided the Commission with needed or desirable authority and flexibility, or imposed certain limitations on authority, are made applicable to the transferred programs and activities (subsection (k)). Some of these are general in nature, e.g., advisory boards, subpoena power, appointment and compensation of employees, acquisition and disposition of property, carrying of firearms, issuance of rules and regulations, granting of easements, sale of utility and other services, Presidential contract exemption authority, proscribed contract practices, Comptroller General audit, and payments in lieu of taxes. Others are more directly keyed, though not exclusively so, to the transferred programs and functions. These include the authority to contract to provide certain processing, fabricating, separating and refining services to licensees and to sell materials to them (subsection 161m of the Act); perform similar services in implementation of agreements for cooperation (subsection 161t); enter into long-term contracts for acquisition of reactor or reactor-related services, or for other materials or services under certain stated conditions (subsection 161u); enter into long-term contracts to produce or enrich special nuclear material for licensees, or in implementation of agreements for cooperation, under certain stated conditions (sub-

section 161v); enter into long-term power contracts for the Oak Ridge, Paducah and Portsmouth installations (sec. 164); settle claims for damages resulting from detonation, explosion, or radiation produced in a program involving detonation of an explosive device (sec. 167); and enter into agreements of indemnification with certain types of contractors covering risk of public liability for a substantial nuclear incident (sec. 170). It is intended that the Department's policies and procedures with respect to agreements for indemnification shall be consistent with those followed by the Commission with respect to its contractors. The "no subsidy" requirement of section 169 with respect to Commission-licensed facilities is applicable to the Department. It should also be noted that the statutory committees--the General Advisory Committee, the Military Liaison Committee, and the Advisory Committee on Reactor Safeguards--will be available for consultation by the Department, although the appointment of members and administrative support will remain as heretofore. A continuing close and effective relationship between the Department and the Commission is required and expected on the many matters of mutual concern that will evolve in carrying out their respective functions.

11. In chapter 15, the provisions (secs. 171, 172, 174) relating to just compensation for property acquired, condemnation of real property, and Attorney General approval of title (subsection (1)).

12. In chapter 17, "Joint Committee on Atomic Energy," the provisions of section 202 relating to Joint Committee oversight of the Commission and the Commission's responsibility to the Joint Committee (subsection (m)).

13. In chapter 18, "Enforcement," the provisions of sections 229 and 230, relating to trespass upon and photographing, etc., of Commission installations, modified to make them applicable to Department installations used in carrying out the transferred programs and activities (subsection (n)).

14. In chapter 19, "Miscellaneous," the provisions of section 251 with respect to reports to Congress, and section 261 requiring prior legislative authorization for appropriations and waiver of use charges and containing other provisions relating to appropriations (subsection (o)).

Section 308 provides that no AEC license (which would otherwise be required by the Atomic Energy Act) shall be required for the conduct by the Secretary or by persons under contract with and for the account of the Secretary, of the transferred programs and functions, thus paralleling the exemption now existing for AEC and certain contractors with respect to those programs and functions. However, the Secretary is required, with the advice and concurrence of the Commission, to establish standards and procedures for radiological protection of the public health and safety that are consistent with those established by the Commission

to govern its own activities. The Secretary is also required, in the conduct of the transferred programs and activities, to establish standards and procedures for the safeguarding of the common defense and security that have the concurrence of the Commission and are consistent with those established by the Commission to govern its own activities. It is intended that the Commission's functions with respect to radiological public health and safety and the common defense and security not be diffused.

Section 309 provides that with respect to the transferred programs and activities the Secretary shall have all the Commission's rights, powers and duties under section 152 of the Atomic Energy Act in the case of inventions useful in the production or utilization of special nuclear material or atomic energy, made in the course of or under any contract, subcontract, or arrangement entered into with or for the benefit of the Secretary, to the same extent as if entered into with or for the benefit of the Commission. The present authority of the Commission with respect to inventions relating to atomic weapons and filing of reports (sec. 151 of the Atomic Energy Act), compulsory patent licensing (sec. 153), and compensation, awards, and royalties will remain with the Commission. It is expected that AEC invention review capabilities will be utilized to the maximum extent and that the patent policies and procedures of the Department with respect to the transferred programs and activities will be established and administered in close coordination with the Commission.

Section 310 provides that the Commissioned Officer Corps of NOAA shall become the Commissioned Officer Corps of the Oceanic, Atmospheric and Earth Sciences Administration of the Department of Natural Resources. This Corps was established by statute in 1917, as a special personnel system in the Coast and Geodetic Survey, to satisfy the need for the close defense relationship and because of the mobile and short-fuse nature of assignments. It has been continued in the Environmental Science Services Administration and more recently in the National Oceanic and Atmospheric Administration. The Commissioned Officer Corps is one of the seven branches of the uniformed services of the United States. Officers are available and utilized in a broad range of assignments throughout NOAA. Service aboard NOAA's oceanographic fleet is a common and principal factor in the officer's service. Approximately one-third of service career is spent assigned to such vessels.

The provisions relating to the appointment of Corps officers to policy positions in OAESA are the same as those provided in Reorganization Plan No. 4 of 1970 for appointment to policy positions in NOAA except that the requirement for Presidential appointment to such positions has been omitted in keeping with the provisions of subsection 202(e) of the Act.

TITLE IV - DEFINITIONS AND ADMINISTRATIVE PROVISIONS

Section 401. Subsection (a) defines "function", "functions", "perform" and "performance" in order to avoid repetitious references to such terms as duties, obligations, powers, authorities, responsibilities, rights, privileges, and activities, and the exercise thereof.

Subsection (b) provides that references in the Act to provisions of law shall be deemed to include, as appropriate, reference thereto as now and hereafter amended or supplemented. This avoids repetitious uses of "as amended" or "as supplemented." It also recognizes that statutory authorities subject to transfer under this legislation may be amended or supplemented by other legislation while this legislation is under consideration or after this legislation is enacted but before it becomes effective. This provision would avoid any issue as to whether statutory authorities transferred by this Act are transferred in their amended forms, and will obviate the need for last minute conforming adjustments in this or any other legislation during final stages of the legislative process.

Section 402. authorizes the Secretary to prescribe such policies, standards, criteria, procedures, rules, and regulations as he may deem to be necessary or appropriate to perform functions now or hereafter vested in him. (See sec. 203(b)(1), NASA Act; OEO Act, 42 U.S.C. 2942(n); sec. 9(e), DOT Act, 80 Stat. 944; sec. 7(d), DHUD Act, 79 Stat. 667)

Section 403. Subsection (a) authorizes the Secretary to delegate any of his functions to such officers and employees of the Department as he may designate and to authorize successive redelegations of those functions. (See sec. 7(d) of DHUD Act, 79 Stat. 667; sec. 9(e) of DOT Act, 80 Stat. 944).

Subsection (b) authorizes the Secretary to establish and modify the internal organization of the department by creating, altering, and discontinuing such organizational units and components as he may, from time to time, deem necessary or appropriate to the performance of any of his functions. However, the Secretary would not be authorized to abolish the "Administrations" created by section 202(c) of the Act, or any other organizational units or components expressly established within the Department by this or any future Act or Reorganization Plan, such as the Commissioned Officer Corps of OAESA established by section 310 of this Act. (This authority is quite similar to that now applicable with respect to the Department of Housing and Urban Development and the Department of Justice. See also sec. 203(b)(g), NASA Act, 72 Stat. 430).

Section 404 authorizes the Secretary to establish, alter, or discontinue and to maintain such State, regional district, local, or other field offices as he may deem necessary or appropriate to the performance of his functions. This will expressly permit the Secretary to design and establish the best field office system he

can devise to assure effective, expeditious, and responsive implementation of the Department's programs. It would also permit him to alter or discontinue that system and establish another system if experience or changed conditions indicate the advisability of such a change.

Section 405 is a standard provision authorizing the Secretary, subject to the civil service and classification laws, to select, appoint, employ, and fix the salaries of such officers and employees, including attorneys, as are necessary to the performance of his functions. (See sec. 7(c), DHUD Act, 79 Stat. 667).

Section 406 authorizes the Secretary to obtain the services of experts and consultants at rates not to exceed those prescribed for GS-18 of the General Schedule. (See sec. 7(e) of the DHUD Act as amended by sec. 906 of the Housing and Urban Development Act of 1970, P.L. 91-609).

Section 407 is a standard provision authorizing the Secretary to appoint advisory committees to consult with and advise him with respect to the performance of his functions. (See sec. 7(e) of the DHUD Act, as amended by sec. 905, P.L. 91-609; sec. 9(o) of DOT Act, 80 Stat. 944).

Section 408 authorizes the appointment, detail, or assignment of members of the Coast Guard, the Commissioned Officer Corps of OAESA, or the Regular or Reserve Commissioned Corps of the Public Health Service to any position in the Department that is not

required to be filled by an officer whose appointment is required to be confirmed by the Senate.

Subsection (b) permits members of the Army, Navy, Air Force, and Marine Corps to be detailed for service in the Department under agreements between the Secretary and Secretaries of the Military Departments.

Subsection (c) provides that the status, office, rank, or grade of persons who are appointed, assigned, or detailed to the Department pursuant to this section shall not be adversely affected by service under this section. (See sec. 9(d)(1), DOT Act, 80 Stat. 944).

Section 409 authorizes payment of transportation expenses and per diem to temporary or seasonal employees from the place of their recruitment to the place of their duty and while at the place of such duty. Such expenses would be paid in accordance with chapter 57 of title 5 of the United States Code which relates to similar payments to other Government employees for official travel. (See 7 U.S.C. 2229).

Section 410 authorizes the Secretary to enter into contracts and agreements, including grant agreements, with public agencies and private organizations and persons. It authorizes payments in lump sum or by installments or in advance or by way of reimbursement. It also authorizes the Secretary to take such steps as he may deem necessary or appropriate to perform his functions. (See sec. 203(b)(5), NASA Act, 72 Stat. 426).

Section 411 authorizes the Secretary to acquire facilities required for the maintenance and operation of laboratories, research, and testing sites and facilities, quarters, and related accommodations for employees and their dependents and such other special purpose real property as the Secretary deems necessary. Such special purpose facilities and real property could be acquired by purchase, lease, condemnation, or otherwise. General purpose facilities and real property could be acquired through the General Services Administration. The title to all property acquired pursuant to this section would be in the United States rather than in the Secretary or the Department (See sec. 203(b)(3), NASA Act, 72 Stat. 426).

Section 412 authorizes the Secretary to provide, construct, or maintain, as necessary and when otherwise unavailable, certain facilities and services for employees and their dependents at remote locations. Included would be emergency medical services and supplies; food and subsistence supplies; messing facilities; audio-visual equipment, accessories, and supplies for recreation and training; living and working quarters and facilities; and transportation for school age dependents to the nearest appropriate educational facilities. Reimbursement would be required for the medical treatment and for services and supplies so furnished to employees and their dependents. Charges for these services, or any other services under this Act to private persons or organizations, would be determined in accordance

with uniform policies, standards, and procedures prescribed by the Office of Budget and Management and with 31 U.S.C. 483a and 5 U.S.C. 5911. (See sec. 9(1), DOT Act, 80 Stat. 946, and 15 U.S.C. 1514).

Section 413 would authorize the Secretary to permit concessionaires to provide services on property under the jurisdiction of the Secretary. Concession agreements under this section would have to be in conformity with standards prescribed in regulations issued by the President. (See 16 U.S.C. 20-20g, 580d).

Section 414 authorizes the Secretary to acquire copyrights and patents, interests therein and licenses thereunder, whenever such acquisitions are necessary or appropriate to the performance of his functions. (See 10 U.S.C. 2386).

Section 415 authorizes the Secretary to engage in such basic and applied research and disseminate technology as he may deem necessary to carry out functions entrusted to him. (See title V, Housing and Urban Development Act of 1970, P.L. 91-609; sec. 9(q), DOT Act, 80 Stat. 947).

Section 416 authorizes the Secretary, within his own discretion or at the request of any persons, firms, organizations, or others, public or private, to make special studies concerning matters within his jurisdiction; to prepare from the records of the Department special compilations, lists, bulletins, or reports; to furnish transcripts or copies of those studies, compilations, and other records; to furnish copies of charts, maps, or photographs; and to provide

services incident to the conduct of the regular work of the Department. For example, the Department may have a specialized piece of equipment, or persons with specialized knowledge, not available elsewhere and, in appropriate cases, the Secretary would be authorized to make those services available to private persons and to public and private agencies and organizations. This section also authorizes the Secretary to undertake joint projects with nonprofit organizations, research organizations, and public agencies and organizations involving matters of mutual interest and to share the costs thereof. As noted with respect to section 412, charges to private persons and organizations under this Act would be determined in accordance with user standards, charges policies, and procedures prescribed by the Office of Management and Budget and 31 U.S.C. 483a. (See P.L. 91-412 - Department of Commerce).

Section 417 authorizes the Secretary to make provisions for the printing and distribution of reports and other documents with respect to matters under his jurisdiction.

Section 418 authorizes the Secretary to accept, hold, administer, and utilize gifts and bequests. (See sec. 905(k) of Housing and Urban Development Act of 1970, P.L. 91-609; sec. 9(m), DOT Act, 80 Stat. 946).

Section 419 authorizes the Secretary to prescribe a seal for the Department. (See sec. 7(g) of DHUD Act, 79 Stat. 667).

Section 420 authorizes the establishment of a working capital fund to defray necessary expenses arising out of the maintenance and operation of such common administrative services as the Secretary shall find to be desirable in the interest of economy and efficiency. (See sec. 9(j), DOT Act, 80 Stat. 945; sec. 7(b), DHUD Act, 79 Stat. 667; and 43 U.S.C. 1467, Interior Department).

Section 421 is a technical provision. In certain cases authority under a portion of an Act is transferred to the Secretary by this Act while responsibility for other provisions of the same Act will be retained by the transferring agency. This provision is designed to permit the Secretary to exercise powers vested by the general provisions of any such Act without divesting the transferring agency of authority to exercise those powers with respect to the functions retained by that agency.

Section 422 is designed to make it clear that authority expressly provided by this Act is in addition to and not in substitution for any authority that may have existed prior to the effective date of this Act and is transferred by this Act.

Section 423 requires an annual report to the Congress on the activities of the Department concerning activities during the preceding fiscal year, a statement of goals, and an assessment of progress.

Section 424 authorizes the Secretary, when authorized in an appropriation act, to transfer funds from one appropriation

to another so long as such transfers do not increase or decrease an appropriation by more than five per cent. This does not permit such transfers unless they are authorized in an appropriation act.

Section 425 authorizes the establishment of service funds for each Administration. These funds would be used to defray the initial costs of reimbursable services provided to other departments and agencies or to persons, agencies, or organizations outside the government.

Section 426 authorizes the appropriation of funds without fiscal year limitation. The amount of such "no year" funds would be prescribed in appropriation acts.

Section 427 directs the Secretary from time to time to prepare and publish compilations of laws and treaties applicable to the various program areas of the Department as he deems to be in the public interest.

TITLE V - TRANSITIONAL AND CONFORMING PROVISIONS

Section 501 provides that whenever all of the functions of a department, agency, or other body, or of any component thereof have been transferred, whether by this Act, or by a combination of Acts, Reorganization Plans, etc., the department, agency, etc., shall lapse. This, in effect, discontinues organization structures when they no longer have functions to perform. It applies only when all of the functions of the agency or component have been transferred to the Secretary. Thus it would not apply, for example, to the Corps of Engineers, whose military functions and construction and other activities continue; nor would it apply to the Economic Research Service or the Agricultural Research Service, unless the remaining functions of these Department of Agriculture agencies are transferred to another department under the reorganization program. The section also provides that all Executive Schedule offices and positions in a department or agency that lapses under the first sentence of the section shall also lapse.

Section 502 repeals the section of the Flood Control Act of 1970 which established the position of the Assistant Secretary of the Army for Civil Works, as this statutory office is not covered by section 501.

Section 503 substitutes the Department of Natural Resources for the Department of the Interior in the definition of "Executive Department" in title 5 of the United States Code.

Section 504 substitutes the Secretary of Natural Resources for the Secretary of the Interior in section 19(d) of title 3 of the United States Code relating to presidential succession.

Section 505 substitutes the Secretary of Natural Resources for the Secretary of the Interior in Reorganization Plan No. 2 of 1970 relating to membership on the Domestic Council.

Section 506 authorizes the Director of the Office of Management and Budget to make such additional incidental dispositions of functions, positions, personnel positions, assets, liabilities, contracts, property, records, appropriations, etc., as may be necessary to carry out the intent and purpose of the Act. This is a standard provision in Reorganization plans involving inter-agency transfer of functions.

TITLE VI - SAVINGS PROVISIONS

Section 601 is a savings clause that continues the effectiveness of all existing orders, determinations, rules, regulations, permits, contracts, certificates, licenses, and privileges affected by the Act, until such time as they are otherwise modified or replaced by appropriate authority or otherwise expire. This avoids any inadvertent lapsing or impairment of essential Executive orders, directives, documents, and obligations, and will afford the President and the Secretary sufficient time to deal with these matters in an orderly fashion.

Section 602 is another savings clause that preserves and continues legal proceedings in being on the effective date of the Act. Such proceedings would, in effect, be continued, modified, or terminated as if the Act had never been enacted.

Section 603 is a technical provision. It provides that with respect to functions transferred by the Act, references in laws (including Reorganization Plans) to other officials shall be deemed to be a reference to the Secretary.

Section 604 is a technical provision. A number of the functions that are transferred by this Act are functions that are vested in the President but were delegated to a transferring agency on the effective date of this Act. Under the terms of the Act those functions are transferred to the Secretary. This section is designed to assure that those administrative delegations of functions by the President do not take on a statutory character

that would impair the President's authority to modify, terminate, or transfer these delegated functions in the future.

TITLE VII - SEPARABILITY

Section 701 is a standard separability clause that avoids the invalidation of the whole Act if a single provision is found to be invalid.

TITLE VIII - EFFECTIVE DATE AND INTERIM APPOINTMENTS

Section 801 provides that the Act shall become effective 120 days after the Secretary is appointed, or on such earlier date as the President may prescribe and publish in the Federal Register. This will give the President time to select, nominate, and appoint the Secretary, and will allow the Secretary sufficient time to arrange and organize the new Department and prepare such rules, regulations, orders, etc., as may be necessary for a smooth transition.

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