completed a study, almost a year ago, of the definitions of "grant", "contract" and "cooperative agreement." That study, which was reviewed by Federal agencies, public interest groups, and other interested associations and groups, confirmed support for the objectives of this legislation but led to serious questions as to whether at this point legislation is necessary or desirable.

No matter how careful the drafting, a bill which requires thousands of transactions to be placed into one of three categories will probably result, in many cases, in limiting the flexibility of Federal agencies in administering their programs and creating a large number of technical difficulties for them. Federally supported basic research programs would be particularly difficult to classify in terms of the definitions in this bill.

The Office of Management and Budget is continuing to work in this area with the cooperation of other Federal agencies. It plans to issue policy guidance to Federal agencies that would more clearly distinguish procurement and assistance transactions and to better define patterns of assistance relationships between Federal agencies and funding recipients.

In addition, OMB has been developing more comprehensive guidance for assistance programs, as indicated by the recent circulars issued by the agency establishing uniform administrative requirements for hospitals, universities, and nonprofit grantees. I am directing OMB to continue to emphasize such activities.

Subsequent modifications and refinements can be made in these directives when further operating experience and evaluation suggest they are needed. Such an evolving set of activities in the Executive branch, a step-by-step process which learns from experience, is preferable to an evolving set of activities in the Executive branch to determine and implement. If experience from the studies now underway demonstrates that legislation is required, that experience would also provide a better foundation for formulating legislation than we have now.

Accordingly, I must withhold my approval of S. 1437.

Gerald R. Ford

APPOINTMENT OF MEMBERS OF THE COMMITTEE ON POSTAL SERVICE

Pursuant to the provisions of section 7(a) (1) (B), Public Law 94-421, the President pro tempore appointed as members of the Commission on Postal Service Mr. James H. Rademacher and Ms. Rose Russell Blakey.

SENATE RESOLUTION 586—SUBMISSION OF A RESOLUTION REORGANIZING THE COMMITTEE SYSTEM OF THE SENATE

(Referred to the Committee on Rules and Administration)

Resolved, That this resolution may be cited as the "Committee System Reorganization Amendments of 1977".

TITLE I—STANDING COMMITTEES JURISDICTION: SIZE

Sec. 101. Rule XXXV of the Standing Rules of the Senate is amended by striking out paragraphs 1, 2, and 3 and inserting in lieu thereof the following new paragraphs:

"1. The following standing committees shall be appointed at the commencement of each Congress, with leave to report by bill or otherwise on matters within their respective jurisdictions:

(a) (1) Committee on Agriculture and Small Business, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:

1. Agriculture and agricultural commodities.
2. Inspection of livestock, meat, and agricultural products.
3. Animal industry and diseases.
4. Festa and pesticides.
5. Agricultural extension services and experiment stations.
6. Forestry.
7. Agricultural economics and research.
8. Home economics.
10. Farm credit and farm security.
11. Rural development, rural electrification, and watershed.
12. Agricultural production, marketing, and stabilization of prices.
13. Crop insurance and soil conservation.
15. School nutrition programs.
16. Food stamp programs.
17. Small business.
18. Food from fresh waters and the sea.
19. Irrigation and reclamation.
20. Land-use planning.
21. Regional economic development.

(b) Such committee shall also study and review, on an a comprehensive basis, matters relating to the following:

1. The common defense.
2. The Department of Defense, the Department of the Army, the Department of the Navy, and the Department of the Air Force, generally.
3. Pay, promotion, retirement, and other benefits and privileges of members of the Armed Forces.
4. Military research and development.
5. Selective service system.
6. Strategic and critical materials necessary for the common defense.
7. Aeronautical and space activities peculiar to or primarily associated with the development of weapons systems or military operations.
8. Panama Canal Zone government.
11. Such committee shall also study and review, on a comprehensive basis, matters relating to the common defense policy of the United States, and report thereon from time to time.

(c) (1) Committee on Banking, Housing, and Urban Affairs, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the following:

1. Banks, banking, and financial institutions.
2. International finance, including international financial and monetary organizations.
3. Financial aid to commerce and industry.
4. Deposit insurance.
5. Public and private housing (including veterans' housing).
6. Federal monetary policy, including Federal Reserve System.
7. Money and credit, including currency and coinage.
8. Issuance and redemption of notes.
9. Control of prices of commodities, rents, and services.
10. Urban development (except for urban mass transit).
11. Economic stabilization and defense production.
12. Export controls.
13. Export and foreign trade promotion.

(b) Such committee shall also study and

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MEMORANDUM OF DISAPPROVAL

I am withholding my approval from S. 3553, the Foreign Sovereign Immunities Act of 1976, for technical reasons.

In its haste to adjourn, the Congress passed identical Senate and House bills on this subject. At the time the Senate passed the House bill, H.R. 11315, it attempted to vacate its earlier passage of S. 3553. It has been reviewed by the Senate, but it had left the Senate's jurisdiction. The House, unaware that the Senate had passed the House bill, also passed the Senate bill.

In view of the Senate's action in attempting to vacate its passage of S. 3553, there is doubt that S. 3553 has been properly referred. As a result, I am separately approving H.R. 11315 and must withhold my approval from S. 3553.