ment and supply of medical items and nonperishable subsistence items. And further that, the Secretary of HEW assume full responsibility for developing and, through FDA, implementing an executive branch plan for carrying out the study group's recommendation that a Government-wide quality assurance program for drugs and medical items be developed.

A GSA-led interagency group was formed and work begun to carry out the study's recommendations regarding a single management system. The group became known as the Interagency Medical and Nonperishable Subsistence Supply Management Committee. OMB continues to have oversight responsibility for the work of this Committee.

In November of 1974, members of my staff were briefed by GSA officials on the findings and recommendations of the OMB study and on the plans of the Committee. We were asked to provide our observations concerning those plans and in December of 1974 we provided GSA with our comments. We recently met with the Committee's chairman to discuss the group's progress in establishing a Government-wide management system for drugs. Our discussions and our review of documentation indicated that although many details remained to be worked out, the Committee members have reached general agreement as to the essential features of the proposed management system.

According to the Chairman of the Committee, under this system each item selected for centralized management will be procured by only one agency—either DOD or the Veterans Administration. As of April 11, 1975, no decision had been made regarding the items which would be centrally managed or concerning which agency would be given purchase responsibility for specific groups of items ultimately selected for centralized management.

The Chairman emphasized that although the concept of the proposed system has received general acceptance within the Committee itself, it has not been formally reviewed or accepted by the agencies involved. He noted that there are several matters which remain to be considered prior to the implementation of the system. The Chairman expects that the Committee's recommendations will be provided to the agencies for review in the fall of this year and if accepted, the implementation of the proposed system should begin in early 1976.

The CHAIRMAN. What do you mean "and if accepted, the implementation would begin in 1976"? Does each agency have veto power?

Mr. AHART. Well, there will have to be a review by each agency concerned, Mr. Chairman, and I am sure they will have comments and perhaps some resistance to certain parts of it. I do not know. They will have to make those known and they will have to be discussed and in the final analysis, if there is disagreement, I assume that OMB, through Mr. Witt's organization will play the part of the referee and make sure we get the action taken.

The CHAIRMAN. That is what I wanted to be clear on. Somebody has the final authority if there are differences of opinion, and I am wondering who that is. You say you are assuming it is OMB or is it OMB?