

Department of the Interior as the Department of Natural Resources and to transfer certain agencies to and from such Department."

In addition to providing for a Department of Natural Resources, the bill would transfer to it the civil works functions of the Army Corps of Engineers, including the function under section 4(e) of the Federal Power Act of approving the plans for dams or other structures affecting navigation for which a license is sought from the Federal Power Commission; the Forest Service and the Watershed protection and flood prevention functions of the Department of Agriculture; the National Oceanographic Data Center and all nonmilitary functions of the Department of Natural Resources. It would also simplify Federal cooperation with States and local governments, which have important natural resources responsibilities particularly with respect to water resources and related land-use functions.

On the other hand, the desirability of placing all natural resources programs in one department has been strongly challenged. Opponents argue: (1) that the diverse viewpoints and approaches of current programs are helpful in meeting a variety of needs and satisfying legitimate differing interests; (2) that any change in policies at this point could seriously disrupt established relationships with State or private interests and cause needless confusion; and (3) that essential coordination can be achieved by other means.

These and other matters involved require careful review.

Congress recognized the complexity of administrative problems in this area when it enacted the Water Resources Planning Act of 1965. That Act established the Water Resources Council, composed of the Federal agencies having the major water resources responsibilities, and authorized the establishment of Federal-State river basin planning commissions. It was designed to facilitate coordination and cooperation among Federal agencies and among all levels of government in carrying out their respective water resources functions, without altering existing organizational relationships.

In summary, while we believe that S. 886 merits serious consideration by the Congress, we are not yet prepared to recommend its enactment.

Sincerely,

(Signed) PHILLIP S. HUGHES,
Deputy Director.

Lacking any central responsibility at the executive level for and management, the Bureau of the Budget is forced into the role of coordinator and arbiter between the various agencies. Probably in no other area of federal responsibility does the Budget Bureau exercise so strong an influence and leverage over programming.

The present role of the Budget Bureau exceeds its normal responsibilities.

I wonder what your reaction to that statement is, Mr. Hughes?

Mr. HUGHES. As I see it, Mr. Chairman, particularly with two devel-