

To the extent that we would have to reform our budget in order to follow what we consider to be the needs of the implementation of this PPBS, and it required some fundamental change in our organizational structure, as indicated by circumstances at that stage, we might have to seek some clarification from Congress. This would be my opinion at that stage.

Mr. MOORHEAD. Mr. Chairman.

Mr. BROOKS. Yes, Mr. Moorhead.

Mr. MOORHEAD. Would you contemplate a new organization chart if and when this program is adopted?

Mr. PAGLIN. What I was trying to say, Mr. Congressman, was that by and large it would not require new organizational charts as I understand it, because the great bulk of our functions are on a program basis, if you will, and I'd like that in quotes, because our operating bureaus are "programs," and we prepare our budget presently with the concurrence of the Budget Bureau, on a program basis because it does, by and large, as I understand it anyway, follow program lines. If we needed a change, I guess we would first seek the advice of the Budget Bureau, and if it appeared that some legislative change were required in our organization, we would have to go to Congress for a basic change in our organization.

Mr. BROOKS. Mr. Moorhead, you will recall that this is one of the agencies that was not on the mandatory program budgeting list by the Bureau of the Budget, but they have the—I think—the good judgment to make a determined effort to put it on the program budgeting system. They are apparently now, as we get this today, trying to regroup their implementation and their actual structure to correspond with that program budgeting concept which they have adopted pretty well with the approval of the Bureau of the Budget.

Mr. HYDE. That's right.

Mr. BROOKS. Is that about what you have done, and that's the stage you are in now? Is that about it?

Mr. HYDE. We are in the transition stage. We couldn't honestly say that we have adopted the program. We haven't achieved it, but we are moving rapidly toward it.

Mr. BROOKS. On program budgeting you are pretty well along on that?

Mr. HYDE. That's right. I do believe the changes in organization are likely to be in the nature of refinement and qualification rather than changing in basic structure. I do not believe that it will be necessary to eliminate—

Mr. BROOKS. You'd really upset them all. These lawyers would have a running fit if you just changed all the players. They would really be upset.

Mr. MOORHEAD. Mr. Chairman.

Mr. BROOKS. Yes, Mr. Moorhead.

Mr. MOORHEAD. I don't think I got my point across. Is exhibit B, this chart, going to be valid, requiring no changes, just as the picture is drawn, after this is in effect? I will still be able to rely on exhibit B?

Mr. HYDE. I would think you could. It may be necessary to attach some explanatory note. In the light of the discussion this morning, it might be appropriate on our chart to indicate that the hearing examiners, for example, conduct proceedings related to all of these