

quested for the continuation of highly promising research grants in the reverse osmosis area to foreign institutions. The FY 1971 funding of this activity is approximately \$65,000. Since the enactment of the restriction on foreign expenditures, OSW has not been receiving research proposals from foreign institutions. In the past, OSW has only funded those research proposals that were unique and showed a high degree of promise. Removal of the restriction will help to assure that the United States will obtain the information possessed by foreign research scientists. The exchange of information between this Nation and foreign nations is most decidedly one way, i.e., we provide more information than we receive. Although it is not expected that expenditures for foreign research will be significant, it is hard to estimate precisely what the requirement will be.

Reprogramming—Administration and Coordination. The administration and coordination activity, approximating 10 percent of the total authorization, must provide for all OSW headquarters costs, of which 90 percent are for personnel. The authorization for this activity in fiscal year 1970, adjusted for the pay increase under Public Law 91-231, exceeded actual charges by less than \$10,000. An inordinate degree of control is required throughout the year to assure that no action is taken which might result in overobligation of the authorized funds in this account. As an example of the problem, if personnel employment within the authorized ceiling exceeds the estimate by only one man-year and if sufficient savings cannot be made in the relatively small balance of the funds in other than personnel costs, the OSW may be required to seek congressional relief. A 2 percent reprogramming authority (approximately \$50,000) appears reasonable.

A statement concerning significant environmental impacts of the proposal pursuant to section 102(2)(c) of the National Environmental Policy Act of 1969 will be forwarded to accompany the bill.

The Office of Management and Budget has advised that this proposed legislation is in accord with the program of the President.

Sincerely yours,

JAMES R. SMITH, *Assistant Secretary.*