

NATIONAL ARCHIVES ORAL HISTORY PROJECT

Oral History Interview

with

Mary Ann Chaffee

January 14, 1985

at

New Executive Office Building
Offices of OMB

Interviewed by Rodney A. Ross (National Archives Employee)

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Mary Ann Chaffee. Washington, D.C. January 14, 1985.
Interviewed by Rodney A. Ross.

Mary Ann Chaffee is an examiner within the division of Economics and Government of the Office of Management and Budget (OMB). At the time of the interview her work involved dealings with the General Services Administration and the National Archives.

Chaffee described OMB's involvement with the Archives independence issue. In the course of her discussion she mentioned roles played by Sen. Mark Hatfield, ^{OMB Director} David Stockman, ~~OMB Director~~, and Edwin Meese III, Counsellor to President Reagan. In addition, within OMB she told of coworkers who had worked with the issue --- Gregory M. Jones, Gordon Wheeler and Franklin S. Reeder. She concluded with her analysis as to why the Reagan administration supported the idea of independence for the National Archives. In telling her story she told why Tom Peresky at IRS and Robert McConnell at Justice had been unhappy with portions of the independence bill.

On a separate subject Chaffee explained OMB's involvement, step-by-step, in the formulation of the National Archives' budget for FY1986.

The interview, approximately 55 minutes in length on both sides of one 60-minute cassette, was conducted in Ms. Chaffee's office in the New Executive Office Building.

Abstract of interview with Mary Ann Chaffee in Washington, D.C. on January 14, 1985.

Interviewer: Rodney A. Ross

Tape length: Both sides of one 60-minute cassette

SIDE 1

Background

Mary Ann Chaffee was born in Ohio in 1949, and was raised and educated there. She graduated from college in 1971. She was a social worker for three or four years and then went back to graduate school at Case Western Reserve, where she was selected for the Presidential Management Intern Program. She went to Washington in 1979 as a program intern. She worked initially at the Justice Department and then at HHS and then in a number of staff offices. Hers was a rotational internship, and she moved around a good deal in two years. At the end of her internship, she did an assignment at OMB and converted to a full-time position there at OMB. She worked in the Justice Treasury Branch and at the time of the interview had been transferred to a position dealing with GSA and the National Archives. She'd been there since 1982.

Question: Is OMB a non-partisan bureaucratic organization?

Answer: For the most part. The senior level, the Director and Deputy Director and associate directors, are all political appointees, but below that level almost all the employees are career.

Question: How would you characterize your role in S905 and the House equivalent, passage of which led to independence for the National Archives?

Answer: As the examiner for the National Archives and Records Service (NARS), Chaffee was responsible for substantive staff work relating to GSA. Examiners look at policies, proposals, the budget, all legislative proposals and all regulatory proposals. The examiners are responsible for doing staff analysis and making recommendations to the policy level. They coordinate with experts who are functional in nature. Greg Jones was the person who was responsible for processing legislative proposals relating to NARS. His expertise was in the legislative process. Examiners rely on other persons in the agency for functional kinds of advice and consultation, but examiners are responsible for substantive policy type analysis. They are supposed to be the experts on their assigned agencies.

When S905 was introduced, the legislative proposal came into OMB and was assigned to Chaffee for analysis. She did the coordinating within OMB and did most of the staff work and the papers relating to the NARS independence proposal went to OMB policy level people and also to the White House. Ed Meese was very involved at a particular point, and so OMB did a number of papers for him.

Question: Could you speak on Mr. Meese's involvement?

Answer: Starting from the beginning...

As you know, the bill or at least the idea of NARS independence had been around for some time. In Chaffee's tenure at OMB, OMB had never taken a position on it. OMB had always deferred to the GSA administrator and when Gerald Carmen was in charge, he was very much opposed to NARS independence. OMB's policy level people never reviewed that position simply because basically it was a uniquely GSA issue. There wasn't a need for OMB to look at other agencies' positions. In some cases where an agency's proposals would affect other agencies, OMB tries to do some analysis and synthesis and make recommendations. In this case, where the NARS Independence bill appeared to be GSA unique, the deferral to the GSA administrator was routine.

Carmen left early in 1984. Chaffee thought that OMB's close involvement with the issue began in early May when David Stockman had a meeting with Senator Mark Hatfield. Hatfield was a strong supporter of the NARS bill and he asked Stockman for assistance. Hatfield asked Stockman to take a

look at the whole issue. Since Carmen had left, Stockman came back and asked for some analysis on the bill.

At that point OMB had received comments from both Treasury and Justice, the most interested agencies. The other departments had no objections. GSA hadn't commented for some time.

A staff paper was done for Stockman which outlined the objections of Justice and Treasury. Primarily, their objections related to the potential for any change of authority at the Archives. Organizationally, whether NARS was part of GSA or not did not evoke any strong feeling from either agency. Chaffee had spoken to people in Justice and Treasury and basically told them that it was a straight reorganization bill, that there was no change in authority - for the Archivist or the Attorney General or the Commissioner of IRS or the Secretary of the Treasury.

At the time of the interview, Ray Kline was acting head of GSA. Because he was a career person, he did not set administration policy. Chaffee's personal assessment of the situation was that Kline was relatively neutral on the issue.

Stockman made the decision at that point to support the bill and OMB drafted a letter from Stockman to Hatfield. Basically the letter said that Stockman had reviewed the concerns of agencies within the executive branch and that if the bill were confined to reorganization and nothing else, he believed that the administration could support it. All this was done relatively quickly. Unfortunately that drafted letter was sent out to the agencies in error. According to Chaffee, when Treasury and Justice saw it, they thought that their objections were not being listened to by OMB and that the administration was thinking of going along with the bill regardless of the concerns that Justice and Treasury had. Justice and Treasury called Ed Meese and asked what was going on. That's when Meese got involved. Meese wanted a look at the draft letter, and OMB went through the whole process again. Meese then made the same decision Stockman had made - that basically the administration would be willing to go along with the bill that was strictly reorganizational in nature. OMB began dialogues with Justice and Treasury as to the language provisions that they found objectionable and needed to be altered in order to make the bill clean enough for them to support. S905 was in relatively good shape. In the beginning there were some items that the agencies found potentially objectionable, but it became apparent that the Hill was willing to make the technical changes OMB wanted to make. A letter went out under the signature of OMB Deputy Director Joe Wright saying the administration would support the bill with this line of changes. The administration would support an act by Congress which was a reorganizational action, but the administration would not support a bill that substantively changed the authorities of the Archivist or affected the authorities of other agencies.

That was how Meese got involved. He had conversations with Hatfield. It wasn't just at the staff level.

Negotiations went on between Meese and Joe Wright. This action was strictly on the Senate side because the House was waiting for the Senate to take action before they could get going themselves.

The IRS wanted to use the Archives independence bill as a vehicle to clarify what IRS saw as a difference in authorities. The IRS's confidentiality provision in the tax law and the Archivist's authority to determine what is historically significant. OMB and the White House Administration, in saying that the administration would support a bill that was only organizational in nature, were not making any sort of judgment on the value of clarifying that ambiguity. OMB did not believe that this was the appropriate vehicle for clarification. If the administration were being forced to work through the conflicts among executive agencies, it would take a period of time for evaluation. Given the legislative agenda there just wasn't time for that evaluation.

Question: Who were the people at Treasury and at Justice who were involved?

Answer: At IRS Tom Persky, who heads the Legislative Affairs Office, was most intimately involved. He monitored and tracked the progress of the bill. He worked with the sponsors on the Hill and the staff members. He also got the Senate Finance Committee people involved. OMB worked with him for months on this issue because OMB wanted to make sure that if the administration said they would support this bill, that everyone who had contact with the Hill would be saying the same thing.

At Justice, Bob McConnell, who was head of Legislative Affairs, is gone now. He got involved more at the end of the process. By the time of the final passage of the bill on the House side, Treasury's concerns had been satisfied. Justice, however, had some concerns they had that they thought hadn't been satisfied at the very end of the process.

Question: Who would have been the people at the White House Office of Policy Development (OPD) involved in the Archives issue?

Answer: OPD involvement with the issue lasted for only two days. Given the fact the involvement took place seven months prior to the interview, Chaffee wasn't certain who the people were who made the actual contacts with the agencies. Chaffee thought OMB had made a second check on agency contacts.

Question: AT OMB what would Greg Jones' role have been?

Answer: He also had conversations with the agencies who had objections to the bill. There were two other people at OMB who worked on this:

Gordon Wheeler - Legislative Affairs Office, which is a political office. That office's job is to work with the Hill to insure that administration sponsored bills are passed and to do monitoring action. Wheeler got very involved.

Frank Reeder - Office of Information Regulatory Affairs. He is one of the functional experts mentioned earlier. His speciality is in records keeping and records management. Not only was he a technical expert, he had worked on the Hill years before and had worked with the Government Operations staff closely. At the end of the episode he personally called Hill staffers to clarify some misunderstandings on substantive issues.

Question: Can you think of anything we missed on the progression?

Answer: It was very touch and go.

Question: Were there people at the Archives that you conferred with?

Answer: Chaffee talked with Claudine Weiher almost everyday, plus Jim Megronigle. Basically, those were her two contact people.

Question: What was the nature of your conversations with them?

Answer: When OMB would do analysis of specific provisions of the bill, Weiher was able to give Chaffee a background on what it meant and why the Archives felt it was needed. Weiher dealt with staff people on the Hill; she knew basically what their thinking was and how they arrived at some of their conclusions. She was also able to give responses to some of the agencies' objections to some of the language. Some of the language that Justice didn't like at first really wasn't terribly meaningful and Weiher was able to tell Chaffee that.

Question: Did you deal with Hill people like Ira Shapiro or Marion Morris?

Answer: Chaffee spoke to Marion Morris throughout the progress. On the House side she spoke to Ed Gleiman once. For the most part since Frank Reeder knew Gleiman and the Government Operations people, he made most of the contacts. The primary contacts with Hill staff on the process issues rather than the substantive issues were made by Gordon Wheeler. When Chaffee talked to the Hill, the conversations had to do with specific substantive questions related to the draft legislation. The questions were things like: What does this mean? What do you intend it to mean? These are what our objections are. Wheeler asked: What do we need to get this bill moving? How can we help you? What's the schedule? Wheeler would be able to tell about the politics behind it.

Question: On a different subject, describe the steps relating to OMB's involvement for the National Archives.

Answer: For discussion purposes we can use the 1986 budget as an example.

In 1984 GSA started their formulation process for the 1986 budget. GSA Central Office went out to the bureaus and said, basically, tell us what you want to request in the '86 budget. The bureaus, with NARS being one of them, came in with their requests. There was some analysis done at the GSA level. Hearings were held and ultimately, sometime during the summer of '85 final decisions were made by the Administrator about particular funding at FTE levels that GSA submitted for OMB review. Until that time OMB had no involvement. OMB was not made privy to the National Archives' initial request to GSA. The only thing OMB saw was the GSA request that arrived at OMB at the beginning of September 1984 for the 1986 budget. At that point OMB met with the Administrator (GSA) as well as with bureau heads. Dr. Robert Warner came to that meeting. Our Program Associate Directors also attended, so that there was someone on the political level and it was an opportunity for the agency head and the bureau heads to make their strongest case for their budget requests. At the staff level, then, OMB held hearings at the various bureaus. After that general meeting Chaffee went over to the National Archives and met with Dr. Warner and Claudine Weiher and George Scaboo and some other budget and technical people to talk about their requests. When OMB felt it had gathered enough information, or all that time allowed, OMB would do an analysis of the request. The staff made recommendations to David Stockman, to the director, and then the staff went through a formal review process with Stockman during which they presented their analysis and an oral defense of their recommendations. Stockman made a decision. OMB went back to the agency and said: "Here is what our recommended funding level is..." The agency had an opportunity to appeal, and once the appeals were resolved, OMB began printing the budget. The President's budget for 1986 was to go to the Hill in the near future.

SIDE 2

Question: Once the budget arrives on the Hill, what type of give and take does OMB have with House and Senate committees?

Answer: OMB tracks the authorization and the appropriations process. There are a number of points during the appropriations process at which OMB makes comments. And that's the give and take that's done officially. When the Treasury-Postal Service bill is marked up and the subcommittees arrive at their initial mark-ups, OMB goes through a process whereby they review those mark-ups and make recommendations to the White House as to whether a provision is so unacceptable that it may want to veto, or whether there's a tradeoff involved. Then OMB (the Director) goes up with a letter to the Appropriations Committee chairman. When the measure goes into conference, the conferees are informed of any objections OMB has. Generally, those objections are big ticket items, or they're items if they're not significant dollarwise, are policy-wise very important to the OMB. There's no tracking of each appropriation level. OMB does not state official objections if the committees are not in precise conformance with the President's budget request. There are some general tradeoffs and there is some expectation that some programs will be traded at a higher level than OMB recommended and some will be funded at a lower level. The process of OMB's registering objections comes with fairly significant issues.

GSA has not had a true appropriations bill for the last four years. They've been operating on continuing resolutions. That's an added twist to the process - to the regular commenting. OMB clears GSA's testimony when they go up to talk about their budget requests. OMB reviews what they're going to say for the purpose of making sure that what the agency says is consistent with agency policy.

Chaffee added that if the whole appropriations process had been gone through and it was at the end of the year and still no appropriations bill had been enacted, then there would be need for a continuing resolution. The situation then would become very hectic because one never could be certain how the continuing resolution was going to come out and whether it was going to be the House version or the Senate version or some mixture. There would be a lot of activity right before passage of a continuing resolution.

Question: Does the authorization legislation generally pass during the spring?

Answer: For GSA, there's no authorization except for the Public Building Service. NARS doesn't have to be authorized every year. There are no authorization requirements for most GSA programs.

Question: To return to the Archives independence question, in the 1960's the Bureau of Budget insisted that should independence be granted to the National Archives, the Federal Records Centers would have to remain with GSA. Was this an issue in the 1980's?

Answer: No. When Chaffee did the initial staff paper, the policy people looked at all the reasons given by the sponsors of the bill for promoting independence. One of the reasons was that Archives' mission was not consistent with the major GSA functions. But the records keeping system is not entirely inconsistent with what GSA does. There's a kind of mixture. Placing the Archives in GSA wasn't the most illogical move that was ever made. Nonetheless, there was never any serious consideration given to separating the records function from the Archives function. For that reason there had to be independence for the entire National Archives and Records Service or not at all.

Question: How unique has it been that the National Archives became an independent agency?

Answer: This administration has not supported growth in the number of agencies. In fact, it has made many specific statements about proliferation of executive type agencies. The administration is opposed to such proliferation. The administration's support for independence for the National Archives was a unique situation. There were a couple of things that argued for the Administration supporting it.

One was that it was basically a reorganizational issue and there were no new functions of authorities that could be seen as an expansion of a government activity.

It wasn't going to cost anything.

The movement to separate the Archives from GSA had been going on for a long time. It had a strong and vocal constituency and had much bipartisan support on the Hill.

There really weren't the sort of arguments against it that are terribly meaningful to anyone at the policy level.

There were some strong arguments made by the supporters of the independence movement.

Chaffee felt there should be some clear insulation from political concerns for the Archivist and the measure guaranteed that insulation, or went far in terms of guaranteeing it.

Chaffee added that she thought the policy disputes between GSA and NARS during the period when Gerald Carmen was GSA Administrator had not been a good thing. She thought everyone, regardless of battle scars, was glad they were concluded.

Question: Do you have contact with Page Putnam Miller?

Answer: Chaffee responded that Miller had come to OMB a number of times to make herself available to answer any questions the staff might have had. As a supporter of independence, Miller wanted to offer any staff assistance or background information OMB might need or want. Chaffee had spoken to her in the past about other issues, but contact with her during the process of review and supporting the bill was late in the game. It was really the Stockman -Hatfield meeting that peaked OMB's interest in the question. Up until then OMB wasn't up on the Hill working against the bill, but OMB wasn't supporting it. The Hill hadn't asked for an OMB position on the bill. OMB was basically neutral until then and deferred to the GSA administrator's position.

Chaffee added that she was glad independence had been achieved. She thought it a good thing for the National Archives. She wished the Archives fifty years of peace after the past thirty years of turmoil with GSA.

GENERAL SERVICES ADMINISTRATION
NATIONAL ARCHIVES AND RECORDS SERVICE

Legal Agreement Pertaining to the Oral History Interview of

Mary Ann Chaffee

In accordance with the provisions of Chapter 21 of Title 44, United States Code, and subject to the terms and conditions hereinafter set forth, I,

Mary Ann Chaffee of Arlington, Virginia
(name) (city and state)

do hereby give, donate and convey to the United States of America all my rights, title and interest in the tape recording and transcript of a personal interview conducted on January 14, 1985 at the New Executive Office Building in Washington, D.C. and prepared for deposit in the National Archives. This assignment is subject to the following terms and conditions:

- (1) The tape recording shall be available to all researchers upon its being accessioned by the National Archives.
- (2) The transcript shall be available to those researchers who have access to the tape recording, as soon as the National Archives' processing schedule allows sufficient time for transcript preparation.
- (3) I hereby assign to the United States Government all copyright I may have in the interview transcript and tape.
- (4) Copies of the transcript and the tape recording may be provided by the National Archives to researchers upon request.
- (5) Copies of the transcript and tape recording may be deposited in or loaned to institutions other than the National Archives.

Mary Ann Chaffee
Donor

1/1-1/85
Date

Robert M. Stans
Archivist of the United States

Jan. 16, 1985
Date