

ORIGINAL

EM

ADDRESS

OF

GRIFFIN B. BELL

ATTORNEY GENERAL

BEFORE

DEPARTMENT OF JUSTICE EMPLOYEES

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P R O C E E D I N G S

ATTORNEY GENERAL BELL: Good morning.

We called this meeting today for the main purpose of discussing the budget with you. Probably the first time in the history of the Department we've ever suffered a budget cut. In addition to that, I thought it was about time we had another meeting where you could ask questions.

So I will speak about fifteen minutes on the budget, and after that you can ask questions about the budget or any other subject that may come to mind; and I'll need to leave about 12 o'clock to go make a speech, another speech. So that will give us plenty of time.

Some 400 years ago a writer observed that the world seemed to be out of square. Inflation gives us that impression today.

The subject of my talk this morning is the effect of the President's anti-inflation program upon the Department of Justice. As you are aware, the President has stated his intention to reduce the level of federal spending as a major element in his over-all anti-inflation program.

Further, the Administration is under congressional mandate, as expressed in the Leach amendment to the Civil Service Reform Act recently passed, to reduce the federal employment level back to levels existing at the end of fiscal year 1977. I think that has to be done by September of

'79, that you have to get back to the '77 level.

In order to meet these two goals of reduced spending and reduced federal employment, the Administration is now in the process of limiting fiscal year 1979 spending under the appropriations recently enacted by the Congress, and restricting the size of its fiscal 1980 request to the Congress.

This will not be an easy task. The goals of government are many and varied. The call upon federal funding is constant and increasing. However, the President believes, and I agree, that reduction in federal spending and employment is critical to the successful reduction of inflation in the United States.

I therefore must tell you that I have committed the Department of Justice to supporting vigorously the President's program in this area. And what does this commitment mean?

It does not mean that we as a Department will simply acquiesce in all decisions made with regard to our current and future funding by OMB. Indeed, we are at this very moment in the process of negotiating adjustments in some of the recommendations that have already been made. Nor does it mean that we will cease supporting and fostering the vital programs of the Department, both criminal and civil, which fall under our stewardship.

The activities of this Department, in its role as primary enforcer of the federal criminal law and as chief

civil litigator for the United States, are central to the success of this or any other government. We must not and will not lose sight of them.

It does mean, however, that we must look within ourselves and find ways to reduce spending and employment while maintaining the level of quality and service the Department has come to stand for. It does mean that we must make the extra effort and confront the hard decisions among our various priorities to insure that we do our part to support the President's program.

Let us turn now to some of the specifics relating to the Justice Department's future funding.

The congressionally enacted budget for fiscal 1979 for the Department -- the fiscal year we have just begun -- provided total funds of \$2.473 billion, which would allow for an end-of-year employment of 55,244 people. The Administration is asking that we reduce these levels in significant ways, both in FY79 and FY80. These reductions are to be accomplished in staged intervals over the next 22 months.

This may seem a significant burden for a major department of government, many of whose components already consider themselves under-funded.

On the other hand, it does not begin to compare with the substantial funding increases this Department has had over the last decade. It may be useful to put our present

situation in perspective, to look at the Department's funding history over the last ten years. From '69 to 1978, the Department's total funding increased from \$545 million to \$2.3 billion, a total increase of 321 percent.

Even discounting the funds added for LEAA, whose funding programs have substantially added to the Department's total budget, our funding has increased in the period 1969 to 1978 by 240 percent.

Total staffing, as expressed in available positions, in the same period, '69 to '78, increased by 52 percent, from 35,779 to 54,528, in 1978. This rate of growth has made the Justice Department one of the three fastest growing Cabinet level Departments in government, ahead of Defense, ahead of Health, Education, and Welfare, and ahead of the Treasury.

It should be noted that within the total increases granted to the Department over the last decade, there have been variations in the expansion of the component organizations that make up the Justice Department. Funding of the legal activities, including United States Attorneys, has tripled over the last decade, while staffing has increased by 177 percent. More than three times the Department average; that's for U.S. Attorneys' offices.

Another notable area of expansion has been the Drug Enforcement Administration, where funding was increased by a factor of 8 and staffing by almost 250 percent over the last

decade. At the same time, the FBI has lagged behind the Department's increases over the decade, with total funding increases of 141 percent and total staffing increases of only 19 percent.

In fact, the Bureau's staffing has actually dropped by a percentage point over the last five years. Further, LEAA, which has had dramatic increases in funding and staffing earlier in the decade, has seen a reduction in funding of 26 percent over the last five years and a reduction in staffing just from '78 to '79 of 23 percent.

The difficulties of these two agencies, the FBI and the LEAA, point up a general problem within our over-all funding picture over the last decade. While we have had substantial expansion, most of it came in the first five years of the ten-year period, '69 to '74. Funding and staffing increases from '74 to '78 have slowed substantially from those earlier years to approximately one-fifth of the rate of increase experienced from 1969 to '73.

Many of our component agencies have not felt the impact of this slowing process because it has been directed primarily to our larger organizations, such as the FBI.

The time is fast approaching when we will no longer be able to avoid impact on other organizations.

Further, many in the Department would argue that increases we have obtained, large as they are, are still in-

sufficient, in light of the growth of our responsibilities as a Department.

I would not entirely disagree with that. There are always new programs to be undertaken, and old activities to be revitalized. There always have been, and there always will be.

I cite these figures only to demonstrate that we have had a period of substantial growth in the past which may act as a hedge against the reductions we must now undertake.

With this picture of our recent funding expansion as background, let us now move to explore our current situation once again. As noted, we face a requirement to reduce funding and staffing between now and the end of fiscal 1980.

The organizations primarily affected will be the following: the Office of Management and Finance will lose staffing in its central management function. The legal divisions which had substantial increases in fiscal '79 will not lose those increases, but their implementation will be slowed and will take place through FY79 and FY80. There will be no further increases for the legal divisions for 1980.

The U.S. Attorneys will, as they have in most recent years, enjoy an increase in staffing due to the new Judgeship Bill. We always get a certain number of U. S. Attorney positions based on a formula that relates to the number of new judges. The same with marshals, we get some extra marshals.

The U. S. Marshal Service will lose substantially in administrative overhead staffing, but will pick up some additional staffing for judgeships. On balance, its total staffing will be reduced.

The Community Relations Service is now the subject of continuing negotiations between the Department and the OMB. We are not certain at this time of the outcome of those discussions. I have appealed and made a vigorous statement of our position, but we have not yet received an answer.

The FBI will suffer minor staff reductions, but there will be no impact upon the number of agents.

Further, the level of funding for foreign counter-intelligence activities remains at issue. That part of the FBI's budget goes through the Director of the Central Intelligence, with all intelligence agencies in what we call the Intelligence Budget, that's a new system.

The DEA will lose research and development funding and suffer some cuts in administrative overhead.

The INS will not lose staffing from its present level, but will have no growth.

The Bureau of Prisons will suffer cuts in administrative overhead.

The Law Enforcement Assistance Administration will suffer cuts in administrative staffing, substantial cuts, unless my appeal, which I have taken, is successful, to some

degree.

I have not provided you with the precise figures regarding organization funding levels, because in many instances the final figures are still under consideration by the Director of the OMB and the President.

We have a difficult task ahead of us. While the reductions mandated by the Administration will not cripple the Department, they will require sober contemplation and careful implementation in order to minimize disruption of our activities. And I am counting on the leadership staff of this Department to implement these reductions with care and precision, and to accept the importance of this undertaking.

Moreover, I have directed the Deputy Attorney General, the Associate Attorney General and the Assistant Attorney General for Administration, Mr. Rooney of OMF, to begin an immediate search for fat in our activities.

I have noticed an inclination in the government never to stop a program, whether or not there is a continuing need for it. We must bring the Department into square, based on a standard of genuine federal level need.

Now, having said this, I want you to know that, while I support the President's program, and I think we at the Justice Department, we are professionals, we must do everything we can to combat inflation through this medium. I'm assuming that the whole government is going to be treated

the same way we are. I'm assuming that. I think that will be the case. I certainly would be very upset if I thought our money was taken and given to someone else.

I don't look for that to happen, but I want you to know that I'll be watching.

[Laughter.]

ATTORNEY GENERAL BELL: All right. Having given that bad news, I'll be glad to answer questions about the budget or about any other subject that anyone may have. All of the top level people in the Department are sitting up here near the front; I'll probably defer some of the questions to them. But we'll get started.

No questions. That's good.

[Laughter.]

ATTORNEY GENERAL BELL: Yes.

QUESTION: I have a question up here, please.

ATTORNEY GENERAL BELL: Could you use that mike there?

You've got a question upstairs?

QUESTION: Yes. Can you hear me?

ATTORNEY GENERAL BELL: Yes.

QUESTION: How are the cuts in personnel going to be achieved? Is it going to be solely through attrition or people are going to lose their jobs?

ATTORNEY GENERAL BELL: You just stand there, that's

all right.

By attrition.

QUESTION: Solely by attrition?

ATTORNEY GENERAL BELL: By attrition, yes.

QUESTION: Secondly, after you announced this meeting there was a rumor floating that some of the cuts in spending would be achieved either by a slowing down or a temporary cessation of grade step increases for attorneys who are not covered by Civil Service. Is that being discussed? Is there any possibility of that happening?

ATTORNEY GENERAL BELL: Well, no one has discussed it with me.

[Laughter.]

ATTORNEY GENERAL BELL: And I think I'm still in charge around here, so --

[Laughter.]

ATTORNEY GENERAL BELL: Kevin Rooney says it is not being discussed. So I guess that's the real horse's mouth.

[Laughter.]

ATTORNEY GENERAL BELL: Okay. Is that it?

QUESTION: Yes.

ATTORNEY GENERAL BELL: All right.

Where's this young lady?

QUESTION: I had the same question.

ATTORNEY GENERAL BELL: You had the same question?

All right, that's good.

Could you come over to the mike?

QUESTION: I understand that the Department, particularly the FBI, has been on the Hill repeatedly over the last couple of months defending their practice of the administrative offices here in Washington getting administratively uncontrollable overtime, and I wondered whether at this particular fiscal time that everybody is cutting back, whether the Department is going to continue to allow them to defend the practice of getting overtime, when actually that would mean the [uncontrollable] overtime hours, which I understand counts as both their salary requirements and things like that.

ATTORNEY GENERAL BELL: I'm going to ask Kevin to answer that. I get rather confused about the overtime. I have never been paid any overtime myself.

[Laughter; applause.]

MR. ROONEY: There are several overtime issues, both the -- specifically of importance to the Department are the unusual ones, which are the administratively uncontrollable overtime that you refer to among the law enforcement officers, and then some special overtime in the Immigration Service.

Both of these types of overtime are under study throughout the government, principally within Treasury and Justice, which are the two Departments that have most of the

employees in these categories. And we are looking now, in fact the Deputy and the Associate Attorneys General have asked heads of our agencies which have people who receive this type of overtime to provide extensive comments on the impact within the agencies, of any reductions in this type of overtime, and to present a report on all aspects of it that we then, as a Department, can present to OMB, and to the Congress eventually, I would presume.

ATTORNEY GENERAL BELL: Yes?

QUESTION: Judge, I think you mentioned that LEAA has already suffered a 23 percent cut in staffing --

ATTORNEY GENERAL BELL: In personnel; right.

QUESTION: -- and I have two things about that. One, does that include the several secretaries, black secretaries, to give up their jobs rather than accept a move that's available to another agency -- [inaudible] -- and several, in fact 250 people -- [inaudible]

And the other part of my question is, if we've already suffered a 23 percent cut, what does it mean to have a further substantive device, and what does it mean when we talk about administrative -- [inaudible]

ATTORNEY GENERAL BELL: The first major cut in the LEAA came when we abolished the regional offices, as you recall. Probably some other cuts besides that. The main reason LEAA is being cut is that there are a large number of

people that think that LEAA has served its purpose and ought to be abolished, and that the money ought to be sent out to the States and local governments as revenue-sharing funds, that we could probably keep a small organization just for research and development, and perhaps some thinking on statistics.

I think the majority opinion is that it ought not to be abolished, that we ought to go ahead with our plan to reorganize it, and that we'll need about the number of people we have now. At least that's my view about it. I've appealed the cut.

Certainly we can't cut below some given figure, because if we did, we would not have anyone to keep up with the grants, the programs; we'd be giving money away without having any audit function, that sort of thing, and we would become scandalized before it was over with. I don't intend to get into any such thing as that.

Now, whether we get the people back remains to be seen. I think that the LEAA is being stabilized by the new plan for reorganization that we have, which I feel sure will be passed in this next Congress. And I think that after that, once the Congress and the public becomes convinced that there's not a lot of waste going on at the LEAA -- and I don't think there's a great deal going on now, I think that maybe LEAA is getting a worse treatment than they deserve -- I think you

will see funds added back to the LEAA. But we're going through a low period now. We just have to face that. And I'm doing my best to stabilize the situation and make it better.

I don't know -- I can't answer the question about particular people. You said something about secretaries that didn't want to move to Bethesda; I don't know about that. But I know that it's sort of a hardship on government employees when you move -- say you abolish a regional office, and we offered somebody in Atlanta a job in Washington and they won't take it because they don't want to move to Washington, maybe the husband has got a job in Atlanta and the wife can't move to Washington. Those sorts of things are hardships, I realize that.

It's more -- it sounds better when you say we are not taking anyone's job. We're going to give everyone a job. Sometimes it sounds better than it really is.

QUESTION: My comment about secretaries, No. 1 is that -- [inaudible] --

But also, since the _____ approval you're talking about here, it appears to be a local _____, but has actually impacted disproportionately on the inner city people who find that -- [inaudible]

ATTORNEY GENERAL BELL: Yes. Well, I can't get into more detail about that, but I think you all ought to be aware

that there's a trend, a lot of thinking in Washington about moving some of the agencies out of Washington. There's a lot -- it hasn't gotten any further now than to move you over into Maryland or Virginia. But you just can't keep adding government offices in Washington. One thing, it costs more to have a government office in Washington.

Every time I talk to somebody about getting more space, they want to know if I wouldn't want to get a building and put it in Quantico, out at Quantico, somewhere like that, because it's cheaper. So the Washington area I think is going to expand, and there's going to be some hardship come out of that, because you will see some of the agencies move 20 or 30 miles away.

And that's a trend. Now, it's not something that's going to happen overnight. But I predict -- I won't probably live to see it -- but some day some of the major agencies will be moved to other parts of the country, you know, put some great large agency in Iowa, put another in Missouri.

[Laughter.]

ATTORNEY GENERAL BELL: The American people may like that. They may think we're out of touch because we are all here together. And we lose sight of what's going on sometimes in other places.

QUESTION: I'll give somebody else a chance, but I would like to know if you could give us some idea of the

staffing figures that are being discussed and -- [inaudible]

ATTORNEY GENERAL BELL: I can't do that, because I would be putting out the same information that I'm appealing on at the OMB. I think probably the President and the Director of the OMB would take a rather dim view of me announcing all that here this morning.

You just have to depend on me to do my best.

Yes, sir?

QUESTION: Mr. Attorney General, I'm interested in --

ATTORNEY GENERAL BELL: Would you mind coming to the microphone? It's very tiring on me to try to hear, when nobody will use the microphone. And I don't think all of you can hear the questions.

QUESTION: I was interested in finding out what effect these cuts are going to have on the affirmative action policy of the Department, particularly recruitment of black, Hispanic, and female attorneys to the Department. Does that mean that the Department is going to basically cease any active recruitment of minorities, or what is the policy going to be?

ATTORNEY GENERAL BELL: It won't have any effect at all, that I know of. We'll keep doing what we're doing now, which is to have an affirmative action program. I don't think it would have any effect on it.

QUESTION: But we will continue to recruit minorities in the future from the law schools; is that what you think?

ATTORNEY GENERAL BELL: Whatever we're doing now we will continue to do.

[Laughter.]

ATTORNEY GENERAL BELL: I know we have a committee that looks after that. Barbara Babcock and Drew Days and Mike Egan and some others around here. Whatever they are doing, they will keep doing.

We will have the least trauma possible out of all this.

And this is going to be a phased-in reduction, it's not going to be something that's going to happen in one fell swoop. I think we'll be able to live with it.

Yes, sir?

[end of tape]

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