

EXECUTIVE OFFICE OF THE PRESIDENT  
BUREAU OF THE BUDGET  
Washington, D. C. 20503

FOR RELEASE ON DELIVERY  
Expected at 10:00 a.m.  
Wednesday, April 26, 1967

STATEMENT OF HAROLD SEIDMAN  
ASSISTANT DIRECTOR FOR MANAGEMENT AND ORGANIZATION  
BUREAU OF THE BUDGET  
BEFORE THE SENATE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS  
ON S. 449 AND S. 450, BILLS TO PROVIDE FOR THE POPULAR  
ELECTION OF THE GOVERNORS OF GUAM AND THE VIRGIN ISLANDS

Mr. Chairman and Members of the Committee:

I appreciate the opportunity to testify before this Committee on several amendments which the Bureau of the Budget has proposed to S. 449 and S. 450, bills to provide for the popular election of the Governors of Guam and the Virgin Islands.

Our report to this Committee on the bills was submitted on March 3 and, in response to the request of Senator Burdick and your staff during a meeting on March 14, we also furnished specific language to carry out our recommendations in a letter dated March 18.

At the outset, I want to stress as strongly as I can that we want Guam and the Virgin Islands to enjoy the fullest measure of local self-government, and we therefore strongly endorse the objectives of S. 449 and S. 450. The citizens of Guam and the Virgin Islands have clearly demonstrated their capacity to govern local affairs. They deserve to have their abilities recognized and their basic rights achieved.

The intent of the amendments we are recommending is not to diminish or limit the concept of local self-government. Rather, our intent is to assure that the President has the limited authority needed to carry out

continuing Federal responsibilities under the Constitution for the proper execution of Federal laws applicable to Guam and the Virgin Islands.

We have recommended, with regard to matters involving the security, foreign relations and property interests of the United States, that the President be authorized to remove an elected Governor and to annul local laws. We believe these are areas of legitimate Federal concern. In matters of purely local concern, the President cannot and will not act.

The President's powers should and would be exercised only in extraordinary circumstances. They certainly would not be exercised capriciously or without sound reason.

With the enactment of the elected-Governor bills, Guam and the Virgin Islands will continue to occupy a unique place in our system of government. Clearly, they will not have the status of States and will not be subject to the responsibilities and limitations placed on States by the Constitution. In many respects, their relationship to the Federal Government is analagous to that which exists between a State and its local governments. Their organic acts are similar to State charters for local governments which prescribe generally their form of organization, rights and powers. Just as the States retain a responsibility for their local governments, so the Federal Government retains a responsibility for Guam and the Virgin Islands.

In a number of cases, the States have retained authority over local governments which is analagous to what we are recommending. For example, under section 33 of the Public Officers Law, the Governor of New York

may remove the chief executive of any city and city's police chief merely upon notice of charges and an opportunity to be heard. Under Article XI, section 6, of the Maryland constitution the Mayor of Baltimore may be removed by the Governor upon conviction in a court of law or for neglect of duty or misbehavior.

The Governors of Guam and the Virgin Islands will be responsible not only for the execution of local laws but also for Federal laws applicable to their territories. The latter include, of course, the organic acts themselves. We believe this combination of a continuing Federal responsibility and a situation in which the Governors of the territories are responsible for the execution of Federal laws, makes our amendments necessary and appropriate.

Last year, in its reports on similar bills, this Committee also recognized the need for a reservation of certain Federal powers. It proposed that an elected Governor could be removed by recall only upon approval by the President stating: "The approval of the President was felt necessary by the members of the committee in light of the Governor's duty to enforce all applicable Federal laws in Guam (and the Virgin Islands) and in light of the substantial responsibility and interest of the Federal Government in the affairs of the territor(ies)."

We do not believe that your Committee's approach of restricting the President's role to that of approving or disapproving the recall of an elected Governor accomplishes our mutual objective. It could result in a situation in which a Governor who has completely lost the support of the people of the territory is retained in office against

the will of the people. On the other hand, it does not provide any means of protecting vital Federal interests except in those instances in which the electorate has chosen to recall a Governor.

Similarly, we do not believe that the retention by Congress of the right to annul local laws -- explicit in the case of Guam and implicit in the case of the Virgin Islands -- adequately provides for meeting potential problems. There may be territorial enactments when Congress is not in session of serious consequence to Federal interests. And, even when Congress is in session, there could be serious delays in the congressional annulment process.

Viewed from another point, we do not believe that the authorities we are recommending for the President are any more limiting on local self-government than the Congress' authority to annul local laws or the concept of a Federal comptroller in Guam and the Virgin Islands. We have no objection to such comptrollers if the provisions for those officers are amended as suggested in the Department of the Interior's letter of March 17, 1967. However, the concept appears to us to be more limiting than what we are proposing.

Again, let me stress that we are talking about unusual, rare situations. The authorities we are recommending be given to the President are limited to matters of major concern to the Federal Government. There is no intent or authority to interfere in purely local matters.

Prior to my appearance, we received a copy of Resolution No. 188 (1-S) of the Guam Legislature dated April 7, 1967. We have carefully

and sympathetically studied the resolution which opposes our recommendations. We cannot agree with many of its major points. First, the resolution states that the proposed Presidential powers would cripple local self-government and be a giant step backwards. Again, we would stress that the proposed amendments are needed only in connection with continuing Federal responsibilities. The President's powers would be exercised, if at all, only in rare cases and never in connection with purely local matters.

Second, the resolution states that the elected Governor would be put in the impossible situation of serving two masters -- the people of the territory and the President. In fact, however, the Governor does indeed have a dual role in executing both local and Federal laws. Our amendments recognize this dual role and some means of insuring that he carries out his basic Federal responsibilities in a manner which does not adversely affect basic Federal interests. Third, the resolution states that United States property interests are already adequately protected. In general, we would agree. However, we are concerned not about direct action against Federal property but potential indirect actions. Fourth, the resolution states that State governors do not possess authorities comparable to those proposed for the President. As I noted above, some State governors do have authority to remove local officials. Nor can we agree, for reasons I have stated, with the final points that the authorities retained by Congress are adequate to protect Federal interests or that the situation in a State should be analagous to that in one of the territories.

In summary, we believe that the amendments we have recommended will, on the one hand, permit the full development of local self-government and will, on the other hand, permit the President, in matters affecting vital United States interests, to carry out continuing Federal responsibilities with respect to Guam and the Virgin Islands.