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THE WHITE HOUSE
WASHINGTON

October 7, 1980

MEMORANDUM FOR STU EIZENSTAT

FROM: JEFFREY FARROW *J.F.F.*

SUBJECT: Territorial Policy Initiatives

Secretary Andrus' report to you regarding funding for the enhanced territorial office at Interior was correct. With not much more than minutes to spare, OMB last week cleared a compromise FY 1981 reprogramming request to fund implementation of the territorial policy initiatives.

While the \$1.5 million is less than half the amount sought, it still will be enough to get things moving in the short term. I am hopeful that other requirements will be included in a FY 1981 supplemental after items not approved on this go-around are endorsed for inclusion in the FY 1982 budget request.

Our FY 1981 compromise would allow Interior to:

- o Provide the territories with half (\$750,000) the technical assistance they had planned; and
- o Hire 10 additional staff and fill eight currently frozen positions.

The amount is sufficient for us to credibly state that we are implementing the initiatives, although it pales against the \$30 million plus we roughly anticipated in FY 1981 spending when fashioning the policy.

In any event, I must thank you again for keeping the policy alive by your willingness to do battle with OMB over this small issue. Bert's intervention was also critical to our success and earns my gratitude.

Attached is a memo to you from Andrus prepared at my request detailing progress to date on my checklist of the initiative announced February 14 by the President. It makes clear that important elements of the policy, such as Federal grant coordination and joint Federal-territorial comprehensive planning are dependent upon increased funding for the territories office.

Attachment