The Department of Housing and Urban Development – The Omnibus Approach
The Department of Housing and Urban Development—The Omnibus Approach

The Department of Housing and Urban Development (HUD) was chosen because of its unique "all-in-one" approach to legislation. This Department was the only one studied which presents its entire legislative package in one bill. The other agencies prepare legislative proposals as the need arises, but HUD attempts to predict its legislative needs far in advance. The central problem created by this approach became evident when numerous amendments had to be made to the proposal as it was being processed. Moreover, the very size of the legislative proposal which was finally transmitted to Congress resulted in numerous delays in the committee hearings.

In HUD, the Project traced the Housing and Urban Development Act of 1970. The bill is an excellent example of what the Project has termed the "omnibus" approach toward drafting and processing legislation. The drafting process as described by members of the legislative staff is relatively simple. The basic responsibility for considering and perfecting new legislative proposals lies in the Office of the Deputy Under Secretary for Policy Analysis and Program Evaluation. In the fall of each year, the Deputy Under Secretary solicits legislative proposals from the major program areas to be included in the Department's program in the subsequent year. Any proposals involving budgetary authorizations must be given priority since approval deadlines are much earlier for such legislation. The General Counsel assists the Deputy Under Secretary and coordinates the legislative proposals with appropriate Assistant Secretaries and program area officials. Throughout the coordination process every effort is made to resolve any questions, but if disagreements cannot be overcome then they are submitted to the Secretary for resolution. Summaries of the legislative proposals together with the evaluations and recommendations of the

260. It is unclear why HUD alone of the agencies studied prefers to package its yearly legislation requirement in a single bill. As noted in the text, such a practice causes considerable problems of revision. Additionally, the commenting procedure is inevitably bulky and time-consuming. A single deadline for submission of legislative recommendations would appear to cause abnormal delay for those components with minimal legislative needs (their requirements could be passed swiftly with no complication). At the same time those components with massive legislative needs would be unduly rushed. Compare, e.g., the HUD practice with HEW's much less structured approach. HEW Study, text accompanying footnotes 243 to 259 supra.

261. Interview with Hilbert Fefferman, Associate General Counsel for Legislation, August 3, 1970 [hereinafter cited as Fefferman Interview].

262. See HUD-ACT notes 1-2. Mr. Fefferman informed the Project that the OMB usually tries to process budgetary legislation prior to the end of the calendar year. The main reason for such processing is to aid in the preparation of the national budget for the following fiscal year.

263. It should be noted that it is the Associate General Counsel for Legislation under the auspices of the General Counsel who performs this function.
Deputy Under Secretary and the General Counsel are submitted to the Secretary and the Under Secretary for the final decision on which proposals shall be included in the program.264

After the Secretary's decision, the General Counsel is responsible for preparing drafts of the legislation and associated materials. The actual drafting is done under the close supervision of the Associate General Counsel for Legislation.265 After the drafts of the legislation have been completed and circulated and the accepted suggestions and comments have been incorporated, the legislative package is sent to the Secretary for approval. Once approval is obtained, the legislative proposal is forwarded to the Office of Management and Budget for advice on its relationship and acceptibility to the President's program and final clearance.266 It is during this clearance procedure that drafts of the proposed legislation are sent to other interested executive departments and agencies for review and comment.267 Since resulting comments could lead to changes in the legislation they are made as quickly as possible. Following approval by OMB and after necessary changes have been incorporated into the drafts, the bill is given final departmental approval by the Secretary. The legislation is then forwarded to Congress for committee action.

The work of the draftsman is still not complete at the time the bill is sent to Congress. Various department personnel must at times appear at hearings, often requiring submission of written testimony. During periods of active congressional consideration of the legislative program, there are almost daily contacts between the departmental staff and the congressional committees. The draftsmen must make new drafts of the bill, perfecting amendments, writing explanatory material, and providing background information.268

**HUD Bill Tracing**

The bill tracing process revealed very little variance with the system described

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264. Since the Secretary and the Under Secretary are Presidential appointees, they are most familiar with the President's program and thus are able to select those proposals which would meet with Presidential approval. The President and his advisors pay close attention to the recommendations by the Secretary and the Under Secretary since they are most closely connected with the problems and needs of the department.

265. Fefferman Interview, supra footnote 261.

266. The process in the Office of Management and Budget is carried on as described elsewhere in this report. See text accompanying footnotes 47 to 54 supra. Within OMB there is an official in the Legislative Reference Service who is charged with the responsibility of examining HUD legislation for its content and relationship to the President's legislative program.

267. The reviewing and commenting process is essentially the same in HUD as in the other agencies and departments studied. See the section of this report on the draftsman for a further discussion of the review and comment procedures. Text accompanying footnotes 39 to 43 supra.

268. Fefferman Interview, supra footnote 261.
above. The Housing and Urban Development Act of 1970 directed much of its attention to simplifying and clarifying HUD-administered basic laws.269 In late August the General Counsel sent a letter to the Assistant Secretaries,270 Regional Directors,271 and staff attorneys272 calling for recommendations on legislative changes that would permit programs within their areas to be consolidated or simplified. By early September, the various Associate General Counsels submitted to the Associate General Counsel for Legislation a list of the HUD laws they would review.273 In late September recommendations were received from the Offices of the Assistant Secretaries.274 On October 16, 1969, the General Counsel issued a request for all legislative proposals to be considered for inclusion in the 1971 Omnibus Bill.275 Throughout November, the Assistant Secretaries and the Regional Directors sent in their proposals.276

Early in November a rough draft of the HUD Legislative Program for 1970 was written by the Associate General Counsel for Legislation and circulated.277 Several comments were made on the proposed bill by the various agencies within the department.278 On January 5, 1970, a formal draft of the bill, plus a sectional analysis were completed and sent to the Secretary and Assistant Secretaries for comment.279 A meeting was then scheduled to discuss the bill.280 During this meeting the substantive details were settled, and the bill was sent back to the draftsmen for the purpose of incorporating the new changes.281 The

269. When the Department of Housing and Urban Development was created, it absorbed numerous smaller agencies, such as the Federal Housing Administration. As a result, the Department inherited many dissimilar laws and regulations. In order to obtain uniformity in the administration of these laws, HUD officials directed their 1970 legislative proposals toward consolidating and updating the laws of the various agencies absorbed into HUD. It was felt that consolidation would be much more desirable at this point than a full scale codification program, such as is being conducted in the Department of Transportation, Fefferman Interview, supra footnote 261.

270. HUD-ACT note 6.
271. HUD-ACT note 5.
272. HUD-ACT note 4.
273. HUD-ACT notes 7-12.
274. HUD-ACT notes 13-20.
275. HUD-ACT note 27.
276. HUD-ACT notes 28-32.
277. HUD-ACT note 34.
278. HUD-ACT notes 36-40.
279. HUD-ACT note 41.
280. HUD-ACT note 42.
281. It should be noted that Mr. Fefferman, the Associate General Counsel for Legislation, was present at this meeting. According to Mr. Fefferman, his presence at the meeting greatly assisted him in the preparation of the final draft of the legislative proposal since he did not have to rely on second hand information as to what transpired at the meeting. Mr. Fefferman expressed his opinion that a draftsman's presence at such meetings was very important in order to insert into the legislative proposals the precise substantive content desired by the policy makers. Fefferman Interview, supra footnote 261.
bill was then transmitted to OMB for clearance. During February and March the bill was amended and eventually cleared on March 17, 1970. During the clearing process, comments from interested federal agencies were solicited, and HUD also invited private interest groups to comment on the proposed legislation. On March 19, 1970, the bill was transmitted to Congress for appropriate committee action. Following the submission to Congress, the legislative counsel in HUD were involved in writing testimony and aiding in the drafting of changes to the bill prior to enactment.

282. HUD-ACT note 51.
283. HUD-ACT note 57.
284. HUD-ACT note 62.
285. For a more complete discussion of the clearing process see the section of this report on the Office of Management and Budget. Text accompanying footnotes 47-54 supra.
286. HUD held a meeting at which time it invited numerous public interest groups to comment on its legislative program. According to Mr. Harvey Weiner, Assistant to the Associate General Counsel for Legislation, this session was very valuable since it informed the community about the proposed legislation, and comments were received from those most directly affected by the legislation. Interview with Mr. Harvey Weiner, HUD, August 3, 1970.
287. HUD-ACT notes 64-66.
The files indicate that in early August the General Counsel solicited the Ass't Secretaries, Regional Directors and Staff Attorneys for recommendations on the consolidation and simplification of HUD programs within the areas of their primary responsibility. At the same time, memoranda called for the submission of legislative recommendations for the 1970 HUD legislative program by October 10, 1970. The files outline the process through which the Department solicits and receives such comments and indicates that a departmental rough draft of the entire 1970 Omnibus Bill was completed by early November.

The second file identifies more clearly the legislative process within HUD and methods of obtaining OMB approval of particular legislative proposals. The successful adoption of the Regional Administrator’s suggestions regarding the 1970 HUD legislative program indicates that with proper initiative a legislative hierarchy can be developed. Overall, the files reflect an organized and efficient legislative process. Methods of consolidation and review of existing statutory authority, particularly in the area of their implementation, do, however, have recognizable defects. The files end with the introduction of the HUD bill, H.R. 16643 on March 24, 1970.

NAME

FILE NO. I

1. Mr. Unger
   Attorney, HUD General Counsel's Office
2. Mr. Condon
   Ass't Secretary for Administration
3. Mr. Ross
   Acting Assistant Secretary, HUD.
4. Mr. Boesch
   Attorney, HUD General Counsel's Office
5. Mr. Burstein
   Attorney, Federal Insurance Administration.
6. Mr. Gang
   Attorney, HUD General Counsel's Office
7. Mr. Fefferman
   Associate General Counsel for Legislation; Department's principal draftsman.
8. Mr. Sauer
   Associate General Counsel, Equal Opportunity.
9. Mr. Meitus
   Acting Associate General Counsel, RHA.
10. Mr. Bell
    Associate General Counsel, HUD.
11. Mr. Pinsky
    Deputy Associate General Counsel, HUD.
12. Mr. Parrette
    Associate General Counsel for Riot and Flood Insurance.
13. Mr. Malech
    Attorney, Office of Associate General Counsel for Research Programs and Administration.
14. Mr. Jackson
    Representative, Office of Metropolitan Development.
15. Mr. Condon
    Ass't Secretary for Administration.
16. Mr. Farlstein
    Associate General Counsel, HUD
Housing and Urban Development Act of 1970

FILE NO. I

1. August 15, 1969
   From Mr. Condon to Mr. Unger
   Subject: Memorandum recommending that Departmental Act to increase consultant fees be amended.

2. August 18, 1969
   From Mr. William B. Ross, Acting Assistant Secretary-Commissioner to Mr. Unger.
   Subject: Proposed legislative amendment to section 238 of the Special Insurance Fund.

3. August 21, 1969
   From Mr. Unger to Staff Attorneys (Mr. Boesch, Coordinator; Mr. Burstein, Miscellaneous; Mr. Gang, Litigation).
   Subject: Memo calling for suggestions relating to 1970 legislative program.

4. August 21, 1969
   From Mr. Unger to Program Chief Lawyers
   Subject: Memo calls for recommendations for technical clarifying and other perfecting changes in HUD-administered basic laws that fall within the area of their primary responsibility. Example given was to bring up to date various acts by eliminating obsolete references and by consolidating many repetitious provisions. Recommendations were wanted by September 19 in General Counsel's Office and by September 5 in Mr. Fefferman's office.

5. August 21, 1969
   From Mr. Unger to Field Representatives.
   Subject: Calls for legislative recommendations. Also asked for any legislative recommendation looking to program consolidation or simplification or other purpose. He
suggests that these people may have experienced a special need, since they are in the field, which might have been overlooked in Washington.

6. August 21, 1969
From Mr. Unger to Ass't Secretaries.
Subject: He calls for recommendations on legislative changes that would permit programs within their areas to be consolidated or simplified. Also other recommendations for HUD's 1970 legislative program by October 10. If one office found that responsibilities would be overlapping with another office, then the two offices should get together and discuss the recommendation but not necessarily reach an agreement. The major objective was to merge separate but similar programs to provide for a broader range of purposes on common terms under single administrative direction. Congressional resistance was anticipated and every effort would be made to preserve identifiable forms of aid whenever this could be done without sacrificing desirable consolidations and simplifications. Unger points out that he was asking his own staff to perfect basic legislation of the department by eliminating or updating obsolete provisions, consolidating repetitious provisions, and otherwise clarifying and simplifying the tangled enabling laws. It was asked that this be done without regard to the substantive legislative changes required for program consolidation.

7. August 26, 1969
From Mr. Robert A. Sauer, Associate General Counsel, Equal Opportunity, to Mr. Hilbert Fefferman, Associate General Counsel for Legislation.
Subject: States that they will review Title VIII and Title VI.

8. Sept. 3, 1969
From Mr. Ivan S. Meitus, Acting Associate General Counsel, RHA, to Mr. Fefferman.
Subject: List of renewal and housing laws which they intend to review.

From Mr. John A. Bell to Mr. Fefferman.
Subject: List of laws which his department would review.

10. Sept. 5, 1969
From Mr. David E. Pinsky to Mr. Fefferman.
Subject: He states that Office of the Ass't Sec. for Model Cities and Government Relations will review Title I of the Demonstration Cities and Metropolitan Development Act of 1966.

11. Sept. 5, 1969
From Mr. Bernard V. Parrette, Associate General Counsel for Riot and Flood Insurance.
Subject: List of laws which Mr. Bernstein's office (Federal Insurance Administration) would review, including Title XII, insurance programs, and Southeast Hurricane Disaster Relief Act of 1965.

12. Sept. 9, 1969
From Mr. Robert L. Malech, Office of Associate General Counsel for Research Programs and Administration.
Subject: List of basic laws to be reviewed.

13. Sept. 11, 1969
From Mr. Ross to Mr. Unger.
Subject: Recommendations on program simplification. Proposal to create a unified home mortgage program and a unified multifamily housing program.

Comment: Included a thorough analysis of each proposal.

From Mr. Samuel C. Jackson, Metropolitan Development, to Mr. Unger.

Subject: Reply to HUD-ACT memo 5, dated August 21, 1969, with specific suggestions for consolidation of programs and specific legislative proposals.

15. Sept. 19, 1969
From Mr. Lester P. Condon, Ass't Secretary for Administration, to Mr. Unger.

Subject: Memo concerns consolidation and simplifications of HUD programs. Some of the suggestions included are: (1) consolidation of general program requirements; (2) consolidation of administrative provisions; (3) consolidation of disaster authorizations; and (4) consolidation of research authorizations.

From Mr. Pinsky, Deputy Associate General Counsel, to Mr. Unger.

Subject: States that after reviewing Title I, Demonstration Cities and Metropolitan Development Act of 1966, he concludes that no technical or perfecting changes are needed at this time.

17. Sept. 19, 1969
From Mr. Charles M. Farbstein, Associate General Counsel, to Mr. Unger.

Subject: Describes technical changes that should be made to the Housing Act of 1948.

From Mr. Sauer to Mr. Unger.

Subject: Response to HUD-ACT memo 4, August 21, 1969. Included were proposed technical or perfecting changes to basic legislation.

Comment: These changes were not in statutory language.

From Mr. Burton Bloomberg, Renewal Ass't Counsel, to Mr. Curry.

Subject: Contains extensive technical comments with justification of each change.

From Mr. Condon to Mr. Unger.

Subject: Additional recommendations for HUD's 1970 legislative program.

From Mr. Fefferman to Mr. Unger.

Subject: Sent four memoranda which asked for materials for the 1970 legislative proposal. Letter also notes which had not replied.

22. Oct. 6, 1969
From Mr. Meitus to Mr. Fefferman.

Subject: Extensive technical comments.

23. Oct. 9, 1969
From Francis D. Fischer, Regional Administrator, Region IV, to Mr. Unger.
Subject: Recommendations for 1970 Legislative Program. Proposals relate to FHA programs with a view towards increasing the effectiveness of these programs in serving low and moderate income people.

24. Oct. 9, 1969
From Mr. Jackson to Mr. Van Dusen.
Subject: Discussing proposed housing development program. Attached was a draft of Fall Budget Estimate FY 1971 (9/24/69), plus an explanation of Housing Development Support Program.

From Mr. Jackson to Mr. Unger.
Subject: HUD-ACT Note 14, dated Sept. 19, 1969, which mentioned changes geared toward consolidation. This one refers to new programs which Mr. Jackson wants considered as part of the legislative proposals for 1970.

From Mr. Harold B. Finger, Ass't Secretary for Research and Technology, to Mr. Unger.
Subject: Recommendation that Low Income Housing Demonstration Program be merged with Research Program.

27. Oct. 16, 1969
From Mr. Unger to all Ass't Secretaries.
Subject: Forward all legislative proposals that they may have with respect to the 1970 bill.

From Mr. Unger to all Ass't Secretaries.
Subject: Circulates the recommendations of Regional Administrator, Mr. Francis Fisher, and asks for comment.

From Mr. Cox to Mr. Unger.
Subject: Memorandum with attached list of Renewal and Housing Assistance proposals.

From Eugene A. Gulledge, Ass't Secretary-Commissioner, to Mr. Unger.
Subject: Legislative recommendations call for substantive changes and new programs.

31. Nov. 4, 1969
From Samuel J. Simmons, Ass't Secretary for Equal Opportunity, to Mr. Unger.
Subject: Legislative recommendations; he has no proposal at this time.

32. Nov. 5, 1969
From Mr. Gulledge to Mr. Unger.
Subject: Recommendations for new proposals.
Comment: It seems by this the legislative recommendations throughout HUD have been received by the General Counsel’s Office and work has begun on a draft of the Omnibus Bill itself.

FILE NO. II

33. Nov. 7, 1969
From Mr. Fefferman to Mr. Unger.
Subject: A recommendation that a member of the legislative staff be invited to attend Budget Review meetings as an observer. Evidently a document failed to be circulated to
Mr. Fefferman and it went to OMB right out of one of the offices:

This is an example of what has happened many times before and will happen many times again if substantive legislative assumptions or substantive legislative proposals continue to flow (as they must) from the budget-making process and if there is no participation by any representative of the legislative staff. The harm that results from this type of failure to coordinate ranges from the trivial... through the embarrassing... right up to having contradictory HUD materials reach the White House.

34. Nov. 8, 1969
Subject: Draft by Mr. Fefferman describing in general the HUD legislative program for 1970. (7 pages)

35. Nov. 13, 1969
From Secretary George Romney to Hon. Robert P. May.
Subject: Discussion of Special Assistance purchases of low-cost housing mortgages. Romney asks for approval of his approach by OMB.

36. Nov. 18, 1969
From Mr. Harold B. Finger to Mr. Unger.
Subject: Recommendation that definition of term mortgage be modified. FHA had a rule against advances for off-site components and Finger believed that the difficulty centered around the definition.

37. Nov. 19, 1969
Subject: Draft of comments proposed for inclusion in Presidential Statement.

38. Nov. 25, 1969
From Mr. Cox to Mr. Unger.
Subject: Recommended changes for Low-Income Homeownership programs. Changes proposed were hoped to make sections 15(a) and 23(g) of the Housing Act of 1937 more workable.

From Mr. Jackson to Mr. Unger.
Subject: Additional proposals for the 1970 Legislative Program.

40. Dec. 12, 1969
From Mr. Cox to Mr. Unger.
Subject: Recommendation that eligibility for relief under Disaster Relief Act of 1969 be extended to include: (1) persons providing medical and health services; (2) personnel brought into disaster area providing essential services; (3) military personnel arriving for tour of duty; and (4) government personnel (federal) brought into area.

41. Jan. 5, 1970
Subject: Draft of proposed HUD Omnibus Bill, plus section-by-section summary. The draft plus the sectional analysis were transmitted to Messrs. Romney, Van Dusen, Jackson, Orlebeke, Ross and Unger. The letter explains that the bulk of the changes in legal language from an earlier draft was nonsubstantive. There were three major substantive changes made. (1) Deletion of "mutuality" in Mortgage Credit Assistance Act. (2) Subsidized family under public homeownership program contribute 25% of its monthly income rather than 20% towards its "monthly homeownership expense." (3) Proposed substitute for cost certification.
42. Jan. 6, 1970
From Mr. Unger to all Assistant Secretaries and the Deputy Under Secretary.
Subject: Copies of the bill with explanatory statement; also summary of actions of Secretary Romney with respect to 1970 Legislative Proposals submitted by the assistant secretaries earlier. Meeting was to be held on 12 January to discuss bill and any additional legislative proposals not included in bill already.

43. Jan. 7, 1970
Subject: Draft of proposal for Assistance for Public Land Acquisition Agencies.

44. Jan. 10, 1970
From Mr. Eugene A. Culledge to Mr. Unger.
Subject: Comments on proposed bill. The memo goes through the proposed bill pointing out disagreements, approvals, etc.

45. Jan. 12, 1970
From Mr. Cox to Mr. Unger.
Subject: Two pages of comments on the proposed bill.

46. Jan. 12, 1970
Subject: Agenda for meeting on proposed bill.

47. Jan. 12, 1970
From Mr. Cox to Mr. Unger.
Subject: Items which he would like to discuss at the meeting.

Subject: Draft of Public Rental Housing and Home Ownership Assistance Program.

49. Jan. 13, 1970
From Mr. Fefferman to Mr. Unger.
Subject: Mr. Fefferman discusses the effect of repeal of "workable program" requirements. He weighs all of the foreseeable consequences of such an action.

50. Jan. 15, 1970
From Mr. Unger to Secretary Romney.
Subject: Regarding change of time of proposed meeting. The bill contained in this file was 91 pages.

From Secretary Romney to Mr. Wilfred H. Rommel, Asst' Director for Legislative Reference, OMB.
Subject: Enclosed were 50 copies of the bill and sectional analysis. Also included were tables showing the effect of the proposed changes on the subsidy formula and the income limits for the private homeownership and rental assistance programs. The bill contained 93 pages, a 50 page sectional summary plus tables. The Secretary hoped for clearance by mid-February.

52. Feb. 2, 1970
From Mr. Unger to Mr. Fischer.
Subject: Stated that many of his comments had been incorporated into the 1970 Legislative Program.

53. Feb. 6, 1970
From Mr. Unger to Secretary Romney.
Subject: Mr. Unger reviewed a report of the Urban Coalition Task Force on Housing, Reconstruction and Investment. None of the items discussed, excepting two, were contained in the 1970 bill.

54. Feb. 7, 1970
From Mr. Fefferman to Mr. Unger.
Subject: Comment on Secretary Jackson's "Land Policy"
proposals.

55. Feb. 9, 1970
From Mr. Unger to Mr. Cox.
Subject: Comments on statutory language used in Disaster Housing Program. See section 601 of the bill.

56. Feb. 9, 1970
From Mr. Fefferman to Mr. Unger.
Subject: Comment on memo by Mr. Silverman on National Income Definition under the U.S. Housing Act.

57. Feb. 12, 1970
From Mr. Unger to Mr. Rommell.
Subject: Amended Section 601 transmitted to the OMB.

58. March 3, 1970
From Mr. Finger to the Secretary, Under-Secretary and General Counsel.
Subject: The Ass't Sec'y wanted to have some legislation to apply to urban areas such as the self-help assistance available in rural areas. A draft entitled “Mutual and Self-Help Housing” was included.

59. March 4, 1970
Subject: Revised explanatory statement and section-by-section summary.

60. March 8, 1970
From Mr. Unger to Secretary Romney.
Subject: Explains the desirability of including Mutual and Self-Help Housing Legislation proposed by Mr. Finger.

61. March 16, 1970
Subject: Original draft—cut and taped copy—87 pages in length.

62. No Date
Subject: Bill cleared by the OMB.

63. March 17, 1970
From Secretary Romney to Director Mayo, OMB.
Subject: Additional legislative proposals for inclusion in the bill. (1) Provide statutory authority for prohibiting local legislative or administrative actions which discriminate against housing assisted by the government. (2) Provision prohibiting local legislative and private contract requirements which restrict the employment of new or improved technologies in federally assisted housing program (not included in bill which went to Hill).

64. March 19, 1970
Subject: Highlights of the HUD-ACT of 1970.

65. March 19, 1970
Subject: Letters to V.P. Spiro T. Agnew and Speaker John McCormack.

66. March 19, 1970
Subject: Acknowledgment of receipt of bill by Speaker McCormack.

67. March 24, 1970
Subject: Bill introduced by Congressman Widnall as H.R. 16643.