



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

APR 16 1977

MEMORANDUM FOR THE PRESIDENT

Subject: Enrolled Bill S. 1025 - Securities and Exchange
Commission Appropriation Authorization
Sponsor - Sen. Williams (D) New Jersey

Last Day for Action

April 16, 1977 - Saturday

Purpose

Increases the 1977 appropriation authorization of the Securities and Exchange Commission (SEC) from \$55 million to \$56.5 million.

Agency Recommendations

Office of Management and Budget	Approval
Securities and Exchange Commission	Approval

Discussion

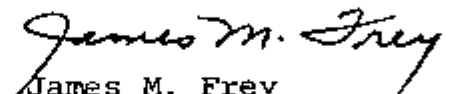
The enrolled bill would amend the Securities Exchange Act of 1934 to increase the SEC authorization for fiscal year 1977 by \$1.5 million to \$56.5 million.

The Commission has been operating under an existing 1977 appropriation of \$53 million and an authorization ceiling of \$55 million. In the 1978 Budget, two supplemental appropriation requests were included for the Commission: a \$2.39 million request to accommodate the October 1976 cost-of-living salary increase and a \$2 million request to complete the modernization of the SEC's automated data processing and record system.

To accommodate these supplemental requests--which, if appropriated, would have raised its total 1977 appropriations to \$57.39 million--the Commission asked that its authorization level be increased from \$55 million to \$58 million.

However, after further analysis and consultations with the Senate Committee on Banking, Housing and Urban Affairs, the Commission agreed that, even after the inclusion of an additional \$230 thousand in its budget request to cover the March 1977 executive pay increase, it could halve the proposed \$3 million authorization increase through savings realized from its modernization efforts. Accordingly, the SEC reduced its authorization request to \$56.5 million, which is the amount provided in S. 1025.

We also agree that a 1977 authorization level of \$56.5 million is sufficient.


James M. Frey
Assistant Director for
Legislative Reference

Enclosures