

REPORT ON OPERATIONS  
UNDER BUDGET CIRCULAR NO. A-45

U.S. Bureau of the Budget  
Washington 25, D. C.  
January 1959

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EXECUTIVE OFFICE OF THE PRESIDENT  
BUREAU OF THE BUDGET  
Washington 25, D. C.

January 30, 1959

To the Congress of the United States:

Pursuant to section 208 of the General Government Matters Appropriation Act, 1959, there is transmitted herewith a report on the operations of Bureau of the Budget Circular No. A-45 upon departments, agencies, and corporations of the Government. This report has been compiled from reports which agencies have submitted to us at our request.

Sincerely yours,

/s/ Roger W. Jones

Acting Director

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5. Housing units subject to Circular No. A-45 not reappraised within past three years.

## SUMMARY

1. This report, made under section 208 of the General Government Matters Appropriation Act, 1959, has been prepared on the basis of reports from 54 agencies and bureaus, showing information as of November 1, 1958.
2. Budget Circular No. A-45 establishes the rule of equivalence (or comparability with private rental rates) in setting rentals for housing furnished Government personnel in the United States, subject to limited modifying factors. It permits greater discretion in the Territories and Possessions in determining the reasonable value of the housing to the personnel.
3. There are over 150 thousand housing units reported subject to Circular No. A-45. The number was increased about 13 thousand during the year. Public Law 85-241, enacted August 30, 1957, brought 15 thousand units under the Circular for a temporary period, while conversions and transfers removed about 2 thousand.
4. Certain housing is specifically beyond application of the Circular - for example, "public quarters" for the uniformed services and housing in foreign countries. Agencies consider some other units not subject to the Circular for various reasons, but this interpretation does not necessarily have the concurrence of the Bureau of the Budget.
5. Agencies report themselves in compliance with the Circular on 96.1% of the housing. The rates are known to be \$3.7 million lower than private housing used for comparison, because of modifying factors. Reappraisals were made during the year on nearly 48 thousand units. Of these, some 14 thousand rates were increased and about 10 thousand decreased, resulting in a net increase of \$462 thousand. About 6 thousand units were reported as being on a noncomparability basis (continental U. S.) or otherwise not in compliance (Territories and Possessions).
6. Comments of the General Accounting Office in its audits and investigations have brought about corrective action by five agencies where charges at specific locations needed attention.
7. Legislative action is recommended to clarify and make permanent the basic policy for employee rentals, and to authorize the issuance of appropriate regulations on a continuing basis, under direction of the President.

## I. BACKGROUND

### Requirement of law

Section 208 of the General Government Matters Appropriation Act, 1959, provides as follows:

"During the current fiscal year, the provisions of Bureau of the Budget Circular A-45, dated June 3, 1952, shall be controlling over the activities of all departments, agencies, and corporations of the Government: Provided, That said circular may be amended or changed during such year by the Director of the Budget with the approval of the Chairman of the Committee on Appropriations of the House of Representatives: Provided further, That the Bureau of the Budget shall make a report to Congress not later than January 31, 1959, of the operations of this order upon all departments, agencies, and corporations of the Government: Provided further, That, notwithstanding the provisions of any other law, no officer or employee shall be required to occupy any Government-owned quarters unless the head of the agency concerned shall determine that necessary service cannot be rendered or property of the United States cannot be adequately protected otherwise."

Circular No. A-45 establishes a rent policy for quarters supplied to Federal personnel, and sets forth certain procedures for the administration of rents and service charges for such quarters.

### Previous reports

Under similar provisions of the past six years, reports on operations under Circular No. A-45 were presented to the Congress, the last report setting forth the results of such operations as of November 1, 1957.

### Basis for this report

This report has been prepared from information submitted by 54 agencies and bureaus, on the basis of the situation as of November 1, 1958. Figures for Alaska are included under "Territories and possessions" throughout the report, in keeping with its status on that date.

Beyond reviews of the reports furnished by the agencies, it is not practicable for the Bureau of the Budget to verify the data or the degree of compliance reported by the various agencies in the many locations where housing is located. Bureau staff are able to observe these only as they visit field locations, usually on other business.

A few discrepancies occur in the figures reported, such as on transfers between agencies, but these do not have a material bearing on the Government-wide totals.

## II. BASIC PRINCIPLE AND PROVISIONS OF CIRCULAR NO. A-45

### Basic principle

Circular No. A-45 is based upon the principle that rental rates should not favor either the employee or the Government. Rental rates should not be set in such a way that they provide indirect compensation to Government personnel. They should represent the reasonable value of the quarters to the occupants in the particular locality and circumstances involved.

### Rules set forth in the Circular

To carry out this principle, the Circular provides:

- (a) In continental United States, the rule of "equivalence" (or "comparability") must be followed. That is, rental rates are to be based upon those prevailing for comparable private housing in the same area.
- (b) In the Territories and Possessions, where the rule of equivalence may not be entirely practical, agency heads may use such other methods as will conform with the basic statutes and the Comptroller General's decisions on the subject.

In both continental United States and the Territories and Possessions, agencies are urged to seek expert assistance in making appraisals, are required to formalize and record the procedure for setting rates and service charges, and are required to reexamine the charges at least once every three years.

### Modifying factors permitted

The basic principle presents various problems in administration. Some of these are provided for in the Circular; in particular, the Circular permits modifying factors in applying the equivalence rule as follows:

- (a) Housing factors: Housing in isolated locations may properly reflect a lower rent than the nearest representative year-round private community, in order to offset the unusual transportation costs incurred by residents for shopping, schools, medical attention, social life, etc. Housing which must be used in part for office space, for accommodating official visitors, or for general convenience of the public may properly reflect a lower rental rate than similar housing where there is no such imposition upon the residents' privacy.

- (b) Salary factor: Where an employee is obliged to accept housing of a greater size or better quality than he would otherwise choose, special adjustment is permitted so that the rent (other than utilities) will not exceed 20 percent of his gross salary (pay and allowances).

#### Applicability of the Circular

The Circular is applicable, by its terms, to housing owned or leased by the Government as well as housing supplied by contract between the Government and private firms. It includes housing not only for direct Government employees, but also for contractors, contractors' employees, and all other persons whose housing is essential to the performance of a Government activity.

It covers both housekeeping and nonhousekeeping units (including trailers), furnished and unfurnished, located within the continental United States and in U. S. Territories and Possessions.

### III. HOUSING REPORTED SUBJECT TO CIRCULAR NO. A-45

#### Number of units subject to Circular No. A-45

The agencies report approximately 154 thousand housing units are subject to Circular No. A-45, as shown in table 1 attached. These are administered by 46 bureaus and agencies, and can be summarized as follows:

	<u>House- keeping</u>	<u>Nonhouse- keeping</u>	<u>Total</u>
<u>Continental United States</u>			
Department of Defense .....	71,272	6,267	77,539
Veterans Administration .....	2,795	15,787	18,582
Atomic Energy Commission .....	8,093	3,798	11,891
Department of the Interior .....	8,558	2,991	11,549
Department of Agriculture .....	3,375	5,118	8,493
All other .....	<u>2,186</u>	<u>2,088</u>	<u>4,274</u>
Total, continental United States .....	96,279	36,049	<u>a/ 132,328</u>
	=====	=====	=====

a/ Includes 987 units supplied by contractors.



<u>Territories and Possessions</u>	<u>House-keeping</u>	<u>Nonhouse-keeping</u>	<u>Total</u>
Alaska			
Department of Defense .....	488	1,756	2,244
Department of Commerce .....	556	445	1,001
Department of Health, Education, and Welfare .....	254	484	738
Department of the Interior .....	351	242	593
All other .....	56	33	89
Total, Alaska .....	1,705	2,960	4,665
Other Territories and Possessions			
Department of Defense .....	10,220	919	11,139
Canal organization .....	3,219	191	3,410
Atomic Energy Commission .....	--	1,587	1,587
Department of the Interior .....	260	319	579
All other .....	225	131	356
Total, Other Territories and Possessions ....	13,924	3,147	17,071
Total, Territories and Possessions .....	15,629	6,107	21,736
Grand total, units reported	111,908	42,156	154,064

#### Changes in number of units

During the past year there has been a net increase of 12,487 units reported under Circular No. A-45, derived as follows (details shown in table 2):

	<u>Units subject to A-45</u>
Number reported as of November 1, 1957 .....	140,327
Changes in reporting base, net .....	+1,250
Corrected number as of November 1, 1957 .....	141,577
Inadequate public quarters (Public Law 85-241) .....	15,219
Additions to Circular No. A-45 housing .....	12,474
Conversions and interagency transfers, net .....	-2,348
Disposals by sale, demolition, etc. ....	-12,858
Number reported as of November 1, 1958 .....	154,064

The principal change in the reporting base is in the Air Force, which now reports 1,010 more units as of November 1, 1957, than were reported a year ago. This is attributed to incompleteness of last years' report, due to late receipt of some data from the field.

The increase in total rental housing during the year is the result of designating public quarters as inadequate, thus bringing such housing into the rental category. More information on this point appears later in the report.

Additions and disposals of housing almost balanced each other during the year. The Navy and the Air Force accounted for more than half of the additions, the Navy reporting 5,272 additional units in continental United States and 2,096 additional in the Territories and Possessions. The Air Force added a total of 1,209 rental units, and the Army 962. Other major increases occurred in the Atomic Energy Commission, which added 546 new units in the United States and 589 in the Territories and Possessions. The Bureau of Indian Affairs also added 325 units.

With respect to disposals, the Atomic Energy Commission accounts for the largest number reported. Under the Atomic Energy Community Act of 1955, 3,887 units were sold during the 12-months period covered by this report. In addition, AEC removed 920 units of temporary quarters, took 489 dormitory spaces out of service, and disposed of 54 other units as surplus--a total of 5,350 disposals. The Air Force reduced its inventory of rental housing by 3,215 and the Army by 3,440. The Veterans Administration disposed of 997 units, and the Bureau of Reclamation 504.

#### Inadequate public quarters

Section 407 of Public Law 85-241 enacted August 30, 1957, authorized the departments concerned (having uniformed personnel), under regulations approved by the President, to designate as rental housing such housing as the respective Secretaries may determine to be inadequate as public quarters. Executive Order No. 10766 was issued May 1, 1958, delegating authority to the Bureau of the Budget to approve regulations developed by the agencies. Regulations have been developed and issued for the Departments of Defense, Treasury, and Health, Education, and Welfare. These cover all agencies subject to the law except the Coast and Geodetic Survey (Commerce), which has no inadequate quarters.

The regulations establish standards by which the inadequate quarters may be occupied on a rental basis by uniformed personnel who are then paid the net difference between their basic allowance for quarters and the fair rental value. Inadequacy is based on deficiencies in such factors as location, size, livability, construction, utilities, facilities, or physical condition.

The rental rates for housing which is determined to be inadequate are established under the provisions of Circular No. A-45. In previous reports this housing was not subject to A-45 since it was classed as "public quarters." The following agencies report the designation of 15,219 quarters indicated below as being inadequate:

	Continental United States	Alaska	Other Territories and Possessions
Department of Defense .....	13,144	51	2,022
Department of Health, Education, and Welfare .....	$\frac{21}{1}$	--	--
Treasury Department .....	$\frac{1}{1}$	--	--
Total .....	13,146	51	2,022

1/ The Public Health Service and the Coast Guard had not completed their review of quarters for adequacy by November 1, 1958.

The effect of this legislation on the total housing subject to Circular No. A-45 will be temporary, however, because the law requires that all units designated as inadequate must be either altered or improved so as to qualify as public quarters by July 1, 1960, or else be demolished or otherwise be disposed of by that date.

#### IV.. HOUSING REPORTED NOT SUBJECT TO CIRCULAR NO. A-45

##### Principal groups of housing exempt from Circular No. A-45

Circular No. A-45 expressly omits coverage of "public quarters" for the uniformed services, which are supplied in lieu of quarters allowance and for which no rent is charged. The Circular also is not intended to cover housing of civilians in foreign countries. Housing occupied by the public, rather than by employees, is beyond the coverage of the Circular. Some agencies have also reported quarters for transients as not subject; units still in possession of the agencies but not available for occupancy are also not subject to the Circular. The housing exempt from the Circular for these reasons is reported as follows:

Public quarters.....	302,741
Civilian housing in foreign countries.....	15,820
Housing occupied by the public.....	483
Quarters for transients.....	23,242
Not available for occupancy.....	12,737

Total.....	<u>355,023</u>
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The foregoing figures exclude housing operated by the Housing and Home Finance Agency and the National Capital Housing Authority, and overnight accommodations operated by the Department of Labor for Mexican workers at five reception centers.

## Other housing considered by agencies as not subject to Circular No. A-45

In order to provide a review of the operations under Circular No. A-45, it is necessary to consider the 5,251 additional housing units, compared to 1,042 so reported last year, to which agencies have not applied Circular No. A-45 because they consider such housing as not being subject to it. Table 3, attached, summarizes the housing which falls in that category not described above. The inclusion of this housing at this point in our report is not to be construed as indicating that the Bureau of the Budget agrees that all such housing is not subject to Circular No. A-45.

The most significant change in this area is the fact that the Army has rented 4,182 privately-owned housing units which have been assigned to uniformed personnel on the same basis as public quarters. There are also 47 additional units included which are used by student nurses at St. Elizabeth's Hospital, who receive a stipend equal to their room and board in lieu of salary.

The Army has continued its practice of renting 20 sets of quarters to civilian instructors, the Chaplain, and the chapel organist at the U. S. Military Academy, West Point, New York, under statutes which predate the Act of March 5, 1928.

Previous reports noted the situation at St. Elizabeth's Hospital, where the Department of Health, Education, and Welfare makes a nominal annual charge of \$300 to three officials, covering not only rent but food, utilities, heat, laundry service, and servants. The Comptroller General addressed a report to Congress on this subject on October 10, 1956. The Bureau of the Budget had previously indicated the belief that rents for these units should be established in accordance with Circular No. A-45. Legislation was introduced in the last session of Congress (S. 2835) to make certain changes in the gross salaries of these officials, and it is understood that the Department intended to comply with Circular No. A-45 when such legislation was enacted. However, the legislation was not adopted, and the Department has not yet changed the rentals for either of the two officials concerned who are still employed there.

## V. COMPLIANCE REPORTED BY THE AGENCIES

### Reported compliance and noncompliance

The agencies' reports indicate that rental rates are in compliance with Circular No. A-45 on approximately 96.1 percent of the 154,064 units. Such units are carrying approximately 98.3 percent of the annual rates of \$87,065,317 for rent and utilities, as follows:

	<u>Reported in compliance</u>		<u>Reported not in compliance</u>	
	<u>No.</u>	<u>Rates</u>	<u>No.</u>	<u>Rates</u>
Continental U. S.....	127,952	\$65,065,579	4,377	\$631,091
Territories and possessions.....	<u>20,148</u>	<u>20,502,145</u>	<u>1,587</u>	<u>866,502</u>
Total.....	<u>148,100</u>	<u>85,567,724</u>	<u>5,964</u>	<u>1,497,593</u>

Details are shown on table 4, attached.

The largest block of units reported not in compliance consists of 3,737 accommodations reported by the Atomic Energy Commission at test sites. The Forest Service has 1,883 units where comparable private quarters do not exist, most of which are bunk spaces in guard cabins, bunkhouses, lookout cabins, and trailers located in remote isolated areas. The Bureau of Prisons has not applied the comparability standards to the 200 units located on McNeill and Alcatraz Islands for the same reason.

One agency which appeared in the noncompliance list last year did not so appear this year. St. Elizabeth's Hospital has taken the position that the quarters provided for student nurses who receive a stipend equal to their board and room are exempt from the Circular and therefore has not included them on the list of non-compliance cases. This is consistent with the way the Veterans Administration reports similar quarters.

The 5,964 reported not in compliance now compare with 5,707 so reported a year ago. The increase, as last year, is attributable to the Atomic Energy Commission and the Forest Service quarters discussed above.

#### Adjustments in applying the rule of comparability

Circular No. A-45 contemplates that there will be cases where nearby private housing is not strictly comparable with Government housing, and it permits special adjustments in such cases. Provision is also made for special adjustments where necessary to keep the rental rate from exceeding 20 percent of the employee's salary.

The Circular contemplates that the appraisals in each case in the continental United States would establish separately: the rental rate for the most nearly comparable private housing; the adjustment downwards, if any, for special housing factors; and the adjustment downwards, if any, for the salary factor.

The agencies report the application of adjustment factors as follows as of November 1, 1958:

Rates used as basis for comparability .....	\$68,817,329
Adjustments on modifying housing or salary factors (on 15,912 of the 127,952 units) .....	<u>-3,751,750</u>
Rates established under Circular No. A-45 .....	<u>65,065,579</u>

Last year, adjustments were reported on 15,049 units and totaled \$3,442,078.

There is a wide variation among the agencies on reported adjustments. Eighteen agencies do not report any adjustments; the number of units operated by these agencies varied from 1 to 13,062. Five agencies made adjustments on all their units; the largest landlord in this group had 1,319 units. Others report adjustments of varying degrees. The bureaus in the Department of the Interior, for example, had adjustments of from 10% to 100% of their units and the spread of reduction varied from 11.1% to 46.3% except the Bureau of Land Management which limited its adjustment rate to 1.2%. Bureaus in the Department of Commerce had adjustments from 13.7% to 40.2%, except that two bureaus - Bureau of Public Roads and the Maritime Administration - made no adjustments. Also significant in the extent of adjustments were the Federal Aviation Agency (contractor supplied) with 45.1% and the International Boundary and Water Commission (State) with 44.4%. There is evidently a need to obtain a more nearly uniform interpretation of the method of computing adjustments, and a need for further consideration of the adjustment factors which are properly allowable.

In those cases where the agencies employed appraisers to help establish the rental rates, the adjustments have sometimes been incorporated in the basic rates (though this was not contemplated by the Circular), thus eliminating any separate reporting of adjustments for housing factors.

As an alternative to setting the rental and utility rates for each unit individually, the Forest Service has been experimenting, with the concurrence of the Bureau of the Budget, with a system of setting rents based on comparisons made over an economically homogeneous area. This involved grouping the housing by size, type, condition and location. Since it covers a wider area than the nearest year-round community, it enables the agency to locate more comparable units on the commercial market than has been possible under the basic plan. This results in a higher degree of uniformity of rental rates for similar housing, and simplifies the agency's job of establishing fair rents. The Forest Service has used this system in three of its regions which have about a third of its housing.

#### Reappraisal of rates

Circular No. A-45 requires agencies to reappraise their rental rates at least every three years in order to maintain proper comparability with commercial rates.

As the table below shows, 47,555 units of housing were reappraised during the past year as compared to 46,512 the year before. This is 30.9% of the total housing units subject to Circular No. A-45. Thirty-seven of the 46 agencies reporting housing subject to the Circular made some reappraisals. In seven cases all the agencies' housing units were reappraised and in nine none were covered.

	<u>No. of units reappraised</u>	<u>Previous rates</u>	<u>Change</u>	<u>New rates</u>
Rates increased .....	14,279	\$6,905,276	+\$975,900	\$7,881,176
Rates decreased .....	10,068	5,621,113	-513,452	5,107,661
Rates not changed ...	<u>23,208</u>	<u>11,510,625</u>	<u>-</u>	<u>11,510,625</u>
Total .....	47,555	24,037,014	+462,448	24,499,462
	<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>
(Last year's totals)	(46,512)	(\$22,833,451)	(+\$388,742)	(\$23,222,193)

The net effect of these reappraisals during the past year has been an increase of 1.9% of the rentals for the units reappraised, as the above table shows. This is slightly more than the 1.7% increase last year and slightly above the change in the National Rent Index, which (for cities over 2,500) showed an increase of 1.5% compared with 1.9% for the year before. It is to be expected that the Federal rents will follow the trend of commercial rents, with some lag such as has recurred.

Almost half (48.8%) of the reappraisals resulted in a confirmation of the previous rates, and about 30% resulted in an increase. Of those rates increased, the change averaged 14.1% while the average decrease was only 9.1% of the previous rates.

One agency's reappraisal resulted only in increases for each of the units covered; two resulted in no rent changes; no agency reported only decreases; and in all other agencies the reappraisal resulted in both increases and decreases or in leaving most rates unchanged.

The Canal Organization again reported practically all units as having been reappraised, even though changes were made on only 33 of the 3,377 units. This annual "reappraisal," as reported by the Canal Organization, is a review of operating costs (rather than a comparison of rental rates). A 3% temporary allowance or discount on rent, granted by the Governor of the Canal Zone since July 3, 1955, was discontinued July 26, 1958.

The Army's reappraisal of 5,016 units resulted in the largest net decrease, \$55,068, being only 2.6% of the previous rates. The Corps of Engineers reappraised 70% of its 2,090 units, a third of which were reduced, which also resulted in a net decrease of 3%. The Navy had the largest

increase, \$418,700, or 5.9% for the 13,582 units surveyed. While the Air Force studied 2,940 units, the amount of increases and decreases almost cancelled each other, even though almost twice as many individual units were raised as were reduced in rent. The largest increase among the civilian agencies was in the Forest Service where the net increase was \$42,682 (18.1%) for 3,072 (37.2%) of its units reappraised, but rates were not changed for 2,555 units. The Veterans Administration reappraisal of 9,493 units (51.1% of their total) resulted in the largest decrease of the civilian agencies, \$11,379. The Bureau of Indian Affairs continued its upward adjustment begun last year by reappraising another 20.8% of its quarters, resulting in a 12% increase amounting to \$34,929.

All but 19 agencies report that they have complied with the provisions of the Circular requiring a reappraisal every three years. Table 5, attached, lists the agencies which have not made the required reappraisals and the reasons given therefor. The largest number of units is in the Atomic Energy Commission; since the housing at both Oak Ridge, Tennessee and Richland, Washington is being sold under the provisions of Public Law 221, 84th Congress, there was concern that a reappraisal might interfere with the disposal program. The Comptroller General has agreed with the Commission's decision. The next largest number is in the Air Force, but these were in process of reappraisal, though slightly beyond the three-year waiting period.

#### VI. GENERAL ACCOUNTING OFFICE COMMENTS ON COMPLIANCE

In collecting information from the agencies for this report to the Congress, the Bureau of the Budget asked each agency to reply to the following question:

"Have the General Accounting Office audit or investigation reports commented adversely on rental or utility rates since November 1, 1957?"

If such adverse reports had been made, the agencies were requested to summarize the reports briefly and indicate what they had done about the situation. Agencies' replies gave information on the following situations to which the General Accounting Office had called attention:

1. The Veterans Administration received adverse comments on utility rates at several locations. Recommendations have been complied with or are now in process.
2. The General Accounting Office commented on Lanham rentals at Fort Ord, California. An increase in rentals there is explained by the rental of furniture to occupants.
3. In the case of the Bureau of Land Management in the Department of the Interior, criticism was made of insufficient charges made to seasonally-employed personnel in Alaska. Correction has been made for part of the complaint. The remainder is under consideration in the agency.



4. Utility charges in the Warm Springs agency of the Bureau of Indian Affairs, Department of the Interior, were criticized as being too low. A detailed survey was made and charges were increased.

5. Deductions for isolation conditions in region one of the National Park Service, Department of the Interior, came under criticism. Appraisals are being reviewed and necessary corrective action taken, according to the agency's report.

## VII. CONCLUSION AND RECOMMENDATION

### Conclusions

The reports seem indicative of sincere attempts to comply with the policy of Circular No. A-45 in most cases. The vast majority of units are reported by the agencies to be in compliance. Rentals for approximately one-third of the units were reviewed, in accordance with the policy of review of each unit every three years. Rents were raised an average of 1.9% on those which were reviewed, in comparison with a general increase of 1.5% for the National Rent Index.

However, there are still some cases which are reported not in compliance with the Circular, and other cases of units which the agencies consider exempt where the Circular itself does not directly exempt them. Even on those reported to be in compliance, "adjustments" reported have reduced the rent by 5.5% from comparable commercial rates, and in some cases the adjustments may not be in accord with the provisions of the Circular.

On the other hand, experience indicates that there are some situations which the Circular does not cover explicitly, others where the Circular may be open to varying interpretations, and still others where the procedural requirements may be too rigid to take account of unusual circumstances. Revisions in the regulations would make possible a more uniform interpretation and application of the basic policy.

### Recommendations

The President's Budget for 1960 recommends the deletion of section 208 of the General Government Matters Appropriation Act, as being unnecessary for the continued operation of the rental policy set forth in Circular No. A-45. Legislation will be proposed to Congress shortly to clarify the basic laws on this subject and to provide specifically and on a permanent basis for the issuance of regulations such as A-45 under direction of the President. It is recommended that such legislation be given favorable consideration by the Congress.

TABLE 1. HOUSING UNITS REPORTED SUBJECT TO CIRCULAR NO. A-45,  
AND RENTAL RATES

	Continental U. S.		Territories and possessions	
	No. of units	Per annum rates	No. of units	Per annum rates
<u>Executive Office of the President:</u>				
Office of Civil and Defense Mobilization....	356	\$196,569	--	--
<u>Independent Offices:</u>				
Atomic Energy Commission .....	11,527	7,401,201	1,587	\$ 866,502
(Supplied by contractor) .....	364	229,310	--	--
Central Intelligence Agency .....	56	69,250	--	--
Federal Aviation Agency .....	78	48,805	--	--
National Science Foundation .....	4	3,420	--	--
Tennessee Valley Authority .....	126	78,166	--	--
(Supplied by contractor) .....	46	21,468	--	--
Veterans Administration .....	18,582	4,160,113	--	--
<u>General Services Administration:</u>				
Public Buildings Service .....	27	20,430	1	720
<u>Department of Agriculture:</u>				
Agricultural Research Service .....	255	109,059	27	18,692
Soil Conservation Service .....	25	10,945	3	1,305
Forest Service .....	8,212	1,059,048	46	12,252
Agricultural Marketing Service .....	1	234	--	--
<u>Department of Commerce:</u>				
Civil Aeronautics Administration .....	111	46,180	686	345,481
Coast and Geodetic Survey .....	10	8,753	12	5,217
Maritime Administration .....	25	9,099	--	--
Bureau of Public Roads .....	116	38,589	527	138,586
National Bureau of Standards .....	1	320	5	3,879
Weather Bureau .....	26	7,859	95	45,879
<u>Department of Defense:</u>				
<u>Military Functions:</u>				
Army .....	21,817	11,988,275	3,081	1,713,116
(Supplied by contractor) .....	577	392,551	--	--
Navy .....	39,857	25,025,018	7,459	13,096,014
Air Force .....	13,062	8,443,554	2,830	1,645,039
<u>Civil Functions:</u>				
National Cemetery System .....	73	39,088	2	1,294
Corps of Engineers .....	2,079	1,229,541	11	7,924
U. S. Soldiers' Home .....	74	35,740	--	--
Canal Organization .....	--	--	3,410	2,715,885

	Continental U. S.		Territories and possessions	
	No. of units	Per annum rates	No. of units	Per annum rates
<u>Department of Health, Education, and Welfare:</u>				
Freedmen's Hospital .....	186	\$48,422	--	--
Public Health Service:				
Bureau of State Services .....	3	1,320	--	--
Bureau of Medical Services .....	1,666	484,170	743	\$273,985
(Division of Hospitals .....	( 327)	(138,949)	(--)	(--)
(Division of Quarantine .....	( 20)	( 13,911)	( 5)	( 5,537)
(Division of Indian Health .....	(1,319)	(331,317)	(738)	(268,448)
National Institutes of Health .....	54	51,949	--	--
St. Elizabeth's Hospital .....	130	25,042	--	--
<u>Department of the Interior:</u>				
Bonneville Power Administration .....	56	37,629	--	--
Bureau of Land Management .....	37	13,445	31	10,166
Bureau of Indian Affairs .....	5,094	1,514,655	140	50,710
Bureau of Reclamation .....	2,031	954,220	24	16,445
Geological Survey .....	12	3,801	34	25,989
Bureau of Mines .....	178	97,485	--	--
National Park Service .....	3,390	853,996	62	42,628
Fish and Wildlife Service .....	751	315,917	43	18,806
Office of Territories .....	--	--	838	291,087
<u>Department of Justice:</u>				
Administrative Division .....	--	--	4	2,050
Immigration and Naturalization Service ...	75	30,398	9	5,179
Bureau of Prisons .....	1,011	330,600	21	11,600
<u>Post Office Department:</u>				
Bureau of Post Office Operations .....	15	2,100	--	--
<u>State Department:</u>				
International Boundary and Water Commission	44	19,668	--	--
<u>Treasury Department:</u>				
Bureau of Customs .....	58	23,461	5	2,215
Coast Guard .....	50	28,013	--	--
Total, Government-landlord .....	131,341	64,865,547	21,736	21,368,645
Total, contractor-operated .....	987	643,329	--	--
Grand total .....	132,328	65,508,876	21,736	21,368,645

TABLE 2. CHANGES WITHIN PAST YEAR IN HOUSING UNITS  
SUBJECT TO CIRCULAR NO. A-45

	Number as of 11/1/57		Inadequate	Addi-	Conver-	Dis-	Number
	Last	This	public	tions	sions and	posals	as of
	year's	year's	quarters	tions	transfers		11/1/58
	report	report			(net)		
<b>Executive Office of the President:</b>							
Office of Civil and Defense Mobil-							
ization .....	126	126		286		-56	356
<b>Independent Offices:</b>							
Atomic Energy Commission .....	17,329	17,329		1,135		-5,350	13,114
(Supplied by contractor) .....	377	377				-13	364
Central Intelligence Agency .....	33	33		23	+78		56
Federal Aviation Agency .....				4			78
National Science Foundation .....				8		-9	4
Tennessee Valley Authority .....	127	127		9	+1	-2	126
(Supplied by contractor) .....	38	38		51	-528	-469	46
Veterans Administration .....	19,528	19,528					18,582
<b>General Services Administration:</b>							
Public Buildings Service .....	9	9		1	+19	-1	28
<b>Department of Agriculture:</b>							
Agricultural Research Service ....	290	292			-5	-5	282
Soil Conservation Service .....	26	26			+2		28
Forest Service .....	7,776	7,778		323	+254	-97	8,258
Agricultural Marketing Service ...	2	2				-1	1
<b>Department of Commerce:</b>							
Civil Aeronautics Administration .	849	794		12	+14	-23	797
Coast and Geodetic Survey .....	21	21			+1		22
Maritime Administration .....	33	33		19	-1	-7	25
Bureau of Public Roads .....	668	668			-43	-1	643
National Bureau of Standards .....	6	6		10	-5	-2	6
Weather Bureau .....	118	118					121

	Number as of 11/1/57		Inadequate public quarters	Addi- tions	Conver- sions and transfers (net)	Dis- posals	Number as of 11/1/58
	Last year's report	This year's report					
<u>Department of Defense:</u>							
<u>Military Functions:</u>							
Army .....	20,105	20,105	6,984	956	-1,381	-1,766	24,898
(Supplied by contractor) .....	864	864		4	+2	-293	577
Navy .....	36,915	37,176	4,245	7,368	+459	-1,932	47,316
Air Force .....	12,900	13,910	3,988	1,209	-1,533	-1,682	15,892
<u>Civil Functions, Army:</u>							
National Cemetery System .....	76	76				-1	75
Corps of Engineers .....	2,108	2,107		23	-4	-36	2,090
U. S. Soldiers' Home .....	88	88			-14		74
Canal Organization .....	3,325	3,325		23	+352	-290	3,410
<u>Department of Health, Education, and Welfare:</u>							
Freedmen's Hospital .....	189	189			-3		186
<u>Public Health Service:</u>							
Bureau of State Services .....	5	5				-2	3
Bureau of Medical Services .....	2,418	2,417	2	50	-42	-18	2,409
National Institutes of Health .....	52	52		2			54
St. Elizabeth's Hospital .....	175	175			-45		130
<u>Department of the Interior:</u>							
Bonneville Power Administration ..	21	57			-1		56
Bureau of Land Management .....	65	65		1	+6	-4	68
Bureau of Indian Affairs .....	5,014	5,046		296	+29	-137	5,234
Bureau of Reclamation .....	2,365	2,365		194	-24	-480	2,055
Bureau of Mines .....	178	178					178
Geological Survey .....	96	51			-1	-4	46
National Park Service .....	3,181	3,190		287	+84	-109	3,452
Fish and Wildlife Service .....	789	788		34	-4	-24	794
Office of Territories .....	729	720		144		-35	838

	<u>Number as of 11/1/57</u>		<u>Inadequate public quarters</u>	<u>Additions</u>	<u>Conversions and transfers (net)</u>	<u>Disposals</u>	<u>Number as of 11/1/58</u>
	<u>Last year's report</u>	<u>This year's report</u>					
<u>Department of Justice:</u>							
Administration Division .....	3	4					4
Immigration and Naturalization Service .....	84	84		1	-1		84
Bureau of Prisons .....	1,055	1,055			-15	-8	1,032
<u>Post Office Department:</u>							
Bureau of Post Office Operations ..	15	15					15
<u>State Department:</u>							
International Boundary and Water Commission .....	44	44					44
<u>Treasury Department:</u>							
Bureau of Customs .....	62	62		1	+1	-1	63
Coast Guard .....	50	50					50
Total .....	140,327	141,577	15,219	12,474	-2,348	-12,858	154,064

TABLE 3. MISCELLANEOUS HOUSING UNITS CONSIDERED BY THE AGENCIES  
AS NOT SUBJECT TO CIRCULAR NO. A-45

As of November 1, 1958

	No. of units	Agency's Explanation
<u>Independent Offices:</u>		
Veterans Administration	203	Student nurses, internes, and other persons rendering service to VA hospitals who receive room and board in lieu of salary.
<u>Department of Agriculture:</u>		
Agricultural Research Service	81	Housing units being occupied by State employees under cooperative agreements and memoranda of understanding between Agricultural Research Service and various State colleges and other organizations.
Forest Service	81	12 units in non-modern trailers for use of road maintenance and survey crews; 2 units in Puerto Rico under special use permit; 64 units throughout Southern States on leased recreation areas used by State Game and Fire Warden's under special use permit; 2 units leased to grazing association; and 1 seasonal use building adjunct to headquarters residence.
Soil Conservation Service	7	Part of 4 nurseries operated by State agencies under cooperative agreements.
<u>Department of Commerce:</u>		
National Bureau of Standards	1	Unit at Point Barrow, Alaska. The agency has determined that 15 U.S.C. 285 specifically excludes this unit from the provisions of Circular No. A-45.

<u>No. of units</u>	<u>Agency's explanation</u>
4,213	1 unit used by Air National Guard; 20 units at U. S. Military Academy occupied by civil-ial instructors, the Chaplain and the chapel organist under authority of the Acts of February 14, 1927 and February 18, 1896; 10 units used as guest houses; 4,182 privately-owned units leased and assigned as public quarters.
7	Outleased.
1	Governor-President's residence - rent free under Public Law 453, 83rd Congress.
49	Quarters for Superintendent and Assistant Superintendent, for which a nominal subsistence charge has been established. Further discussion in text of report. 47 units are for student nurses.
91	Accommodations for teachers and other school personnel employed on Federal school projects. These units are in remote areas where other private housing is not available and the Commissioner of Education is required to make essential arrangements for free public education for pupils living on Federal land.
30	24 units rented to teachers of public school districts under authority of 25 U.S.C. 452; 6 units used by tribes under authority of 49 Stat. 1458.
396	Units turned over to water user organizations to facilitate the operation of transferred irrigation projects.

Department of Defense:Military Functions:

## Army

## Civil Functions: Army:

## Corps of Engineers

## Canal Organization

Department of Health, Education, andWelfare:

## St. Elizabeth's Hospital

## Office of Education

Department of the Interior:

## Bureau of Indian Affairs

## Bureau of Reclamation



<u>No. of units</u>	<u>Agency's explanation</u>
<u>Department of State:</u> United States Mission to United Nations	1 Official residence provided U. S. Representative to United Nations under authority of 22 U.S.C. 287.
<u>Department of the Treasury:</u> Coast Guard	90 For light station keepers for which rental is charged on a uniform, service-wide basis under authority of 44 Stat. 161.
<hr/> 5,251	

TABLE 4. HOUSING UNITS SUBJECT TO CIRCULAR NO. A-45 NOT IN COMPLIANCE  
WITH RULE OF COMPARABILITY

<u>As of November 1, 1958</u>			
	<u>No. of units</u>	<u>Per annum rates</u>	<u>Agency's explanation</u>
<u>Independent Offices:</u>			
Atomic Energy Commission	2,150	\$392,375	Accommodations at Nevada Test Site.
(Territories and possessions)	1,587	866,502	Accommodations at Pacific Proving Ground.
<u>Department of Agriculture:</u>			
Forest Service	1,883	134,077	Bunk house space and guard cabins for which there are no local comparable rates.
<u>Department of Commerce:</u>			
Maritime Administration	16	1,152	Bedding accommodations in barracks for which there are no local comparable rates.
Bureau of Public Roads	114	37,449	Nonhousekeeping quarters at construction and maintenance camps; employees' per diem reduced when using.
<u>Department of Defense:</u>			
Military Functions: Navy	1	396	Caretaker status.
<u>Department of the Interior:</u>			
Geological Survey	8	2,990	Quarters evaluation board did not follow rule of comparability; units are to be resurveyed by 6/30/59.
<u>Department of Justice:</u>			
Bureau of Prisons	200	60,600	Alcatraz and McNeil Islands.

<u>No. of units</u>	<u>Per annum rates</u>	<u>Agency's explanation</u>
5	\$2,052	One unit used during construction for which there is no comparable housing in the vicinity. Rents for four other units were set on basis of local market value by real estate appraisers.
5,964	1,497,593	

Department of State:  
International Boundary and  
Water Commission

NOTE: See Table 3 for some additional units which may not be in compliance because the agencies consider them not subject to the Circular.

TABLE 5. HOUSING UNITS SUBJECT TO CIRCULAR NO. A-45  
NOT REAPPRAISED WITHIN PAST THREE YEARS

As of November 1, 1958

	<u>No. of units</u>	<u>Agency's explanation</u>
<u>Independent Offices:</u>		
Atomic Energy Commission	2,856	2,358 units are in process of disposal under the Atomic Energy Act of 1955 (Public Law 221, 84th Congress); 498 units were in process of appraisal as of 11/1/58.
Veterans Administration	284	93 units not reappraised because they are scheduled for disposal; 188 units were in process of reappraisal; 1 held in standby.
<u>General Services Administration:</u>		
Public Buildings Service	2	Unit at Dolomite Quarry, Northport, Washington, not reappraised because not used; attic space being converted to living quarters will be appraised before occupied.
<u>Department of Agriculture:</u>		
Agricultural Research Service	177	In process of reappraisal.
Soil Conservation Service	2	Vacant units. Will be reappraised when occupied.
Forest Service	411	229 scheduled for reappraisal in 1958-59; 182 delayed pending approval of use of area appraisal plan.
<u>Department of Commerce:</u>		
Maritime Administration	18	2 units occupied by dean and executive officer of Academy are rented at equivalent of quarters allowance for comparable military rank; 16 contractor employees occupy barracks being furnished bedding only and there is no comparable housing locally.

No. of units	Agency's explanation
Department of Defense: <u>Military Functions:</u> Army	488 units on which reappraisals are pending; 12 inadequate public quarters not yet appraised; 82 vacant units at an inactive installation; 1 unit being sold; and 1 declared excess.
584	Scheduled for reappraisal or in process.
Air Force  Civil Functions: Corps of Engineers	8 units scheduled for reappraisal; 1 unit inactive since there is no local demand for the housing; 2 units to be disposed of; balance were in process of reappraisal.
84	Rental rates for retired military personnel set by law at allowance for their rank.
6	Units scheduled for early reappraisal, but action has been delayed pending revision of division policy.
<u>Department of Health, Education, and Welfare:</u> Bureau of Medical Services	Will be done immediately.
10	34 units reappraised delayed due to installation of gas and electric meters; 10 under consideration for condemnation; 242 pending renovation, to be re-evaluated as soon as possible thereafter; and 43 delayed due to lack of personnel.
<u>Department of the Interior:</u> Bureau of Land Management	Scheduled for reappraisal prior to 6/30/59.
1	Scheduled for reappraisal before 6/30/59.
Bureau of Indian Affairs	Survey now in process; new rates effective 1/1/59.
329	Vacant units acquired during period.
Bureau of Reclamation	
1	
Geological Survey	
3	
National Park Service	
439	
Fish and Wildlife Service	
4	

<u>No. of units</u>	<u>Agency explanation</u>
221	200 at Alcatraz and McNeill Island are considered exempt; 21 in Alaska were reappraised 9/24/55.
6,444	

Department of Justice:  
Bureau of Prisons

NOTE: In addition, the Panama Canal organization has not reappraised 3,377 of its units on an individual basis but reappraises them all in the aggregate on a continuing basis to ascertain that all costs are recovered, including interest on the Government investment in housing.