

FBI Fights Move By Justice Dept. To Trim Funds

By Ronald J. Ostrow
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The FBI, which for years operated with one of Washington's near-sacrosanct budgets, is fighting an attempt by Justice Department officials to make an unprecedented slash in its fiscal 1979 funds.

Department budget experts, backed Deputy Attorney General Peter F. Flaherty, want to allot the FBI \$516 million — \$55 million less than the \$571 million the law enforcement agency asked for and \$13 million below its fiscal 1978 budget.

The ensuing battle is taking on a personal tone, with the FBI responding to a highly critical analysis of its operations by asserting that the Justice Department analyst who wrote the report suffers from an "ideological bias" against the bureau and does not understand law enforcement.

Beyond the fight over dollars pressed by an administration that is attempting to impose so-called "zero-base budgeting" as a means of cutting spending, the dispute raises the larger issue of who is going to control the FBI.

"The department and its analyst are attempting to set law enforcement priorities for the FBI," said one source familiar with the dispute. "The question is who knows better what these priorities should be—a budget man or the FBI."

A source knowledgeable about the FBI's response said that bureau officials object to the treatment they see their budget request receiving from Flaherty's office.

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"They think they're being handed like the Pittsburgh Sanitation Department," this source said. (Flaherty resigned as mayor of Pittsburgh to accept appointment as the department's No. 2 man.)

James F. Hoobler, who heads the department's management programs and budget staff, stressed that no decision had been made on the FBI budget. The issue is to be presented to Attorney General Griffin B. Bell next week.

"This is very much a due process thing," Hoobler said. "The FBI is appealing, and no decision had been made."

He declined to comment on the FBI's response to his office's analysis of bureau operations. "Their response is much more strident [than the analysis]," Hoobler said. "I really wouldn't want to comment beyond that."

The 70-page analysis is understood to be a highly detailed examination of FBI operations, which one official cha-

racterized as showing that the bureau is light years behind in its ability to explain its program in budgetary terms.

"Their effectiveness measures show declines in almost every area," the official said. "In several of the areas, they [the measures of effectiveness] do not support sustaining the funding, let alone increasing it.

"Instead of responding on the merits, the FBI attacked the tone of the analysis, saying the budget analyst didn't understand law enforcement," the official said.

Hoobler would not release the analysis, and an FBI spokesman would not comment.

The budget battle comes at a time when the FBI is beleaguered by a federal grand jury investigation of break-ins in the early 1970s conducted by FBI agents, a coming trial of a retired FBI supervisor on wiretapping and mail-opening charges, and increasing uncertainty over who will head the agency beginning next year.

"No matter what Bell decides, the

fight isn't over until the budget goes through Congress," said one source versed in the dispute. "Up there, the FBI has long-time friends on the Appropriations committees."

The Ford administration attempted to reduce the FBI's funding for fiscal 1977 by \$15 million but was rebuffed by Congress.

Congress budgeted \$513.38 million for the FBI for fiscal 1977, which will end Sept. 30—up from \$485.95 million in fiscal 1976 and \$449.55 million in fiscal 1975. The agency's fiscal 1978 budget is \$529.45 million.

The department analysis notes that the FBI's total of investigative matters received—a standard measure of bureau activity—has dropped from 882,254 in fiscal 1970 to an anticipated 397,084 in fiscal 1978.

Part of the decrease reflects the FBI's sharp cutbacks in domestic security cases, car theft investigations and military deserter investiga-