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POCKET VETO  
EFF. MIDNIGHT (1/4/75)  
MEMO OF DISAPPROVAL  
(DATED 1/3/75) ISSUED 1/4/75

ACTION

THE WHITE HOUSE  
WASHINGTON

Last Day: January 4 \*\*

January 1, 1975

MEMORANDUM FOR THE PRESIDENT  
FROM: KEN COLE  
SUBJECT: Enrolled Bill H.R. 2933  
Import Restrictions of Filberts

BACKGROUND

This bill would amend the Agricultural Marketing Agreement Act by putting certain quality restrictions on imported filberts (hazelnuts). Under current law, sixteen specific commodities must meet standards set by the Secretary of Agriculture before they can be imported.

ARGUMENTS FOR SIGNING

This bill will put imports of filberts on an equal basis with the domestic crop by requiring that importers be required to have their product graded exactly the same as domestic nuts. This will protect the consumer and allow competition between domestic and foreign growers on an equal basis.

ARGUMENTS FOR POCKET VETO

This kind of protectionist legislation is inconsistent with the principles behind the Trade Act, which you have strongly supported and will sign later this week. The State Department reports that this bill will primarily hurt Turkey and they will regard it as a non-tariff barrier in violation of our international commitments and as an act of retaliation. This law is not necessary to protect American consumers because imported filberts must meet standards prescribed by our food and drug laws.

STAFF AND AGENCY POSITIONS

The following recommends signing:

Phil Areeda



\*\* Sign Memorandum of Disapproval after Friday, January 3 because it refers to your action on the Trade Bill.

The following have expressed no objection to this bill:

Department of Agriculture  
Department of Commerce

The following recommend pocket veto:

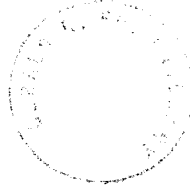
Roy Ash (see enrolled bill report at Tab A)  
Ken Cole  
Max Friedersdorf (Loen)  
Alan Greenspan  
Bill Eberle  
Department of State

DECISION - H.R. 2933

Sign (Tab B) \_\_\_\_\_

Pocket Veto HR7.

(Sign Memorandum of Disapproval  
at Tab C approved by Paul Theis)





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

DEC 28 1974

MEMORANDUM FOR THE PRESIDENT

Subject: Enrolled Bill H.R. 2933 - Import restrictions  
on filberts  
Sponsor - Rep. Wyatt (R) Oregon

Last Day for Action

January 4, 1975 - Saturday

Purpose

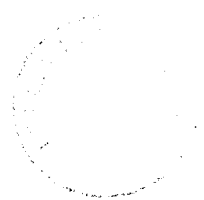
Imposes certain import restrictions on filberts.

Agency Recommendations

Office of Management and Budget	Disapproval (Memorandum of Disapproval attached)
Department of State	Disapproval
Council of Economic Advisers	Disapproval
Office of the Special Representative for Trade Negotiations	Disapproval
Department of Commerce	No objection
Department of Agriculture	No objection

Discussion

Under section 8(e) of the Agricultural Marketing Agreement Act of 1937, as amended, the importation of sixteen specific commodities including tomatoes, raisins, cucumbers, and walnuts is prohibited unless the commodity complies with the grade, size, quality and maturity standards that are applicable to the same domestic commodity under a marketing order issued by the Secretary of Agriculture.



H.R. 2933 would add filberts as one of the commodities which enjoy the protectionist benefits described above of section 8(e) of the Agricultural Marketing Agreement Act of 1937, as amended. In instances where variations in characteristics between the domestic and imported commodity make application of such restrictions impracticable, the Secretary would promulgate for the imported commodity such grade, size, quality, and maturity restrictions as he determines would be equivalent to those stipulated for the domestic commodity under its marketing order. Finally, these restrictions would not be waived when the imported filbert is to be used for processed foodstuffs, as is the case when they are produced domestically (applicable to inshell filberts at this time).

In reporting on the bill before the Congress, Agriculture stated that there was "no need for the proposed legislation at this time" while State strongly opposed the bill for several reasons:

- "1. It would establish a new trade barrier contrary to our program of expanding trade which is of importance to American agriculture as a whole.
2. . . . it does not appear that imported filberts are seriously affecting the domestic trade.
3. Filbert imports which do not meet the strict standards for wholesomeness prescribed by United States pure food laws are prohibited from entry, and
4. The establishment of new restrictions would have a detrimental effect on United States relations with Turkey, the principal supplying country, and the impending multilateral negotiations to reduce and eliminate non-tariff and other trade barriers."

However, the House Agriculture Committee, contended in its report on H.R. 2933 that:

"For many years, buyers of filberts have maintained that they would like to buy domestic filberts, both inshell and shelled, but that imports were cheaper.

Primarily, this is due to the superior quality of the domestic product.

"The Committee found that the real problem is that the foreign imports are not required to be graded. The age of the nut and other quality factors are such that the domestic graded varieties being required to be graded are more costly than the imports, which are not graded at all. Thus, it is difficult for the domestic nut to compete. H.R. 2933 simply will put imports on an equal basis with the domestic crop by requiring that importers be required to have their product graded exactly the same as the domestic nuts are graded. If this action is taken, domestic growers feel they can compete. If it is not done and competition is continued on an unequal basis, the domestic growers will soon be out of business."

#### Agency recommendations on the enrolled bill

Agriculture has no objection to approval of H.R. 2933 because it claims the bill would "have no significant impact on imports of filberts since almost all filberts are imported in shelled form" (only the inshell filbert is presently subject to grade and size regulations and very few filberts are imported in that form). Commerce also has no objection to approval.

State, CEA, and STR all recommend disapproval of the bill. While reiterating its earlier stated objections, State further noted in its views letter on the enrolled bill that:

". . . this restrictive legislation would come at a delicate time in U.S./Turkish relations, and would be regarded by Turkey as a non-tariff barrier in violation of our international commitments, but more importantly, would be interpreted by Turkey as a measure in retaliation for other actions."

#### Arguments in favor of approval

1. Sixteen commodities are already covered under "section 8(e)" type restrictions, yet this has



not caused great concern on the part of foreign countries that export these commodities.

2. The bill would provide better quality products for American consumers.
3. Domestic producers of filberts would be afforded some protection -- although admittedly little -- from the same imported inshell commodity.
4. Imported filberts would be required to meet only those standards applicable to the same domestic commodity, excluding processing.

Arguments in favor of veto

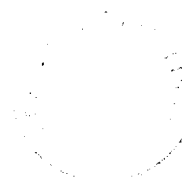
1. H.R. 2933 would be inconsistent with the obligations of the United States in the General Agreement on Tariffs and Trade.
2. The bill would erect serious non-tariff trade barriers at virtually the same time you have just signed the Trade Reform Act which is designed to eliminate such trade barriers.
3. It could invite possible foreign retaliation and endanger to a degree a sizable trade surplus the United States enjoys in other agricultural products.
4. According to Agriculture, the domestic growers are not about to go out of business because of foreign competition as the Committee reports assert.
5. The restrictions are not necessary to protect domestic consumers inasmuch as all imported filberts must meet existing Pure Food and Drug standards for purity and wholesomeness.



On balance, we believe that the arguments in favor of veto are the strongest, and accordingly, we recommend your disapproval of H.R. 2933. We have prepared the attached Memorandum of Disapproval for your consideration.

*Paul H. Quinn*  
for Director

Enclosures





THE WHITE HOUSE  
WASHINGTON

January 3, 1975

MEMORANDUM FOR: THE PRESIDENT

FROM:

JACK MARSH



In reference to the attached bill, I would recommend either a veto or pocket veto for the following reasons:

1. The signing of this bill I believe would be counter productive in that it would be contrary to the spirit of the recently signed Trade Bill.
2. It would have an adverse effect on relations with Turkey at a time when we need to improve them.
3. It would encourage other American products to seek similar legislative protection.

THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO. 888

Date: December 28, 1974

Time: 7:00 p.m.

FOR ACTION: Norm Ross  
 Max Friedersdorf *veto*  
 Phil Areeda *sign - comments*  
 NSC/S *no interest*  
 Paul Theis

cc (for information): Warren Hendriks  
 Jerry Jones  
 Jack Marsh

FROM THE STAFF SECRETARY

DUE: Date: Monday, December 30

Time: 1:00 p.m.

SUBJECT:

Enrolled Bill H.R. 2933 - Import Restrictions on Filberts

*Mike's mem in Package*

ACTION REQUESTED:

- For Necessary Action
- For Your Recommendations
- Prepare Agenda and Brief
- Draft Reply
- For Your Comments
- Draft Remarks

REMARKS:

Please return to Judy Johnston, Ground Floor West Wing

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

K. R. COLE, JR.  
For the President



THE WHITE HOUSE  
WASHINGTON

memo

MEMORANDUM FOR: WARREN HENDRIKS  
FROM: *Max L. Friedersdorf* MAX L. FRIEDERSDORF  
SUBJECT: Action Memorandum - Log No. 888  
Enrolled Bill H.R. 2933

The Office of Legislative Affairs concurs in the attached proposal and has no additional recommendations.

Attachment



THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO. 888

Date: December 28, 1974

Time: 7:00 p.m.

FOR ACTION: Norm Ross  
Max Friedersdorf ✓  
- Phil Areeda  
NSC/S  
Paul Theis

cc (for information): Warren Hendriks  
Jerry Jones  
Jack Marsh

FROM THE STAFF SECRETARY

DUE: Date: Monday, December 30

Time: 1:00 p.m.

SUBJECT:

Enrolled Bill H.R. 2933 - Import Restrictions on Filberts

ACTION REQUESTED:

- |   |  |
|---|--|
| <input type="checkbox"/> For Necessary Action         | <input checked="" type="checkbox"/> For Your Recommendations |
| <input type="checkbox"/> Prepare Agenda and Brief     | <input type="checkbox"/> Draft Reply                         |
| <input checked="" type="checkbox"/> For Your Comments | <input type="checkbox"/> Draft Remarks                       |

REMARKS:

Please return to Judy Johnston, Ground Floor West Wing

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

Warren K. Hendriks  
For the President

MEMORANDUM OF DISAPPROVAL

I am withholding my approval from H.R. 2933, a bill "To improve the quality of unshelled and shelled filberts for marketing in the United States."

This bill would amend the Agricultural Marketing Agreement Act to make existing grade and quality restrictions on certain imported commodities applicable to imported filberts.

In my judgment, the bill would be unfair to the American consumer and the American farmer, as well as prejudicial to the interests of American trade policy.

H.R. 2933 would be unfair to the American consumer because it could unnecessarily increase the prices he has to pay for filbert products. Existing law already requires all imported foodstuffs to meet health standards prescribed under the Food and Drug Act.

The bill represents an approach that could have unfair consequences for the American farmer -- the impact of such legislation could lead to the loss of some of his important markets abroad. Measures of this kind result in comparatively limited benefits for domestic producers while risking retaliation against vastly larger values of products exported by our farmers each year.

Finally, the bill would be prejudicial to our trade policy because it would be inconsistent with our obligations under the General Agreements on Tariffs and Trade. It would

erect a non-tariff trade barrier at a time when we are trying to persuade other nations to dismantle theirs.

While it is true that other commodities are subject to the same statutory restrictions which H.R. 2933 would impose on filberts, no new commodities have been included in the list since January of 1971. I cannot in good conscience support the addition of a new commodity just at the time I have signed into law a new Trade Reform Act having as one of its major purposes the elimination of non-tariff trade barriers.

For the foregoing reasons, I am compelled to withhold my approval from H.R. 2933.

THE WHITE HOUSE

January , 1975



Date: December 28, 1974

Time: 7:00 p.m.

FOR ACTION: Norm Ross  
Max Friedersdorf  
- Phil Areeda  
NSC/S  
Paul Theis

cc (for information): Warren Hendriks  
Jerry Jones  
Jack Marsh

FROM THE STAFF SECRETARY

DUE: Date: Monday, December 30

Time: 1:00 p.m.

SUBJECT:

Enrolled Bill H.R. 2933 - Import Restrictions on Filberts

ACTION REQUESTED:

- For Necessary Action
- For Your Recommendations
- Prepare Agenda and Brief
- Draft Reply
- For Your Comments
- Draft Remarks

REMARKS:

Please return to Judy Johnston, Ground Floor West Wing

*The arguments in favor (pp 3-4 of OMB memo) are as strong as the arguments against. Given affirmative reason #4, our general presumption in favor of free trade would not be severely compromised by signing. I would sign.*

*P. Areeda*



PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

Warren K. Hendriks  
For the President

Date: December 28, 1974

Time: 7:00 p.m.

FOR ACTION: Norm Ross  
Max Friedersdorf  
- Phil Areeda  
NSC/S  
Paul Theis ✓ *gc 1/3/74*

cc (for information): Warren Hendriks  
Jerry Jones  
Jack Marsh

*OK/CAAT*

FROM THE STAFF SECRETARY

DUE: Date: Monday, December 30

Time: 1:00 p.m.

SUBJECT:

Enrolled Bill H.R. 2933 - Import Restrictions on Filberts

ACTION REQUESTED:

- For Necessary Action
- For Your Recommendations
- Prepare Agenda and Brief
- Draft Reply
- For Your Comments
- Draft Remarks

REMARKS:

Please return to Judy Johnston, Ground Floor West Wing

1974 DEC 30 AM 8 45

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

Warren K. Hendriks  
For the President



( I am withholding my approval from H.R. 2933, a bill  
~~to improve the quality of unshelled and shelled filberts  
 for marketing in the United States.~~ )

*which*  
 This bill would amend the Agricultural Marketing Agreement Act to make existing grade and quality restrictions on certain imported commodities applicable to imported filberts.

( In my judgment, the bill would be unfair to the American consumer and the American farmer, as well as prejudicial to the interests of American trade policy.

H.R. 2933 would be unfair to the ~~consumer~~ consumer because it could unnecessarily increase the prices he has to pay for filbert products. Existing law already requires all imported foodstuffs to meet health standards prescribed under the Food and Drug Act.

The Bill ~~represents an approach that could be~~ *also product* unfair ~~consequences for the American farmer~~ *by causing* ~~to the impact of such~~ *of some of his* legislation could lead to the loss of ~~some of his~~ important markets abroad. ~~Measures of this kind result~~ *It could result at best* in comparatively limited benefits for domestic producers while risking retaliation *from abroad* against ~~vastly larger~~ *the other* values of products exported by our farmers. ~~each year.~~

Finally, the bill would be prejudicial to our trade policy because it would be inconsistent with our obligations under the General Agreements on Tariffs and Trade. It would

erect a non-tariff trade barrier at a time when we are trying to persuade other nations to ~~erect~~ <sup>dismantle</sup> theirs.

~~While it is true that~~ <sup>Although there are</sup> other commodities <sup>which</sup> are subject to the same statutory restrictions ~~which~~ <sup>that</sup> H.R. 2933 would impose on filberts, ~~no~~ <sup>that</sup> new commodities have been included in ~~the~~ list since January of 1971. I cannot in good conscience support the addition of a new commodity ~~at~~ at the <sup>same</sup> time I have <sup>am signing</sup> signed into law a new Trade Reform Act ~~with~~ <sup>with a major aim of eliminating</sup> ~~having as one of its major purposes the elimination of~~ non-tariff trade barriers.

For the foregoing reasons, I am compelled to withhold my approval from H.R. 2933.

THE WHITE HOUSE

January , 1975





DEPARTMENT OF STATE

Washington, D.C. 20520

Honorable Roy L. Ash  
Director, Office of  
Management and Budget  
Washington, D. C. 20503

Dear Mr. Ash:

In response to Mr. Rommel's communication of December 20, 1974, I am transmitting the views of the Department of State regarding enrolled bill H.R. 2933, a bill which would subject imported filberts to the provisions of Section 8(e) of the Agriculture Marketing Act, as amended; i.e., imported filberts would be regulated by grade, size, quality, or maturity when domestic filberts are so regulated.

The Department opposes the bill and recommends that the President not sign it into law. While the dollar amount of our import trade is small (about \$6 million), only Turkey, the principal supplier, would be affected in any meaningful way. The legislation is not needed, because (1) imported filberts are different from domestic filberts, and therefore are not adversely affecting the domestic trade, and (2) nuts which do not meet the strict United States standards for wholesomeness prescribed by United States pure food laws are prohibited from entry.

Moreover, the bill would establish a new trade barrier contrary to our program of expanding trade, which is of special importance to American agriculture as a whole, and would have a detrimental effect on the impending multilateral trade negotiations.

Finally, this restrictive legislation would come at a delicate time in U.S./Turkish relations, and would be regarded by Turkey as a nontariff barrier in violation of our international commitments, but more importantly, would be interpreted by Turkey as a measure in retaliation for other actions.

Cordially,

A handwritten signature in dark ink, appearing to read "Linwood Holton".

Linwood Holton  
Assistant Secretary for  
Congressional Relations

THE CHAIRMAN OF THE  
COUNCIL OF ECONOMIC ADVISERS  
WASHINGTON

December 23, 1974

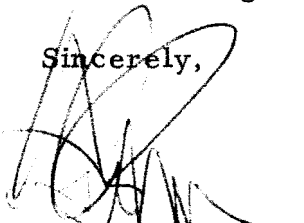
Dear Mr. Rommel:

This is in response to your request for the Council's views on enrolled bill H. R. 2933, designed to improve the quality of unshelled filberts and shelled filberts for marketing in the United States by extending to imported products the same grade, quality, size and other standards that apply to domestic filberts.

The Council opposed this bill in a letter to you on May 27, 1971. This is a particularly objectionable piece of special-interest legislation which restricts imports and limits the choice of U. S. consumers. Moreover, it will be in clear violation of the GATT Agreements and is contrary to our position of attempting to negotiate freer trade in agricultural products.

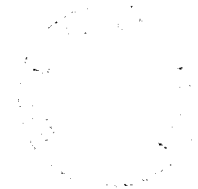
I recommend that the President veto this legislation.

Sincerely,



Alan Greenspan

Mr. Wilfred H. Rommel  
Assistant Director for Legislative Reference  
Office of Management and Budget  
Washington, D. C. 20503



OFFICE OF THE SPECIAL REPRESENTATIVE  
FOR TRADE NEGOTIATIONS

EXECUTIVE OFFICE OF THE PRESIDENT

WASHINGTON

20506

MEMORANDUM

December 24, 1974

TO: Mr. W. H. Rommel  
Assistant Director  
for Legislative Reference

FROM: H. C. Williams

SUBJECT: Enrolled Bills - S.4206 - H.R. 11273 - H.R.2933

(1) S.4206. The President should veto this bill. This bill would raise milk to 85% of parity (currently about \$7.69) 17 percent above the current level of support. This level, mandatory through March 31, 1976, would be adjusted at the beginning of each quarter beginning April 1, 1975. This level should greatly stimulate production, especially beginning in the last half of 1975 when feed supplies increase, and feeding of other types of livestock will have diminished resulting in more reasonable feed prices. (The immediate effect would be to place upward pressure on feed grains and feedstuffs). This would probably require increased governmental purchases of dairy products, and would also result in higher consumer prices. Pressure for tightened import restrictions would also ensue.

(2) H.R. 11273. We do not have strong views on this bill. It is our understanding that this bill would simply add noxious weeds to the materials currently covered by APHIS.

(3) H.R. 2933. The President should veto this bill. The U.S. has granted a duty concession to Turkey and the United Kingdom and bound this duty in the GATT on this product. This bill could be viewed as a new non-tariff barrier which will nullify or impair the concession granted. This could open us up to retaliation or requests for compensation.

*W. H. Rommel*  
for HCW





DEPARTMENT OF AGRICULTURE  
OFFICE OF THE SECRETARY  
WASHINGTON, D. C. 20250

December 24, 1974

Honorable Roy L. Ash, Director  
Office of Management and Budget  
Washington, D. C.

Dear Mr. Ash:

This is to report on the enrolled enactment of H.R. 2933, an act "To improve the quality of unshelled filberts and shelled filberts for marketing in the United States."

We do not believe this bill warrants a significant enough impact on the domestic marketing of filberts to recommend against its enactment. The Department, therefore, has no objection to the President's approval of H.R. 2933.

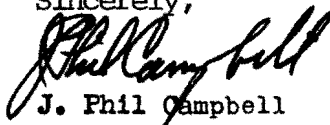
The bill amends Section 8e of the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, to provide that the importation of unshelled and shelled filberts for marketing in the United States shall be regulated by grade, size, quality, or maturity when domestic filberts are so regulated.

Grade and size regulations for unshelled filberts are in effect under a Federal marketing order for filberts grown in Oregon and Washington. Inclusion of filberts under Section 8e would not materially affect imports of filberts because almost no unshelled filberts are imported and currently there are no grade and size regulations under the marketing order on shelled filberts. However, the marketing order contains authority for issuance of regulations on shelled filberts.

Until such time as there are regulations under the Federal marketing order for shelled filberts, this legislation will have no significant impact on imports of filberts since almost all filberts are imported in shelled form.

Enactment of this legislation will result in an annual cost to the Department of about \$4,000 for each of the next 5 years.

Sincerely,

  
J. Phil Campbell  
Acting Secretary

( I am withholding my approval from H.R. 2933, a bill ~~to improve the quality of unshelled and shelled filberts for marketing in the United States.~~ )

*which*  
~~This bill~~ would amend the Agricultural Marketing Agreement Act to make existing grade and quality restrictions on certain imported commodities applicable to imported filberts.

( In my judgment, the bill would be unfair to the American consumer and the American farmer, as well as prejudicial to the interests of American trade policy.

H.R. 2933 would be unfair to the ~~American~~ consumer because it could unnecessarily increase ~~the~~ prices ~~he has~~ ~~to pay~~ for filbert products. Existing law already requires all imported foodstuffs to meet health standards prescribed under the Food and Drug Act.

The Bill ~~represents an approach that~~ *also protect* could have unfair ~~consequences~~ *consequences* for the American farmer ~~the impact of such~~ *of some of his* legislation could lead to the loss of some of his important ~~markets~~ *markets* abroad. ~~Measures of this kind result~~ *It could result at 25%* in comparatively limited benefits for domestic producers while risking retaliation ~~against~~ *from abroad* vastly larger ~~values~~ *volume of other* of products exported by our farmers ~~each year.~~

Finally, the bill would be prejudicial to our trade policy because it would be inconsistent with our obligations under the General Agreements on Tariffs and Trade. It would



erect a non-tariff trade barrier at a time when we are trying to persuade other nations to dismantle theirs.

Although there are other commodities which are subject to the same statutory restrictions that H.R. 2933 would impose on filberts, no new commodities have been included in that list since January of 1971. I cannot in good conscience support the addition of a new commodity just after signing into law the new Trade ~~Reform~~ Act which has a major aim of eliminating non-tariff trade barriers.

For the foregoing reasons, I am compelled to withhold my approval from H.R. 2933.

THE WHITE HOUSE

January , 1975







EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

DEC 28 1974

To  
Mr. Hendricks  
12-28-74

MEMORANDUM FOR THE PRESIDENT

Subject: Enrolled Bill H.R. 2933 - Import restrictions  
on filberts  
Sponsor - Rep. Wyatt (R) Oregon

Last Day for Action

January 4, 1975 - Saturday

Purpose

Imposes certain import restrictions on filberts.

Agency Recommendations

Office of Management and Budget	Disapproval (Memorandum of Disapproval attached)
Department of State	Disapproval
Council of Economic Advisers	Disapproval
Office of the Special Representative for Trade Negotiations	Disapproval
Department of Commerce	No objection
Department of Agriculture	No objection

Discussion

Under section 8(e) of the Agricultural Marketing Agreement Act of 1937, as amended, the importation of sixteen specific commodities including tomatoes, raisins, cucumbers, and walnuts is prohibited unless the commodity complies with the grade, size, quality and maturity standards that are applicable to the same domestic commodity under a marketing order issued by the Secretary of Agriculture.



## IMPROVE QUALITY OF FILBERTS

OCTOBER 16, 1974.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. POAGE, from the Committee on Agriculture,  
submitted the following

### REPORT

[To accompany H.R. 2933]

The Committee on Agriculture, to whom was referred the bill (H.R. 2933), to improve the quality of unshelled filberts and shelled filberts for marketing in the United States, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

#### PURPOSE

The purpose of H.R. 2933 is to include filberts as one of the commodities which enjoy the benefits of section 8e of the Agricultural Marketing Agreement Act of 1937, as amended. This provision of law which now applies to some 16 commodities states in essence that if a domestic marketing order establishes certain grade and quality standards then imports of that same commodity must meet equivalent standards.

#### NEED

For many years, buyers of filberts have maintained that they would like to buy domestic filberts, both inshell and shelled, but that imports were cheaper. Primarily, this is due to the superior quality of the domestic product.

The Committee found that the real problem is that the foreign imports are not required to be graded. The age of the nut and other quality factors are such that the domestic graded varieties being required to be graded are more costly than the imports, which are not graded at all. Thus, it is difficult for the domestic nut to compete. H.R. 2933 simply will put imports on an equal basis with the domestic crop by requiring that importers be required to have their product graded exactly the same as the domestic nuts are graded. If this action is taken, domestic growers feel they can compete. If it is not done and competition is continued on an unequal basis, the domestic growers will soon be out of business.



## COMMITTEE CONSIDERATION

During the 92d Congress, the House Committee on Agriculture reported H.R. 4874, which was similar to H.R. 2933.

On May 29, 1973, an open hearing was held by the Domestic Marketing and Consumer Relations Subcommittee on H.R. 2933, and on September 19, 1974, in an open business meeting, the bill was ordered reported by a voice vote to the Full Committee. On October 19, 1974, in an open business meeting and in the presence of a quorum, H.R. 2933 was ordered reported by a voice vote to the House.

## ADMINISTRATION POSITION

On May 29, 1973, pursuant to the Committee's request, the Department of Agriculture submitted the following report on H.R. 2933, from Under Secretary of Agriculture J. Phil Campbell:

DEPARTMENT OF AGRICULTURE,  
OFFICE OF THE SECRETARY,  
*Washington, D.C., May 29, 1973.*

HON. W. R. POAGE,  
*Chairman, Committee on Agriculture,  
Washington, D.C.*

DEAR MR. CHAIRMAN: This is a report on H.R. 2933, a bill to amend Section 8e of the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, to provide that the importation of unshelled and shelled filberts for marketing in the United States shall be regulated by grade, size, quality, or maturity when domestic filberts are so regulated.

The Department sees no need for the proposed legislation at this time.

Grade and size regulations for unshelled filberts are in effect under a Federal marketing order for filberts grown in Oregon and Washington. Almost all the filberts imported are in shelled form. Since total domestic consumption of filberts exceeds domestic production, imports are needed to satisfy demand. We have no information that there is any problem with the quality of imported filberts. In the absence of any complaints, it is assumed that such quality has been satisfactory. Inclusion of filberts under Section 8e would not materially affect imports of filberts because almost no unshelled filberts are imported and currently there are no grade and size regulations under the marketing order on shelled filberts. However, the marketing order contains authority for issuance of regulations on shelled filberts.

During the last five seasons, 1967-68 through 1971-72, and through March of the current 1972-73 season, only 38 tons of unshelled filberts were imported into the United States, all in the 1968-69 season. During that same 5-year period, an average of about 3,100 tons of shelled filberts (the equivalent of about 6,900 tons of unshelled filberts) have been imported annually. Domestic production of filberts has been averaging about 9,200 tons, unshelled basis, annually.

Enactment of H.R. 2933 would have no significant impact on the environment.

It is estimated that enactment of the proposed legislation would result in an annual cost to the Department of about \$4,000 for each of the next five years.

The Office of Management and Budget advises that there is no objection to the presentation of this report from the standpoint of the administration's program.

Sincerely,

J. PHIL CAMPBELL,  
*Under Secretary.*

In addition, the Department of State submitted the following letter from Mr. Marshall Wright, Assistant Secretary for Congressional Relations:

DEPARTMENT OF STATE,  
*Washington, D.C., May 29, 1973.*

HON. WILLIAM R. POAGE,  
*Chairman, Committee on Agriculture,  
House of Representatives, Washington, D.C.*

DEAR MR. CHAIRMAN: The Department of State understands that proposed legislation, H.R. 2933, has been introduced to subject imported filberts to the provisions of Section 8(e) of the Agriculture Marketing Agreement Act of 1937, as amended, and that this bill has been referred to the Committee on Agriculture for consideration. We also understand that the Subcommittee on Domestic Marketing and Consumer Relations will hold hearings on the proposal. We would like to take the opportunity to provide the Committee on Agriculture and the Subcommittee on Domestic Marketing and Consumer Relations with our views on the matter.

The Department of State recommends against the enactment of legislation, such as H.R. 2933, since:

1. It would establish a new trade barrier contrary to our program of expanding trade which is of importance to American agriculture as a whole.

2. For the reasons provided below it does not appear that imported filberts are seriously affecting the domestic trade.

3. Filbert imports which do not meet the strict standards for wholesomeness prescribed by United States pure food laws are prohibited from entry, and

4. The establishment of new restrictions would have a detrimental effect on United States relations with Turkey, the principal supplying country, and the impending multilateral negotiations to reduce and eliminate non-tariff and other trade barriers.

Section 8(e), the import provision of the Agriculture Marketing Agreement Act of 1937, as amended, prohibits the entry of agricultural commodities into the United States which do not comply with the grade, size, quality or maturity regulations applying to the marketing of the domestically produced commodity. The effect of H.R. 2933 would be to extend such restrictions to imported filberts.

United States consumption of filberts has averaged about 30 million pounds annually over the past several years, of which nearly half was supplied by imports. Approximately a third of the domestic supply is marketed as "in the shell" filberts and the remainder as kernels.

Domestic filberts supply practically the entire quantity marketed "in the shell," the most remunerative outlet. Imports, on the other hand, supply 80 percent or more of the quantity sold as kernels.

United States imports during the first eight months of the crop year ending July 31, 1973, while running at a higher annual rate than in the previous year, are still substantially below the large quantity entered during the year ending July 31, 1969. The higher level is due, in part, to a temporary increase in the demand for filbert kernels resulting from relatively tight supply conditions for nuts, particularly almonds. Domestic production, on the other hand, which is characterized not only by wide annual fluctuations resulting primarily from variable weather conditions but also from the alternate bearing habit of the filbert tree, was unusually high in the current and previous crop year. Growers' returns for the 1972 crop are estimated at \$5.1 million, up about 10 and 30 percent from the 1971 and 1969 levels, respectively.

The Federal marketing order now in effect for filberts relates only to nuts marketed "in the shell." Since there are practically no imports, they cannot be adversely affecting the marketing of domestic "in the shell" filberts. Domestic filberts are processed for sale as kernels only after a sufficient quantity of "in the shell" filberts has been allocated to meet United States and export requirements. As a result the quantity converted into kernels has fluctuated widely, ranging from 40 percent of the unusually large 1966 crop to less than 10 percent of the 1969 crop. Given such wide variations, the introduction of a regulation prohibiting the sale of certain kinds of kernels would tend to reduce supplies, stimulate prices and could have a significant adverse impact on consumers who have traditionally relied on imports to meet their normal requirements.

Turkey, accounting for approximately 60 percent of world production, would be the country principally affected by the establishment of a regulation on filbert kernels. Turkish shipments valued at approximately \$3.5 million are involved. Illustrative of the importance which Turkey attaches to its trade in filberts with the United States is the representation made by the Turkish Government against proposals calling for new restrictions on imported Turkish filberts. It has pointed out that Turkish production of filberts is largely concentrated in the Black Sea coastal provinces where hilly terrain precludes the cultivation of alternative crops. Since sales of filberts are the principal source of farmer income, exports to the United States and other world markets are of special importance to Turkish producers. Turkey has a substantial trade deficit with the United States each year; in 1972, it was nearly \$200 million.

Imposing a prohibition on the sale of certain kinds of Turkish filberts in the United States market would be interpreted by Turkey as establishing a non-tariff trade barrier in violation of our international commitments, and, under the terms of the General Agreement on Tariffs and Trade Turkey would be in a position to respond with measures of its own against products imported from the United States.

The Department reminds the Committee of the cooperation of the Government of Turkey in its decision to ban opium. This cooperation with the United States has entailed economic cost for Turkey.

The Office of Management and Budget advises that from the standpoint of the Administration's program, there is no objection to the submission of this report.

Sincerely yours,

MARSHALL WRIGHT,  
Assistant Secretary for  
Congressional Relations.

#### CURRENT AND FIVE SUBSEQUENT FISCAL YEAR COST ESTIMATE

Pursuant to clause 7 of rule XIII of the Rules of the House of Representatives, the committee estimates the cost to be incurred by the Federal Government during the current and the five subsequent fiscal years as a result of the enactment of this legislation would be \$4,000 per year.

The same cost estimate was submitted to the committee by the Department of Agriculture.

#### CHANGES IN EXISTING LAW

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, and existing law in which no change is proposed is shown in roman) :

#### AGRICULTURAL MARKETING AGREEMENT ACT OF 1937, REENACTING, AMENDING, AND SUPPLEMENTING THE AGRICULTURE ADJUSTMENT ACT OF 1933, AS AMENDED

\* \* \* \* \*

#### RESTRICTIONS ON IMPORTED COMMODITIES

SEC. 8e. Notwithstanding any other provision of law, whenever a marketing order issued by the Secretary of Agriculture pursuant to section 8c of this Act contains any terms or conditions regulating the grade, size, quality, or maturity of tomatoes, raisins, olives (other than Spanish-style green olives, prunes, avocados, mangoes, limes, grapefruit, green peppers, Irish potatoes, cucumbers, oranges, onions, walnuts, dates, *filberts*, or eggplants produced in the United States the importation into the United States of any such commodity, other than dates for processing, during the period of time such order is in effect shall be prohibited unless it complies with the grade, size, quality, and maturity provisions of such other or comparable restrictions promulgated hereunder: *Provided*, That this prohibition shall not apply to such commodities when shipped into continental United States from the Commonwealth of Puerto Rico or any Territory or possession of the United States where this Act has force an effect: *Provided further*, That whenever two or more such marketing orders regulating the same agricultural commodity produced in different areas of the United States are concurrently in effect, the importation into the United States

of any such commodity, other than dates for processing, shall be prohibited unless it complies with the grade, size, quality, and maturity provisions of the order which, as determined by the Secretary of Agriculture, regulates the commodity produced in the area with which the imported commodity is in most direct competition. Such prohibition shall not become effective until after the giving of such notice as the Secretary of Agriculture determines reasonable, which shall not be less than three days. In determining the amount of notice that is reasonable in the case of tomatoes the Secretary of Agriculture shall give due consideration to the time required for their transportation and entry into the United States after picking. Whenever the Secretary of Agriculture finds that the application of the restrictions under a marketing order to an imported commodity is not practicable because of variations in characteristics between the domestic and imported commodity he shall establish with respect to the imported commodity, other than dates for processing, such grade, size, quality, and maturity restrictions by varieties, types, or other classifications as he finds will be equivalent or comparable to those imposed upon the domestic commodity under such order. The Secretary of Agriculture may promulgate such rules and regulations as he deems necessary, to carry out the provisions of this section. Any person who violates any provision of this section or of any rule, regulation, or order promulgated hereunder shall be subject to a forfeiture in the amount prescribed in section 8a(5) or, upon conviction, a penalty in the amount prescribed in section 8c(14) of the Act, or to both such forfeiture and penalty.



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## IMPROVING THE QUALITY OF FILBERTS

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DECEMBER 19, 1974.—Ordered to be printed

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Mr. TALMADGE, from the Committee on Agriculture and Forestry,  
submitted the following

### REPORT

[To accompany H.R. 2933]

The Committee on Agriculture and Forestry, to which was referred the bill (H.R. 2933) to improve the quality of unshelled filberts and shelled filberts for marketing in the United States, having considered the same, reports favorably thereon without amendment and recommends that the bill do pass.

#### SHORT EXPLANATION

H.R. 2933 amends the Agricultural Marketing Agreement Act of 1937 to include filberts as one of the commodities which are subject to section 8e of that Act. Section 8e provides that whenever grade, size, quality, or maturity regulations are in effect under a federal marketing order for certain domestically-produced commodities, the same or comparable requirements must be applied to imports of that commodity.

#### EXCERPTS FROM THE REPORT BY THE HOUSE COMMITTEE ON AGRICULTURE

##### NEED

For many years, buyers of filberts have maintained that they would like to buy domestic filberts, both inshell and shelled, but that imports were cheaper. Primarily, this is due to the superior quality of the domestic product.

The Committee found that the real problem is that the foreign imports are not required to be graded. The age of the nut and other quality factors are such that the domestic graded varieties being required to be graded are more costly than the imports, which are not graded at all. Thus, it is difficult for the domestic nut to compete. H.R. 2933 simply will put imports on an equal basis with the domestic crop by requiring that importers be required to have their product graded ex-

actly the same as the domestic nuts are graded. If this action is taken, domestic growers feel they can compete. If it is not done and competition is continued on an unequal basis, the domestic growers will soon be out of business.

#### COMMITTEE CONSIDERATION

During the 92d Congress, the House Committee on Agriculture reported H.R. 4874, which was similar to H.R. 2933.

On May 29, 1973, an open hearing was held by the Domestic Marketing and Consumer Relations Subcommittee on H.R. 2933, and on September 19, 1974, in an open business meeting, the bill was ordered reported by a voice vote to the Full Committee. On October 19, 1974, in an open business meeting and in the presence of a quorum, H.R. 2933 was ordered reported by a voice vote to the House.

#### ADMINISTRATION POSITION

On May 29, 1973, pursuant to the Committee's request, the Department of Agriculture submitted the following report on H.R. 2933, from Under Secretary of Agriculture J. Phil Campbell:

DEPARTMENT OF AGRICULTURE,  
OFFICE OF THE SECRETARY,  
Washington, D.C., May 29, 1973.

Hon. W. R. POAGE,  
Chairman, Committee on Agriculture,  
Washington, D.C.

DEAR MR. CHAIRMAN: This is a report on H.R. 2933, a bill to amend Section 8e of the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, to provide that the importation of unshelled and shelled filberts for marketing in the United States shall be regulated by grade, size, quality, or maturity when domestic filberts are so regulated.

The Department sees no need for the proposed legislation at this time.

Grade and size regulations for unshelled filberts are in effect under a Federal marketing order for filberts grown in Oregon and Washington. Almost all the filberts imported are in shelled form. Since total domestic consumption of filberts exceeds domestic production, imports are needed to satisfy demand. We have no information that there is any problem with the quality of imported filberts. In the absence of any complaints, it is assumed that such quality has been satisfactory. Inclusion of filberts under Section 8e would not materially affect imports of filberts because almost no unshelled filberts are imported and currently there are no grade and size regulations under the marketing order on shelled filberts. However, the marketing order contains authority for issuance of regulations on shelled filberts.

During the last five seasons, 1967-68 through 1971-72, and through March of the current 1972-73 season, only 38 tons of unshelled filberts were imported into the United States, all in the 1968-69 season. During that same 5-year period, an average of about 3,100 tons of shelled filberts (the equivalent of about 6,900 tons of unshelled filberts) have

been imported annually. Domestic production of filberts has been averaging about 9,200 tons, unshelled basis, annually.

Enactment of H.R. 2933 would have no significant impact on the environment.

It is estimated that enactment of the proposed legislation would result in an annual cost to the Department of about \$4,000 for each of the next five years.

The Office of Management and Budget advises that there is no objection to the presentation of this report from the standpoint of the administration's program.

Sincerely,

J. PHIL CAMPBELL,  
Under Secretary.

In addition, the Department of State submitted the following letter from Mr. Marshall Wright, Assistant Secretary for Congressional Relations:

DEPARTMENT OF STATE,  
Washington, D.C., May 29, 1973.

Hon. WILLIAM R. POAGE,  
Chairman, Committee on Agriculture,  
House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: The Department of State understands that proposed legislation, H.R. 2933, has been introduced to subject imported filberts to the provisions of Section 8(e) of the Agriculture Marketing Agreement Act of 1937, as amended, and that this bill has been referred to the Committee on Agriculture for consideration. We also understand that the Subcommittee on Domestic Marketing and Consumer Relations will hold hearings on the proposal. We would like to take the opportunity to provide the Committee on Agriculture and the Subcommittee on Domestic Marketing and Consumer Relations with our views on the matter.

The Department of State recommends against the enactment of legislation, such as H.R. 2933, since:

1. It would establish a new trade barrier contrary to our program of expanding trade which is of importance to American agriculture as a whole.

2. For the reasons provided below it does not appear that imported filberts are seriously affecting the domestic trade.

3. Filbert imports which do not meet the strict standards for wholesomeness prescribed by United States pure food laws are prohibited from entry, and

4. The establishment of new restrictions would have a detrimental effect on United States relations with Turkey, the principal supplying country, and the impending multilateral negotiations to reduce and eliminate non-tariff and other trade barriers.

Section 8(e), the import provision of the Agriculture Marketing Agreement Act of 1937, as amended, prohibits the entry of agricultural commodities into the United States which do not comply with the grade, size, quality or maturity regulations applying to the marketing of the domestically produced commodity. The effect of H.R. 2933 would be to extend such restrictions to imported filberts.

United States consumption of filberts has averaged about 30 million pounds annually over the past several years, of which nearly half was



supplied by imports. Approximately a third of the domestic supply is marketed as "in the shell" filberts and the remainder as kernels. Domestic filberts supply practically the entire quantity marketed "in the shell," the most remunerative outlet. Imports, on the other hand, supply 80 percent or more of the quantity sold as kernels.

United States imports during the first eight months of the crop year ending July 31, 1973, while running at a higher annual rate than in the previous year, are still substantially below the large quantity entered during the year ending July 31, 1969. The higher level is due, in part, to a temporary increase in the demand for filbert kernels resulting from relatively tight supply conditions for nuts, particularly almonds. Domestic production, on the other hand, which is characterized not only by wide annual fluctuations resulting primarily from variable weather conditions but also from the alternate bearing habit of the filbert tree, was unusually high in the current and previous crop year. Growers' returns for the 1972 crop are estimated at \$5.1 million, up about 10 and 30 percent from the 1971 and 1969 levels, respectively.

The Federal marketing order now in effect for filberts relates only to nuts marketed "in the shell." Since there are practically no imports, they cannot be adversely affecting the marketing of domestic "in the shell" filberts. Domestic filberts are processed for sale as kernels only after a sufficient quantity of "in the shell" filberts has been allocated to meet United States and export requirements. As a result the quantity converted into kernels has fluctuated widely, ranging from 40 percent of the unusually large 1966 crop to less than 10 percent of the 1969 crop. Given such wide variations, the introduction of a regulation prohibiting the sale of certain kinds of kernels would tend to reduce supplies, stimulate prices and could have a significant adverse impact on consumers who have traditionally relied on imports to meet their normal requirements.

Turkey, accounting for approximately 60 percent of world production, would be the country principally affected by the establishment of a regulation on filbert kernels. Turkish shipments valued at approximately \$3.5 million are involved. Illustrative of the importance which Turkey attaches to its trade in filberts with the United States is the representation made by the Turkish Government against proposals calling for new restrictions on imported Turkish filberts. It has pointed out that Turkish production of filberts is largely concentrated in the Black Sea coastal provinces where hilly terrain precludes the cultivation of alternative crops. Since sales of filberts are the principal source of farmer income, exports to the United States and other world markets are of special importance to Turkish producers. Turkey has a substantial trade deficit with the United States each year; in 1972, it was nearly \$200 million.

Imposing a prohibition on the sale of certain kinds of Turkish filberts in the United States market would be interpreted by Turkey as establishing a non-tariff trade barrier in violation of our international commitments, and, under the terms of the General Agreement on Tariffs and Trade Turkey would be in a position to respond with measures of its own against products imported from the United States.

The Department reminds the Committee of the cooperation of the Government of Turkey in its decision to ban opium. This cooperation with the United States has entailed economic cost for Turkey.

The Office of Management and Budget advises that from the standpoint of the Administration's program, there is no objection to the submission of this report.

Sincerely yours,

MARSHALL WRIGHT,  
Assistant Secretary for  
Congressional Relations.

#### COST ESTIMATE

In accordance with section 252 of the Legislative Reorganization Act of 1970, the Committee estimates that the cost to be incurred by the Federal Government during the current and the five subsequent fiscal years as a result of the enactment of H.R. 2933 would be \$4,000 per year.

No estimate of costs with respect to H.R. 2933 was submitted to the Committee by any Federal agency. However, the Committee's estimate is the same as the estimate made by the House Committee on Agriculture (and the estimate communicated to that Committee by the Department of Agriculture). The estimate is also the same as the estimate made by the Department of Agriculture on an identical bill, S. 3539.

#### CHANGES IN EXISTING LAW

In compliance with subsection (4) of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

#### AGRICULTURAL MARKETING AGREEMENT ACT OF 1937, REENACTING, AMENDING, AND SUPPLEMENTING THE AGRICULTURE ADJUSTMENT ACT OF 1933, AS AMENDED

\* \* \* \* \*

#### RESTRICTIONS ON IMPORTED COMMODITIES

SEC. 8e. Notwithstanding any other provision of law, whenever a marketing order issued by the Secretary of Agriculture pursuant to section 8c of this Act contains any terms or conditions regulating the grade, size, quality, or maturity of tomatoes, raisins, olives (other than Spanish-style green olives), prunes, avocados, mangoes, limes, grapefruit, green peppers, Irish potatoes, cucumbers, oranges, onions, walnuts, dates, *filberts*, or eggplants produced in the United States the importation into the United States of any such commodity, other than dates for processing, during the period of time such order is in effect shall be prohibited unless it complies with the grade, size, quality, and maturity provisions of such other or comparable restrictions promulgated hereunder: *Provided*, That this prohibition shall not apply to such commodities when shipped into continental United States from the Commonwealth of Puerto Rico or any Territory or possession of the United States where this Act has force an effect: *Provided further*, That whenever two or more such marketing orders regulating the same agricultural commodity produced in different areas of the United States are concurrently in effect, the importation into the United States



of any such commodity, other than dates for processing, shall be prohibited unless it complies with the grade, size, quality, and maturity provisions of the order which, as determined by the Secretary of Agriculture, regulates the commodity produced in the area with which the imported commodity is in most direct competition. Such prohibition shall not become effective until after the giving of such notice as the Secretary of Agriculture determines reasonable, which shall not be less than three days. In determining the amount of notice that is reasonable in the case of tomatoes the Secretary of Agriculture shall give due consideration to the time required for their transportation and entry into the United States after picking. Whenever the Secretary of Agriculture finds that the application of the restrictions under a marketing order to an imported commodity is not practicable because of variations in characteristics between the domestic and imported commodity he shall establish with respect to the imported commodity, other than dates for processing, such grade, size, quality, and maturity restrictions by varieties, types, or other classifications as he finds will be equivalent or comparable to those imposed upon the domestic commodity under such order. The Secretary of Agriculture may promulgate such rules and regulations as he deems necessary, to carry out the provisions of this section. Any person who violates any provision of this section or of any rule, regulation, or order promulgated hereunder shall be subject to a forfeiture in the amount prescribed in section 8a(5) or, upon conviction, a penalty in the amount prescribed in section 8c(14) of the Act, or to both such forfeiture and penalty.

\* \* \* \* \*





# Ninety-third Congress of the United States of America

AT THE SECOND SESSION

*Begun and held at the City of Washington on Monday, the twenty-first day of January,  
one thousand nine hundred and seventy-four*

## An Act

To improve the quality of unshelled filberts and shelled filberts for marketing  
in the United States.

*Be it enacted by the Senate and House of Representatives of the  
United States of America in Congress assembled, That section 8e of  
the Agricultural Adjustment Act, as reenacted and amended by the  
Agricultural Marketing Agreement Act of 1937, is amended by insert-  
ing after "oranges, onions, walnuts, dates," the following: "filberts,".*

*Speaker of the House of Representatives.*

*Vice President of the United States and  
President of the Senate.*

JANUARY 4, 1975

## Office of the White House Press Secretary

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THE WHITE HOUSE

## MEMORANDUM OF DISAPPROVAL

I am withholding my approval from H.R. 2933, a bill which would amend the Agricultural Marketing Agreement Act to make existing grade and quality restrictions on certain imported commodities applicable to imported filberts.

In my judgment, the bill would be unfair to the American consumer and the American farmer, as well as prejudicial to the interests of American trade policy.

H.R. 2933 would be unfair to the consumer because it could unnecessarily increase prices for filbert products. Existing law already requires all imported foodstuffs to meet health standards prescribed under the Food and Drug Act.

The bill could also produce unfair consequences for the farmer by causing the loss of some of his important markets abroad. It could result at best in comparatively limited benefits for domestic producers while risking retaliation from abroad against the larger volume of other products exported by our farmers.

Finally, the bill would be prejudicial to our trade policy because it would be inconsistent with our obligations under the General Agreements on Tariffs and Trade. It would erect a non-tariff trade barrier at a time when we are trying to persuade other nations to dismantle theirs.

Although there are other commodities which are subject to the same statutory restrictions that H.R. 2933 would impose on filberts, no new commodities have been included in that list since January of 1971. I cannot in good conscience support the addition of a new commodity just after signing into law the new Trade Act which has a major aim of eliminating non-tariff trade barriers.

For the foregoing reasons, I am compelled to withhold my approval from H.R. 2933.

GERALD R. FORD

THE WHITE HOUSE,  
JANUARY 3, 1975

# # #

December 24, 1974

Dear Mr. Director:

The following bills were received at the White House on December 24th:

S.J. Res. 40 ✓	S. 3481 ✓	H.R. 8958 ✓	H.R. 14600 ✓
S.J. Res. 133 ✓	S. 3548 ✓	H.R. 8981 ✓	H.R. 14689 ✓
S.J. Res. 262 ✓	S. 3934 ✓	H.R. 9182 ✓	H.R. 14718 ✓
S. 251 ✓	S. 3943 ✓	H.R. 9199 ✓	H.R. 15173 ✓
S. 356 ✓	S. 3976 ✓	H.R. 9588 ✓	H.R. 15223 ✓
S. 521 ✓	S. 4073 ✓	H.R. 9654 ✓	H.R. 15229 ✓
S. 544 ✓	S. 4206 ✓	H.R. 10212 ✓	H.R. 15322 ✓
S. 663 ✓	H.J. Res. 1178 ✓	H.R. 10701 ✓	H.R. 15977 ✓
S. 754 ✓	H.J. Res. 1180 ✓	H.R. 10710 ✓	H.R. 16045 ✓
S. 1017 ✓	H.R. 421 ✓	H.R. 10827 ✓	H.R. 16215 ✓
S. 1083 ✓	H.R. 1715 ✓	H.R. 11144 ✓	H.R. 16596 ✓
S. 1296 ✓	H.R. 1820 ✓	H.R. 11273 ✓	H.R. 16925 ✓
S. 1418 ✓	H.R. 2208 ✓	H.R. 11796 ✓	H.R. 17010 ✓
S. 2149 ✓	H.R. 2933 ✓	H.R. 11802 ✓	H.R. 17045 ✓
S. 2446 ✓	H.R. 3203 ✓	H.R. 11847 ✓	H.R. 17085 ✓
S. 2807 ✓	H.R. 3339 ✓	H.R. 11897 ✓	H.R. 17468 ✓
S. 2854 ✓	H.R. 5264 ✓	H.R. 12044 ✓	H.R. 17558 ✓
S. 2888 ✓	H.R. 5463 ✓	H.R. 12113 ✓	H.R. 17597 ✓
S. 2994 ✓	H.R. 5773 ✓	H.R. 12427 ✓	H.R. 17628 ✓
S. 3022 ✓	H.R. 7599 ✓	H.R. 12884 ✓	H.R. 17655 ✓
S. 3289 ✓	H.R. 7684 ✓	H.R. 13022 ✓	
S. 3358 ✓	H.R. 7767 ✓	H.R. 13296 ✓	
S. 3359 ✓	H.R. 8214 ✓	H.R. 13869 ✓	
S. 3394 ✓	H.R. 8322 ✓	H.R. 14449 ✓	
S. 3433 ✓	H.R. 8591 ✓	H.R. 14461 ✓	

Please let the President have reports and recommendations as to the approval of these bills as soon as possible.

Sincerely,

Robert D. Linder  
Chief Executive Clerk

The Honorable Roy L. Ash  
Director  
Office of Management and Budget  
Washington, D. C.

