The original documents are located in Box 26, folder "Vetoes - Presidential Statements" of the Loen and Leppert Files at the Gerald R. Ford Presidential Library.

[1976]

TO THE HOUSE OF REPRESENTATIVES:

I am returning herewith without my approval H.R. 12384, a bill "To authorize certain construction at military installations and for other purposes."

I regret that I must take this action because the bill is generally acceptable, providing a comprehensive construction program for fiscal year 1977 keyed to recognized military requirements. One provision, however, is highly objectionable, thus precluding my approval of the measure.

Section 612 of the bill would prohibit certain base closures or the reduction of civilian personnel at certain military installations unless the proposed action is reported to Congress and a period of nine months elapses during which time the military department concerned would be required to identify the full range of environmental impacts of the proposed action, as required by the National Environmental Policy Act (NEPA). Subsequently, the final decision to close or significantly reduce an installation covered under the bill would have to be reported to the Armed Services Committees of the Congress together with a detailed justification for such decision. No action could be taken to implement the decision until the expiration of at least ninety days following submission of the detailed justification to the appropriate committees. The bill provides a limited Presidential waiver of the requirements of section 612 for reasons of military emergency or national security.

This provision is also unacceptable from the standpoint of sound Government policy. It would substitute an arbitrary time limit and set of requirements for the current procedures whereby base closures and reductions are effected, procedures which include compliance with NEPA and adequately take into account all other relevant

considerations, and afford extensive opportunity for public and congressional involvement. By imposing unnecessary delays in base closures and reductions, the bill's requirements would generate a budgetary drain on the defense dollar which should be used to strengthen our military capabilities.

Moreover, section 612 raises serious questions by its attempt to limit my powers over military bases. The President must be able, if the need arises, to change or reduce the mission at any military installation if and when that becomes necessary.

The Department of Defense has undertaken over 2,700 actions to reduce, realign, and close military installations and activities since 1969. These actions have enabled us to sustain the combat capability of our armed forces while reducing annual Defense costs by more than $4 billion. For realignment proposals already announced for study, section 612 could increase fiscal year 1978 budgetary requirements for defense by $150 million and require retention, at least through fiscal year 1977, of approximately 11,300 military and civilian personnel positions not needed for essential base activities.

The nation's taxpayers rightly expect the most defense possible for their tax dollars. I am certain Congress does not intend unnecessary or arbitrary increases in the tax burden of the American people. Numerous congressional reports on national defense demonstrate the desire by the Congress to trim unnecessary defense spending and personnel. I cannot approve legislation that would result in waste and inefficiency at the expense of meeting our essential military requirements.

Gerald R. Ford

THE WHITE HOUSE,

July 2, 1976.

FOR IMMEDIATE RELEASE JANUARY 30, 1976

Office of the White House Press Secretary

THE WHITE HOUSE

TO THE SENATE OF THE UNITED STATES:

I am withholding my approval from S. J. Res. 121, which would increase the Federal support price for milk and require mandatory quarterly adjustments, for the following reasons:

1. It would saddle taxpayers with additional spending at a time when we are trying to cut the cost of government and curb inflation.

2. It would stimulate excessive production of milk, discourage consumption, force the Federal government to increase purchases of dairy products under the milk support program and build up huge and costly surpluses.

3. It would result in unnecessarily high consumer prices.

Under this bill, government outlays would be increased by $530 million, including $180 million during the 1976-77 marketing year and $350 million during the subsequent 1977-78 marketing year. In addition, consumers would be required to pay an estimated $1.38 billion more at retail for dairy products over the next two years.

If S. J. Res. 121 became law, the support level for milk would be set at 85 percent of parity, with adjustments at the beginning of each quarter, through March 31, 1978. This would result in substantial increases in the support level over the next two marketing years without taking into account either changing economic conditions or agricultural policies.

In disapproving similar legislation last January, I said: "To further reduce the demand for milk and dairy products by the increased prices provided in this legislation would be detrimental to the dairy industry. A dairy farmer cannot be well served by Government action that prices his product out of the market." This is still the case.

As far as this Administration is concerned, future changes in the price support level will be based, as in the past, on a thorough review of the entire dairy situation. Major economic factors, including the level of milk production, recent and expected farm prices for milk, the farm cost of producing milk, consumer prices and government price support purchases and budget outlays, will be considered. Elimination of this thorough review by mandating an inflexible support price would be inadvisable.

(OVER)

As you know, present legislation provides the Secretary of Agriculture with sufficient flexibility to increase the level of milk price supports between 75 and 90 percent of parity whenever the conditions indicate that an increase is necessary and advisable. The two increases announced by the Secretary of Agriculture last year--one in January and another in October--should make it clear that this Administration intends to provide the price assurance dairy farmers need.

In this regard, to ensure adequate milk price support levels, I have directed the Secretary of Agriculture to review support prices quarterly, starting April 1. If it appears necessary and advisable to make price support adjustments to ensure the supply of milk, the Secretary of Agriculture will do so.

In vetoing S. J. Res. 121, I urge the Congress to join me in this effort to hold down Federal spending, milk surpluses and consumer prices.

GERALD R. FORD

THE WHITE HOUSE,
January 30, 1976

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FOR IMMEDIATE RELEASE JANUARY 30, 1976

Office of the White House Press Secretary

THE WHITE HOUSE

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GERALD R. FORD

THE WHITE HOUSE,
January 30, 1976

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EMBARGOED FOR RELEASE
UNTIL 12 NOON (EST)

February 13, 1976

Office of the White House Press Secretary

THE WHITE HOUSE

TO THE HOUSE OF REPRESENTATIVES:

I am returning without my approval H.R. 5247, the Public Works Employment Act of 1975.

Supporters of this bill claim that it represents a solution to the problem of unemployment. This is simply untrue.

The truth is that this bill would do little to create jobs for the unemployed. Moreover, the bill has so many deficiencies and undesirable provisions that it would do more harm than good. While it is represented as the solution to our unemployment problems, in fact it is little more than an election year pork barrel. Careful examination reveals the serious deficiencies in H.R. 5247.

First, the cost of producing jobs under this bill would be intolerably high, probably in excess of $25,000 per job.

Second, relatively few new jobs would be created. The bill's sponsors estimate that H.R. 5247 would create 600,000 to 800,000 new jobs. Those claims are badly exaggerated. Our estimates within the Administration indicate that at most some 250,000 jobs would be created -- and that would be over a period of several years. The peak impact would come in late 1977 or 1978, and would come to no more than 100,000 to 120,000 new jobs. This would represent barely a one tenth of one percent improvement in the unemployment rate.

Third, this will create almost no new jobs in the immediate future, when those jobs are needed. With peak impact on jobs in late 1977 or early 1978, this legislation will be adding stimulus to the economy at precisely the wrong time: when the recovery will already be far advanced.

Fourth, Title II of the bill provides preferential treatment to those units of government with the highest taxes without any distinction between those jurisdictions which have been efficient in holding down costs and those that have not.

Fifth, under this legislation it would be almost impossible to assure taxpayers that these dollars are being responsibly and effectively spent.

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Effective allocation of over $3 billion for public works on a project-by-project basis would take many months or years. The provision that project requests be approved automatically unless the Commerce Department acts within 60 days will preclude any useful review of the requests, and prevent a rational allocation of funds.

Sixth, this bill would create a new urban renewal program less than two years after the Congress replaced a nearly identical program -- as well as other categorical grant programs -- with a broader, more flexible Community Development block grant program.

I recognize there is merit in the argument that some areas of the country are suffering from exceptionally high rates of unemployment and that the Federal Government should provide assistance. My budgets for fiscal years 1976 and 1977 do, in fact, seek to provide such assistance.

Beyond my own budget recommendations, I believe that in addressing the immediate needs of some of our cities hardest hit by the recession, another measure already introduced in the Congress, H.R. 11860, provides a far more reasonable and constructive approach than the bill I am vetoing.

H.R. 11860 targets funds on those areas with the highest unemployment so that they may undertake high priority activities at a fraction of the cost of H.R. 5247. The funds would be distributed exclusively under an impartial formula as opposed to the pork barrel approach represented by the bill I am returning today. Moreover, H.R. 11860 builds upon the successful Community Development Block Grant program. That program is in place and working well, thus permitting H.R. 11860 to be administered without the creation of a new bureaucracy. I would be glad to consider this legislation more favorably should the Congress formally act upon it as an alternative to H.R. 5247.

We must not allow our debate over H.R. 5247 to obscure one fundamental point: the best and most effective way to create new jobs is to pursue balanced economic policies that encourage the growth of the private sector without risking a new round of inflation. This is the core of my economic policy, and I believe that the steady improvements in the economy over the last half year on both the unemployment and inflation fronts bear witness to its essential wisdom. I intend to continue this basic approach because it is working.

My proposed economic policies are expected to foster the creation of 2 to 2.5 million new private sector jobs in 1976 and more than 2 million additional jobs in 1977. These will be lasting, productive jobs, not temporary jobs payrolled by the American taxpayer.

This is a policy of balance, realism, and common sense. It is an honest policy which does not promise a quick fix.

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My program includes:

-- Large and permanent tax reductions that will leave more money where it can do the most good: in the hands of the American people;

-- Tax incentives for the construction of new plants and equipment in areas of high unemployment;

-- Tax incentives to encourage more low and middle income Americans to invest in common stock;

-- More than $21 billion in outlays for important public works such as energy facilities, wastewater treatment plants, roads, and veterans' hospitals representing a 17 percent increase over the previous fiscal year;

-- Tax incentives for investment in residential mortgages by financial institutions to stimulate capital for home building.

I have proposed a Budget which addresses the difficult task of restraining the pattern of excessive growth in Federal spending. Basic to job creation in the private sector is reducing the ever-increasing demands of the Federal government for funds. Federal government borrowing to support deficit spending reduces the amount of money available for productive investment at a time when many experts are predicting that we face a shortage of private capital in the future. Less investment means fewer new jobs and less production per worker.

Last month, under our balanced policies, seasonally adjusted employment rose by 800,000. That total is almost three times as large as the number of jobs that would be produced by this legislation and the jobs those men and women found will be far more lasting and productive than would be created through another massive public works effort.

I ask the Congress to act quickly on my tax and budget proposals, which I believe will provide the jobs for the unemployed that we all want.

GERALD R. FORD

THE WHITE HOUSE,

February 13, 1976.

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FOR IMMEDIATE RELEASE FEBRUARY 28, 1976

Office of the White House Press Secretary

THE WHITE HOUSE

TO THE CHAIRMAN OF THE DISTRICT OF COLUMBIA CITY COUNCIL

In accordance with the District of Columbia Self-Government and Governmental Reorganization Act, I disapprove Act 1-88, the District of Columbia Shop-Book Rule Act.

The Act would make documentary records of business transactions admissible as evidence in any civil or criminal judicial proceeding in the courts of the District of Columbia. This "shop-book rule" is substantially identical to the one adopted by the D.C. Superior Court which took effect on June 30, 1975.

The issue is whether the City Council was acting within its authority under the District of Columbia Self-Government and Governmental Reorganization Act (Home Rule Act) in passing a law affecting the judicial procedures of the D.C. courts. The Federal interest is whether the intent of Congress in delegating legislative authority to the Council under the Home Rule Act has been appropriately carried out in this instance.

I am advised by the Department of Justice that this "shop-book rule" is clearly in the nature of a procedural rule which could properly be encompassed within the rules of civil procedure and that promulgation of the rule is clearly within the express power of the District of Columbia courts to adopt rules of civil procedure and, as such, is beyond the power of the City Council.

Therefore, since the Council has exceeded its statutory authority in enacting this bill, I am disapproving Act 1-88.

GERALD R. FORD

THE WHITE HOUSE,

February 27, 1976.

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FOR IMMEDIATE RELEASE FEBRUARY 28, 1976

Office of the White House Press Secretary

THE WHITE HOUSE

STATEMENT BY THE PRESIDENT

The District of Columbia Self-Government and Governmental Reorganization Act (the Home Rule Act) provides that Acts of the D.C. Council which have been vetoed by the Mayor and overridden by a two-thirds vote of the Council shall be transmitted to the President for his review. The President shall then have thirty days in which to disapprove these Acts or allow them to become law.

D.C. Enrolled Acts 1-87, relating to affirmative action in D.C. government employment, and 1-88, relating to the so-called Shop-Book Rule of evidence, are the first such acts to be sent to the President for his review since the Home Rule Act was enacted.

If home rule for the District is to have real meaning, the integrity and responsibility of local government processes must be respected. The Federal government should intervene only where there is a clear and substantial Federal interest.

I have been advised by the Department of Justice that, in enacting Act 1-88, the D.C. Council exceeded the authority which the Congress had delegated to it under the Home Rule Act; therefore, I disapproved it. I have chosen not to disapprove Act 1-87, however, because, while I have serious reservations about the merits of the Act, I believe my disapproval of it would violate the sound precepts of home rule. The Federal interest involved here is not clear and substantial.

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FOR IMMEDIATE RELEASE April 6, 1976

Office of the White House Press Secretary

THE WHITE HOUSE

TO THE HOUSE OF REPRESENTATIVES:

I am returning without my approval, H.R. 9803, a bill which would perpetuate rigid Federal child day care standards for all the States and localities in the Nation, with the cost to be paid by the Federal taxpayer.

I cannot approve legislation which runs directly counter to a basic principle of government in which I strongly believe -- the vesting of responsibility in State and local government and the removing of burdensome Federal restrictions.

I am firmly committed to providing Federal assistance to States for social services programs, including child day care. But I am opposed to unwarranted Federal interference in States' administration of these programs.

The States should have the responsibility -- and the right -- to establish and enforce their own quality day care standards. My recently proposed Federal Assistance for Community Services Act would adopt this principle, and with it greater State flexibility in other aspects of the use of social services funds available under Title XX of the Social Security Act.

H.R. 9803 is the antithesis of my proposal. It would make permanent highly controversial and costly day care staff-to-children ratios. And it would deny the States the flexibility to establish and enforce their own staffing standards for federally assisted day care.

This bill would not make day care services more widely available. It would only make them more costly to the American taxpayer. It would demand the expenditure of $125 million over the next six months, and could lead to $250 million more each year thereafter.

H.R. 9803 would also specify that a portion of Federal social services funds be available under Title XX of the Social Security Act for a narrow, categorical purpose. In the deliberations leading to enactment of Title XX, a little over a year ago, the States and the voluntary service organizations fought hard to win the right to determine both the form and the content of services to be provided according to their own priorities. This bill would undermine the Title XX commitment to State initiative by dictating not only how day care services are to be provided, but also how they are to be financed under Title XX.

It would introduce two additional Federal matching rates for some day care costs that are higher than the rates for other Title XX-supported services, thereby further complicating the States' administration of social services programs. My proposal would, on the other hand, eliminate State matching requirements altogether.

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(OVER)

Moreover, H.R. 9803 would create an unfair situation in which some child day care centers would operate under a different set of standards than other centers within the same State. Those day care centers in which fewer than 20 percent of those served are eligible under Title XX could be exempt from Federal day care standards. This provision would have the probable effect in some instances of reducing the availability of day care services by encouraging day care centers to reduce the proportion of children in their care who are eligible under Title XX in order to meet the "quota" set by H.R. 9803. In those centers not choosing to take advantage of this loophole, the effect could well be to increase day care costs to families who use these centers on a fee-paying basis. In effect, they would be helping to subsidize the high costs imposed on day care providers serving Title XX-eligible children.

There is considerable debate as to the appropriateness or efficacy of the Federal day care standards imposed by H.R. 9803. In fact, the bill recognizes many of these questions by postponing their enforcement for the third time, in this case to July 1 of this year. Fewer than one in four of the States have chosen to follow these standards closely in the administration of their day care programs. The Congress itself has required by law that the Department of Health, Education, and Welfare conduct an 18-month study ending in 1977, to evaluate their appropriateness.

Rather than pursue the unwise course charted in this bill, I urge that the Congress extend, until October 1, 1976, the moratorium on imposition of Federal day care staffing standards that it voted last October. This would give the Congress ample time to enact my proposed Federal Assistance for Community Services Act, under which States would establish and enforce their own day care staffing standards and fashion their social services programs in ways they believe will best meet the needs of their citizens.

GERALD R. FORD

THE WHITE HOUSE,

April 6, 1976 .

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FOR IMMEDIATE RELEASE APRIL 12, 1976

OFFICE OF THE WHITE HOUSE PRESS SECRETARY

THE WHITE HOUSE

STATEMENT OF THE PRESIDENT
UPON HIS VETO
OF THE HATCH ACT AMENDMENTS

THE OVAL OFFICE

1:48 P.M. EST

I am returning to Congress today without my signature a bill that would lift the ban against partisan political activity by Federal civil servants. For almost 40 years under the Hatch Act civil servants have been allowed an active role in the Democratic process. They can vote, they can attend rallies and conventions, they can contribute to the candidates of their choice.

However, the Hatch Act has also prohibited civil servants from engaging in other far more partisan activities, such as political campaigns. The prohibition against the partisan politics in the Civil Service was written into the law for two very sound and worthwhile reasons: to assure the American people that their affairs were being conducted with an eye on the public interest, not a partisan interest, and to protect civil servants themselves from undue political coercion.

I believe that the concerns that have been valid for the last four decades are still valid today. The public business of our Government must be conducted without the taint of partisan politics. I am, therefore, returning this bill to the Congress without my approval.

END (AT 1:49 P.M. EST)

FOR IMMEDIATE RELEASE APRIL 12, 1976

Office of the White House Press Secretary

THE WHITE HOUSE

TO THE HOUSE OF REPRESENTATIVES:

I am today returning, without my approval, H.R. 8617, a bill that would essentially repeal the Federal law commonly known as the Hatch Act, which prohibits Federal employees from taking an active part in partisan politics.

The public expects that government service will be provided in a neutral, nonpartisan fashion. This bill would produce an opposite result.

Thomas Jefferson foresaw the dangers of Federal employees electioneering, and some of the explicit Hatch Act rules were first applied in 1907 by President Theodore Roosevelt. In 1939, as an outgrowth of concern over political coercion of Federal employees, the Hatch Act itself was enacted.

The amendments which this bill make to the Hatch Act would deny the lessons of history.

If, as contemplated by H.R. 8617, the prohibitions against political campaigning were removed, we would be endangering the entire concept of employee independence and freedom from coercion which has been largely successful in preventing undue political influence in Government programs or personnel management. If this bill were to become law, I believe pressures could be brought to bear on Federal employees in extremely subtle ways beyond the reach of any anti-coercion statute so that they would inevitably feel compelled to engage in partisan political activity. This would be bad for the employee, bad for the government, and bad for the public.

Proponents of this bill argue that the Hatch Act limits the rights of Federal employees. The Hatch Act does in fact restrict the right of employees to fully engage in partisan politics. It was intended, for good reason, to do precisely that. Most people, including most Federal employees, not only understand the reasons for these restrictions, but support them.

However, present law does not bar all political activity on the part of Federal employees. They may register and vote in any election, express opinions on political issues or candidates, be members of and make contributions to political parties, and attend political rallies and conventions, and engage in a variety of other political activities. What they may not -- and, in my view, should not -- do is attempt to be partisan political activists and impartial Government employees at the same time.

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The U.S. Supreme Court in 1973 in affirming the validity of the Hatch Act, noted that it represented

> "a judgment made by this country over the last century that it is in the best interest of the country, indeed essential, that federal service should depend upon meritorious performance rather than political service, and that the political influence of federal employees on others and on the electoral process should be limited."

The Hatch Act is intended to strike a delicate balance between fair and effective government and the First Amendment rights of individual employees. It has been successful, in my opinion, in striking that balance.

H.R. 8617 is bad law in other respects. The bill's provisions for the exercise of a Congressional right of disapproval of executive agency regulations are Constitutionally objectionable. In addition, it would shift the responsibility for adjudicating Hatch Act violations from the Civil Service Commission to a new Board composed of Federal employees. No convincing evidence exists to justify this shift. However, the fundamental objection to this bill is that politicizing the Civil Service is intolerable.

I, therefore, must veto the measure.

GERALD R. FORD

THE WHITE HOUSE,
APRIL 12, 1976

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FOR IMMEDIATE RELEASE MAY 7, 1976

Office of the White House Press Secretary

THE WHITE HOUSE

TO THE SENATE OF THE UNITED STATES:

I am returning, without my approval, S. 2662, a bill that would seriously obstruct the exercise of the President's constitutional responsibilities for the conduct of foreign affairs. In addition to raising fundamental constitutional problems, this bill includes a number of unwise restrictions that would seriously inhibit my ability to implement a coherent and consistent foreign policy:

- By imposing an arbitrary arms sale ceiling, it limits our ability to respond to the legitimate defense needs of our friends and obstructs U.S. industry from competing fairly with foreign suppliers.

- By requiring compliance by recipient countries with visa practices or human rights standards set by our Congress as a condition for continued U.S. assistance, the bill ignores the many other complex factors which should govern our relationships with those countries; and it impairs our ability to deal by more appropriate means with objectionable practices of other nations.

- By removing my restrictions on trade with North and South Vietnam, S. 2662 undercuts any incentive the North Vietnamese may have to provide an accounting for our MIAs.

- By mandating a termination of grant military assistance and military assistance advisory groups after fiscal year 1977 unless specifically authorized by Congress, the bill vitiates two important tools which enable us to respond to the needs of many countries and maintain vital controls over military sales programs.

The bill also contains several provisions which violate the constitutional separation of executive and legislative powers. By a concurrent resolution passed by a majority of both Houses, programs authorized by the Congress can be later reviewed, further restricted, or even terminated. Such frustration of the ability of the Executive to make operational decisions violates the President's constitutional authority to conduct our relations with other nations.

While I encourage increased Congressional involvement in the formulation of foreign policy, the pattern of unprecedented restrictions contained in this bill requires that I reject such Congressional encroachment on the Executive Branch's constitutional authority to implement that policy.

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Constitutional Objections

With regard to the Constitutional issues posed by S.2662, this bill contains an array of objectionable requirements whereby virtually all significant arms transfer decisions would be subjected on a case-by-case basis to a period of delay for Congressional review and possible disapproval by concurrent resolution of the Congress. These provisions are incompatible with the express provision in the Constitution that a resolution having the force and effect of law must be presented to the President and, if disapproved, repassed by a two-thirds majority in the Senate and the House of Representatives. They extend to the Congress the power to prohibit specific transactions authorized by law without changing the law -- and without following the constitutional process such a change would require. Moreover, they would involve the Congress directly in the performance of Executive functions in disregard of the fundamental principle of separation of powers. Congress can, by duly adopted legislation, authorize or prohibit such actions as the execution of contracts or the issuance of export licenses, but Congress cannot itself participate in the Executive functions of deciding whether to enter into a lawful contract or issue a lawful license, either directly or through the disapproval procedures contemplated in this bill.

The erosion of the basic distinction between legislative and Executive functions which would result from the enactment of S. 2662, displays itself in an increasing volume of similar legislation which this Congress has passed or is considering. Such legislation would pose a serious threat to our system of government, and would forge impermissible shackles on the President's ability to carry out the laws and conduct the foreign relations of the United States. The President cannot function effectively in domestic matters, and speak for the nation authoritatively in foreign affairs, if his decisions under authority previously conferred can be reversed by a bare majority of the Congress. Also, the attempt of Congress to become a virtual co-administrator in operational decisions would seriously distract it from its proper legislative role. Inefficiency, delay, and uncertainty in the management of our nation's foreign affairs would eventually follow.

Apart from these basic constitutional deficiencies which appear in six sections of the bill, S. 2662 is faulty legislation, containing numerous unwise restrictions.

Annual Ceiling on Arms Sales

A further objectionable feature of S. 2662 is an annual ceiling of $9.0 billion on the total of government sales and commercial exports of military equipment and services. In our search to negotiate mutual restraints in the proliferation of conventional weapons, this self-imposed ceiling would be an impediment to our efforts to obtain the cooperation of other arms-supplying nations. Such an arbitrary ceiling would also require individual transactions to be evaluated, not on their own merits, but on the basis of their relationship to the volume of other, unrelated transactions. This provision would establish an arbitrary, overall limitation as a substitute for case-by-case analyses and decisions based on foreign policy priorities and the legitimate security needs of our allies and friends.

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Discrimination and Human Rights

This bill also contains well-intended but misguided provisions to require the termination of military cooperation with countries which engage in practices that discriminate against United States citizens or practices constituting a consistent pattern of gross human rights violations. This Administration is fully committed to a policy of not only actively opposing but also seeking the elimination of discrimination by foreign governments against United States citizens on the basis of their race, religion, national origin or sex, just as the Administration is fully supportive of internationally recognized human rights as a standard for all nations to respect. The use of the proposed sanctions against sovereign nations is, however, an awkward and ineffective device for the promotion of those policies These provisions of the bill represent further attempts to ignore important and complex policy considerations by requiring simple legalistic tests to measure the conduct of sovereign foreign governments. If Congress finds such conduct deficient, specific actions by the United States to terminate or limit our cooperation with the government concerned would be mandated. By making any single factor the effective determinant of relationships which must take into account other considerations, such provisions would add a new element of uncertainty to our security assistance programs and would cast doubt upon the reliability of the United States in its dealings with other countries. Moreover, such restrictions would most likely be counterproductive as a means for eliminating discriminatory practices and promoting human rights. The likely result would be a selective disassociation of the United States from governments unpopular with the Congress, thereby diminishing our ability to advance the cause of human rights through diplomatic means.

Trade with Vietnam

The bill would suspend for 180 days the President's authority to control certain trade with North and South Vietnam, thereby removing a vital bargaining instrument for the settlement of a number of differences between the United States and these countries. I have the deepest sympathy for the intent of this provision, which is to obtain an accounting for Americans missing in action in Vietnam. However, the enactment of this legislation would not provide any real assurances that the Vietnamese would now fulfill their long-standing obligation to provide such an accounting. Indeed, the establishment of a direct linkage between trade and accounting for those missing in action might well only perpetuate Vietnamese demands for greater and greater concessions.

This Administration is prepared to be responsive to Vietnamese action on the question of Americans missing in action. Nevertheless, the delicate process of negotiations with the Vietnamese cannot be replaced by a legislative mandate that would open up trade for a specified number of days and then terminate that trade as a way to achieve our diplomatic objectives. This mandate represents an unacceptable attempt by Congress to manage the diplomatic relations of the United States.

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Termination of Grant Military Assistance and Advisory Groups

The legislation would terminate grant military assistance and military assistance advisory groups after fiscal year 1977 except where specifically authorized by Congress, thus creating a presumption against such programs and missions. Such a step would have a severe impact on our relations with other nations whose security and well-being are important to our own national interests. In the case of grant assistance, it would limit our flexibility to assist countries whose national security is important to us but which are not themselves able to bear the full cost of their own defense. In the case of advisory groups, termination of missions by legislative fiat would impair close and long-standing military relationships with important allies. Moreover, such termination is inconsistent with increasing Congressional demands for the kind of information about and control over arms sales which these groups now provide. Such provisions would insert Congress deeply into the details of specific country programs, a role which Congress has neither the information nor the organizational structure to play.

* * * * *

I particularly regret that, notwithstanding the spirit of genuine cooperation between the Legislative and Executive Branches that has characterized the deliberations on this legislation, we have been unable to overcome the major policy differences that exist.

In disapproving this bill, I act as any President would, and must, to retain the ability to function as the foreign policy leader and spokesman of the Nation. In world affairs today, America can have only one foreign policy. Moreover, that foreign policy must be certain, clear and consistent. Foreign governments must know that they can treat with the President on foreign policy matters, and that when he speaks within his authority, they can rely upon his words.

Accordingly, I must veto the bill.

GERALD R. FORD

THE WHITE HOUSE,

May 7, 1976.

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FOR IMMEDIATE RELEASE JULY 2, 1976

Office of the White House Press Secretary

THE WHITE HOUSE

TO THE HOUSE OF REPRESENTATIVES:

I am returning herewith without my approval H.R. 12384, a bill "To authorize certain construction at military installations and for other purposes."

I regret that I must take this action because the bill is generally acceptable, providing a comprehensive construction program for fiscal year 1977 keyed to recognized military requirements. One provision, however, is highly objectionable, thus precluding my approval of the measure.

Section 612 of the bill would prohibit certain base closures or the reduction of civilian personnel at certain military installations unless the proposed action is reported to Congress and a period of nine months elapses during which time the military department concerned would be required to identify the full range of environmental impacts of the proposed action, as required by the National Environmental Policy Act (NEPA). Subsequently, the final decision to close or significantly reduce an installation covered under the bill would have to be reported to the Armed Services Committees of the Congress together with a detailed justification for such decision. No action could be taken to implement the decision until the expiration of at least ninety days following submission of the detailed justification to the appropriate committees. The bill provides a limited Presidential waiver of the requirements of section 612 for reasons of military emergency or national security.

This provision is also unacceptable from the standpoint of sound Government policy. It would substitute an arbitrary time limit and set of requirements for the current procedures whereby base closures and reductions are effected, procedures which include compliance with NEPA and adequately take into account all other relevant considerations, and afford extensive opportunity for public and congressional involvement. By imposing unnecessary delays in base closures and reductions, the bill's requirements would generate a budgetary drain on the defense dollar which should be used to strengthen our military capabilities.

Moreover, section 612 raises serious questions by its attempt to limit my powers over military bases. The President must be able, if the need arises, to change or reduce the mission at any military installation if and when that becomes necessary.

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The Department of Defense has undertaken over 2,700 actions to reduce, realign, and close military installations and activities since 1969. These actions have enabled us to sustain the combat capability of our armed forces while reducing annual Defense costs by more than $4 billion. For realignment proposals already announced for study, section 612 could increase fiscal year 1978 budgetary requirements for defense by $150 million and require retention, at least through fiscal year 1977, of approximately 11,300 military and civilian personnel positions not needed for essential base activities.

The nation's taxpayers rightly expect the most defense possible for their tax dollars. I am certain Congress does not intend unnecessary or arbitrary increases in the tax burden of the American people. Numerous congressional reports on national defense demonstrate the desire by the Congress to trim unnecessary defense spending and personnel. I cannot approve legislation that would result in waste and inefficiency at the expense of meeting our essential military requirements.

GERALD R. FORD

THE WHITE HOUSE,
July ?, 1976

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FOR IMMEDIATE RELEASE JULY 3, 1976

Office of the White House Press Secretary

THE WHITE HOUSE

TO THE SENATE OF THE UNITED STATES:

I am returning to the Congress today without my approval S. 391, the Federal Coal Leasing Amendments Act of 1975.

This bill addresses two essential issues: the form of Federal assistance for communities affected by development of Federally-owned minerals, and the way that Federal procedures for the leasing of coal should be modernized.

On the first of these issues, I am in total agreement with the Congress that the Federal Government should provide assistance, and I concur in the form of assistance adopted by the Congress in S. 391. Specifically, I pledge my support for increasing the State share of Federal leasing revenues from 37-1/2 percent to 50 percent.

Last January I proposed to the Congress the Federal Energy Impact Assistance Act to meet the same assistance problem, but in a different way. My proposal called for a program of grants, loans and loan guarantees for communities in both coastal and inland States affected by development of Federal energy resources such as gas, oil and coal.

The Congress has agreed with me that impact assistance in the form I proposed should be provided for coastal States, and I hope to be able to sign appropriate legislation in the near future.

However, in the case of States affected by S. 391 -- most of which are inland, the Congress by overwhelming majority has voted to expand the more traditional sharing of Federal leasing revenues, raising the State share of those revenues by one third. If S. 391 were limited to that provision, I would sign it.

Unfortunately, however, S. 391 is also littered with many other provisions which would insert so many rigidities, complications, and burdensome regulations into Federal leasing procedures that it would inhibit coal production on Federal lands, probably raise prices for consumers, and ultimately delay our achievement of energy independence.

I object in particular to the way that S. 391 restricts the flexibility of the Secretary of the Interior in setting the terms of individual leases so that a variety of conditions -- physical, environmental and economic -- can be taken into account. S. 391 would require a minimum royalty of 12-1/2 percent, more than is necessary in all cases. S. 391 would also defer bonus payments -- payments by the lessee to the Government usually made at the front end of the lease - on 50 percent of the acreage, an

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unnecessarily stringent provision. This bill would also require production within 10 years, with no additional flexibility. Furthermore it would require approval of operating and reclamation plans within three years of lease issuance. While such terms may be appropriate in many lease transactions -- or perhaps most of them -- such rigid requirements will nevertheless serve to setback efforts to accelerate coal production.

Other provisions of S. 391 will unduly delay the development of our coal reserves by setting up new administrative roadblocks. In particular, S. 391 requires detailed anti-trust review of all leases, no matter how small; it requires four sets of public hearings where one or two would suffice, and it authorizes States to delay the process where National forests -- a Federal responsibility -- are concerned.

Still other provisions of the bill are simply unnecessary. For instance, one provision requires comprehensive Federal exploration of coal resources. This provision is not needed because the Secretary of the Interior already has -- and is prepared to exercise -- the authority to require prospective bidders to furnish the Department with all of their exploration data so that the Secretary, in dealing with them, will do so knowing as much about the coal resources covered as the prospective lessees.

For all of these reasons, I believe that S. 391 would have an adverse impact on our domestic coal production. On the other hand, I agree with the sponsors of this legislation that there are sound reasons for providing in Federal law -- not simply in Federal regulations -- a new Federal coal policy that will assure a fair and effective mechanism for future leasing.

Accordingly, I ask the Congress to work with me in developing legislation that would meet the objections I have outlined and would also increase the State share of Federal leasing revenues.

GERALD R. FORD

THE WHITE HOUSE,

July 3, 1976.

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FOR IMMEDIATE RELEASE July 6, 1976

Office of the White House Press Secretary

THE WHITE HOUSE

TO THE SENATE OF THE UNITED STATES:

I am today returning without my approval, S. 3201, the Public Works Employment Act of 1976.

This bill would require $3.95 billion in Federal spending above and beyond what is necessary. It sends a clear signal to the American people that four months before a national election, the Congress is enacting empty promises and giveaway programs. I will not take the country down that path. Time and time again, we have found where it leads: to larger deficits, higher taxes, higher inflation and ultimately higher unemployment.

We must stand firm. I know the temptation, but I urge Members of Congress to reconsider their positions and join with me now in keeping our economy on the road to healthy, sustained growth.

It was almost five months ago that the Senate sustained my veto of a similar bill, H.R. 5247, and the reasons compelling that veto are equally persuasive now with respect to S. 3201. Bad policy is bad whether the inflation price tag is $4 billion or $6 billion.

Proponents of S. 3201 argue that it is urgently needed to provide new jobs. I yield to no one in concern over the effects of unemployment and in the desire that there be enough jobs for every American who is seeking work. To emphasize the point, let me remind the Congress that the economic policies of this Administration are designed to create 2 - 2.5 million jobs in 1976 and an additional 2 million jobs in 1977. By contrast, Administration economists estimate that this bill, S. 3201, will create at most 160,000 jobs over the coming years -- less than 5% of what my own policies will accomplish. Moreover, the jobs created by S. 3201 would reduce national unemployment by less than one-tenth of one percent in any year. The actual projection is that the effect would be .06 percent, at a cost of $4 billion. Thus, the heart of the debate over this bill is not over who cares the most -- we all care a great deal -- but over the best way to reach our goal.

When I vetoed H.R. 5247 last February, I pointed out that it was unwise to stimulate even further an economy which was showing signs of a strong and steady recovery. Since that time the record speaks for itself. The present 7.5 percent unemployment rate is a full one percent lower than the average unemployment rate of 8.5 percent last year. More importantly, almost three and a half million more Americans now have jobs than was the case in March of last year. We have accomplished this while at the same time reducing inflation which plunged the country into the severe recession of 1975.

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S. 3201 would authorize almost $4 billion in additional Federal spending -- $2 billion for public works, $1.25 billion for countercyclical aid to state and local governments, and $700 million for EPA waste water treatment grants.

Beyond the intolerable addition to the budget, S. 3201 has several serious deficiencies. First, relatively few new jobs would be created. The bill's sponsors estimate that S. 3201 would create 325,000 new jobs but, as pointed out above, our estimates indicate that at most some 160,000 work-years of employment would be created -- and that would be over a period of several years. The peak impact would come in late 1977 or 1978 and would add no more than 50,000 to 60,000 new jobs in any year.

Second, S. 3201 would create few new jobs in the immediate future. With peak impact on jobs in late 1977 or early 1978, this legislation would add further stimulus to the economy at precisely the wrong time: when the economy is already far into the recovery.

Third, the cost of producing jobs under this bill would be intolerably high, probably in excess of $25,000 per job.

Fourth, this bill would be inflationary since it would increase Federal spending and consequently the budget deficit by as much as $1.5 billion in 1977 alone. It would increase demands on the economy and on the borrowing needs of the government when those demands are least desirable. Basic to job creation in the private sector is reducing the ever increasing demands of the Federal government for funds. Federal government borrowing to support deficit spending reduces the amount of money available for productive investment at a time when many experts are predicting that we face a shortage of private capital in the future. Less private investment means fewer jobs and less production per worker. Paradoxically, a bill designed as a job creation measure may, in the long run, place just the opposite pressures on the economy.

I recognize there is merit in the argument that some areas of the country are suffering from exceptionally high rates of unemployment and that the Federal government should provide assistance. My budgets for fiscal years 1976 and 1977 do, in fact, seek to provide such assistance.

Beyond my own budget recommendations, I believe that in addressing the immediate needs of some of our cities hardest hit by the recession, another measure before the Congress, H.R. 11860 sponsored by Congressman Garry Brown and S. 2986 sponsored by Senator Bob Griffin provides a far more reasonable and constructive approach than the bill I am vetoing.

H.R. 11860 would target funds on those areas with the highest unemployment so that they may undertake high priority activities at a fraction of the cost of S. 3201. The funds would be distributed exclusively under an impartial formula as opposed to the pork barrel approach represented by the public works portions of the bill I am returning

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today. Moreover, H.R. 11860 builds upon the successful Community Development Block Grant program. That program is in place and working well, thus permitting H.R. 11860 to be administered without the creation of a new bureaucracy. I would be glad to accept this legislation should the Congress formally act upon it as an alternative to S. 3201.

The best and most effective way to create new jobs is to pursue balanced economic policies that encourage the growth of the private sector without risking a new round of inflation. This is the core of my economic policy, and I believe that the steady improvements in the economy over the last half year on both the unemployment and inflation fronts bear witness to its essential wisdom. I intend to continue this basic approach because it is working.

My proposed economic policies are expected to produce lasting, productive jobs, not temporary jobs paid for by the American taxpayer.

This is a policy of balance, realism, and common sense. It is a sound policy which provides long term benefits and does not promise more than it can deliver.

My program includes:

-- Large and permanent tax reductions that will leave more money where it can do the most good: in the hands of the American people;

-- Incentives for the construction of new plants and equipment in areas of high unemployment,

-- More than $21 billion in outlays in the fiscal year beginning October 1 for important public works such as energy facilities, waste water treatment plants, roads, and veterans' hospitals representing a 17 percent increase over the previous fiscal year.

-- And a five and three quarter year package of general revenue sharing funds for state and local governments.

I ask Congress to act quickly on my tax and budget proposals, which I believe will provide the jobs for the unemployed that we all want.

GERALD R. FORD

THE WHITE HOUSE,

July 6, 1976.

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FOR IMMEDIATE RELEASE JULY 7, 1976

Office of the White House Press Secretary

File HR 12567

THE WHITE HOUSE

TO THE HOUSE OF REPRESENTATIVES:

I am returning, without my approval, H.R. 12567, a bill to authorize appropriations for the Federal Fire Prevention and Control Act of 1974 and the Act of March 3, 1901, for fiscal years 1977 and 1978, and for other purposes.

I am disapproving H.R. 12567 because it contains a provision that would seriously obstruct the exercise of the President's constitutional responsibilities over Executive branch operations. Section 2 of the enrolled bill provides that Congress may, by concurrent resolution, veto a plan to commit funds for construction of the National Academy for Fire Prevention and Control. This provision extends to the Congress the power to prohibit specific transactions authorized by law, without changing the law and without following the constitutional process such a change would require. Moreover, it involves the Congress directly in the performance of Executive functions in disregard of the fundamental principle of separation of powers.

Provisions of this type have been appearing in an increasing number of bills which this Congress has passed or is considering. Most are intended to enhance the power of the Congress over the detailed execution of the laws at the expense of the President's authority. I have consistently opposed legislation containing these provisions, and will continue to oppose actions that constitute a legislative encroachment on the Executive branch.

I urge the Congress to reconsider H.R. 12567 and to pass a bill I can accept so that it will be possible for the National Fire Prevention and Control Administration to proceed with its important work.

GERALD R. FORD

THE WHITE HOUSE,
JULY 7, 1976

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FOR IMMEDIATE RELEASE JULY 7, 1976

Office of the White House Press Secretary

THE WHITE HOUSE

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Provisions of this type have been appearing in an increasing number of bills which this Congress has passed or is considering. Most are intended to enhance the power of the Congress over the detailed execution of the laws at the expense of the President's authority. I have consistently opposed legislation containing these provisions, and will continue to oppose actions that constitute a legislative encroachment on the Executive branch.

I urge the Congress to reconsider H.R. 12567 and to pass a bill I can accept so that it will be possible for the National Fire Prevention and Control Administration to proceed with its important work.

GERALD R. FORD

THE WHITE HOUSE,
JULY 7, 1976

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FOR IMMEDIATE RELEASE JULY 14, 1976

Office of the White House Press Secretary

THE WHITE HOUSE

STATEMENT BY THE PRESIDENT

Today I have signed into law legislation authorizing Fiscal Year 1977 appropriations of $32.5 billion for Procurement and for Research and Development programs for the Department of Defense. While this authorization provides for many Defense activities essential for our national security, the bill still has a number of deficiencies.

It is noteworthy that this is the first Defense authorization bill in many years to be passed by the Congress in time to become law before the start of the fiscal year. I commend the Congress for their expeditious action which, by helping us to maintain the continuity of Defense management activities, assists us in our efforts to improve Defense management practices.

My FY 1977 total budget request for national defense is $115 billion -- as it must be, given the adverse trends which have developed as a result of Congressional cuts in U.S. military expenditures. The Congress must cooperate if we are to be able to successfully arrest these trends in order to assure our own security and, in a real sense, peace and stability in the world.

In important respects, however, Congress has not faced up to the challenge. First, Congress has not approved a number of essential Defense programs. Second, Congress has added funds to the FY 1977 Budget for programs which are not needed in FY 1977. Finally, Congress has not yet acted upon certain of my legislative proposals which are necessary to permit the Defense Department to restrain manpower cost growth, reduce waste and inefficiency and to achieve economies. These three areas require remedial action by the Congress.

Programs Not Approved

Shipbuilding. Congress has failed to authorize $1.7 billion requested for new ship programs that are needed to strengthen our maritime capabilities and assure freedom of the seas. In particular, they have denied funds for the lead ships for two essential production programs -- the nuclear strike cruiser and the conventionally-powered AEGIS destroyer -- and for four modern frigates. The FY 1977 program was proposed as the first step of a sustained effort to assure that the United States, along with its allies, can maintain maritime defense, deterrence, and freedom of the seas. I plan to resubmit budget requests for FY 1977 to cover these essential shipbuilding programs.

Other Programs. Congress has also failed to authorize nearly $900 million requested for other Defense procurement and research and development programs. As with the shipbuilding program, I will resubmit the requests needed to meet our minimum national security requirements.

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Programs Not Needed in FY 1977

At the same time that the Congress disapproved several programs which are vital for our national security, they added over $1 billion to the original budget request for items for which I did not request funds in FY 1977. For example, Congress added:

- A fourth attack submarine ($357 million) for which funds cannot be used in FY 1977 owing to shipyard capacity limitations.
- Conversion of the cruiser LONG BEECH ($371 million) which can be readily postponed.
- Six Navy A-6E attack aircraft ($66 million), which are not a high priority, particularly at the uneconomical production rate of six per year proposed by the Congress.
- Repair and modernization of the cruiser BELKNAP ($213 million) damaged in a collision, for which funds should have been authorized prior to FY 1977.

I propose that Congress delete the funds for these programs in FY 1977, and authorize funds for repair of the BELKNAP in the current Transition Quarter. If the Congress does not act favorably on this request, then funds have to be added on top of the FY 1977 Defense budget, in order to avoid forcing out essential Defense activities.

Defense Management Economies

Finally, Congress has not enacted certain legislative proposals necessary to permit the Department of Defense to restrain manpower cost growth and to achieve other essential economies.

As estimated last January, the potential savings in Defense made possible by my proposals total over $3 billion in FY 1977 and $23 billion over the five-year period FY 1977-1981. About half of these savings can be achieved through administrative action by the President, and are being implemented. The remaining initiatives, however, require action by the Congress.

When submitting the budget request last January, I explained that if the Congress did not pass the needed legislation, it would be necessary to increase the budget request later in the year. I am pleased that some of the manpower initiatives falling within the jurisdiction of the two Armed Services Committees -- which produced this authorization bill -- were well received. The Post Office and Civil Service Committees, however, have been reluctant to act on the critical legislation needed to save over $400 million in FY 1977 and over $6 billion over the five-year period FY 1977-1981. Specific proposals within their jurisdiction include: (1) reform of the Wage Board System which, through its current system for calculating pay raises, now overpays blue collar civilian employees; (2) elimination of the excessive 1½ kicker in retired pay adjustments for civilians; and (3) elimination of dual compensation for reservists who are also Federal employees.

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Furthermore, the Armed Services Committees have yet to enact legislation permitting the sale in FY 1977 of nearly $750 million worth of commodities no longer needed in the strategic stockpile; the receipts from these sales would be an offset in the National Defense Budget, and without them the budget ceiling for Defense expenditures must be increased accordingly.

There has been a lot of talk about cutting waste in Defense spending. Without action by the Congress these economies cannot be achieved. Here is the opportunity to act.

These remaining actions to provide for greater efficiencies in the Defense budget should be approved. Because Congress apparently is indifferent to them, however, I have decided reluctantly to forward budget requests to cover the needed amounts. Failure by Congress either to enact legislation permitting the economy measures, or to provide the additional funds necessary would mean a severely unbalanced Defense program, which would be unacceptable.

I am determined that the U.S. National Security be fully adequate. It is up to the Congress to act promptly to provide the necessary funds.

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FOR IMMEDIATE RELEASE JULY 21, 1976

Office of the White House Press Secretary

THE WHITE HOUSE

STATEMENT BY THE PRESIDENT

I deeply regret today that the Senate has overridden my veto of the Public Works Bill.

Both the Senate and I share a keen desire to expand job opportunities for all Americans, but I continue to believe that the wisest, most productive means of reaching that goal is through a steadily growing private sector -- not through temporary jobs that are run by the government, increase the national debt, and create new inflationary pressures.

The House can rectify the Senate action on Thursday and should, in the best interest of the Nation, sustain my veto.

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FOR IMMEDIATE RELEASE August 3, 1976

Office of the White House Press Secretary

THE WHITE HOUSE

TO THE SENATE OF THE UNITED STATES:

I am returning today without my signature S. 2447, which would exempt Members of Congress from certain local income taxes. This bill provides that a Member of Congress need not pay the income tax levied by a state or municipality in which the Member lives for the purpose of attending Congress.

Since Virginia and District of Columbia laws already exempt from payment of their income taxes Members living in such jurisdictions only while attending Congress, S. 2447 would serve principally to prevent Maryland from levying such taxes on Members of Congress. However, it is one thing for a taxing jurisdiction voluntarily to exempt Members of Congress from its income tax laws and quite another for Congress to mandate a Federal exemption on a state income tax system. I believe such Federal interference is particularly objectionable where, as is the case in Maryland, a portion of the income tax is collected on behalf of counties to pay for local public services which all residents use and enjoy. It should also be noted that this bill would in effect freeze the exemptions now provided by Virginia and the District of Columbia, and they would then be powerless to change their tax laws in this regard.

Since this bill benefits a narrow and special class of persons it violates, in my view, the basic concept of equity and fairness by creating a special tax exemption for Members of Congress while other citizens who are required to take up temporary residence in the Washington area -- or elsewhere -- do not enjoy a similar privilege.

Finally, those who assert that there is a Constitutional infirmity in applying a state income tax to Members while attending Congress may present the issue to the courts for resolution.

As the end of this session of Congress approaches, the American people would be better served if Congress would direct its attention to the important laws that should be passed this year -- to cut taxes and spending; to expand catastrophic health care programs, to limit court ordered school busing; to attack crime and drugs, and to address many other important matters of concern to the American people -- rather than by enacting legislation such as S. 2447.

For these reasons, I am returning S. 2447 and asking Congress to reconsider this bill.

GERALD R. FORD

THE WHITE HOUSE,

August 3, 1976.

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FOR IMMEDIATE RELEASE August 14, 1976

Office of the White House Press Secretary

THE WHITE HOUSE

TO THE HOUSE OF REPRESENTATIVES:

I am returning, without my approval, H.R. 12944, a bill "To extend the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, for six months." If the only purpose of the bill were that set forth in its caption I would have no reservations about it.

The bill would, however, also make a serious substantive change in the law. It would subject rules and regulations issued under authority of the Act to a 60-day review period during which either House of Congress may disapprove the rule or regulation by simple resolution.

As I have indicated on previous occasions, I believe that provisions for review of regulations and other action by resolutions of one house or concurrent resolution are unconstitutional. They are contrary to the general principle of separation of power whereby Congress enacts laws but the President and the agencies of government execute them. Furthermore, they violate Article I, section 7 which requires that resolutions having the force of law be sent to the President for his signature or veto. There is no provision in the Constitution for the procedure contemplated by this bill.

Congress has been considering bills of this kind in increasing number. At my direction, the Attorney General moved recently to intervene in a lawsuit challenging the constitutionality of a comparable section of the Federal election law. I hope that Congress will reconsider H.R. 12944 and pass a bill which omits this provision.

THE WHITE HOUSE,
August 13, 1976

GERALD R. FORD

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FOR IMMEDIATE RELEASE SEPTEMBER 13, 1976

Office of the White House Press Secretary

THE WHITE HOUSE

TO THE HOUSE OF REPRESENTATIVES:

I am returning, without my approval, H.R. 8800, the "Electric and Hybrid Vehicle Research, Development and Demonstration Act of 1976."

This bill would establish a five-year, $160 million research, development and demonstration project within the Energy Research and Development Administration (ERDA) to promote the development of an electric vehicle that could function as a practical alternative to the gasoline-powered automobile. One of the major objectives of the project would be the development and purchase by the Federal government of some 7,500 demonstration electric vehicles. Such development would cover some of the areas private industry stands ready to pursue.

It is well documented that technological breakthroughs in battery research are necessary before the electric vehicle can become a viable option. It is simply premature and wasteful for the Federal government to engage in a massive demonstration program -- such as that intended by the bill -- before the required improvements in batteries for such vehicles are developed.

ERDA already has adequate authority under the Energy Reorganization Act of 1974 and the Federal Non-nuclear Energy Research and Development Act of 1974 to conduct an appropriate electric vehicle development program. Under my fiscal year 1977 budget, ERDA will focus on the research areas that inhibit the development of practical electric vehicles, for wide-spread use by the motoring public. Included is an emphasis on advanced battery technology.

Even assuming proper technological advances, the development of a completely new automobile for large-scale production is a monumental task requiring extensive investment of money and years of development. While the Government can play an important role in exploring particular phases of electric vehicle feasibility -- especially in the critical area of battery research -- it must be recognized that private industry already has substantial experience and interest in the development of practical electric vehicle transportation. I am not prepared to commit the Federal government to this type of a massive spending program which I believe private industry is best able to undertake.

GERALD R. FORD

THE WHITE HOUSE,

September 13, 1976.

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FOR IMMEDIATE RELEASE SEPTEMBER 24, 1976

Office of the White House Press Secretary

THE WHITE HOUSE

TO THE HOUSE OF REPRESENTATIVES:

I am returning, without my approval, H.R. 5465, a bill which would provide special retirement benefits to certain non-Indian employees of the Bureau of Indian Affairs (BIA) and the Indian Health Service (IHS) who are adversely affected by Indian preference requirements.

I strongly support the objective of having Indians administer the Federal programs directly affecting them. I am familiar with and understand the concern of non-Indian employees of these agencies about their long-term career prospects because of Indian preference. But H.R. 5465 is the wrong way to deal with this problem.

This bill is designed to increase employment opportunities for Indians by providing special compensation to non-Indian employees in BIA and IHS who retire early. It seeks to accomplish this purpose by authorizing payment of extraordinary retirement benefits under certain conditions to non-Indian employees of these agencies who retire before 1986 -- benefits more liberal than those available to any other group of Federal employees under the civil service retirement system. I believe that this approach will result in inequities and added costs that far exceed the problem it is attempting to solve -- a problem which is already being addressed through administrative actions by the agencies involved.

H.R. 5465 would provide windfall retirement benefits to a relatively small number of the non-Indian employees of these agencies. The Indian employees and other non-Indian employees in these same agencies would not receive these benefits. The eligible employees are not in danger of losing their jobs. Because they may face a limited outlook for promotion, the bill would pay these employees costly annuities even though they had completed substantially less than a full career. Payments could be made at age 50 after only 20 years of Federal service, of which as little as 11 years need be Indian-agency service. Their annuities would be equivalent to the benefits it would take the average Federal employee until age 60 and 27 years of service to earn.

This would seriously distort and misuse the retirement system to solve a problem of personnel management for which there are far more appropriate administrative solutions. The Departments of the Interior and Health, Education, and Welfare have established special placement programs to help non-Indian employees who desire other jobs. I am asking the

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Chairman of the Civil Service Commission to make certain that those placement efforts are rigorously pursued with all agencies of the Federal Government.

Further, these Departments assure me that many non-Indian employees continue to have ample opportunity for full careers with Indian agencies if they so desire. Accordingly, H.R. 5465 represents an excessive, although well-motivated, reaction to the situation. Indian preference does pose a problem in these agencies, but it can and should be redressed without resort to costly retirement benefits.

I am not prepared, therefore, to accept the discriminatory and costly approach of H.R. 5465.

GERALD R. FORD

THE WHITE HOUSE,
September 24, 1976

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FOR IMMEDIATE RELEASE September 29, 1976

Office of the White House Press Secretary

THE WHITE HOUSE

TO THE HOUSE OF REPRESENTATIVES:

Just before adjourning for the final weeks of the election campaign, the Congress has sent me H.R. 14232, the Departments of Labor, and Health, Education, and Welfare appropriations for fiscal year 1977 which begins October 1. This last and second largest of the major Federal appropriation bills to be considered by this Congress is a perfect example of the triumph of election-year politics over fiscal restraint and responsibility to the hard-pressed American taxpayer.

Contained in this bill are appropriations for numerous essential domestic programs which have worthy purposes. My budget for these purposes totaled $52.5 billion, $700 million more than this year. Since 1970 expenditures for these programs have increased at a rate 75% greater than the rate of growth in the overall Federal Budget. Therefore, my 1977 proposals included substantial reforms in the major areas covered by these appropriations designed to improve their efficiency and reduce the growth of Federal bureaucracy and red tape.

The majority in control of this Congress has ignored my reform proposals and added nearly $4 billion in additional spending onto these programs.

The partisan political purpose of this bill is patently clear. It is to present me with the choice of vetoing these inflationary increases and appearing heedless of the human needs which these Federal programs were intended to meet, or to sign the measure and demonstrate inconsistency with my previous anti-inflationary vetoes on behalf of the American taxpayer.

It is to present me with the dilemma of offending the voting groups who benefit by these government programs, or offending those primarily concerned with certain restrictions embodied in the bill.

I am sympathetic to the purposes of most of these programs. I agree with the restriction on the use of Federal funds for abortion. My objection to this legislation is based purely and simply on the issue of fiscal integrity.

I believe the American people are wiser than the Congress thinks. They know that compassion on the part of the Federal Government involves more than taking additional cash from their paychecks. They know that inflationary spending and larger deficits must be paid for not only by all Federal taxpayers but by every citizen, including the poor, the unemployed, the retired persons on fixed incomes, through the inevitable reduction in the purchasing power of their dollars.

I believe strongly in compassionate concern for those who cannot help themselves, but I have compassion for the taxpayer, too. My sense of compassion also says that we

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shouldn't ask the taxpayers to spend their money for a tangled mess of programs that the Congress itself has shown all too often to be wasteful and inefficient -- programs which all too often fail to really help those in need.

The Congress says it cares about cutting inflation and controlling Federal spending.

The Congress says it wants to stop fraud and abuse in Federal programs.

The Congress says it wants to end duplication and overlap in Federal activities.

But when you examine this bill carefully you discover that what the Congress says has very little to do with what the Congress does.

If the Congress really cared about cutting inflation and controlling Federal spending, would it send me a bill that is $4 billion over my $52.5 billion request?

If the Congress really wanted to stop fraud and abuse in Federal programs like Medicaid, would it appropriate more money this year than it did last year without any reform?

If the Congress really wanted to end duplication and overlap in Federal activities, would it continue all of these narrow programs this year -- at higher funding levels than last year?

If the Congress really wanted to cut the deficit and ease the burden on the taxpayer, would it ignore serious reform proposals?

The resounding answer to all of these questions is no.

Our longtime ally, Great Britain, has now reached a critical point in its illustrious history. The British people must now make some very painful decisions on government spending. As Prime Minister Callaghan courageously said just yesterday, "Britain for too long has lived on borrowed time, borrowed money and borrowed ideas. We will fail if we think we can buy our way out of our present difficulties by printing confetti money and by paying ourselves more than we earn."

I cannot ask American taxpayers to accept unwarranted spending increases without a commitment to serious reform. I do not believe the people want more bureaucratic business as usual. I believe the people want the reforms I have proposed which would target the dollars on those in real need while reducing Federal interference in our daily lives and returning more decision-making freedom to State and local levels where it belongs.

I therefore return without my approval H.R. 14323, and urge the Congress to enact immediately my budget proposals and to adopt my program reforms.

GERALD R. FORD

THE WHITE HOUSE,

September 29, 1976.

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FOR IMMEDIATE RELEASE SEPTEMBER 24, 1976

Office of the White House Press Secretary

THE WHITE HOUSE

TO THE HOUSE OF REPRESENTATIVES:

I am returning, without my approval, H.R. 13655, the "Automotive Transport Research and Development Act of 1976."

This bill would establish a five-year research and development program within the Energy Research and Development Administration (ERDA) leading to the development of advanced automobile propulsion systems, advanced automobile subsystems, and integrated test vehicles to promote the development of advanced alternatives to existing automobiles. The major objective of the program would be the development and construction of integrated test vehicles which would incorporate advanced automobile engines into complete vehicles conforming to Federal requirements for safety, emissions, damageability, and fuel economy. Such development would unnecessarily duplicate existing authorities and extend into areas private industry is best equipped to pursue.

Both ERDA and the Department of Transportation (DOT), the two Federal agencies which would be most directly affected by this program, already have sufficient authority to accomplish the objectives of this bill. Under the authority of the Energy Reorganization Act of 1974 and the Federal Non-nuclear Energy Research and Development Act of 1974, ERDA's Highway Vehicle Systems Program is presently proceeding with the development of new automobile engine systems to the point where several prototype systems can be demonstrated in vehicles on the road. Under my fiscal year 1977 budget, ERDA will continue to emphasize the development of such advanced engines designed to meet higher levels of fuel economy and lower emissions.

Ongoing DOT programs under the authority of the Department of Transportation Act, the National Traffic and Motor Vehicle Safety Act of 1966, and the Motor Vehicle Information and Cost Savings Act are currently sponsoring advanced automobile research that, except for advanced automobile engines, will achieve the purposes of this bill. Detailed design development for two versions of a Research Safety Vehicle should be completed before the end of this year. Under my fiscal year 1977 budget, DOT will have sufficient funds for its advanced automobile research and development activities.

The Federal government, through ERDA and DOT, can play an important role in exploring the research areas that must be developed before advanced automobiles are produced which meet the Nation's conservation goals -- especially in the critical area of new engine research. However, it must be recognized that private industry has substantial expertise and interest in the development and production of advanced automobiles. The appropriate Federal role in this area should be confined to research and development only, and not extend into borderline commercial areas which private industry is best able to perform.

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This highly complex technological program, moreover, would eventually require a massive spending program not reflected in the bill's $100 million start-up authorizations for the first two years of the program. This bill would unnecessarily expand research and development programs now underway, and would provide no commensurate benefit for the taxpayers who must pay for this program. I am therefore returning the bill without my approval.

GERALD R. FORD

THE WHITE HOUSE,

September 24, 1976.

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FOR IMMEDIATE RELEASE OCTOBER 12, 1976

Office of the White House Press Secretary

THE WHITE HOUSE

MEMORANDUM OF DISAPPROVAL

I have withheld my approval from S. 3790, a private bill which would authorize a civil service survivor annuity retroactive to September 28, 1972, to Mrs. Camilla A. Hester as the widow of the late John A. Hester.

While I am sympathetic to Mrs. Hester's circumstances, S. 3790 unfortunately contains two precedent-setting provisions which I consider very undesirable, not only for future private relief legislation, but also for ordinary claims under the Civil Service Retirement System.

The first would require the Civil Service Commission to pay interest at 6 percent per annum retroactive to 1972 on the survivor's benefit which would be authorized by S. 3790. The second would require the Treasury to pay Mrs. Hester $5,000 as compensation for her successful effort to be awarded the benefit. Neither of these provisions are appropriate, in my judgment, in bringing Mrs. Hester equitable relief.

For these reasons I am unable to approve S. 3790. I have signed other private relief legislation during the 94th Congress designed to rectify the inequitable circumstances arising from the "length of marriage" requirement in the civil service retirement law. However, these bills did not contain the objectionable provisions contained in S. 3790. I would be pleased, however, to consider legislation for Mrs. Hester that would provide appropriate relief without the objectionable features discussed above.

GERALD R. FORD

THE WHITE HOUSE,

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FOR IMMEDIATE RELEASE OCTOBER 14, 1976

Office of the White House Press Secretary

THE WHITE HOUSE

MEMORANDUM OF DISAPPROVAL

I have withheld my approval from H.R. 4654, a bill "For the relief of Day's Sportswear, Incorporated."

H.R. 4654 appears to relate to the same claim as presented in B. A. McKenzie and Co., Inc. v. United States United States Customs Court #74-6-01520. Another known similar claim on behalf of another importer is pending in the case of George S. Bush and Co., Inc. v. United States United States Customs Court #73-9-02693.

The United States Government is presently defending these two cases and the United States Customs Court is expected to rule. Briefly, the litigation involves the applicability of certain customs duties.

I believe that the courts should be permitted to rule in these cases in due course. I am also concerned that my approval of H.R. 4654 could inappropriately predispose the court's ruling. Further, H.R. 4654 would constitute preferred treatment of one importer against others having similar claims against the Government.

Finally, I believe that private relief legislation is appropriate only after all other avenues of available administrative and legal recourse have been pursued.

For these reasons, I have withheld my approval from H.R. 4654.

GERALD R. FORD

THE WHITE HOUSE,
October 13, 1976

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FOR IMMEDIATE RELEASE October 18, 1976

Office of the White House Press Secretary

THE WHITE HOUSE

MEMORANDUM OF DISAPPROVAL

I have withheld my approval from H.R. 10073, "An Act to provide for the mandatory inspection of domesticated rabbits slaughtered for human food, and for other purposes."

This bill would make applicable to domesticated rabbits, with minor exceptions, the provisions of the Poultry Products Inspection Act. It would require the Secretary of Agriculture to implement a mandatory inspection program for all domesticated rabbit meat sold in commerce, with certain exemptions related to type and volume of operations.

It should be noted that the Food and Drug Administration now inspects rabbit meat to ensure that it complies with Federal pure food laws. Thus, there is no health protection reason for requiring mandatory Agriculture Department inspection of rabbit meat.

The effect of this Act would be to substitute a mandatory taxpayer-financed Agriculture Department inspection program for a voluntary one that is now provided under another law and paid for by the processors and consumers of rabbit meat. Since the voluntary program already provides a means for certifying wholesomeness to those consumers who demand such protection for this specialty food and are willing to pay for the protection, I do not believe that a mandatory program is wise public policy.

In addition, it is estimated that the cost to the taxpayer of government inspection provided by this Act could be more than ten cents per pound.

The limited benefit to be derived by a relative few consumers of rabbit meat cannot be justified in terms of the cost to the taxpayer. I am therefore not approving H.R. 10073.

GERALD R. FORD

THE WHITE HOUSE,
October 17, 1976.

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FOR IMMEDIATE RELEASE OCTOBER 20, 1976

Office of the White House Press Secretary

THE WHITE HOUSE

MEMORANDUM OF DISAPPROVAL

I am withholding my approval from S. 2081, the "Agricultural Resources Conservation Act of 1976."

S. 2081 would have required the Federal Government -- the Soil Conservation Service of the Department of Agriculture -- to appraise the land, water and related resources of the Nation, and to develop a plan and administer a program for the use of private and non-Federal lands.

I have several objections to S. 2081. The bill would set the stage for the creation of a large and costly bureaucracy to "cooperate" with State and local governments and private landowners in an attempt to insure land use in compliance with the master plan. Too often Federal "cooperation" -- when accompanied by vast amounts of Federal dollars and a large bureaucracy -- becomes Federal "direction."

I am not opposed to providing technical assistance to those who need it. The Federal Government, including the Soil Conservation Service, already does a great deal in the management and protection of our natural resources. My 1977 budget proposal called for outlays in excess of $11 billion for these programs. Included in that amount is over $400 million for the very program administered by the Soil Conservation Service to which this bill is directed.

In addition, the bill would subject the President's statement of policy -- a document that would be used in framing Executive Branch budget requests for this program -- to a 60-day review period during which either House of Congress may disapprove the statement of policy by simple resolution. This would be contrary to the general principle of separation of power whereby Congress enacts laws but the President and the agencies of government execute them. Furthermore, it would violate Article I, section 7 which requires that resolutions having the force of law be sent to the President for his signature or veto.

In summary, S. 2081 would violate the principles of fiscal responsibility, minimum Federal regulation, separation of powers, and constitutional government, and accordingly, I withhold my approval.

GERALD R. FORD

THE WHITE HOUSE,

October 19, 1976.

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FOR IMMEDIATE RELEASE OCTOBER 22, 1976

Office of the White House Press Secretary

THE WHITE HOUSE

MEMORANDUM OF DISAPPROVAL

I am withholding my approval from S. 3553, the Foreign Sovereign Immunities Act of 1976, for technical reasons.

In its haste to adjourn, the Congress passed identical Senate and House bills on this subject. At the time the Senate passed the House bill, H.R. 11315, it attempted to vacate its earlier passage of S. 3553 but was unable to do so because it had left the Senate's jurisdiction. The House, unaware that the Senate had passed the House bill, also passed the Senate bill.

In view of the Senate's action in attempting to vacate its passage of S. 3553, there is doubt that S. 3553 has been properly enrolled, and therefore I am separately approving H.R. 11315 and must withhold my approval from S. 3553.

GERALD R. FORD

THE WHITE HOUSE,

October 21, 1976

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FOR IMMEDIATE RELEASE OCTOBER 22, 1976

Office of the White House Press Secretary

THE WHITE HOUSE

MEMORANDUM OF DISAPPROVAL

I am withholding my approval of S. 1437, the Federal Grant and Cooperative Agreement Act of 1976.

This legislation has a laudable goal -- to clarify and rationalize the legal instruments through which the Federal Government acquires property and services and furnishes assistance to State and local governments and other recipients. The bill would establish three categories of legal instruments which Federal agencies would be required to use: procurement contracts, grant agreements, and cooperative agreements. These categories would be defined according to their different purposes.

S. 1437 would also require the Director of the Office of Management and Budget to undertake a study which would (1) "develop a better understanding of alternative means of implementing Federal assistance programs...", and (2) "...determine the feasibility of developing a comprehensive system of guidance for Federal assistance programs."

The Office of Management and Budget completed a study, almost a year ago, of the definitions of "grant", "contract" and "cooperative agreement." That study, which has been reviewed by other Federal agencies, public interest groups, and other interested associations and groups, confirmed support for the objectives of this legislation but led to serious questions as to whether at this point legislation is necessary or desirable.

No matter how careful the drafting, a bill which requires thousands of transactions to be placed into one of three categories will probably result, in many cases, in limiting the flexibility of Federal agencies in administering their programs and creating a large number of technical difficulties for them. Federally supported basic research programs would be particularly difficult to classify in terms of the definitions in this bill.

The Office of Management and Budget is continuing to work in this area with the cooperation of other Federal agencies. It plans to issue policy guidance to Federal agencies that would more clearly distinguish between procurement and assistance transactions and to better define patterns of assistance relationships between Federal agencies and funding recipients.

In addition, OMB has been developing more comprehensive guidance for assistance programs, as indicated by the recent circulars issued by the agency establishing uniform administrative requirements for hospitals, universities, and nonprofit grantees. I am directing OMB to continue to emphasize such activities.

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Subsequent modifications and refinements can be made in these directives when further operating experience and evaluation suggest they are needed. Such an evolving set of activities in the Executive branch, a step-by-step process which learns from experience, is preferable to another lengthy study as required by this bill.

In view of the extremely complex and changing nature of Federal assistance programs, I believe that Congress should not legislate categories of Federal assistance relationships, but leave the number and nature of such classifications to the Executive branch to determine and implement. If experience from the studies and evaluations now underway demonstrates that legislation is required, that experience would also provide a better foundation for formulating legislation than we have now.

Accordingly, I must withhold my approval of S. 1437.

GERALD R. FORD

THE WHITE HOUSE,
October 22, 1976

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