

**The original documents are located in Box 1, folder “Agriculture (2)” of the Loen and Leppert Files at the Gerald R. Ford Presidential Library.**

### **Copyright Notice**

The copyright law of the United States (Title 17, United States Code) governs the making of photocopies or other reproductions of copyrighted material. Gerald Ford donated to the United States of America his copyrights in all of his unpublished writings in National Archives collections. Works prepared by U.S. Government employees as part of their official duties are in the public domain. The copyrights to materials written by other individuals or organizations are presumed to remain with them. If you think any of the information displayed in the PDF is subject to a valid copyright claim, please contact the Gerald R. Ford Presidential Library.

[Feb. 1976]

Memo for Jim Cannon

Thru: WLF

W

From: C.G.

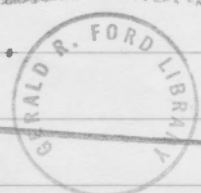
Subject: Agricultural Research Policy Act of 1976.

On 1975, I sent you a draft of H.R. 11339, a proposed Agricultural Research Policy Act for your information & review. H.R. 11339 has now been revised by Rep. William Wampler (R.-Va.) & the revised bill will be introduced in the House on Thursday, February 5, 1976.

The Revised bill will be introduced with twenty four co-sponsors including the Committee Chair - on Feb. 5.

The House Agriculture Committee has scheduled hearings on the revised bill for Feb 17 & 18.

Attached for your information & review is a copy of the revised draft. The draft bill is based on a recommendation of the National Academy of Science & has the <sup>full</sup> support of the National Association of Land Grant Colleges.



Note: Tom Adams from Wampler's office will call tomorrow for us to pick up the draft copy. Pls. send message for it & attach it to this memo.

X3861

**February 4, 1976**

**MEMORANDUM FOR:**

**JIM CANNON**

**THRU:**

**MAX L. FRIEDERSDORF  
VERN LOEN**

**FROM:**

**CHARLES LEPPERT, JR.**

**SUBJECT:**

**Agricultural Research Policy Act  
of 1976**

The latter part of last year, I sent you a draft of H. R. 11339, a proposed Agricultural Research Policy Act for your information and review. H. R. 11339 has now been revised by Rep. William Wampler (R-Va. ) and the revised bill will be introduced in the House on Thursday, February 5, 1976. The revised bill will be introduced with twenty-four cosponsors including the Committee Chairman Tom Foley.

The House Agriculture Committee has scheduled hearings on the revised bill for February 17 and 18.

Attached for your information and review is a copy of the revised draft. The draft bill is based on a recommendation of the National Academy of Sciences and has the full support of the National Association of Land Grant Colleges.

**Attachment**



WILLIAM C. WAMPLER  
NINTH DISTRICT, VIRGINIA

COMMITTEES:  
COMMITTEE ON COMMITTEES  
COMMITTEE ON AGRICULTURE  
RANKING MINORITY MEMBER

Congress of the United States  
House of Representatives  
Washington, D.C. 20515

WASHINGTON OFFICE:  
2422 RAYBURN HOUSE OFFICE BUILDING  
WASHINGTON, D.C. 20515

DISTRICT OFFICES:  
524 CUMBERLAND STREET  
BRISTOL, VIRGINIA 24201  
309 N. WASHINGTON AVENUE  
PULASKI, VIRGINIA 24301  
P.O. Box 2000  
POST OFFICE BUILDING  
BIG STONE GAP, VIRGINIA 24219

Feb 5 [1976]

Charlie,

I am attaching a copy  
of the Hearings on Ag Research  
and Development before the  
House Subcommittee on Science, Research  
and Technology (Note - Mr Teague,  
Chairman of the Full Comm is a  
cosponsor of Mr Wampler's bill)

Dr Wittwer is going to be  
our lead-off witness - his previous  
testimony before the above Committee  
backgrounds this Ag Research Bill -  
starts at page 7 (clipped); other points  
also clipped

Tom Adams  
225-3861





..... CONGRESS  
..... SESSION

H.R. 11743

(Original signature of Member)

*See second  
page 2d  
Bill*

IN THE HOUSE OF REPRESENTATIVES

February 5, 1976

Mr. Wampler (for himself, Mr. Foley, Mr. de la Garza, Mr. Vigorito, Mr. Jones of North Carolina, Mr. Melcher, Mr. Bowen, Mr. Weaver, Mr. Baldus, Mr. McHugh, Mr. Jenrette, Mr. Thornton, Mr. Sebelius, Mr. Findley, Mr. Thone, Mr. Symms, Mr. Johnson of Colorado, Mr. Madigan, Mr. Peyser, Mrs. Heckler, Mr. Jeffords, Mr. Kelly, Mr. Grassley, Mr. Hagedorn, and Mr. Moore) introduced the following bill; which was referred

to the Committee on \_\_\_\_\_

**A BILL**

To establish a National Agricultural Research Policy Committee, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

SHORT TITLE

SECTION 1. This Act may be cited as the "National Agricultural Research Policy Act of 1976".

FINDINGS AND PURPOSES

SEC. 2. (a) The Congress finds that—

- (1) agricultural research is vital to the Nation's well-being;
- (2) the projected increase in the population of the United States, together with the worldwide population



94th CONGRESS  
2nd SESSION

H.R. 11744

(Original signature of Member)

IN THE HOUSE OF REPRESENTATIVES

Mr. Wampler (for himself, Mr. Teague, Mr. Fithian, Mr. Jones of Tenn., Mr. Litton and Mr. Pressler) introduced the following bill; which was referred

to the Committee on \_\_\_\_\_

**A BILL**

To establish a National Agricultural Research Policy Committee, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

SHORT TITLE

SECTION 1. This Act may be cited as the "National Agricultural Research Policy Act of 1976".

FINDINGS AND PURPOSES

SEC. 2. (a) The Congress finds that—

(1) agricultural research is vital to the Nation's well-being;

(2) the projected increase in the population of the United States, together with the worldwide population



expansion, places increasing demands on agricultural production in the United States;

(3) agriculture and agricultural production are a national resource and should be supported by a strong system of agriculturally-related research;

(4) seeking means and methods to lower the cost of food and fiber production is essential to the preservation of the family farm system in this country;

(5) expanding exports of agricultural commodities is essential for maintaining a positive balance of payments in international trade;

(6) the public wants the plentiful supplies of quality agricultural products that can bring consumer expenditures on food to a lower portion of total income;

(7) agricultural research costs have risen more rapidly than appropriations for agricultural research;

(8) various factors such as energy, the environment, and social, political, and economic considerations should be incorporated into agricultural research management planning activities;

(9) the level of Federal support for agricultural research, conducted by the United States Department of Agriculture, State agricultural experiment stations, and State colleges and universities engaged in agricultural



research and the training of agricultural research engineers and scientists, should be substantially increased; and

(10) it is important to assure that the results of agricultural research be effectively communicated to farmers and all others who can benefit from it.

(b) The purposes of this Act are—

(1) to emphasize agricultural research as a distinct mission of the United States Department of Agriculture;

(2) to be certain that all agricultural research is effectively coordinated; and

(3) to provide a mechanism for identifying the Nation's highest priority problems for agricultural research.

#### COORDINATION OF AGRICULTURAL RESEARCH

Sec. 3. (a) In addition to the Assistant Secretaries of Agriculture now provided for by law, there shall be one additional Assistant Secretary of Agriculture, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall be responsible for agricultural research activities of the Department of Agriculture.

(b) Section 5315(11) of title 5, United States Code, is amended to read as follows:





"(11) Assistant Secretaries of Agriculture (5)."

(c) The individual appointed pursuant to subsection (a) of this section shall--

(1) coordinate all research, and disseminate all research information, relating to agriculture, food production, and nutrition conducted or financed by or affiliated with the United States Department of Agriculture;

(2) keep abreast of developments in, and the Nation's needs for, agricultural research and represent the needs of such research in deliberations in the United States Department of Agriculture;

(3) provide information exchange and coordination among the diverse research programs;

(4) serve as co-chairman of the National Agricultural Research Policy Committee established pursuant to section 5 of this Act; and

(5) perform other duties as determined from time to time by the Secretary of Agriculture.





Agricultural Research Advisor

Sec. 4. (a) The Secretary of Agriculture shall appoint a scientist to serve in the Office of the Secretary and report to the Assistant Secretary ~~for~~ *of* Agriculture who is responsible for agricultural research. Such individual shall receive compensation at a level no less than level 16 of the General Schedule and shall be appointed on a noncareer executive assignment basis.



(b) The individual appointed pursuant to subsection (a) of this section shall--

(1) serve as Executive Secretary of, and provide staff support for, the National Agricultural Research Policy Committee established pursuant to section 5 of this Act;

(2) be an advisor to the Assistant Secretary responsible for agricultural research; and

(3) perform other duties as determined from time to time by the Assistant Secretary of Agriculture responsible for agricultural research activities of the Department.

(c) Such individual shall be provided a staff of specialists to assist him in carrying out his functions. Such staff shall be appointed pursuant to the provisions of title 5, United States Code, governing appointments in the competitive service.

Establishment of National Agricultural Research  
Policy Committee

Sec. 5. (a) There is established within the United States Department of Agriculture a permanent committee to be known as the National Agricultural Research Policy Committee (hereinafter referred to as the "Committee").

(b) The Committee shall consist of fifteen members appointed by the Secretary of Agriculture as follows:



(1) two representatives from the United States Department of Agriculture, one from the Agricultural Research Service and one from the Cooperative State Research Service;

(2) one representative from each of the following organizations upon the recommendation of the head of such organization:

(A) the Board of Agriculture and Renewable Resources, National Academy of Sciences;

(B) the Experiment Station Committee on Organization and Policy of the National Association of State Universities and Land Grant Colleges, Division of Agriculture;

(C) the National Science Foundation;

(D) the Office of Technology Assessment of the Congress of the United States;

(E) the Environmental Protection Agency; and

(F) the Food and Drug Administration, United States Department of Health, Education, and Welfare; and

(3) seven representatives from the following types of organizations, as designated by the Secretary, upon the recommendation of the head of the respective organization:



(A) two from national farm organizations;  
(B) two from agricultural trade associations;  
(C) one from a national environmental organization;

(D) one from a national veterinary medical association; and

(E) one from a national consumer organization.

(c) The Committee's responsibilities shall include, but not be limited to—

(1) reviewing programs, policies, and goals of agricultural research agencies of the Department of Agriculture and the agricultural research portions of programs in other agencies having primary missions outside of such Department;

(2) providing a forum for research sponsoring agencies to exchange information on plans and programs related to agriculture;

(3) establishing and developing national policies, priorities, and strategies for agricultural research for both the short and the long term for consideration by the Department of Agriculture and other agencies, and institutions conducting agricultural research; and

(4) reviewing and making recommendations to the Secretary of Agriculture with regard to applications for





funding of research pursuant to sections 6 and 7 of this Act.

(d) For purposes of this Act, the term "agricultural research" shall include, but not be limited to, those activities described in section 1 of the Act of June 29, 1935 (49 Stat. 436).

(e) While away from their homes or regular places of business in the performance of services for the Committee, members of the Committee shall be allowed travel expenses, including per diem in lieu of subsistence, in accordance with applicable laws.

(f) In the event a vacancy should occur on the Committee it shall be filled in the same manner as provided in subsection (b) of this section.

(g) No later than January 31 of each year, the Committee shall submit a report on its activities during the preceding fiscal year to the House Committee on Agriculture, the House Committee on Appropriations, the Senate Committee on Agriculture and Forestry, and the Senate Committee on Appropriations. The first report shall be due following the first complete fiscal year after the enactment of this Act.





Grants for Mission-Oriented Research

Sec. 6. (a) In addition to any other grants made under Federal law, the Secretary of Agriculture is authorized to make grants to land grant colleges and universities eligible for assistance under the Acts of July 2, 1862 (commonly known as the "First Morrill" Act) and of August 30, 1890 (commonly known as the "Second Morrill" Act), the Tuskegee Institute, and to State agricultural experiment stations eligible for assistance under the Act of March 2, 1887 (commonly known as the "Hatch Act") to carry out mission-oriented basic agricultural research. These grants shall be made without regard to matching funds being provided by the States in which the recipients are located. All applications for funding pursuant to this section shall, prior to approval, be submitted by the Secretary of Agriculture to the Committee established by section 5 of this Act for review and recommendation.

(b) For purposes of this Act, the term "mission-oriented basic agricultural research" means agriculturally related research on fundamental science topics with regard to which--

- (1) there is a basic need already in existence for the new knowledge that would be egenerated by this research;
- (2) the research has a strong potential to be of benefit to mankind; and



(3) the research deals with more than an unproven concept.

#### Competitive Grant Program

Sec. 7. In addition to any other grants made under Federal law, the Secretary of Agriculture is further authorized to make grants, on a competitive basis, to Federal agencies, research institutions, organizations, and individuals for the purpose of carrying out agricultural and food research. These grants shall be made without regard to matching funds being provided by the States in which the recipients are located. All applications for funding pursuant to this section shall, prior to approval, be submitted by the Secretary of Agriculture to the Committee established by section 5 of this Act for review and recommendation.

#### AUTHORIZATION OF APPROPRIATIONS

Sec. 8. There are authorized to be appropriated for the purposes of carrying out the provisions of this Act \$50,000,000 for the fiscal year ending September 30, 1977, \$100,000,000 for the fiscal year ending September 30, 1978, and \$250,000,000 for the fiscal year ending September 30, 1979.

#### RECOMMENDATION FOR ADDITIONAL FUNDING OF EXISTING PROGRAMS

Sec. 9. It is the sense of the Congress that Federal funding for agricultural research programs existing on the date of enactment of this Act should be increased by \$250,000,000 annually.



Sec. 1

Short Title: "The National Agricultural Research Policy Act of 1976".

Sec. 2

Findings and Purpose (Stated generally in letter).

Sec. 3

Coordination of Agricultural Research. Provides for appointment by President confirmed by Senate, of an Assistant Secretary of Agriculture for Research, who shall: coordinate all research, and disseminate all research information, relating to agriculture, food production, and nutrition conducted or financed by or affiliated with USDA; keep abreast of developments and needs for agriculture research; provide for information exchange and coordination among diverse research programs; and serve as co-chairman of new National Agricultural Research Policy Committee established under Section 5 of this Act.

Sec. 4

Appoints Agricultural Research Advisor, GS-16 (non-career) scientist, to the Assistant Secretary for Research, and he shall also serve as the Executive Secretary of and provide staff support to the Committee appointed under Sec. 5. Said Advisor is provided with a career staff of specialists to carry out his duties.

Sec. 5

Establishment of National Agricultural Research Policy Committee, consisting of 15 members, 1 each from ARS, CSRS, National Academy of Sciences, the Experiment Station Committee on Organization and Policy of the National Association of State Universities and Land Grant Colleges, Division of Agriculture, the National Science Foundation, the Congressional Office of Technology Assessment, EPA, FDA and two from national farm organizations, two from agricultural trade associations, one from a national environmental organization, one from a national veterinary medical association, and one from a national consumer organization.

The purpose of the Committee is to review programs, policies, and goals of agricultural research agencies of USDA and agricultural research programs of other Federal agencies; provide a forum for research sponsoring agencies for exchanging information on plans and programs relating to agriculture; establish and develop national policies, priorities, and strategies for both the short and long term for consideration by USDA and other agencies and institutions conducting agricultural research; and review and make recommendations on grant applications for funding of research established in Sections 6 and 7; and submit an annual report to the Senate and House Committees on Agriculture and Appropriations on its activities during the preceding year.

Sec. 6

Make 100% Federal grants for mission-oriented agricultural research to land grant colleges and state agricultural experiment stations, above those already granted under the Hatch Act programs.

Sec. 7

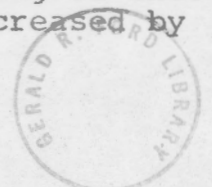
Make 100% Federal grants on a competitive basis to Federal Agencies, research institutions, organizations and individuals for agricultural and food research. Program would broaden the base for agricultural research.

Sec. 8

Authorizes \$50 million in FY 1977, \$100 million in FY 1978, and \$250 million in FY 1979 for carrying out provisions of this Act.

Sec. 9

Recommends that it is the sense of Congress that Federal funding of existing agricultural research programs on the date of enactment be increased by \$250 million annually.



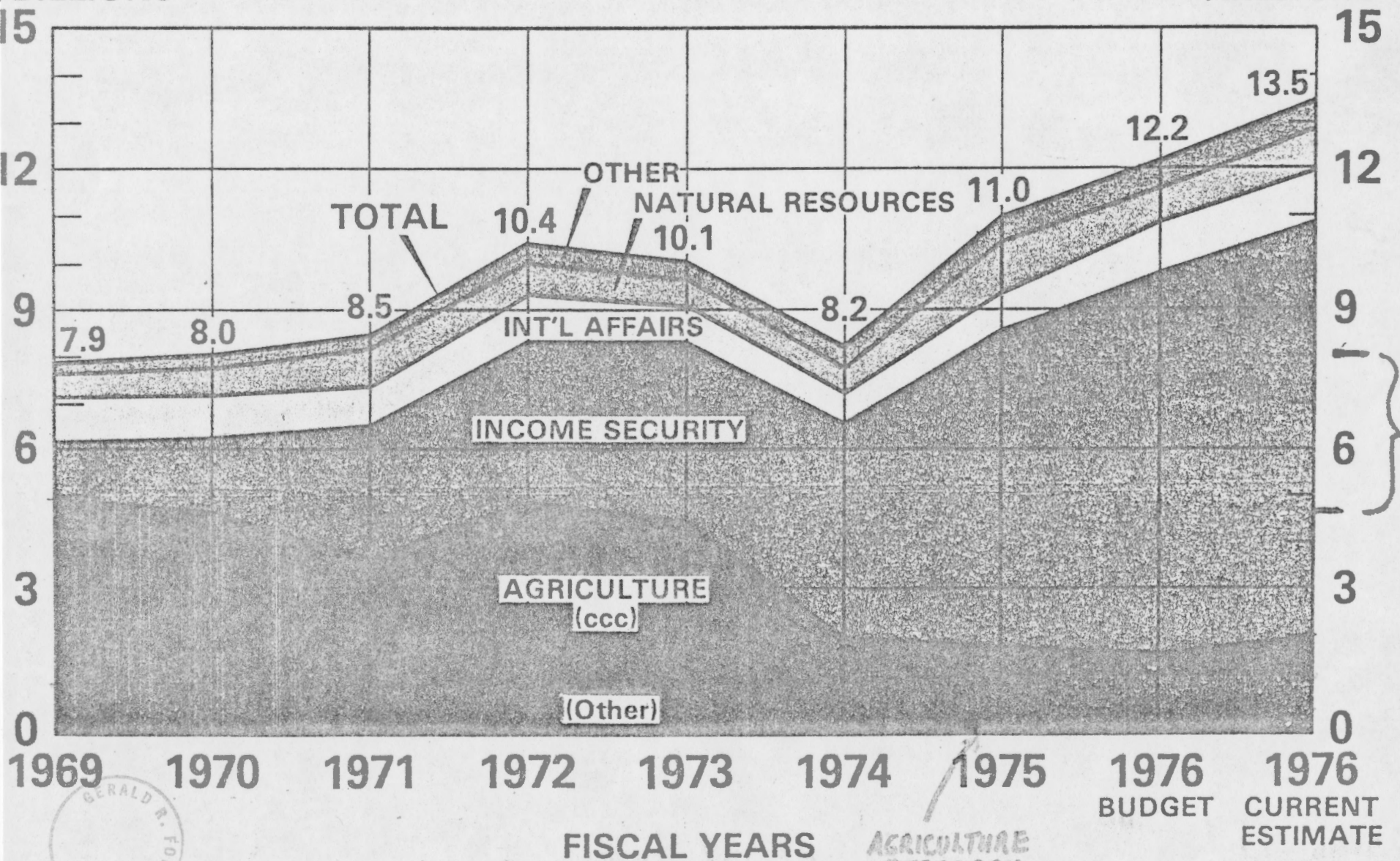


# USDA OUTLAYS

## 1969 - 1976 (Excluding Revolving Loan Funds)

\$BILLIONS

\$BILLIONS



AGRICULTURE RESEARCH 1975  
 TOTALLED \$424 million

Explanation of Items Included in USDA Chart

<u>Item</u>	<u>Explanation</u>
Agriculture:	
Other (Batters - (P.R.M.))	Includes most of traditional Agriculture programs, i.e., agricultural research, extension work, disease and pest control, crop insurance, agricultural statistics and economic surveys, marketing services, etc.
Commodity Credit Corporation ...	Includes Commodity Credit Corporation expenditures for farm programs including price support.
Income Security .....	Includes Food Stamps, Child Nutrition, School Milk, and Commodity donations.
International Affairs .....	Includes P.L. 480 - donations or sales of agricultural commodities to foreign countries.
Natural Resources .....	Includes agricultural conservation payments, soil conservation serv and National Forests' expenditure
Other .....	Includes meat and poultry inspect Rural community development, and Farm housing grants.





# news release

COMMITTEE ON AGRICULTURE  
U.S. HOUSE OF REPRESENTATIVES  
Room 1301, Longworth House Office Building  
Washington, D.C. 20515

(Advance for use THURSDAY PM3, FEB. 5, 1976)

WASHINGTON, D.C., FEB. 5 ..... Legislation designed to strengthen agricultural research activities with a view to increasing the nation's food and fiber production and improving the nutritional quality of food was introduced today by Rep. William C. Wampler, R-Va., ranking minority member of the House Agriculture Committee.

Joining with Wampler as co-sponsors of the measure were nearly a score of other members of the Committee, including Chairman Thomas S. Foley, D-Wash., and other Democrats as well as Republicans.

The bill is a revised version of one introduced December 19 by Wampler, with changes intended to make proposed programs more effective. Primary among revisions is one made so that the bill now provides for appointment of an Assistant Secretary of Agriculture for Research within the U.S. Department of Agriculture.

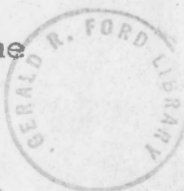
Public hearings on the legislation have been scheduled by the full Committee for Feb. 17 and 18.

Entitled "The National Agricultural Research Policy Act of 1976," the measure, in addition to creating a new Assistant Secretary, with a Research Advisor as his executive secretary, also establishes a 15-member National Agricultural Research Policy Committee. Other sections in the bill provide financial assistance as follows: grants to land grant colleges and state experiment stations, above those already provided under Hatch Act programs; grants on a competitive basis to federal agencies, research institutions, organizations and individuals for research; authorization of \$50 million in Fiscal 1977, \$100 million in Fiscal 1978, and \$250 million in Fiscal 1979 for carrying out provisions of the act. Still another section recommends that it is the sense of Congress that federal funding of existing agricultural research programs on the date of enactment be increased by \$250 million annually.

The proposed Assistant Secretary for Research would coordinate all research, and disseminate all research information relating to agriculture, food production, and nutrition conducted or financed by or affiliated with the USDA. The Research Policy committee membership would represent federal, state and private research institutions, government agencies involved with agriculture and farm organizations. It would review programs, policies and goals of agricultural research agencies, establish and develop national policies, priorities and strategies for both the short and long term for consideration by the USDA and other agencies and institutions, and make recommendations on grant applications for funding of research programs.

\*\*\*\*\*

2/4/76



# news release

COMMITTEE ON AGRICULTURE  
U.S. HOUSE OF REPRESENTATIVES  
Room 1301, Longworth House Office Building  
Washington, D.C. 20515

FOR RELEASE: Noon, Monday, December 8, 1975

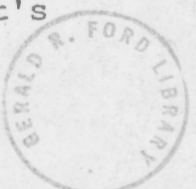
FREDRICKSBURG, Va., Dec. 8, 1975.....Congressman William C. Wampler, R-Va., Ranking Minority Member of the House Committee on Agriculture, utilized the occasion of a meeting of the Virginia Association of Soil and Water Conservation Districts, to announce that he intended to introduce legislation before the Christmas Congressional recess to authorize a major shift in the Department of Agriculture's budget from food stamps to agriculture research in order to increase food production, increase farm income, reduce food cost to consumers, conserve agricultural resources, and improve nutrition.

Congressman Wampler stated his shift in emphasis in the Agriculture budget from food stamps to research would not deprive the needy of food stamps, nor add to the current budget. Instead, he said his proposal would draw from funds now used to supply food stamps to the non-needy (college students, strikers and others "voluntarily poor"), the cost of which range in estimates from \$1 billion to \$2 billion annually out of the total estimated \$6 billion food stamp program, and substitute a substantial portion of those funds into necessary and worthwhile agricultural research programs.

Utilizing a large graphic chart, Wampler asked his audience "to take special note of the trends which have been developing and how the USDA's main functions are no longer agriculture functions, but are instead welfare functions."

"To me the most shocking revelation was the fact that the Agriculture Department's own budget people now refer to the Department's traditional activities such as agricultural research, conservation programs, meat and poultry inspection, and related functions as "other"! Unbelievable!", he stated.

Congressman Wampler's brightly colored chart showed the Department's total research, conservation, inspection and other related activities remaining at a near \$1 billion constant figure from 1969 to the 1976





current budget estimate, while food stamp and other income security activity outlays climbed from a little over \$1 billion in 1969 to slightly less than \$9 billion in the 1976 budget estimate. Wampler explained that food stamp outlays by USDA accounted for slightly less than \$6 billion in the latest budget estimate and that Agriculture research actually suffered a substantial decline in real 1969 dollars because of inflation during the period.

Emphasizing that it was by no accident that Americans are eating the least expensive and at the same time the highest quality food in the world, Wampler nonetheless cautioned, "We cannot take for granted that our excellent past performance in bettering ourselves through agricultural research and extension programs will continue in the years ahead as we strive to feed an ever-growing population that will double present numbers by the end of this century."

Quoting from a November 10 report to the President by the prestigious National Academy of Science, a World Food and Nutrition Study, "Enhancement of Food Production for the United States", Wampler stated:

"There are at least three major reasons other than humanitarian ones why we should increase food production in the U. S. First, people worldwide are restless: there is increasing violence and struggles for freedom. Food must be provided along with education and health care. Second, it is in the best interest of American business to increase food production. Expanding exports of agricultural commodities are the only real hope for maintaining a balance in international trade. Third, increased food production is in the best interest of the American consumer. If production is not increased, food prices will continue to rise even faster than they have during the past two years."

He also noted that the National Academy of Science report recommended a substantial emphasis on technological (biological, physical and chemical) research and development in the Department of Agriculture to enhance production and improve the dependability of U.S. food supplies, conserve resources, and improve nutrition.

Wampler stated the major elements of his bill would be: first, the establishment of a National Agricultural Research Policy Council to identify the Nation's highest priority problems for agricultural research; second, the appointment of a principal administrator, for agricultural research in the Department of Agriculture, to insure adequate and effective representation for agricultural research in the Department's highest councils, so that the diverse fields of expertise in the department, in the state agricultural systems, other Federal agencies and private research can maximize the contribution of each toward solving today's more complex food problems; third, to substantially increase the level of Federal support for State Agricultural Experimental Stations and State Universities engaged in agricultural research and the training of agricultural research engineers and scientists; fourth, increased use of competitive research grants by all Federal agencies supporting agricultural and food research.

He said his legislation would expand the power base of American agriculture, lead to lowering of the cost of producing agricultural commodities and thereby raise farm income, and continue the progress of lowering food costs for American consumers.

Wampler believes he will have strong support for his bill in the Congress, the Agriculture Department, the Administration, and the agricultural community.



February 24, 1976

**MEMORANDUM FOR:**

**JIM CANNON**

**THRU:**

**MAX L. FRIEDERSDORF  
VERN LOEN**

**FROM:**

**CHARLES LEPPERT, JR.**

**SUBJECT:**

**H. R. 11743, National Agricultural  
Research Policy Act of 1976.**

---

At the request of Rep. Bill Wampler (R-Va.), I met with various Administration people in his office concerning H. R. 11743. The purpose of the meeting was to apprise the Administration of the support for this bill in the House Agriculture Committee and to attempt to start working out any problems the Administration might have with the bill prior to the Committee mark-up which will begin in approximately two weeks.

Prior to the conclusion of the meeting Rep. Wampler specifically asked that the White House take a hard look at this bill and stated that the bill if supported enthusiastically by the White House could be a political plus for the President and farm state GOP Members of Congress. Wampler and other Members consider this bill as one vehicle to rehabilitate the President's and the GOP's popularity in the farm states and with farmers across the country.

Wampler asks that we let him know if the White House can support this bill as soon as possible.

Also attached are some charts on research supplied by Rep. Wampler.

**Attachments**



Office of the White House Press Secretary

---

THE WHITE HOUSE

## FACT SHEET

## AGRICULTURAL POLICY-MAKING REORGANIZATION

The President has announced a reorganization of the Administration's agricultural policy-making machinery.

A new Agricultural Policy Committee is being formed with Secretary Butz as Chairman. The Committee will include:

- . Secretary of Agriculture -- Chairman
- . Secretary of State
- . Secretary of the Treasury
- . Secretary of Commerce
- . Assistant to the President for Economic Affairs
- . Assistant to the President for Domestic Affairs
- . Chairman of the Council of Economic Advisers
- . Assistant to the President for National Security Affairs
- . Director of the Office of Management and Budget
- . Special Assistant to the President for Consumer Affairs
- . Executive Director of the Council on International Economic Policy

This new Committee is being formed to consolidate agricultural policy making into one group which will report directly to the President and will advise him on the formulation, coordination and implementation of all agricultural policy. The scope of the Committee will include both domestic and international issues.

The new Committee replaces the International Food Review Group, chaired by the Department of State, and the EPB/NSC Food Committee, co-chaired by the Departments of State and the Treasury.

The EPB/NSC Food Committee was created on September 9, 1975, to develop negotiating strategy for American grain sales to the Soviet Union and to monitor those negotiations. This Committee has been chaired jointly by the Secretary of State and the Secretary of the Treasury. Other members include:

- . Secretary of Agriculture
- . Secretary of Labor
- . Secretary of Commerce
- . Director of the Office of Management and Budget
- . Chairman of the Council of Economic Advisers
- . Executive Director of the Council on International Economic Policy
- . Assistant to the President for Economic Affairs
- . Assistant to the President for National Security Affairs

more



The International Food Review Group was established on November 12, 1974, to coordinate the follow-up to the World Food Conference. The IFRG has been chaired by the Secretary of State. Other members include:

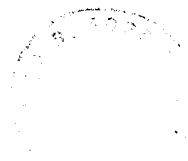
- . Secretary of the Treasury
- . Secretary of Agriculture
- . Deputy Secretary of State
- . Assistant to the President for Economic Affairs
- . Chairman of the Council of Economic Advisers
- . Director of the Office of Management and Budget
- . Executive Director of the Council on International Economic Policy
- . Special Representative for Trade Negotiations
- . Assistant to the President for National Security Affairs

The Food Deputies Group, which currently provides staff level assistance to the Economic Policy Board in agricultural policy matters, will become the Agricultural Policy Working Group. This Working Group will provide the Agricultural Policy Committee with staff assistance by monitoring agricultural developments and preparing issue papers and other analyses.

The Food Deputies Group was created to monitor agricultural developments and to prepare materials on selected issues being considered by the Economic Policy Board. This group is chaired by a Member of the Council of Economic Advisers and includes representatives of the:

- . Department of Agriculture
- . Department of the Treasury
- . Department of State
- . Department of Commerce
- . Office of Management and Budget
- . Council on International Economic Policy
- . Domestic Council
- . National Security Council
- . Special Representative for Trade Negotiations
- . Council on Wage and Price Stability

# # # # #



March 5, 1976

Office of the White House Press Secretary

---

THE WHITE HOUSE

## FACT SHEET

## AGRICULTURAL POLICY-MAKING REORGANIZATION

The President has announced a reorganization of the Administration's agricultural policy-making machinery.

A new Agricultural Policy Committee is being formed with Secretary Butz as Chairman. The Committee will include:

- . Secretary of Agriculture -- Chairman
- . Secretary of State
- . Secretary of the Treasury
- . Secretary of Commerce
- . Assistant to the President for Economic Affairs
- . Assistant to the President for Domestic Affairs
- . Chairman of the Council of Economic Advisers
- . Assistant to the President for National Security Affairs
- . Director of the Office of Management and Budget
- . Special Assistant to the President for Consumer Affairs
- . Executive Director of the Council on International Economic Policy

This new Committee is being formed to consolidate agricultural policy making into one group which will report directly to the President and will advise him on the formulation, coordination and implementation of all agricultural policy. The scope of the Committee will include both domestic and international issues.

The new Committee replaces the International Food Review Group, chaired by the Department of State, and the EPB/NSC Food Committee, co-chaired by the Departments of State and the Treasury.

The EPB/NSC Food Committee was created on September 9, 1975, to develop negotiating strategy for American grain sales to the Soviet Union and to monitor those negotiations. This Committee has been chaired jointly by the Secretary of State and the Secretary of the Treasury. Other members include:

- . Secretary of Agriculture
- . Secretary of Labor
- . Secretary of Commerce
- . Director of the Office of Management and Budget
- . Chairman of the Council of Economic Advisers
- . Executive Director of the Council on International Economic Policy
- . Assistant to the President for Economic Affairs
- . Assistant to the President for National Security Affairs

more



The International Food Review Group was established on November 12, 1974, to coordinate the follow-up to the World Food Conference. The IFRG has been chaired by the Secretary of State. Other members include:

- . Secretary of the Treasury
- . Secretary of Agriculture
- . Deputy Secretary of State
- . Assistant to the President for Economic Affairs
- . Chairman of the Council of Economic Advisers
- . Director of the Office of Management and Budget
- . Executive Director of the Council on International Economic Policy
- . Special Representative for Trade Negotiations
- . Assistant to the President for National Security Affairs

The Food Deputies Group, which currently provides staff level assistance to the Economic Policy Board in agricultural policy matters, will become the Agricultural Policy Working Group. This Working Group will provide the Agricultural Policy Committee with staff assistance by monitoring agricultural developments and preparing issue papers and other analyses.

The Food Deputies Group was created to monitor agricultural developments and to prepare materials on selected issues being considered by the Economic Policy Board. This group is chaired by a Member of the Council of Economic Advisers and includes representatives of the:

- . Department of Agriculture
- . Department of the Treasury
- . Department of State
- . Department of Commerce
- . Office of Management and Budget
- . Council on International Economic Policy
- . Domestic Council
- . National Security Council
- . Special Representative for Trade Negotiations
- . Council on Wage and Price Stability

# # # # #





Office of the White House Press Secretary

---

THE WHITE HOUSE

TEXT OF REMARKS BY THE PRESIDENT  
TO BE DELIVERED AT A FARM FORUM  
PLAZA ROOM  
FORUM 30 HOTEL  
Springfield, Illinois

I am pleased to be here in Illinois -- in the Land of Lincoln -- to meet with you, as outstanding representatives of the agriculture of this great State.

Let's talk today about where this great corn belt heartland of America is headed.

We have made some solid gains in agriculture in the last few years.

The last three years have been the three highest net farm income years in history. That's the way it should be. It took hard work on your part. It took the right kind of farm policies. I want to keep that good climate. I think you do, too.

You, and all of our farmers must have a fair return for your hard work.

There is another area we should examine. I refer to farm surpluses and the restrictive farm programs that went with them. We no longer have heavy farm surpluses hanging over the market. I want to keep it that way. I think you do, too.

We must sell grain, not pile it up in storage. That is the program of my Administration.

We don't have an administration in Washington dumping surpluses to force down the farm price and force you to sign up in government-controlled farm programs. And we don't want one!

The Nation's grain reserves are now in your own hands. Today, you who raise the grain can decide the best time to sell -- and you are.

I think you ought to know what I'm for and what I'm against on some other matters:

I am firmly opposed to the government holding your reserves in a government bin or warehouse. I'm against policies that would have farmers producing again for a government storage bin and a government check.

I am firmly opposed to a government board selling your exports. I want our export trade to stay in private hands.

I am firmly opposed to any international reserve that would put your farm products under the control of an international body where this country could be outvoted by fifty to one -- or even by one hundred to one.

more

I am firmly opposed to subsidized imports. I don't want American farmers competing against the treasuries of foreign governments.

Let's talk about agricultural exports and the record of this Administration. We exported a record twenty-one billion, six hundred million dollars in agricultural products last year. Nearly two billion of that came from Illinois. That didn't just happen. We worked at it.

You know what those exports mean to your farms, to your ability to plant and produce, to your income and to your family's well-being. It's good for you. It's good for Illinois.

Let's look at another accomplishment. We are selling the Soviet Union two billion dollars or more in farm products from the 1975 crop. That's a record -- a record compiled during this Administration! And it's only the beginning of continued exports to the Soviet Union.

We want our agricultural production to promote trade and help keep the peace. We want to keep your boys on the farms and send your bushels overseas -- and at good terms of trade. I oppose policies which would keep your bushels at home and send your boys overseas.

Last fall, as you know, we exercised a temporary restraint on grain sales to Russia. Today, I want to review that situation. At that time, we had already sold the Russians about ten million tons of grain. Facilities to transport the grain and the Russian capability to handle incoming shipments were already committed at capacity for months to come. If we had sold the Russians one more bushel of corn or wheat at that time, it couldn't have moved for months.

We were then in the midst of negotiations with the Soviet government on long-term sales of our wheat and corn. Although we welcome the Russians as customers, I don't think they should come into our market only when it suits them. I insisted on a long-term grain sales agreement with the Soviet Union.

That's why there was a temporary halt in sales while we put the finishing touches on that agreement. As soon as we got the agreement we wanted, I ordered the temporary halt lifted.

Since then, the Russians have come to us for another three million tons. As we have said before, we remain ready to sell them more this year if they want it. That's where we stand on farm exports.

But better yet, because of the agreement we concluded, you are going to have a regular market in Russia for no less than six million tons of corn and wheat each year -- and maybe much more -- from 1976 through 1980. That is a good deal for the American farmer, and for the Nation.

Let me emphasize: This is only a part of our policy of strengthening our agricultural export trade. Farm exports thus far in the 1970's will total two and a half times more than in the same period in the 1960's. In

more

addition to the two billion dollars in sales to the Soviet Union this fiscal year, we expect to sell six billion, eight hundred million dollars to Western Europe nations, three billion, two hundred million dollars to Japan alone and one billion, two hundred million dollars to Eastern Europe. We can be proud of that record.

I am proud, too, of our Secretary of Agriculture, Earl Butz. I am today asking the Secretary to assume a new and vital role in strengthening America's agricultural policy making within the Executive Branch.

The Secretary will be the Chairman of a new Cabinet-level Agricultural Policy Committee that I have created. This Committee will consolidate all agricultural policy-making functions of existing Executive Branch committees. It will have the central role in the development and direction of our Nation's food policies.

This new Committee -- and its leadership -- reasserts the importance I attach to Secretary Butz as my chief agricultural policy adviser and spokesman. I am confident that this bolstering of agricultural policy within the Executive Branch will benefit the farmers of Illinois and all Americans.

Just as we are more effectively utilizing the energy of Earl Butz, we look to the availability of energy in general as the key to modern farming.

In American agriculture, machines greatly multiply the efforts of men. You need plentiful supplies of petroleum and natural gas.

U.S. production of natural gas peaked during 1973 and has been declining ever since. This has serious implications for agriculture. As farmers, you need natural gas for drying your crops. You need it as the primary source for the nitrogen fertilizers that put dollars in your pockets and food on everyone's table.

Yet today that crucial supply of natural gas is being choked-off by out-moded price regulations and restrictions on the interstate shipment of natural gas.

As President I am determined to rectify this situation. But I need the help of the Congress to change the restrictive laws. I ask your support as farmers, and as members of farm organizations, in helping me to remove this obstacle to American productivity.

I am proud that there's now more confidence in rural areas, that more young people are coming into agriculture, and that the enrollments in our agricultural colleges are running at an all-time high.

All citizens are concerned about estate taxes. But this is a particular problem for farmers whose savings are tied up in farm land. The value of an average farm is now about two hundred thousand dollars. To prevent the forced sale of family farms to meet inheritance taxes, I previously proposed a plan to defer estate tax payments, at greatly reduced interest rates, over a twenty-five year period. If adopted, this proposal would provide substantial relief.

more



But an additional problem must be solved. While the value of the dollar has eroded, our system of estate taxation has changed little since the 1930's. To ease the burden of estate taxes on the many Americans with modest estates, I am proposing an increase of the present 60 thousand dollar estate-tax exemption to 150 thousand dollars. The Treasury Department will present the full details of my proposal to the Congress later this month.

Along with my tax deferral proposal, this exemption increase should help owners of family farms and businesses to hand them down from generation to generation without the forced liquidation which is now too frequent.

I want to maintain the continuity of our family farms. Too much labor and love go into the development of a paying farm to dismantle it with every new generation.

Let us never forget that America's farmers must profit -- if America is to profit. There must also be enough income for you to replace machinery, to conserve and enrich the soil, to adopt new techniques, and to buy essential supplies. That's what keeps the American economy going.

Some nations with other economic and political philosophies have virtually the same tractors and combines that you use. But those nations do not have the greatest piece of farm machinery ever built -- the free enterprise system.

We have turned things around in rural America -- and we must keep it that way.

We have more to do and I want to work with you to get it done.

I have fought hard to cut government spending, to curb inflation, and to maintain a sound economy. This fight can only succeed if our farming economy succeeds.

America's heritage was created by our farmers. The time has come for all Americans to join you, the farmers, in recultivating America's old and cherished values, including our rededication to the highest moral and spiritual values. You, the farmers of America, took the challenge some 200 years ago. In the words of Ralph Waldo Emerson, describing the heroic stand at Concord Bridge in 1775, "The embattled farmers stood, and fired the shot heard round the world."

Today, the farmer is still embattled. Today's telling shots are not from guns, but from grain, not from pistols, but from productivity. The minuteman of 1976 is the man who drives the tractors in your fields. Two hundred years have passed, but you remain central to America's future and America's freedom.

Thank you very much.

# # # #

March 11, 1976

## Office of the White House Press Secretary

---

THE WHITE HOUSE

MEMORANDUM FOR: Secretary of State  
Secretary of the Treasury  
Secretary of Agriculture  
Secretary of Commerce  
Chairman of the Council of  
Economic Advisers  
Director of the Office of Management  
and Budget  
Assistant to the President for  
Domestic Affairs  
Assistant to the President for  
Economic Affairs  
Assistant to the President for  
National Security Affairs  
Special Assistant to the President  
for Consumer Affairs  
Acting Executive Director of the Council  
on International Economic Policy

SUBJECT: Establishment of Agricultural  
Policy Committee

This memorandum is to advise you of a recent agricultural policy making reorganization within my Administration.

I am creating a new Agricultural Policy Committee. Each of you is being designated as a member of this Committee, with Secretary of Agriculture Earl Butz serving as Chairman.

This new Committee consolidates agricultural policy making into one group, which will advise me on the formulation, coordination and implementation of all food and agricultural policy. The scope of the Committee includes both domestic and international food and agricultural issues.

As you know, I am deeply interested in the many food and agricultural policy issues which face our Nation and the world.

I view this new Committee as the appropriate mechanism for dealing with these issues. It is my hope that your active participation in this Committee and the full support of your departments and agencies will lead to the success of this important new Committee in resolving the many significant issues of food and agricultural policy.

GERALD R. FORD

###

OFFICE OF MANAGEMENT AND BUDGET  
ROUTE SLIP

*Send back to J. Thomas*

(1) Not been in center out of hours center.  
(2) Problem is can we have these bills in H floor.

TO Mr. Robinson *[Signature]*  
Mr. Glozer *[Signature]*  
Mr. Mitchell *[Signature]*  
Director

- Take necessary action
- Approval or signature
- Comment
- Prepare reply
- Discuss with me
- For your information
- See remarks below

*File*

FROM Fitzhugh Thomas (EF) *F. Thomas* DATE 3/29/76

REMARKS

\*Ken:  
Feltner would prefer Alt. #2 (our recommendation), but he indicated that Knebel is calling the shots on grain inspection.

Eric

Director:  
- Haven't been able to contact Jack Knebel - Ag Under Sec. on where Ag stands.

*Ken Glozer*  
*I agree with staff.*  
*[Signature]*

OMB FORM 4  
REV AUG 70



*Only 5 votes v. it in Cmte*  
*" 3 were GOP.*

*Obj to Admin Bill:*

- (1) Scandal - need to federalize
- (2) CAO report was for more federalization
- (3) Dept of Home can hold bills on its bill
- (4) Farmers - small co-ops fed ripped off by speculators in Zn. delta.
- (5) *be brief* Harmon Moore may offer Admin Amendments.
- (6) Sept. 67 - then Jan. Cmte sent to H. floor + changed for more federalization of Dept of Home.
- (7) *Support for* *Lawrence* *Wampler is home.*





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

March 29, 1976

MEMORANDUM FOR THE DIRECTOR

SUBJECT: Grain Inspection and Weighing

The House Agriculture Committee is about to report a bill (H.R. 12572) providing for a Federal-State primary grain inspection and supervision of weighing of grain system for export port locations. The Administration's bill (H.R. 9467) basically is a continuation of the current system.

We need to determine an Administration position on H.R. 12572 since the Rules Committee will be acting on the bill shortly. In this connection, note the President's statement of March 5 at Springfield, Illinois (attached).

The major differences between the House Committee bill and the Administration's bill are:

- The Committee bill would not permit private agencies to conduct export inspections; must be Federal or State and likely would be primarily Federal.
- Committee bill would involve the Federal Government in supervising and certifying weighing of grain.
- Federal employment would be about 1,500 more under the Committee bill.
- Federal costs (net) under the Committee bill would amount to about \$12M; under the Administration's bill the annual cost would be only \$1M.

We understand that once H.R. 12572 is reported by the Committee that it is likely that amendments will be offered from the floor of the House to make it a full Federal system at export ports rather than a Federal/State system.

Alternatives:

1. Oppose the Committee bill and insist on Administration bill (H.R. 9467).
2. Indicate that we prefer H.R. 9467 but would not object to the Committee bill.
3. Indicate that we would support the Committee bill if it were modified to:
  - a) permit the use of private firms in export inspections (as per H.R. 9467) and
  - b) limit the Federal role in weighing to reimbursable supervision of State and private entities.

No  
Good  
 vote  
 not there  
 However  
 more will  
 offer this  
 Amend.

Recommendation:

We believe that the alternative to select is largely one of strategy - which one would minimize our losses?

Since there is strong pressure for a full Federal system (and little support for the Administration's bill) we believe that the Administration's support of the Committee bill has the best chance of heading off a full Federal system.

Thus, we recommend alternative #2 - indicate preference for the Administration's bill but no objection to Committee bill.

Decision:

- Oppose Committee bill.
- No objection to Committee bill.
- Support Committee bill if modified.
- See me.

feels  
 saying to be  
 on holding  
 cents position

*Fitzhugh Thomas*  
 Fitzhugh Thomas  
 Agriculture Branch  
 Energy & Food Division

Attachments



Q. President Ford, I am from Coles County, a farmer and livestock man. I would like to say thank you for Secretary Butz. I am director of the Illinois Corn Growers Association, and we think he has certainly spoken out for us and we have a much better image as farmers. And he tells it as it is, as they say.

My question would be, what about our grain export grain inspection down at New Orleans? What are you thinking of doing to correct this situation? We produce some mighty fine corn here in Illinois and we run it through our cleaners and our combines and screen it and then we get it down there in New Orleans and they dump trash in it. So what are you thinking about doing down there?

THE PRESIDENT. First, let me say I never saw anybody from Indiana who got people from Illinois and Michigan to praise him as much as we have Earl Butz here today. [Laughter] He must be a pretty good man.

Q. He certainly is.

THE PRESIDENT. Under the present law, the Department of Agriculture does not have the specific authority to go in there and perform the inspection itself. These grain scandals in New Orleans have been indefensible. As I recall, there have been 70-some indictments, 50-some convictions. Almost every day it seems like there have been some convictions. Obviously, something has to be done to change a system that has rotted as that one has.

Now we have a proposal before the Congress. There are several other proposals that have come from Members of Congress. The Committee on Agriculture is having a meeting—next week is it. The bill, according to Paul and the Secretary, is being marked up today. There are any one of several options. We think the one that the Secretary proposed is the best, but, obviously, we cannot tolerate the condition that exists down there at the present time. And if the Congress sends me a good bill that will change the bad law we now have, I will darn soon sign it.

Q. Mr. President, I have a small farm in Menard County, and I am interested in keeping it in my family. Is there consideration given to actual income worth of property rather than our spiraling inflation values for this base of inheritance tax. There is certainly a difference.

THE PRESIDENT. Would you state that again, please?

Q. Are they considering using the actual income worth of the crop off the land rather than spiraling inflationary real estate sales for evaluation of property?

THE PRESIDENT. Well I had always assumed that the value of the property related to the productivity of a particular piece of property as far as the establishment of the value for inheritance or estate tax purposes.

Q. For instance, a piece of property has just sold for \$3,000 an acre within about 12 miles of Springfield, 80 acres. There is no way that you can have an income of \$3,000 an acre from that land. There is no way that a woman who has 250 acres valued today by the appraiser for her inheritance tax at \$520,000, and owning \$75,000

worth of machinery and \$10,000 net pay \$172,000 worth of inheritance tax, plus \$20,000 to an attorney. This is an actual case I am interested in.

THE PRESIDENT. It seems to me that someone like yourself or a person representing that viewpoint and that practical problem ought to go down and testify before the House Committee on Ways and Means and lay it out to them.

Q. I would be delighted to.

Q. Mr. President, I am a farmer here in Sangamon County. Would you expand a little on the reason for the appointment of Secretary Butz to the new position. And does this mean that there is a possibility of someone other than the Secretary of Agriculture assuming this task at some future time?

THE PRESIDENT. The Secretary of Agriculture was put in charge of this committee because we are in the process of reorganizing the internal administration of the West Wing in the White House. And I have felt that this particular subject was so vital that we ought to take it out from underneath the coverage of what we call the Economic Policy Board where it was. And so it has been hauled out of the Economic Policy Board and made a separate economic policy committee as far as food is concerned. As far as I am concerned, the Secretary of Agriculture, as long as he stays with me and as long as I am President, will be chairman of that group.

Q. Mr. President, I am presently a college student, and I am studying business administration. I would like to know what the Federal Government is going to do to reduce spending because if we, the people of this United States, ran our businesses like the Federal Government does, we would be broke.

THE PRESIDENT. I could not agree with you more. And let me illustrate what I am trying to do and I think all of these Members of Congress here are trying to do. But I can just tell you what I did in the preparation of the budget for the next fiscal year. In putting the Federal budget together for the next fiscal year, I found this to be the case. If we did not change the law, we would have a \$50 billion increase in Federal spending in a 12-month period.

It would have gone from roughly \$370 billion for the current fiscal year to \$420-some billion in the next fiscal year. That is without a new law or without any change in existing law, just because of cost escalations.

We have had about an 11 percent increase in Federal spending each year for the last 10 years. The net result Federal spending has escalated, skyrocketed, so in preparation of the budget for the next fiscal year I had to cut that increase in Federal spending by about half, and so I submitted instead of a \$420-some billion budget for next year in expenditures a budget of \$350 billion. That is still an increase, but it is half of the increase that was expected if no laws were changed.



H.R. 12572 (Likely Committee Bill)H.R. 9467 (Admin. Bill)Port Inspection & Weighing:

Provides for a Federal grain inspection and weighing system at export port locations with authority in the Secretary to delegate such to States, subject to revocation by the Secretary without a hearing. Authorizes the Secretary to utilize Federal-State-private resources to conduct the actual weighing and certification of weights and the inspection and testing of scales.

Relies on State and private agencies for primary inspection of grain with considerable Federal supervision and 100% Federal appeal inspections. Provides interim authority for Federal inspection until responsible agencies can be designated to fill voids in cases of dedesignation.

Relies on current system of public (non-Federal)/private for weighing of grain.

Nonexport Inspection:

The Secretary is authorized to designate State or private agencies to conduct official inspections of grain (other than appeal inspections) at other than export port locations.

Continues current system of licensing State/private agencies for grain inspection with some Federal supervision at other than export port locations.

Study of Weighing:

Authorizes Secretary to study weighing of grain, certification of weights, and the inspection and testing of scales at both export port elevators and other than export port elevators and to report the results to the House and Senate substantive committees on agriculture within 12 months and with any legislative recommendations for strengthening the new system.

None authorized.

Conflicts of Interest:

Boards of trade, chambers of commerce, and grain exchanges would be permitted to perform grain inspection and weighing functions at other than export port locations if the Secretary determines that any such conflicts of interest is not such as to jeopardize the integrity or effective operation of the functions performed by the agency.

A somewhat stronger position on conflict of interest. No person may be designated an inspection agency that has a conflict of interest prohibited by Sec. 11; and, in Sec. 11, that no inspection agency or officer, stockholder, or employee shall be employed by or financially interested in a grain warehousing or merchandising business.



H.R. 12572 (Likely Committee Bill)H.R. 9467 (Admin. Bill)Employment:

Est. total Federal - 1,971 WY  
Est. total non-Federal - 2,570 WY

Est. total Federal - 469 WY  
Est. total non-Federal - 2,800 WY

THE WHITE HOUSE

WASHINGTON

April 5, 1976


MEMORANDUM FOR: PAUL LEACH

FROM: CHARLES LEPPERT, JR. *CLJ*

SUBJECT: H. R. 11743, National Agricultural  
Research Policy Committee

Re your memorandum to me dated March 15, 1976 (copy attached), please contact Hyde Murray of the House Agriculture Committee and Tom Adams of Rep. Bill Wampler's office, and discuss this with them.

Attachment



THE WHITE HOUSE

WASHINGTON

March 15, 1976

MEMORANDUM FOR: CHARLIE LEPPERT

FROM: PAUL LEACH *Paul*

SUBJECT: H.R. 11743, National Agricultural Research Policy Committee

This matter is one where OMB and USDA have been working quite closely. The main problem is a possible massive increase in dollars.

The latest proposed "compromise" I have seen makes the following major changes in H.R. 11743:

1. Places greater emphasis on evaluation of present research programs.
2. Alters H.R. 10133, the bill to upgrade the position of Under Secretary, so as to increase the number of new USDA Assistant Secretaries from 2 to 3, but to retain Secretarial discretion as to their responsibilities (i.e., no specific authorization of an Assistant Secretary for research matters) and eliminates reference to this in H.R. 11743.
3. Establishes a National Agricultural Research Policy Advisory Committee, which is advisory not policy making in function.
4. Changes the composition of the Committee to give the Secretary more discretion.
5. Deletes Sec. 4 - Agricultural Research Adviser.
6. Establishes only one new competitive grant program for fundamental agricultural research and limits projects to those which meet National Research Objectives established by the Secretary (i.e., merges Secs. 6 & 7 into one grant program).

7. Limits funding for these new grants to a total of \$75 million for three fiscal years 1977-1979 (as opposed to \$400 million in Sec. 8).
8. Provides no new funding authorizations for existing research programs (i.e., eliminates Sec. 9).

Let's discuss this on the phone when you have a chance.



94TH CONGRESS  
2D SESSION

# H. R. 11743

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 5, 1976

Mr. WAMPLER (for himself, Mr. FOLEY, Mr. DE LA GARZA, Mr. VIGORITO, Mr. JONES of North Carolina, Mr. MELCHER, Mr. BOWEN, Mr. WEAVER, Mr. BALDUS, Mr. McHUGH, Mr. JENRETTE, Mr. THORNTON, Mr. SEBELIUS, Mr. FINDLEY, Mr. THONE, Mr. SYMMS, Mr. JOHNSON of Colorado, Mr. MADIGAN, Mr. PEYSER, Mrs. HECKLER of Massachusetts, Mr. JEFFORDS, Mr. KELLY, Mr. GRASSLEY, Mr. HAGEDORN, and Mr. MOORE) introduced the following bill; which was referred to the Committee on Agriculture

## A BILL

To establish a National Agricultural Research Policy Committee,  
and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SHORT TITLE**

4 **SECTION 1.** This Act may be cited as the "National  
5 Agricultural Research Policy Act of 1976".

6 **FINDINGS AND PURPOSES**

7 **SEC. 2. (a)** The Congress finds that—

8 (1) agricultural research is vital to the Nation's  
9 well-being;



1           (2) the projected increase in the population of the  
2 United States, together with the worldwide population  
3 expansion, places increasing demands on agricultural  
4 production in the United States;

5           (3) agriculture and agricultural production are a  
6 national resource and should be supported by a strong  
7 system of agriculturally related research;

8           (4) seeking means and methods to lower the cost  
9 of food and fiber production is essential to the preserva-  
10 tion of the family farm system in this country;

11           (5) expanding exports of agricultural commodities  
12 is essential for maintaining a positive balance of pay-  
13 ments in international trade;

14           (6) the public wants the plentiful supplies of qual-  
15 ity agricultural products that can bring consumer ex-  
16 penditures on food to a lower portion of total income;

17           (7) agricultural research costs have risen more  
18 rapidly than appropriations for agricultural research;

19           (8) various factors such as energy, the environ-  
20 ment, and social, political, and economic considerations  
21 should be incorporated into agricultural research, man-  
22 agement planning activities;

23           (9) the level of Federal support for agricultural re-  
24 search, conducted by the United States Department of



1 Agriculture, State agricultural experiment stations, and  
2 State colleges and universities engaged in agricultural  
3 research and the training of agricultural research engi-  
4 neers and scientists, should be substantially increased;  
5 and

6 (10) it is important to assure that the results of  
7 agricultural research be effectively communicated to  
8 farmers and all others who can benefit from it.

9 (b) The purposes of this Act are—

10 (1) to emphasize agricultural research as a distinct  
11 mission of the United States Department of Agriculture;

12 (2) to be certain that all agricultural research is  
13 effectively coordinated; and

14 (3) to provide a mechanism for identifying the Na-  
15 tion's highest priority problems for agricultural research.

16 COORDINATION OF AGRICULTURAL RESEARCH

17 SEC. 3. (a) In addition to the Assistant Secretaries of  
18 Agriculture now provided for by law, there shall be one  
19 additional Assistant Secretary of Agriculture, who shall be  
20 appointed by the President, by and with the advice and con-  
21 sent of the Senate, and who shall be responsible for agricul-  
22 tural research activities of the Department of Agriculture.

23 (b) Section 5315 (11) of title 5, United States Code,  
24 is amended to read as follows:





1           “(11) Assistant Secretaries of Agriculture (5).”

2           (c) The individual appointed pursuant to subsection

3 (a) of this section shall—

4           (1) coordinate all research, and disseminate all  
5 research information, relating to agriculture, food pro-  
6 duction, and nutrition conducted or financed by or  
7 affiliated with the United States Department of  
8 Agriculture;

9           (2) keep abreast of developments in, and the  
10 Nation's needs for, agricultural research and represent  
11 the needs of such research in deliberations in the United  
12 States Department of Agriculture;

13           (3) provide information exchange and coordination  
14 among the diverse research programs;

15           (4) serve as co-chairman of the National Agricul-  
16 tural Research Policy Committee established pursuant  
17 to section 5 of this Act; and

18           (5) perform other duties as determined from time  
19 to time by the Secretary of Agriculture.

20           AGRICULTURAL RESEARCH ADVISER

21           SEC. 4. (a) The Secretary of Agriculture shall appoint  
22 a scientist to serve in the Office of the Secretary and report  
23 to the Assistant Secretary of Agriculture who is responsible  
24 for agricultural research. Such individual shall receive com-  
25 pensation at a level no less than level 16 of the General





1 Schedule and shall be appointed on a noncareer executive  
2 assignment basis.

3 (b) The individual appointed pursuant to subsection  
4 (a) of this section shall—

5 (1) serve as Executive Secretary of, and provide  
6 staff support for, the National Agricultural Research  
7 Policy Committee established pursuant to section 5 of  
8 this Act;

9 (2) be an adviser to the Assistant Secretary respon-  
10 sible for agricultural research; and

11 (3) perform other duties as determined from time  
12 to time by the Assistant Secretary of Agriculture re-  
13 sponsible for agricultural research activities of the  
14 Department.

15 (c) Such individual shall be provided a staff of special-  
16 ists to assist him in carrying out his functions. Such staff shall  
17 be appointed pursuant to the provisions of title 5, United  
18 States Code, governing appointments in the competitive  
19 service.

20 ESTABLISHMENT OF NATIONAL AGRICULTURAL RESEARCH  
21 POLICY COMMITTEE

22 SEC. 5. (a) There is established within the United  
23 States Department of Agriculture a permanent committee to  
24 be known as the National Agricultural Research Policy  
25 Committee (hereinafter referred to as the "Committee").



1 (b) The Committee shall consist of fifteen members ap-  
2 pointed by the Secretary of Agriculture as follows:

3 (1) two representatives from the United States  
4 Department of Agriculture, one from the Agricultural  
5 Research Service and one from the Cooperative State  
6 Research Service;

7 (2) one representative from each of the following  
8 organizations upon the recommendation of the head of  
9 such organization:

10 (A) the Board of Agriculture and Renewable  
11 Resources, National Academy of Sciences;

12 (B) the Experiment Station Committee on  
13 Organization and Policy of the National Association  
14 of State Universities and Land Grant Colleges,  
15 Division of Agriculture;

16 (C) the National Science Foundation;

17 (D) the Office of Technology Assessment of  
18 the Congress of the United States;

19 (E) the Environmental Protection Agency;

20 and

21 (F) the Food and Drug Administration,  
22 United States Department of Health, Education,  
23 and Welfare; and

24 (3) seven representatives from the following types  
25 of organizations, as designated by the Secretary, upon



1 the recommendation of the head of the respective  
2 organization:

3 (A) two from national farm organizations;

4 (B) two from agricultural trade associations;

5 (C) one from a national environmental or-  
6 ganization;

7 (D) one from a national veterinary medical  
8 association; and

9 (E) one from a national consumer organization.

10 (c) The Committee's responsibilities shall include, but  
11 not be limited to—

12 (1) reviewing programs, policies, and goals of  
13 agricultural research agencies of the Department of  
14 Agriculture and the agricultural research portions of  
15 programs in other agencies having primary missions out-  
16 side of such Department;

17 (2) providing a forum for research sponsoring agen-  
18 cies to exchange information on plans and programs  
19 related to agriculture;

20 (3) establishing and developing national policies,  
21 priorities, and strategies for agricultural research, for  
22 both the short and the long term for consideration by  
23 the Department of Agriculture and other agencies, and  
24 institutions conducting agricultural research; and





1           (4) reviewing and making recommendations to the  
2       Secretary of Agriculture with regard to applications for  
3       funding of research pursuant to sections 6 and 7 of this  
4       Act.

5       (d) For purposes of this Act, the term "agricultural  
6       research" shall include, but not be limited to, those activi-  
7       ties described in section 1 of the Act of June 29, 1935 (49  
8       Stat 436).

9       (e) While away from their homes or regular places of  
10      business in the performance of services for the Committee,  
11      members of the Committee shall be allowed travel expenses,  
12      including per diem in lieu of subsistence, in accordance with  
13      applicable laws.

14      (f) In the event a vacancy should occur on the Com-  
15      mittee it shall be filled in the same manner as provided in  
16      subsection (b) of this section.

17      (g) No later than January 31 of each year, the Com-  
18      mittee shall submit a report on its activities during the  
19      preceding fiscal year to the House Committee on Agricul-  
20      ture, the House Committee on Appropriations, the Senate  
21      Committee on Agriculture and Forestry, and the Senate  
22      Committee on Appropriations. The first report shall be due  
23      following the first complete fiscal year after the enactment  
24      of this Act.





## 1 GRANTS FOR MISSION-ORIENTED RESEARCH

2 SEC. 6. (a) In addition to any other grants made  
3 under Federal law, the Secretary of Agriculture is author-  
4 ized to make grants to land grant colleges and universities  
5 eligible for assistance under the Acts of July 2, 1862  
6 (commonly known as the First Morrill Act), and of  
7 August 30, 1890 (commonly known as the Second Morrill  
8 Act), the Tuskegee Institute, and to State agricultural  
9 experiment stations eligible for assistance under the Act of  
10 March 2, 1887 (commonly known as the Hatch Act), to  
11 carry out mission-oriented basic agricultural research. These  
12 grants shall be made without regard to matching funds  
13 being provided by the States in which the recipients are  
14 located. All applications for funding pursuant to this section  
15 shall, prior to approval, be submitted by the Secretary of  
16 Agriculture to the Committee established by section 5 of  
17 this Act for review and recommendation.

18 (b) For purposes of this Act, the term "mission-  
19 oriented basic agricultural research" means agriculturally  
20 related research on fundamental science topics with regard  
21 to which—

22 (1) there is a basic need already in existence for  
23 the new knowledge that would be generated by this  
24 research;





1 RECOMMENDATION FOR ADDITIONAL FUNDING OF  
2 EXISTING PROGRAMS

3 SEC. 9. It is the sense of the Congress that Federal  
4 funding for agricultural research programs existing on the  
5 date of enactment of this Act should be increased by \$250,-  
6 000,000 annually.



THE WHITE HOUSE

WASHINGTON

July 9, 1976

MEMORANDUM FOR: MAX FRIEDERSDORF

FROM: CHARLES LEPPERT, JR. *CLJ.*

SUBJECT: HR-14237, Agriculture  
Appropriations Act of FY 77

Hyde Murray called to offer his advice on the rumor circulating that the President is being advised to veto the FY 77 Agricultural Appropriation bill. Murray says a veto would be a very dumb move to the agricultural community.

Hyde says that the President should not veto the bill because:

1. The bill passed the House by a large vote on June 16, 1976 by a vote of 377 - 26. The conference report passed the House on June 29, 1976 by a vote of 372 - 27.
2. The President shouldn't be advised to veto this bill in the summer of an election year when he already has had serious problems in the farm community.
3. The bill contains the exact amount requested by the President for the food stamp program (4.8 billion) in his budget submitted to the Congress in January, 1976.



Pres requested Sec of Ag + Commerce to review situation  
and take appropriate action

Cong. Virginia Smith  
Nancy gave to Barbara  
Mc Mann on 7/28 [1976]  
at 9:30

The Foreign Trade Zones Board announced today that it will determine within 30 days whether foreign meat being processed in the Foreign-Trade Zone at Mayaguez, Puerto Rico is detrimental to the public interest. The Board ordered an investigation by its Committee of Alternates and invited the packing companies involved to show cause within 15 days why the Board should not limit or exclude the processing of foreign meat which comes under United States import quotas.

The action follows a request earlier this month from the Department of Agriculture which asked the Board to investigate whether Australian and New Zealand meat being processed in Mayaguez circumvents the import quotas on fresh, chilled or frozen beef or veal. The Department pointed out that imports of imported fresh, chilled, or frozen processed beef and veal had increased substantially this year and that there are plans to expand the processing facilities in Mayaguez.

The USDA pointed out that the Mayaguez processing changes the form of the meat so that it does not come under the export restraint program negotiated with supplying countries. In order to avoid quotas the Department of State is negotiating voluntary restraint agreements consistent with our obligations under the General Agreement on Tariffs and Trade. The USDA said that limitations on meat imports are needed to allow the domestic livestock industry to recover from low returns over the last two and-a-half years.

The Board said today that it intends to reach a decision in 30 days.





Pres requested Sec of Ag + Commerce to review situation  
and take appropriate action

Cong. McColister

Jura gave to  
Cong. at 9:30 -

7/28

[1976]

The Foreign Trade Zones Board announced today that it will determine within 30 days whether foreign meat being processed in the Foreign-Trade Zone at Mayaguez, Puerto Rico is detrimental to the public interest. The Board ordered an investigation by its Committee of Alternates and invited the packing companies involved to show cause within 15 days why the Board should not limit or exclude the processing of foreign meat which comes under United States import quotas.

The action follows a request earlier this month from the Department of Agriculture which asked the Board to investigate whether Australian and New Zealand meat being processed in Mayaguez circumvents the import quotas on fresh, chilled or frozen beef or veal. The Department pointed out that imports of imported fresh, chilled, or frozen processed beef and veal had increased substantially this year and that there are plans to expand the processing facilities in Mayaguez.

The USDA pointed out that the Mayaguez processing changes the form of the meat so that it does not come under the export restraint program negotiated with supplying countries. In order to avoid quotas the Department of State is negotiating voluntary restraint agreements consistent with our obligations under the General Agreement on Tariffs and Trade. The USDA said that limitations on meat imports are needed to allow the domestic livestock industry to recover from low returns over the last two and-a-half years.

The Board said today that it intends to reach a decision in 30 days.

