

FOR IMMEDIATE RELEASE

JANUARY 6 1975

Office of the White House Press Secretary

THE WHITE HOUSE

MEMORANDUM OF DISAPPROVAL

I have withheld my approval from S. 3341, the "Travel Expenses Amendments Act of 1974."

This bill would raise the maximum per diem allowance and mileage rates for civilian Government employees traveling on official business. I endorse this proposal. Unfortunately, a provision was added to the bill which would establish a rigid system of mileage reimbursement to the disabled veteran -- with no discretionary authority for payment of a lesser amount where justified when the veteran was authorized to travel for treatment.

This provision assumes that there are great similarities in the travel situations of Veterans Administration beneficiaries and Federal employees who are away from home on Government business. This is not the case, however. Generally, a short span of time and distance is involved in VA beneficiary travel to a facility for vocational rehabilitation, counseling and health care, while Government employees may be traveling for days or weeks at a time. The employee per diem is designed to pay for necessary living expenses during this period, including those of lodging and meals.

Under this bill, Government employees using their privately owned vehicles may be reimbursed at the minimum 15¢ per mile, or at a rate comparable to the cost to the Government if the employee used a Government-owned vehicle. This flexibility would be continued for Government employee travel under the bill passed by the Congress. However, such management flexibility would not be applicable to travel of VA beneficiaries. The result would be the required payment of unwarranted mileage rates that would add an estimated \$25 million a year to the VA budget.

The Administration will ask the 94th Congress for a new bill to raise the maximum per diem and mileage rates for Federal employees which have been inadequate for some time. Many Federal employees who are required to travel in connection with their work have suffered considerable out-of-pocket expenses in recent years. This should be rectified as soon as possible.

GERALD R. FORD

THE WHITE HOUSE,

December 31, 1974.

#