

VETO OF THE ENERGY AND WATER
DEVELOPMENT APPROPRIATION ACT

MESSAGE

FROM

THE PRESIDENT OF THE UNITED STATES

VETOING

H.R. 12928, AN ACT MAKING APPROPRIATIONS FOR ENERGY
AND WATER DEVELOPMENT FOR THE FISCAL YEAR ENDING
SEPTEMBER 30, 1979, AND FOR OTHER PURPOSES



OCTOBER 5, 1978.—Message and accompanying act referred to the Committee
on Appropriations and ordered to be printed

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To the House of Representatives:

Today I am returning H.R. 12928, the Energy and Water Development Appropriations bill, to the Congress without my approval. This bill would hamper the Nation's ability to control inflation, eliminate waste and make the government more efficient.

I respect the hard work and good intentions of the Members of Congress who have prepared this legislation. I share with the Congress a commitment to a strong program of water resource development. Wise development and management of water resources are vital to American agriculture's continued prosperity, and to community and economic development in key areas of our Nation. I have proposed \$2.5 billion this year to support nearly 300 water projects—including twenty-six project starts, the first proposed by any President in four years. Much of the water development funding in this bill is sensible and necessary.

H.R. 12928 also contains energy research and development programs which are important to our Nation's energy future. These appropriations are generally in accord with national needs, and I support them.

But this bill also contains provisions for excessive, wasteful water projects and ill-advised limitations on efficient program management; these require that I disapprove H.R. 12928 in its present form.

The bill would require expenditures on water projects which have already been evaluated objectively and found to be unsound or to fall short of planning, design and environmental assessment requirements. These requirements are essential to ensure that tax dollars are well spent and that future cost over-runs and litigation are avoided. The bill attempts to mandate an unnecessary major increase in the size of the Federal bureaucracy. And it uses funding procedures which conceal from the taxpayers the true size of excessive Federal spending commitments.

In its present form, this bill appears to appropriate less than my FY 1979 Budget. In fact, however, it commits the Federal government to 27 additional new projects and reinstates six projects halted last year—three for construction and three for planning. These added water projects represent a total long-term commitment, including inflation, of \$1.8 billion in excess of those I proposed. Yet only a little more than \$100 million is appropriated in this bill for these projects.

IV

ADMINISTRATION'S 1979 REQUEST FOR WATER RESOURCE PROJECTS COMPARED WITH AMOUNTS CONTAINED
IN H.R. 12928

[In millions of dollars]

	President's request	Bill	Difference
Number of projects:			
New construction starts.....	26	53	+27
6 projects halted last year ¹		6	+6
Total	26	59	+33
1979 appropriation for projects:			
New construction starts.....	640	104	-536
6 projects halted last year ¹		8	+8
Total	640	112	-528
Actual total cost of projects:			
New construction starts.....	640	1,821	+1,181
6 projects halted last year ¹		586	+586
Total	640	2,407	1,767

¹ Includes 3 projects funded for construction (total cost: \$302,000,000) and 3 projects funded for further study (total cost: \$284,000,000).

Purchasing water projects on the installment plan does not reduce their cost to American taxpayers. Nor does it justify funding projects which fail to meet reasonable standards. We can achieve an efficient Budget only if we are prepared to admit the true costs of the actions we take.

No challenge the Congress and the Executive Branch must face together is more painful than the exercise of budgetary discipline in each individual case. But only consistent, determined discipline will enable us to achieve our shared objectives to controlling inflation, balancing the budget and making government more efficient. The action I am taking today is part of that effort.

This appropriations bill is a true and difficult test of our resolve to discipline the Federal budget. Each bit of additional spending always looks small and unimportant against the total Federal budget. The temptation to look the other way in each case is always great. But both Congress and the Executive Branch must recognize that there is no one single dramatic act which will control the budget. Budgetary control must be achieved by the cumulative impact of hard choices such as the one I am presenting to the Congress today.

Following are my specific objections to this bill:

—*Funding is reinstated in this bill for unsound water projects.* Six projects not funded last year by the Congress after thorough review determined them to be unwise investments would receive funding this year. The six projects would cost more than \$580 million to complete. Three of these would be funded for construction and three for further study, even though no additional analysis is needed to augment the exhaustive information now available. One of the projects funded for further study would require an investment of over \$1 million per farm family served. The majority of another “study” project’s water supply “benefits” are to serve one catfish farm and several “potential” catfish farms. One project funded for construction, whose major benefit category is flatwater recreation, would be the sixth Corps of Engineers reservoir in a 50-mile radius. American taxpayers

simply should not be forced to fund projects which provide such questionable public benefits.

- The bill commits the Federal government to excessive new water project construction starts. I requested funds for 26 new water project construction starts costing a total of \$640 million, including an allowance for inflation. This is the first time a President has recommended new starts in four years. This request was well-considered and reflects my commitment to a strong continued program of water resource development. I believe these initiatives are of high priority in meeting agricultural, flood damage reduction, economic development, environmental and other needs. However, the bill goes far beyond this large request. It includes initial funding for an additional 27 projects which, allowing for inflation would add \$1.2 billion in total costs. In addition to unacceptable long-term budgetary impact, many of these projects lack required planning or engineering information, present unresolved economic or environmental problems, fail to meet legal requirements or meet low-priority needs.

There are competing uses for every Federal dollar and difficult choices must be faced. Every program in government, no matter how vital, must focus first on matters of highest priority. The President and the Congress must join in this difficult effort. Particularly with taxes and inflation a major concern of every American, I cannot support undertaking expenditures such as a \$412 million project where planning is incomplete, or a \$117 million project which, without adequate consideration of the concerns of local farmers or of the availability of less damaging alternatives, would take large amounts of valuable farm, pasture and forest land out of production and displace 140 people. Other projects funded in excess of my recommendations pose similar serious problems.

- I would be forced to enlarge the Federal bureaucracy substantially and unnecessarily.* This bill would mandate the hiring of more than 2,300 additional Federal employees in the Corps of Engineers and the Bureau of Reclamation—far exceeding actual need. This requirement is inconsistent with efficient program management and would cause growth in this segment of the Federal workforce that would be difficult to reverse.

- The true costs of the bill far exceed the amounts appropriated.* I believe that funds to meet the full cost of all new water projects should be appropriated when the decision to go forward is made so that the true cost to the taxpayer is known and considered. Appropriating the full amount also helps ensure that, once a project is begun, funds are available to permit speedy, efficient completion. This bill continues the practice of committing the government to major financial investments for what appears on the surface to be very small appropriations. Thus, in making a relatively small appropriation of \$103.6 million for new water project construction, H.R. 12928 is actually committing the government to total expenditures of \$1.8 billion. At the same time, adding new starts each year without taking their full costs into account greatly increases the risk that budget pressures in the future will cause costly delays.

—*By eliminating funding for the Water Resources Council, the bill would seriously impair efforts to better coordinate water resources programs.* The Water Resources Council, composed of all the agencies with water programs, is our best assurance of consistent and efficient implementation of water programs throughout the government and close working relationships with other levels of government. The Administration's new water policy stresses the need for systematic management of water resource programs and for increased coordination with state and local governments, and Congress recognized the importance of these objectives and of the Water Resources Council in reauthorizing the Council and its small staff this year.

I am pleased to note that the energy research and development portions of the bill are acceptable and meet important national needs. In a constructive step, this bill provides that decisions on the Clinch River Breeder Reactor project—or possible alternatives—will be determined in the Department of Energy authorization bill, the appropriate place to resolve this issue.

Vital energy programs and sound water development investments are important and shared goals of the Congress and my Administration.

Yet the American people have the right to expect that their government will pursue these goals effectively, efficiently and with the budgetary discipline and careful planning essential to reduce inflation and continue economic growth. Citizens rightly demand sound programs to meet their needs. They rightly demand restraint and judgment in the allocation of public funds. And they expect those of us in public office to demonstrate the courage needed to face hard choices.

I call upon the Congress to join me in meeting our shared responsibility to the American people. I urge you to revise this bill expeditiously so that vital water and energy programs can continue unhampered by waste and inefficiency.

JIMMY CARTER.

THE WHITE HOUSE, *October 5, 1978*