

MEDICAL FACILITIES CONSTRUCTION AND
MODERNIZATION AMENDMENTS OF 1970

MESSAGE

FROM

THE PRESIDENT OF THE UNITED STATES

RETURNING

WITHOUT APPROVAL THE BILL (H.R. 11102), THE MEDICAL
FACILITIES CONSTRUCTION AND MODERNIZATION AMEND-
MENTS OF 1970

JUNE 23, 1970.—Message, together with the accompanying bill, ordered to be
printed as a House document

To the House of Representatives:

I am returning without my approval H.R. 11102, the Medical Facilities Construction and Modernization Amendments of 1970. My reason for this veto is basic: H.R. 11102 is a long step down the road of fiscal irresponsibility, and we should not take that road.

This bill authorizes direct grants which are more than \$350 million in excess of the budget which I presented to the Congress for Fiscal Year 1971. More than that, it would (1) significantly restrict Presidential options in managing Federal expenditures, (2) isolate the financing of one group of Federal programs as untouchable without assessing its merits against the financial needs for other programs, and (3) encourage pressures to extend this provision to other areas—thereby further complicating management of the Federal budget.

One of the most unacceptable provisions of the bill is in Section 601. Here, the Congress insists that funds appropriated for any fiscal year through 1973 to carry out the programs involved must be spent. In addition to restricting flexibility in management of Federal expenditures, this provision would interfere with my ability to comply with the limitation on total 1971 spending that has already passed the House of Representatives and has been reported by the Senate Appropriations Committee. The amount of money involved is large; Section 601 would affect \$2.5 billion of my budget request for the De-

partment of Health, Education, and Welfare for 1971. This kind of provision puts the Congress in the position of withdrawing with one hand the authority necessary to do what it requires with the other. I ask the Congress to eliminate Section 601.

Looking to other deficiencies in H.R. 11102, I ask the Congress to remove the authorization for hospital construction grants and to reduce the remaining excessively high authorizations in the bill which are not designed to meet contemporary needs.

The major requirements today are to modernize existing but obsolete hospitals, particularly in the inner cities, and, in the face of skyrocketing medical costs, to expand other types of medical facilities which can serve as more efficient and economic alternatives to hospital care.

Given these factors, I proposed in April, 1969, that the medical facilities construction program be redirected—away from emphasis on additional hospital beds through direct Federal grants-in-aid. Instead, I proposed Federal guarantees for loans obtained in the private sector to modernize obsolete hospitals and construct additional hospital beds where population pressures so require. I further proposed a bloc grant to the States to help construct facilities for ambulatory care, long-term care and rehabilitation—alternatives to hospitalization.

My proposal clearly faced the need to determine priorities in the use of limited Federal dollars. H.R. 11102 avoids facing up to the choice that has to be made. It would add the new program of guaranteed loans on top of an expanded program of grants for construction and modernization of medical facilities. This bill authorizes grants totalling \$402 million in 1971; \$422 million in 1972 and \$437 million in 1973. The public and the medical care industry interpret authorization levels as an appropriation commitment. Yet it is certain that we shall not be able to appropriate such large sums.

The health needs of the nation and the imminent expiration of the existing authorizations make it imperative that the Congress act quickly to correct the shortcomings of this measure. There are many excellent provisions in this bill and I shall be happy to approve a financially responsible bill without delay.

Let no one interpret this veto as in any way lowering the high priority that this Administration has placed on the very important field of health. Health outlays for 1971 will be almost 28 percent higher than in 1969.

We have proposed:

- a new program concept of Family Health Insurance which will benefit more than four million poor families as part of the family assistance program.
- substantial increases in high priority areas of biomedical research; such as heart and cancer.
- revision of Medicare to enable the aged to take advantage of the more comprehensive and efficient operation of pre-paid group practice arrangements.
- significant expansion of programs to alleviate the major national problems of alcoholism and drug abuse.
- expansion of family planning programs to provide counselling and assistance to millions of women who want but cannot afford such services.

—major increases in funds to curb air pollution.

In these times there is no room in this massive program—or in any other program—for the kind of needless and misdirected spending represented in H.R. 11102. I again call upon the Congress to join me in holding down government spending to avoid a large budget deficit in Fiscal Year 1971.

RICHARD NIXON.

THE WHITE HOUSE, *June 22, 1970.*

NINETY-FIRST CONGRESS OF THE UNITED STATES OF AMERICA, AT THE SECOND SESSION, BEGUN AND HELD AT THE CITY OF WASHINGTON ON MONDAY, THE NINETEENTH DAY OF JANUARY, ONE THOUSAND NINE HUNDRED AND SEVENTY

AN ACT

To amend the Public Health Service Act to revise, extend, and improve the program established by title VI of such Act, 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; DEFINITION

SECTION 1. (a) This Act may be cited as the “Medical Facilities Construction and Modernization Amendments of 1970”.

(b) As used in the amendments made by this Act, the term “Secretary”, unless the context otherwise requires, means the Secretary of Health, Education, and Welfare.

TITLE I—GRANTS FOR CONSTRUCTION AND MODERNIZATION OF HOSPITALS AND OTHER MEDICAL FACILITIES

PART A—EXTENSION OF GRANT PROGRAM

AUTHORIZATION OF APPROPRIATIONS FOR CONSTRUCTION GRANTS

SEC. 101. (a) Section 601 of the Public Health Service Act (42 U.S.C. 219a) is amended—

(1) by striking out “next five” in paragraph (a) and inserting in lieu thereof “next eight”;

(2) (A) by striking out “\$70,000,000” in subparagraph (1) of paragraph (a) and inserting in lieu thereof “\$85,000,000”;

(B) by striking out “\$20,000,000” in subparagraph (2) of such paragraph and inserting in lieu thereof “\$70,000,000”; and

(C) by striking out “\$10,000,000” in subparagraph (3) of such paragraph and inserting in lieu thereof “\$15,000,000”; and

(3) by striking out in paragraph (b) “and \$195,000,000 for the fiscal year ending June 30, 1970.” and inserting in lieu thereof “\$195,000,000 for the fiscal year ending June 30, 1970,