

MESSAGE

FROM

THE PRESIDENT OF THE UNITED STATES

VETOING

H.R. 3564, A BILL TO REQUIRE THE SECRETARY OF AGRICUL-TURE TO MAKE AN EARLIER ANNOUNCEMENT OF THE 1984 CROP FEED GRAIN PROGRAM AND OF THE 1985 CROP WHEAT AND FEED GRAIN PROGRAMS



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To the House of Representatives:

I am returning herewith without my approval H.R. 3564, "To require the Secretary of Agriculture to make an earlier announcement of the 1984 crop feed grain program and of the 1985 crop wheat and feed grain programs."

H.R. 3564 directs the Secretary of Agriculture to annouce the 1984 and 1985 feed grain programs no later than September 30 of the preceding year and to announce the 1985 wheat program no later than July 1, 1984. Current law sets November 15 as the announcement date for feed grains; the wheat program announcement date in current law is August 15. Thus, in each case the announcements would have to be made approximately six weeks earlier than the current law now requires.

The main purpose of acreage adjustment programs is to assist producers in adjusting supplies to meet demand. When projecting the supply/demand situation for the next crop year, it is essential to have the best possible information about the current crop year, while giving due consideration to producers' planning needs. Sound estimates of production as well as timely announcements are a vital component for designing successful programs. Good program design ultimately serves the best interests of producers, consumers, and taxpayers.

The Administration is sympathetic to the need for making acreage adjustment program announcements as early as possible. When conditions warrant, the Secretary of Agriculture will continue the ongoing practice of announcing commodity programs before the statutory deadlines. However, when the appropriate program decision is not obvious, it is essential that the Secretary retain the discretion to announce wheat as late as August 15 and feed grains as late as November 15.

This flexibility will enable the Secretary to respond quickly to unforeseen circumstances, such as drought or early frost. Without this flexibility, the mandate in H.R. 3564 could either exacerbate a surplus supply situation and needlessly increase budget outlays by substantial amounts or unnecessarily create a grain shortage and cause food prices to increase sharply.

RONALD REAGAN.

THE WHITE HOUSE, August 12, 1983.

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