

I am disapproving H.R. 4175 because it would not repeal the Maritime Administration's Title XI loan program, as I proposed in the 1987 Budget. This program is one of several Federal credit programs that I proposed to reduce or phase out in order to limit the government's intervention in the Nation's lending market.

Achievement of our credit reform goals is important to the maritime industry and the economy as a whole. The maritime industry must be encouraged to rely on the private credit market, without Federal intervention, as its source of capital if we are to continue our progress toward restoring that industry to full health. Borrowers in general must be freed from the government's preemptive allocation of credit, which forces unsubsidized borrowers to pay more for credit and may result in some borrowers being "crowded out" entirely.

I am also not approving H.R. 4175 because it would continue to authorize appropriations for financial assistance to State maritime schools. Such an authorization of appropriations is entirely inappropriate during this time of necessary fiscal restraint.

RONALD REAGAN.

THE WHITE HOUSE, *October 23, 1986.*

On November 1, 1986:

NATIONAL APPLIANCE ENERGY CONSERVATION
ACT

I am withholding my approval of H.R. 5465, the "National Appliance Energy Conservation Act of 1986."

This legislation would have established specific, minimum energy efficiency standards for home appliances without regard to technological feasibility or the need for economic justification. The bill intrudes unduly on the free market, limits the freedom of choice available to consumers who would be denied the opportunity to purchase lower-cost appliances, and constitutes a substantial intrusion into traditional State responsibilities and prerogatives. It also mandates a complicated series of 19 rule-makings over the next 20 years for 52 subcategories of appliances, virtually assuring extensive litigation, increasing Federal regulation many years into the future.

Moreover, although I share the interest in the need for conserving energy resources that led the Congress to pass this bill, H.R. 5465 fails to advance this goal in a manner that takes account of the tremendous cost to consumers, who would have to spend an estimated extra \$1.4 billion per year on appliance purchases. Higher prices would force many to buy more expensive appliances than they would prefer, and make some delay or forgo some appliance purchases altogether. By eliminating the lower-priced models, the bill would hit low-income consumers particularly hard. It could also discourage and slow the introduction of useful product innovations.

Disapproval of this bill does not mean, however, that the energy efficiency of appliances will be wholly without Federal regulation. Under cur-

rent law, the Department of Energy is required to conduct a rule-making which may lead to the imposition of Federal standards, and any such standards would preempt existing State law.

Thus, the choice is between Federal regulation of appliance standards under this bill and regulation under current law, which requires the Department of Energy to take account of technological feasibility and economic factors. Under these circumstances, I think current law is preferable.

In addition, I note that the Congress included in H.R. 5465 amendments requiring the Federal Energy Regulatory Commission to issue a declaratory order in a pending proceeding and setting a deadline for the Commission to resolve a pending rate case. I am in agreement with what the Congress sought to achieve in requiring the Commission to issue a declaratory order and am asking the Secretary of Energy to take appropriate action before the Federal Energy Regulatory Commission so that this matter will be promptly and favorably resolved. I also agree with the Congress that the rate case matter should be resolved swiftly and urge the Commission to exert its best efforts to meet the deadline the Congress has sought to impose.

RONALD REAGAN.

THE WHITE HOUSE, *November 1, 1986.*

On November 4, 1986:

INDEPENDENT SAFETY BOARD ACT
AMENDMENTS

I am withholding my approval of H.R. 4961, the "Independent Safety Board Act Amendments of 1986," for reasons unrelated to improving transportation safety—a cause to which I remain firmly committed. My Administration is actively implementing new aviation technology, both on the ground and on-board aircraft. Furthermore, over the last five years, my Administration has increased funding for the Federal Aviation Administration by 50 percent. Our multi-billion dollar safety modernization program for the Nation's air traffic system—already the safest in the world—has contributed to a decline in the accident rate by over 50 percent during the last decade. We have been equally dedicated to improving highway safety. In the past decade, the highway fatality rate has declined by about 25 percent. Still, my 1987 budget request for motor carrier safety exceeded 1982 funding five-fold.

I remain steadfast in my commitment to transportation safety, but H.R. 4961 would authorize excessive appropriations for the National Transportation Safety Board (NTSB) for fiscal years 1987, 1988, and 1989 and would lead the Federal government to become involved in an industry-by-industry approach to the larger problem of liability insurance.

I find several provisions of this legislation objectionable. First, the bill would authorize appropriations for NTSB in 1988 and 1989 that would be \$8.7 million, or 20 percent, more than

the projections in my 1987 budget. Specifically, these authorization levels exceed the projections by the following amounts: (1) \$3.7 million in 1988—\$25.4 million versus \$21.7 million projected and (2) \$5 million in 1989—\$27 million versus \$22 million projected. Given our current efforts to reduce the size of the Federal deficit, the size of these increases is unacceptable. I point out that the NTSB's budget has already grown 26 percent in the past five years and that my budgets provide sufficient funding for the NTSB to maintain its safety functions. Moreover, since funds have already been appropriated for the NTSB in 1987, NTSB activities will continue uninterrupted even with my disapproval of this bill.

Second, H.R. 4961 directs the Administrator of the Federal Aviation Administration to establish an airport liability insurance clearinghouse and, with the Secretary of Transportation, to prepare reports on the increasing costs of general liability insurance coverage for airports and the implications of those increasing costs for airports. A final report would include recommendations for actions that the Federal government might undertake to assist in ameliorating the liability insurance difficulties of airports used by the public.

Many Americans are caught by the spiraling costs of liability insurance. While I am not unsympathetic to those who are bearing the cost of rising insurance premiums, I believe it would be inequitable and unwise for the Federal government to address this issue on an industry-by-industry basis.

For these reasons, I am compelled to withhold my approval from the bill. In so doing, I reemphasize that the disapproval will not disrupt the NTSB's activities in 1987 and that my Administration remains firmly committed to ensuring safe transportation.

RONALD REAGAN.

THE WHITE HOUSE, *November 4, 1986.*

On November 5, 1986:

PRESIDENT'S COUNCIL ON HEALTH PROMOTION
AND DISEASE PREVENTION

I am withholding my approval of S. 2057, which would establish a President's Council on Health Promotion and Disease Prevention.

Many Federal health promotion and disease prevention activities are underway at the Department of Health and Human Services, which set an ambitious agenda of health promotion and disease prevention goals to be achieved by 1990. I am encouraged by the progress that is being made toward those objectives and the plans which lie ahead. These plans include a national conference in late 1989 or early 1990, and many individual programs such as the Low Birth Weight Prevention Initiative, the National High Blood Pressure Education Program, and the Healthy Older People Public Education Program. Because our Federal commitment to such activities

must, and will, continue, a President's Council on Health Promotion and Disease Prevention is not necessary at this time.

RONALD REAGAN.

THE WHITE HOUSE, November 5, 1986.

On November 6, 1986:

CLEAN WATER ACT AMENDMENTS

I am withholding my approval of S. 1128, the "Water Quality Act of 1986."

On March 26, 1985, Lee M. Thomas, Administrator of the Environmental Protection Agency, sent to the Congress a proposal to amend and reauthorize appropriations under the Clean Water Act. As that proposal demonstrated, this Administration remains committed to the Act's objectives, and I am proud that we can report remarkable progress in this massive national cleanup effort.

Unfortunately, this bill so far exceeds acceptable levels of intended budgetary commitments that I must withhold my approval. Central to my proposal of last year was the phasing-out over a period of four years, and the termination by 1990, of the huge sewage treatment grant program. With the backlog of needed treatment plants financed in major part by the Federal government since 1972, it is now necessary for the Federal government to reduce its expenditures and complete the transition from Federal to State and local responsibility. The Environmental Protection Agency has already spent \$44 billion to assist municipalities in meeting a need that was estimated to be \$18 billion when the program was established in 1972. My proposal would have extended another \$6 billion to finish the projects that had been started with Federal funds.

Notwithstanding my recommendations, S. 1128 would authorize \$18 billion or triple the amount I requested for that grant program, expand the allowable uses of Federal funds, and continue Federal grants for another nine years. By 1993 S. 1128 would increase outlays by as much as \$10 billion over the projections in my 1987 Budget and would reverse important reforms enacted in 1981 that targeted funds to the completion of construction of sewage treatment plants—the program's original and principal remaining purpose.

S. 1128 makes several programmatic changes that would improve the overall Clean Water Act, including expanded Federal enforcement authorities and an easing of the regulatory and financial burden on cities in dealing with stormwater discharges. We will work diligently with the 100th Congress to address these concerns. S. 1128 also would authorize some new programs—at a five-year total of \$500 million—that my Administration has strongly opposed. Principal among them is the reinstatement of a Federal financial assistance program to pay for local plans to control diffuse sources of pollution. Over \$500 million was spent on a similar program between 1973 and 1981 with little or no positive result. Restarting expensive planning

grant programs that have failed in the past is not justifiable.

For these reasons, I cannot approve S. 1128. I must emphasize, however, that my action will have no impact on the current conduct of water pollution control programs under the Clean Water Act. All regulatory, enforcement, and permit issuance activities will continue under permanent law. Although authorization to appropriate for the sewage treatment grant program and other grant and research programs expired between 1983 and 1985, funds have been appropriated for them annually, and they are funded in the Continuing Resolution for 1987.

My Administration will work closely with the next Congress to pass acceptable legislation. We will continue our commitment to improve and protect our Nation's water quality by working with the Congress to modify current law to help cities handle stormwater discharge permits.

RONALD REAGAN.

THE WHITE HOUSE, November 6, 1986.

On November 14, 1986:

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION AUTHORIZATION ACT

I am withholding my approval of H.R. 5495, the "National Aeronautics and Space Administration Authorization Act, 1987."

This legislation would authorize appropriations for 1987 for the National Aeronautics and Space Administration (NASA); authorize appropriations for the Office of Commercial Space Transportation in the Department of Transportation; establish a National Space Council in the Executive Office of the President to advise me on space-related matters; make numerous other amendments involving the Space Shuttle; amend the Land Remote-Sensing Commercialization Act in various respects; and authorize appropriations for a variety of programs of the National Oceanic and Atmospheric Administration in the Department of Commerce.

The establishment of a National Space Council in the Executive Office of the President would constitute unacceptable interference with my discretion and flexibility in organizing and managing the Executive Office as I consider appropriate. Besides creating additional and unnecessary bureaucracy, the National Space Council would duplicate the functions of the interagency bodies—the Senior Interagency Group (Space), the Interagency Group (Space), and the Economic Policy Council—that already coordinate the development and implementation of space policy. Because the proposed National Space Council would unnecessarily limit my authority to organize and manage the Executive Office while offering nothing by way of improvement in space policymaking, I am compelled to reject it.

I find two other provisions of H.R. 5495 troublesome. First, by mandating certain space shuttle launch priorities, the bill does not adequately recognize

the importance the Administration places on the development of a commercial space launch industry or my specific decision to allow NASA to launch certain foreign payloads. Second, section 111 of H.R. 5495 would impose a "buy America" restriction on certain NASA procurement activities, in violation of the General Agreement on Tariffs and Trade Agreement on Government Procurement. Enactment of this proposal could subject the United States to significant retaliation by other countries.

Withholding of my approval of this legislation should not be interpreted as any diminution of my support for our Nation's space program. I strongly support and affirm the goals of that program and of United States space policy to strengthen national security, maintain our leadership in space, and promote international cooperation in space. I also stress that my action on H.R. 5495 will in no way adversely affect the Federal government's ongoing space programs. Adequate funding for those programs for 1987 has already been appropriated in the recently enacted Continuing Resolution (Public Law 99-500).

RONALD REAGAN.

THE WHITE HOUSE, November 14, 1986.

MONDAY, NOVEMBER 24, 1986

APPOINTMENT SUBSEQUENT TO SINE DIE ADJOURNMENT

BOARD OF REGENTS OF SMITHSONIAN INSTITUTION

Subsequent to the sine die adjournment of the Senate,

Under the authority of the resolution S. Res. 510, agreed to on Thursday, October 16, 1986,

The VICE PRESIDENT, on Monday, November 24, 1986, appointed Senator DANIEL P. MOYNIHAN as a member of the Board of Regents of the Smithsonian Institution.