H.R. 17045. An act to amend the Social Security Act to establish a consolidated program of social services and assistance to encourage provisions of services by the States.  

On January 8, 1976:  

H.R. 510. An act to authorize and direct the Secretary of Agriculture to convey any interest held by the United States in certain property in Jasper County, Ga., to the Jasper County Board of Education; and  

H.R. 12000. An act to amend title 10 of the United States Code in order to clarify when claims must be presented for reimbursement of memorial service expenses in the case of members of the armed forces whose remains are not recovered.

BILLS DISAPPROVED AFTER SINE DIE ADJOURNMENT  
The President announced his disapproval of the following bills with memoranda of disapproval as follows:  

MEMORANDUM OF DISAPPROVAL  
I have withheld my approval from H.R. 11294, “To amend section 15d of the Tennessee Valley Authority Act of 1933 to provide that expenditures for pollution control facilities will be credited against required power investment returns and repayment obligations.”  

This bill would permit TVA to defer or offset its repayment obligations to the United States Treasury about $85 million per year for 5 years because of expenditures required to install pollution control equipment—and thereby enable TVA to postpone some rate increases otherwise required.  

The people who are provided with electric power by the Tennessee Valley Authority have been subjected to substantial increases in power rates in recent months. I must point out, however, that consumers of electricity throughout the Nation have experienced similar rate increases for essentially the same reasons—rising costs of fuel and materials, the cost of installing air pollution control equipment, and the rising cost of labor. Nevertheless, TVA customers still pay among the lowest power rates in any region in the Nation—about 30 percent of rates in New York, 64 percent of Chicago, and 78 percent of Louisville, Kentucky. 

No one likes to pay higher electric bills. But we must not allow this simple fact to result in new legislation which violates the fundamental principle that electricity should be priced to reflect its cost of production, including the cost of pollution abatement and control. My environmental advisers as well as my economic advisers agree with me that this principle must be upheld. 

I see no basis in equity or in logic for departing from this principle in the case of the TVA, and for asking the general taxpayer to make up the difference in TVA power rates. To do so would be unfair to power consumers elsewhere in the Nation who do not have the benefit of Tennessee Valley Authority pollution control facilities and who are required to bear the costs attributed to pollution control on their power bills.

H.R. 14214  
MEMORANDUM OF DISAPPROVAL  
I have withheld my approval from H.R. 14214, the “Health Revenue Sharing and Health Services Act of 1974.”  

The bill authorizes appropriations of more than $1 billion over my recommendations and I cannot approve it. These appropriations are almost double the funding levels I have recommended for fiscal year 1976 and almost triple the levels I believe would be appropriate for 1976.  

As part of my effort to see that the burden upon our taxpayers does not increase, I requested the Congress last month to exercise restraint in expanding existing Federal responsibilities, and to restrict adding new Federal programs to our already overloaded and limited Federal resources. These recommendations reflect my concern with both the need to hold down the Federal budget and the need to limit Federal role to those activities which can make the most necessary and significant contributions. 

In H.R. 14214, the Congress not only excessively increased authorizations for existing programs but also created several new ones that would result in an unjustified expenditure of Federal taxpayers’ funds. Although the purposes of many of the programs authorized in this bill are proper, I cannot approve this legislation because of its effect upon the economy through increased unwarranted Federal spending. 

Finally, it should be pointed out that the Federal Government will spend almost $2 billion in 1975 through Medicare and Medicaid for the financing of health services for priority recipients—aged and low-income persons. These services are provided on the basis of national eligibility standards in Medicare and State eligibility standards in Medicaid and therefore are available to individuals in a more equitable and less restrictive manner than many of the programs authorized in H.R. 14214. 

H.R. 8193  
MEMORANDUM OF DISAPPROVAL  
I am withholding my approval from H.R. 8193, the Energy Transportation Security Act of 1974. 

The bill would initially require that 20 percent of the oil imported into the United States be carried on U.S. flag tankers. The percentage would increase to 30 percent after June 30, 1977. 

This bill would have the most serious consequences. It would have an adverse impact on States economy and on our foreign relations. It would create serious inflationary pressures by increasing the cost of oil and raising the prices of all products and services which depend on oil. It would further stimulate inflation in the ship construction industry thereby reducing the ability to meet ship construction for the U.S. Navy. 

In addition, the bill would serve as a precedent for other countries to increase protection of their industries, resulting in a serious deterioration in beneficial international competition and trade. This is directly contrary to the objectives of the trade bill which the Congress has just passed. In addition, it would violate a large number of our treaties of Friendship, Commerce, and Navigation. 

Although this bill would undoubtedly benefit a limited group of oil-producing population, such benefit would entail disproportionate costs and produce undesirable effects which could extend into other areas and industries. The waiver provisions which the Congress included in an effort to meet my concerns fail to overcome the serious objections I have to the legislation. 

Accordingly, I am not approving this bill because of the substantial adverse effect on the Nation’s economy and international interest. 

I wish to take this opportunity to reiterate my commitment to maintaining a strong U.S. Merchant Marine. I believe in the American merchant ship and will do everything in my power to increase its employment. 

S. 425  
MEMORANDUM OF DISAPPROVAL  
I am withholding my approval from S. 425, the Surface Mining and Reclamation Act of 1974. 

S. 425 would establish Federal standards for the environmental protection and reclamation of surface coal mining operations, including the reclamation of new lands disturbed by mining. The bill would not only create a new Federal program to guide those activities which can make the most necessary and significant contributions, but also create serious inflationary pressures by increasing the cost of oil and raising the prices of all products and services which depend on oil. It would further stimulate inflation in the ship construction industry thereby reducing the ability to meet ship construction for the U.S. Navy. 

Unfortunately, S. 425, as enrolled, would have an adverse impact on our domestic coal production which is unacceptable. By 1977, the first year after the Act would take full effect, the Federal Energy Administration has estimated that coal production losses would range from a minimum of 48 million tons to a maximum of 141 million tons. In addition, further losses which cannot be quantified could result from ambiguities in the bill, forcing protracted regulatory disputes and litigation. In my judgment, the most significant reasons why such coal losses cannot be accepted are as follows:  

1. Coal is the one abundant energy source over which the United States has total control. We should not unduly impair our ability to use it properly.
We are engaged in a major review of national energy policies. Unnecessary restrictions on coal production would limit our Nation’s freedom to adopt the best energy options.

3. The United States uses the equivalent of 4 barrels of expensive foreign oil for every ton of unproduced domestic coal—a situation which should be tolerated without continued, serious economic consequences. This bill would exacerbate this problem.

4. Unemployment would increase in both the coal fields and in those industries unable to obtain alternative fuel.

In addition, S. 425 provides for excessive Federal expenditures and would clearly have an inflationary impact on the economy. Moreover, it contains numerous other deficiencies which have recently been addressed in Executive Branch communications to the Congress concerning this legislation. In short, the adverse impact of this bill on our domestic coal production is unacceptable at a time when the Nation can ill afford significant losses from this critical energy resource. It would also further complicate our battle against inflation. Accordingly, I am withholding my approval from S. 425.

In doing so, I am truly disappointed and sympathetic with those in Congress who have labored so hard to come up with a bill we must continue to strive diligently to ensure that laws and regulations are in effect which establish environmental protection and reclamation requirements appropriately balanced against the Nation’s need for increased coal production. This will continue to be my Administration’s goal in the new year.

H.R. 17085
MEMORANDUM OF DISAPPROVAL
I have withheld my approval from H.R. 17085, a bill that would amend Title VIII of the Public Health Service Act to provide support for the training of nurses.

This measure would authorize excessive Federal levels—more than $650 million over the three fiscal years covered by the bill. Such high Federal spending for nursing education would be intolerable at a time when even high priority activities are being pressed to justify their existence.

I believe nurses have played and will continue to play an invaluable role in the delivery of health services. The Federal taxpayer can and should selectively assist nursing schools to achieve educational reforms and innovations in support of that objective. The Administration’s 1978 budget request will include funds for this purpose. Furthermore, I intend to urge the 95th Congress to enact comprehensive health personnel training legislation that will permit support of nursing training initiatives to meet the new problems of the 1970’s.

This bill inappropriately proposes large amounts of special Federal support for schools of nursing. Without any additional Federal stimulation, we expect that the number of active duty registered nurses will increase by over 50 percent during this decade.

Such an increase suggests that our incentives for expansion have been successful, and the current Federal program is likely to be of less benefit to the Nation than using these scarce resources in other ways. One result of this expansion has been scattered but persistent reports of registered nurse unemployment particularly among graduates of associate degree training programs.

Today’s very different outlook is not reflected in this bill. We must concentrate Federal efforts on the shortage of certain nurse specialists, and persistent geographic maldistribution. However, this proposal would allocate less than one-third of its total authorization to these problems. Moreover, it fails to come to grips with the problem of geographic maldistribution.

Support for innovative projects—such as the health professions, nursing, allied health, and public health—should be contained in a single piece of legislation to assure that the decisions made in one sector relate to decisions made in another, and to advance the concept of an integrated health service delivery team. By separating out nursing from other health personnel categories, this bill would perpetuate what has in the past been a fragmented approach.

The enrolled bill would also extend various special nursing student assistance provisions of current law. Nursing students are underrepresented undergraduates, and as such should be—understanding that these are entitled to the same types of student assistance available generally under the Office of Education’s programs for post-secondary education. These include, in particular, guaranteed loans and basic educational opportunity grants for financially hard-pressed students. Categorial nursing student assistance activities are not appropriate and should be phased out, as the Administration has proposed.

S. 4206
MEMORANDUM OF DISAPPROVAL
I am withholding my approval from S. 4206, entitled “an act to provide price support for milk at not less than 65 percent of the parity price therefor, and for other purposes.”

This bill would require an immediate increase of $1.12 per hundredweight in the support price for milk, to a record high $7.68. Thereafter, through March 31, 1978, further upward adjustments would be required every three months as necessary to reflect changes in the parity index and parity price for milk.

Such large increases in milk prices would produce only inflationary consequences for producers, consumers, taxpayers, and the Nation’s economy. More importantly, this legislation is unacceptable at a time when the Nation can ill afford significant losses from this critical energy resource.

To further reduce the demand for milk and dairy products by the increased prices provided in this legislation would be detrimental to the dairy industry. A dairy farmer cannot be well served by Government action that prices his product out of the market. It also would be detrimental since the Government would be required to buy the large amounts of milk products which this legislation would generate. This would cost taxpayers more than $400 million during the life of the bill.

It is clearly in the best interests of producers, consumers, taxpayers, and the Government that this legislation not be signed into law.

H.R. 2933
MEMORANDUM OF DISAPPROVAL
I am withholding my approval from H.R. 2933, a bill which would amend the Agricultural Market Development Act to make existing grade and quality restrictions on certain imported commodities applicable to imported filberts.

In my judgment, the bill would be unfair to the American consumer and the American farmer, as well as prejudicial to the interests of American trade policy. H.R. 2933 would be unfair to the consumer because it would unnecessarily increase prices for filbert products. Existing law already requires all imported foodstuffs to meet health standards prescribed under the Food and Drug Act.

The bill could also produce unfair consequences for the farmer by causing the loss of some of his important markets abroad. It could result at best in comparatively limited benefits for domestic producers while risking retaliation from abroad against the larger volume of other products exported by our farmers.

Finally, the bill would be prejudicial to our trade policy because it would be inconsistent with our obligations under the General Agreements on Tariffs and Trade. It would erect a non-tariff trade barrier at a time when we are trying to persuade other nations to dismantle theirs.

Although there are other commodities which are subject to the same statutory restrictions that H.R. 2933 would impose on filberts, no new commodities have been included in that list since January 1 of 1971. I cannot in good conscience support the addition of a new commodity just after signing into law the new Trade