

FOR IMMEDIATE RELEASE

January 4, 1975

Office of the White House Press Secretary

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THE WHITE HOUSE

## MEMORANDUM OF DISAPPROVAL

I am withholding my approval from H.R. 13296, a bill to authorize appropriations for the Maritime Administration.

This is the annual appropriations authorization bill for certain activities of the Maritime Administration in the Department of Commerce. I would be pleased to approve the measure if it were limited to those authorizations.

Unfortunately, the Congress added an unacceptable amendment which would require the Federal Government to reimburse U.S. flag fishing vessel owners for damage to their equipment by foreign flag ships.

The amendment would require the Secretary of Commerce to provide interest free loans to fishermen to cover the property and the value of produce lost as a result of damage caused by foreign vessels operating in the area of the U.S. Continental Shelf. If an ensuing investigation proved the loss was caused solely by a foreign ship, the loan repayment would be cancelled and the United States would attempt to recover claims from the government of the foreign national involved. The program would be retroactive to January 1, 1972, for claims already filed.

This idemnity program would pose serious problems of administration because it would be difficult to establish responsibility for any damage caused. Furthermore, since the bill provides no basis for advance review of the recipient's financial ability to repay a loan, the Commerce Department could find itself in the position of holding a group of "bad debts". At the same time, claims for damage would be difficult to validate and the result would essentially be a grant program with few effective restraints.

Moreover, this program sets a precedent for the Federal relief of private parties from the actions of foreign nationals. Currently, relief is extended only to fishermen whose vessels are the victims of actions by foreign governments beyond recognized territorial limits. International procedures now exist through which claims against foreign nationals can be asserted and adjudicated and these should be used in preference to a Federal indemnity program.

I urge the Congress to pass once again the appropriations authorizations provisions of the bill early in the next session. Meanwhile, the programs covered by these authorizations and funded by appropriations already enacted can be continued under the continuing resolution which runs through February 28, 1975.

GERALD R. FORD

THE WHITE HOUSE,  
January 4, 1975

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