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EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

AUG 12 1974

MEMORANDUM FOR THE PRESIDENT

Subject: Enrolled Bill H.R. 11873 - Animal Health Research
Sponsor - Rep. Melcher (D) Montana and 21 others

Last Day for Action

August 14, 1974 - Wednesday

Purpose

Authorizes and directs the Secretary of Agriculture to provide up to \$47 million annually in categorical grants to State educational institutions for animal health research programs and facilities.

Agency Recommendations

Office of Management and Budget	Disapproval (Veto Message attached)
Department of Agriculture	Reluctant approval
Department of Commerce	No objection
National Science Foundation	No objection
Department of Health, Education and Welfare	Defers to Agriculture
Department of the Interior	Disapproval (Veto Message attached)

Discussion

H.R. 11873 would authorize and direct the Secretary of Agriculture to provide categorical grants to State educational institutions for animal health research programs and facilities. The basic purpose of the research would be (1) to solve health problems of fresh water fish and shellfish, domestic livestock, poultry and other income producing animals, and (2) to promote research on population control of livestock



predators and other animals. Institutions eligible for grants would include all accredited colleges of veterinary medicine or where there is no college of veterinary medicine, state agricultural experiment stations engaged in animal health research. The grants would be made on three bases to eligible institutions:

1. For continuing animal health research, grants would be distributed equally by a formula based on (a) value and income of a respective state's livestock, and (b) in proportion to the animal health research capacity of each eligible institution -- any funds granted in excess of \$100,000 annually per institution would have to be matched by funds from non-Federal sources (\$20 million authorized annually);
2. For research on specific national or regional animal health problems (\$15 million authorized annually); and,
3. For purchasing, constructing, remodeling buildings, including research equipment (\$12 million annually).

Finally, the bill would direct the Secretary to appoint the Veterinary Medical Science Research Board. The Secretary would be required to consult this advisory board concerning the administration and implementation of the Act.

The bill passed by a voice vote in the Senate and by 324-23 in the House.

In reporting on similar predecessor legislation, Agriculture opposed any new animal health research program largely on the grounds that the existing program was working successfully. In fiscal year 1974 Agriculture funded animal health research at \$28.3 million, \$1.4 million above the previous fiscal year. Of this sum, \$1.8 million was for the colleges of veterinary medicine, \$1.4 million was for the state agricultural experiment stations, and \$25 million was for Federal laboratory research. In addition, the colleges of veterinary medicine also received about \$15 million from other Federal agencies for human-health related research.



However, in reporting on H.R. 11873, the House Agriculture Committee noted that it:

" . . . found that an increased effort should be made in the area of animal health research. Substantive testimony presented to the Committee by experts in veterinary science and in livestock management established that animal disease losses cost farmers, ranchers, and consumers at least \$3.6 billion annually. The Committee thus feels that a modest investment in a research effort to learn new ways to cope with animal diseases and pests can pay handsome dividends to the entire Nation in the future."

Yet in registering his dissenting views, Rep. Goodling asked: "What does this bill do that cannot already be done under existing legislation?" The answer is "Nothing." . . . and he went on to say that:

"I would recommend, therefore, to those who feel this bill is necessary that they go through channels already provided in the form of the budgetary and appropriations process to obtain additional funds for this research and then only if such monies can be proven to be actually required."

Agency views

Departing from its earlier position of opposition, Agriculture now recommends approval of H.R. 11873, because it provides for "more precise and continuing support" of animal health research that "can be expected ultimately to help reduce food costs and otherwise promote the general welfare." Commerce and the National Science Foundation have no objection to the bill while HEW has no comment on it.

On the other hand, Interior recommends veto of the enrolled bill because of the provisions relating to the control of fish diseases and predators which would diffuse authority, encourage needless duplication of research facilities and effort, and authorize increased and unnecessary spending.

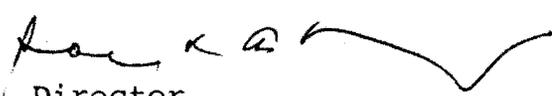
Arguments against approval

1. H.R. 11873 would establish a new categorical grant program -- this is inconsistent with the Administration's general policy of eliminating such grants.
2. The enrolled bill would largely duplicate existing authorities for animal health research.
3. The formula approach in the enrolled bill is in part contrary to established Federal policy of allocating research funds on the basis of merit and research capability as opposed to other considerations such as the relative value of an industry in a state.
4. The Federal government already underwrites over 60 percent of veterinary research at colleges of veterinary medicine and state agricultural experiment stations -- the additional grants afforded under H.R. 11873 are unwarranted.
5. These State institutions should look for funding support from other clientele groups which stand to benefit from improved animal health. For example, states now realize over \$500 million from pari-mutuel betting, the house pet care and feeding industry has sales of over \$4 billion, and the livestock and poultry industry has sales in excess of \$35 billion.
6. The enrolled bill's purpose of supporting research for "fresh water fish and shellfish" and predator control would appear to overlap and duplicate research efforts in Commerce, Interior and USDA, and would unduly encroach into these legitimate research efforts.
7. The funding levels (\$47 million annually) would add further pressure to the Federal budget and impair our efforts to fight inflation, particularly over the short term.

Arguments for approval

1. An increased effort in animal health research could significantly cut our annual losses from animal disease (estimated at \$3.6 billion annually).
2. If successful in increasing the supply of livestock and poultry, it could lower food prices to offset inflation over the long term.
3. The majority of research presently conducted at the colleges of veterinary medicine is restricted to human health applications -- H.R. 11873 could provide funds for direct animal health research.
4. Although the bill directs the allocation of appropriated funds in a somewhat rigid manner, nothing in it restricts the President from submitting his desired budget level and the Secretary would have the discretion to allocate over three quarters of the funds to projects and institutions he deems the most deserving.

On balance, we believe the arguments for disapproval outweigh those in favor of approval and accordingly recommend that you veto H.R. 11873. We have prepared for your consideration an edited version of Interior's draft of a veto message.



Director

Enclosures

TO THE HOUSE OF REPRESENTATIVES

I am returning today without my approval H.R. 11873, an Act "To authorize the Secretary of Agriculture to encourage and assist the several States in carrying out a program of animal health research."

This bill would establish a new categorical grant program for animal health research. Under the program the Secretary of Agriculture would be authorized to make grants totaling \$47 million annually to Colleges of Veterinary Medicine or certain State Agricultural Experiment Stations for animal health research including fresh water fish and shellfish, and predator control.

I believe that advance research by our veterinarians has important direct and indirect bearing on human as well as animal health. The purpose of this essential work does need emphasis because animal health research has helped make American livestock the healthiest and most productive in the world.

Under existing laws and programs the Department of Agriculture and other Federal agencies are presently spending over \$40 million on animal health research. This program is now being carried out in practically every land grant college and the Colleges of Veterinary Medicine under several existing laws; namely, through the State Agricultural Experiment Stations under the Hatch Act, as amended, special research grants for animal health research under P.L. 89-106, and through National Institutes of Health research authority. In addition to this effort, the Federal Government is actively engaged in

fish and shellfish research and predator control programs. Moreover, the livestock and poultry industry and the States are committing substantial sums for animal health research.

By comparison with this effective, on-going program, I find the proposed Animal Health Research Act deficient because it would:

- Establish a duplicative, categorical program that could fragment and diffuse some of our on-going animal health research efforts, including fish and shellfish research and predator control, create waste, and unnecessarily increase Federal spending.
- Allocate portions of the proposed grants simply on the basis of the value and income of domestic livestock and poultry in a respective State, rather than on the basis of an institution's research capability.
- Add further pressure to the Federal budget and impair our efforts to fight inflation during the next several years.

In light of the above, I do not consider the enactment of H.R. 11873 to be in the public interest and am, therefore, withholding my approval of this bill. My disapproval in no way represents a lack of interest or concern over improving animal health. In fact, my action is motivated by just such concern and by a desire to realize better animal health through our existing programs. However, I wish to continue

to work with the Congress to insure that the Federal Government does its part in the most effective manner through a well-balanced program to support improved animal health research.

THE WHITE HOUSE

August , 1974



DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON, D. C. 20250

August 9, 1974

Honorable Roy Ash
Director, Office of Management
and Budget
Washington, D.C. 20503

Dear Mr. Ash:

In reply to the request of your office, the following report is submitted on the enrolled enactment H. R. 11873, the Animal Health Research Act, to encourage and assist the States in carrying out a program of animal health research through grants for research and research facilities needed in solving health problems of livestock, poultry, companion animals, freshwater fish and freshwater shellfish, and needed to improve humane methods of controlling the births of livestock predators and other unwanted animals.

This Department recommends that the President approve the bill.

The general plan of the Act follows well-proved experience with cooperative State-Federal research in agriculture and forestry. It takes advantage of the trained manpower and facilities which are available in the nation's Colleges of Veterinary Medicine and State agricultural experiment stations. It provides for sustaining support and strengthening of the animal health research capacity in each State, recognizing that the more complex problems require persistence unattainable through short-term contracts and grants alone. The Act authorizes grants for specific national and regional animal health problems while providing for continuing funding by a formula distribution based on capacity to perform research and on the value and income of livestock and poultry production (Appendix i).

An advisory board to be appointed by the Secretary will determine relative animal health research capacity of eligible institutions and will make recommendations on other matters related to administration of the Act.

Animal health is a continuing major concern in the production of food animals (Appendix ii). Diseases and parasites cause an annual loss of about \$3.6 billion. This is equivalent to more than 10 percent of the national value or more than 10 percent of the annual income from these animals. The National Academy of Sciences (1972) estimated that disease causes the death of 15 to 20 percent of all farm animals. These losses must ultimately be absorbed by the consumer who purchases the products of animal agriculture, just as he or she must absorb the more direct losses from diseases and parasites of personally owned companion animals. Toward reducing some of these losses, the Department of Agriculture supports animal health research through the Agricultural Research Service and the Cooperative State Research Service (Appendix iii).

In its response to congressional inquiry on the Animal Health Research Act and in testimony at congressional hearings, the Department has stated that current legislative authority is adequate to support animal health research needs. However, this bill provides for more precise and continuing support that is closely related to capacities to conduct animal health research and the needs of the livestock industry. The National Academy of Sciences (1972) stated that "the USDA has not supported veterinary research adequately" and that the USDA should develop a "special funding mechanism for veterinary science like the McIntire-Stennis program." The Animal Health Research Act meets this recommendation. It has received overwhelming support in the Congress.

To provide half the support for one full-time scientist at the College of Veterinary Medicine with the lowest level of current research capacity (Tuskegee Institute), an appropriation of \$5 million would be required. That amount will support six scientists at the College with the highest level of research capacity (Iowa State University College of Veterinary Medicine). A \$15 million appropriation represents about 0.04 percent of the 1972 estimated cash receipts of \$35.5 billion from livestock and livestock products. Past achievements in the eligible institutions support an expectation that the proposed public investment in research will lead to improved animal health. Such improvement can be expected ultimately to help reduce food costs and otherwise promote the general welfare.

We acknowledge that funds appropriated under this Act must be accommodated within necessary budget ceilings and with due consideration of all other areas deserving Federal support.

Sincerely,



RICHARD A. ASHWORTH
Deputy Under Secretary

Attachments

Appendix i

Nearly all the publicly supported animal health research resources in the United States are located in 19 Colleges of Veterinary Medicine and 55 State Agricultural Experiment Stations. There is a total of 1,523 full-time equivalents of scientific manpower (SMY) in these institutions, 1190 in the Colleges of Veterinary Medicine, and 333 in the State stations.

Nearly 80% of the research currently conducted by these colleges is restricted to human health applications. Support under these limitations does not permit investigation and solutions of animal health problems of concern to the livestock and poultry industry. These concentrations of highly skilled specialists have been made possible by Federal grants for research in the human health field which encourages and supports studies in animals in order to apply results to human medical problems. The Colleges of Veterinary Medicine have the greatest concentration of highly trained animal health research scientists in this country, with the greatest breadth of expertise in the essential disciplines, and the most advanced capabilities in the technology needed to solve complex animal health problems.

Appendix 11

In a survey (1968) the National Pork Producers' Council found that 71% of the producers regarded health as the problem of greatest concern in their swine production enterprises. Statements expressing concern over the lack of more intensive research to solve animal health problems recently have been expressed to the Department by the American National Cattlemen's Association, The National Wool Grower's Association, the American Horse Council and the Conference of Research Workers in Animal Diseases. The Council for Research of the American Veterinary Medical Association charged in 1966 that "there is a serious abdication of responsibility by the U.S. Department of Agriculture in supporting animal disease research in the State experiment stations and the veterinary colleges."

Appendix iii

The Department of Agriculture currently supports animal health research through the Agricultural Research Service and the Cooperative State Research Service. In 1973 an estimated total of \$23.4 million was programmed for such research, of which about \$1.7 million supported research at Colleges of Veterinary Medicine, \$2 million supported research at the State Agricultural Experiment Stations, and over \$19.7 million supported work at Federal laboratories. These figures suggest that the combined Department support of State research at colleges and Experiment Stations is disproportionately low in comparison to support at Federal laboratories and in consideration of the annual value of livestock and poultry produced in the United States which exceeded \$34 billion in 1973.

The Agricultural Research Service has provided between 15 to 20% of the Department's extramural support for research in animal health through cooperative agreements and contracts (See Table). Such support is for specific studies selected by this Service to selected scientists. Duration of support is usually for one year, but may be renewable annually contingent on availability of funds and continuing Departmental interest in the work area. Ten to fifteen veterinary scientists would be supported full-time by the annual amount made available by this Service.

The Cooperative State Research Service, which has been the principal USDA source for continuity in funding extramural animal health research, had not provided funds to three of the eighteen Colleges of Veterinary Medicine prior to 1973. Two of these colleges are ineligible for Hatch support (Tuskegee Institute and the University of Pennsylvania). The third veterinary college (Ohio State University) although eligible, has never received Hatch support due to administrative decisions at the local level. Tuskegee received CSRS funds for animal health research for the first time in 1973 through PL 89-106. Five other Veterinary Colleges have received limited funding through the Hatch Regional Research Program which provides support for cooperative research on specific projects of limited duration (3 to 5 years). During the nine years in which CSRS has utilized PL 89-106 to further Department programs, a total of 5 grants for animal health research have been placed in four of the Colleges. Facilities funding through PL 88-74 provided no funds to these colleges over the period of its active funding (1965-1971); however, \$377,590 was utilized for animal health research facilities in State Experiment Stations.

During a period (1966 to 1972) in which increasing concern has been expressed by industry groups over the need for more emphasis on animal health problems, the Department has not been able to respond with any major increases in extramural support for this area. During this period actual scientific effort (SMY) in animal health research declined by

Appendix iii (continued)

25% in the State Experiment Stations, the major recipient of Department funds for extramural animal health research. State stations have made efforts to respond to industry needs by increasing State dollar support of animal health research by about 1/3 during the described period. USDA extramural dollar support during this time increased 23%, which is somewhat less than the increased cost of conducting research during the time period (6% annual increase in research costs). In 1966 the USDA provided funds to the 18 veterinary colleges in an amount equivalent to the support of less than 2 full-time scientists per college (33 SMY). At this time the Department supported 213 SMY in its own intramural animal health research programs and 54 SMY equivalents in State Agricultural Experiment Stations. With the exception of the general decline in research effort, no substantial shifts have occurred since that time. During 1972 USDA animal health research funds supported 189 intramurally and extramurally 29 in veterinary colleges and 43 in State Agricultural Experiment Stations.

Animal Health Research
 State Agricultural Experiment Stations
 Sources of Funds
 1966 - 1972

	<u>1966</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>
CSRS	2,267,000	2,470,000	2,671,000	2,828,000	2,893,000	3,040,000
Other USDA	434,000	678,000	724,000	671,000	619,000	459,000
Other Federal	3,360,000	3,801,000	3,081,000	2,097,000	1,763,000	1,559,000
Industry	629,000	523,000	576,000	608,000	647,000	760,000
State	<u>6,803,000</u>	<u>7,192,000</u>	<u>7,479,000</u>	<u>8,052,000</u>	<u>8,911,000</u>	<u>9,017,000</u>
Total Funds	13,493,000	14,664,000	14,531,000	14,256,000	14,833,000	14,835,000



THE ASSISTANT SECRETARY OF COMMERCE
Washington, D.C. 20230

AUG 8 1974

Honorable Roy L. Ash
Director, Office of Management
and Budget
Washington, D. C. 20503

Attention: Assistant Director for Legislative Reference

Dear Mr. Ash:

This is in reply to your request for the views of this Department concerning H. R. 11873, an enrolled enactment

"To authorize the Secretary of Agriculture to encourage and assist the several States in carrying out a program of animal health research."

This Department would have no objection to approval by the President of H. R. 11873, provided that recognition is given to the fact that in the area of improving health and productivity of fresh water fish and shellfish, at least three other government agencies currently have ongoing programs. In order to provide coordination between these various programs, the Secretary of Agriculture should regularly consult and cooperate with the heads of the other federal agencies involved.

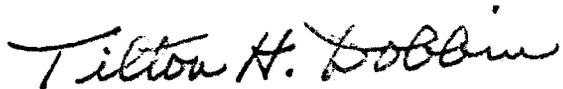
To this end, this Department recommends that the President's signing message include language such as the following:

"I recognize that in the area of improved health and productivity of fresh water fish and shellfish, there are several federal agencies currently pursuing ongoing programs. The Department of the Interior has an extensive ongoing study related to fish diseases. The Department of Commerce is working on fish inspection programs and also has a research program to protect marine fish and shellfish from diseases. The Department of Health, Education, and Welfare is involved in many activities through the Food and Drug Administration to assure consumer protection from diseases from various food sources. In order to

coordinate the activities of the federal agencies involved in the area of improved health and productivity of fresh water fish and shellfish, I would expect the Secretary of Agriculture to consult and cooperate on a regular basis with the heads of other federal agencies involved, in order to ensure that the American consumer is receiving the utmost protection. "

. Enactment of this legislation would involve no expenditure of funds by this Department.

Sincerely,

A handwritten signature in cursive script that reads "Tilton H. Dobbin".

Tilton H. Dobbin
Assistant Director for Domestic
and International Business

NATIONAL SCIENCE FOUNDATION
WASHINGTON, D.C. 20550



OFFICE OF THE
DIRECTOR

AUG 8 1974

Mr. Wilfred H. Rommel
Assistant Director for Legislative
Reference
Office of Management and Budget
Washington, D. C. 20503

Dear Mr. Rommel:

This is in reply to your memorandum of August 5, 1974
requesting the views of the National Science Foundation on
Enrolled Bill H.R. 11873, the Animal Health Research Act.

The Foundation has no objection to approval of the Enrolled
Bill by the President.

Sincerely yours,

A handwritten signature in cursive script, appearing to read 'H. Gayford Stever'.

H. Gayford Stever
Director



DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

AUG 7 1974

Honorable Roy L. Ash
Director, Office of Management
and Budget
Washington, D. C. 20503

Dear Mr. Ash:

This is in response to Mr. Rommel's request of August 5, 1974, for a report on H.R. 11873, an enrolled bill "To authorize the Secretary of Agriculture to encourage and assist the several States in carrying out a program of animal health research."

The enrolled bill does not concern itself with matters within the purview of this Department. We defer to the Secretary of Agriculture with respect to the merits of the enrolled bill.

Sincerely,


Secretary





United States Department of the Interior

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

AUG 7 - 1974

Dear Mr. Ash:

This responds to your request for our views on the enrolled bill H.R. 11873, "To authorize the Secretary of Agriculture to encourage and assist the several States in carrying out a program of animal health research."

We recommend that the President withhold approval of this bill. Transmitted herewith is a proposed veto message.

H.R. 11873 recites that its purpose, among other things, is "to promote the general welfare through improved health and productivity of fresh water fish and shellfish, domestic livestock, poultry, and other income-producing animals so essential to the Nation's food supply and the welfare of producers and consumers of animal products" and "to improve methods of controlling the births of predators and other animals."

To accomplish these and other objectives, H.R. 11873 would authorize an appropriation of up to \$20,000,000 annually, and an additional \$12,000,000 annually to support the cost of providing veterinary medical science research facilities.

Although this Department certainly does not oppose the overall objective of H.R. 11873 to assist the States in implementing a program of animal health research, we strongly oppose specific provisions of the enrolled bill as it relates to the control of fish diseases and animal predators.

Both of these subjects are within the responsibilities of this Department.

Since the authorization of its predecessor agency, the U.S. Commission of Fish and Fisheries in 1871, the Fish and Wildlife Service has had as a primary goal the control of fish diseases, with the National Marine Fisheries Service having the primary interest in shellfish. This effort has grown in relation to the need of the industry. At this time there are two fish laboratories operated by the Fish and Wildlife Service, one of which has provided the training for most of the fish disease specialists in the United States. In addition,



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20 colleges and universities offer at least one course in fish diseases; however, none of these courses are associated with a school of veterinary medicine.

Historically, veterinary schools have shunned fish diseases because of the necessity of understanding the aquatic environment which is alien to the classical study of veterinary medicine. This is quite understandable in view of the fact that the value of the poultry industry is \$3 billion compared to the whole aquaculture industry which is valued at less than \$200 million (this includes bait minnows, ornamental fish, trout, catfish and crayfish). Another comparison is that while there are 30,000 veterinarians in the United States, there are only 160 members of the Fish Health Section of the American Fisheries Society, 54 of whom are qualified to inspect fish for diseases (two are veterinarians).

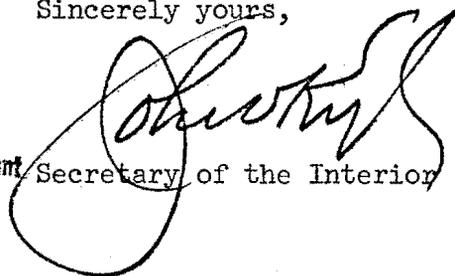
H.R. 11873 could serve only to seriously jeopardize the existing fish disease programs, diffuse authority in the Federal Government, and create a new budget demand. The veterinary schools would have to recruit fish disease experts. Most would of necessity have to come from existing Federal, State and university research units. Veterinary schools would also have to construct wet labs and other facilities to handle aquatic animals. Sea water and systems to handle it would be required to study shellfish such as shrimp and oysters.

Similarly, animals damage control research and operational control programs have been conducted by the Department of the Interior, U.S. Fish and Wildlife Service and its predecessor agencies since the early 1900's. The present program of research and operational control is conducted pursuant to the Animal Damage Control Act of 1931 (7 U.S.C. 426-426b). The President in his environmental message to the 92nd Congress and the 93rd Congress transmitted legislation to give new direction to this important program. The legislation would continue a program of predatory animal damage control under the administration of the Secretary of the Interior and would give increased emphasis to research in new, environmentally safe methods of control. The U.S. Fish and Wildlife Service has an extensive predatory animal research program. In fiscal year 1974, \$1.1 million was appropriated to the Service for research in population ecology, development of damage control methods, disease assessment and predator socio-economic studies. For fiscal year 1975, an additional \$2 million was in the Presidents budget for assistance to States in the conduct of predator control programs.



In summary, H.R. 11873 diffuses authority, encourages needless duplication of research facilities and effort, and authorizes increased and unnecessary spending. Therefore, we would urge the President to veto the bill.

Sincerely yours,



Assistant Secretary of the Interior

Honorable Roy L. Ash
Director
Office of Management and Budget
Washington, D. C.

ACTION MEMORANDUM

Date: August 12, 1974

Time: 2:00 p. m.

FOR ACTION: Mike Duval
Jim Cavanaugh
✓ Fred Bizhardt
Bill Timmonscc (for information): Warren K. Hendriks
Jerry Jones
Dave Gergen

FROM THE STAFF SECRETARY

DUE: Date: Tuesday, August 13, 1974

Time: 11:00 a. m.

SUBJECT: Enrolled Bill H. R. 11873 - Animal Health Research

ACTION REQUESTED:

 For Necessary Action For Your Recommendations Prepare Agenda and Brief Draft Reply For Your Comments Draft Remarks

REMARKS:

Defer on the substance, but note that:

→ This would probably be the first veto by Pres. Ford. The issues are economy & efficiency in government & no major interest appears likely to be hurt. It could be a good choice for the first veto.

Please return to Kathy Tindle
West Wing

D. Chapman



PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

Warren K. Hendriks
For the President

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

AUG 12 1974

MEMORANDUM FOR THE PRESIDENT

Subject: Enrolled Bill H.R. 11873 - Animal Health Research
Sponsor - Rep. Melcher (D) Montana and 21 others

Last Day for Action

August 14, 1974 - Wednesday

Purpose

Authorizes and directs the Secretary of Agriculture to provide up to \$47 million annually in categorical grants to State educational institutions for animal health research programs and facilities.

Agency Recommendations

Office of Management and Budget	Disapproval (Veto Message attached)
Department of Agriculture	Reluctant approval
Department of Commerce	No objection
National Science Foundation	No objection
Department of Health, Education and Welfare	Defers to Agriculture
Department of the Interior	Disapproval (Veto Message attached)

Discussion

H.R. 11873 would authorize and direct the Secretary of Agriculture to provide categorical grants to State educational institutions for animal health research programs and facilities. The basic purpose of the research would be (1) to solve health problems of fresh water fish and shellfish, domestic livestock, poultry and other income producing animals, and (2) to promote research on population control of livestock



TO THE HOUSE OF REPRESENTATIVES:

I am returning today without my approval H.R. 11873, an act authorizing the Secretary of Agriculture to encourage and assist States in carrying out programs of animal health research.

I believe, as do proponents of this bill, that veterinary research has helped to make American livestock the healthiest and most productive in the world. We must continue to maintain high standards of research.

But I also believe that this bill adds little to the existing programs of the Department of Agriculture and other agencies.

We are presently spending over \$40 million on programs involving animal health research, and nearly every land grant college and colleges of veterinary medicine in the United States is participating in these programs.

This bill, however, would establish a new categorical grant program that would authorize an expenditure of an additional \$47 million annually and would be duplicative of many programs that already exist. The overlapping would be especially true of programs in fish and shellfish research and predator control.

Because this bill would add further to the Federal taxpayers' burdens without significantly meeting national needs and would only add to inflationary pressures within the economy, I feel that I must withhold my approval.

THE WHITE HOUSE,

August 14, 1974.



Ninety-third Congress of the United States of America

AT THE SECOND SESSION

Begun and held at the City of Washington on Monday, the twenty-first day of January,
one thousand nine hundred and seventy-four

An Act

To authorize the Secretary of Agriculture to encourage and assist the several States in carrying out a program of animal health research.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act shall be known as the Animal Health Research Act.

SECTION 1. PURPOSE.—It is the purpose of this Act to promote the general welfare through improved health and productivity of fresh water fish and shellfish, domestic livestock, poultry, and other income-producing animals so essential to the Nation's food supply and the welfare of producers and consumers of animal products; to prevent disease epidemics that would be disastrous to the American livestock and poultry industries and our food supply; to minimize losses due to sicknesses and diseases of livestock and poultry; to minimize losses of livestock and poultry due to transportation and handling; to protect human health through control of animal diseases transmissible to humans; to improve the health of companion animals which support an industry of major economic importance and which contribute significantly to the quality of family life; to improve methods of controlling the births of predators and other animals; and otherwise to promote the general welfare through expanded programs of research to improve animal health. It is recognized that the total animal health research efforts of the several State colleges and universities and of the Federal Government are more fully effective if there is a close coordination between such programs, and it is further recognized that colleges of veterinary medicine and departments of veterinary sciences and animal pathology, and similar units conducting animal health research in the agricultural experiment stations, are especially vital in the training of research workers in animal health.

SEC. 2. In order to carry out the purposes of this Act, the Secretary of Agriculture is hereby authorized to cooperate with the several States for the purpose of encouraging and assisting them in carrying out programs of animal health research at eligible institutions.

SEC. 3. DEFINITIONS.—As used in this Act:

(a) "Eligible institutions" shall include all accredited colleges of veterinary medicine and at institutions where there is no college of veterinary medicine, agricultural experiment stations eligible to receive assistance under the Hatch Act, as amended in 1955 (69 Stat. 671), which have departments of veterinary science or animal pathology, or similar units conducting animal health research: *Provided, however,* That when a new college of veterinary medicine is formed, the Secretary, after consultation with the Advisory Board, shall provide for the orderly transfer of support from the agricultural experiment station to the college of veterinary medicine in that institution.

(b) "Dean" shall mean the dean of a college of veterinary medicine. "Director" shall mean director of an agricultural experiment station at institutions where there is no college of veterinary medicine.

(c) "State" shall mean all States, Guam, Puerto Rico, and the Virgin Islands.

(d) "Secretary" shall mean the Secretary of Agriculture.

(e) "Advisory Board" shall mean a Veterinary Medical Science Research Board appointed by the Secretary of Agriculture which shall be constituted of not less than nine nor more than twelve members selected from individuals nominated by and selected so as to give equal representation to respectively: (1) accredited colleges of veterinary medicine, (2) veterinary science or animal pathology departments or similar units conducting animal health research at other eligible

institutions, and (3) to representatives of national livestock and poultry organizations.

(f) "Animal health research capacity" shall mean the capacity of an eligible institution to conduct research on animal diseases as measured by a formula to be developed and applied by the Secretary with the advice of the Advisory Board. The Secretary's formula will provide a figure for each eligible institution which will be used in determining that institution's relative capacity to perform such research as a percentage of the total national capacity of all such institutions to conduct animal health research.

SEC. 4. (a) To support continuing research programs at eligible institutions, the Congress is hereby authorized to appropriate such funds, not to exceed \$20,000,000 annually, as it may determine to be necessary. Funds appropriated under this section shall be used to meet expenses of conducting research, publishing and disseminating the results of such research, of contributing to retirement of employees subject to the provisions of an Act approved March 4, 1940 (54 Stat. 39), of administrative planning and direction, and for the purchase of needed equipment and supplies and the alteration or renovation of buildings necessary for conducting research.

(b) Funds appropriated under this section shall be apportioned as follows:

(1) Four per centum shall be retained by United States Department of Agriculture for administration, program assistance to the States, and program coordination.

(2) Forty-eight per centum shall be distributed to eligible institutions in the proportion that the value and income of domestic livestock and poultry in each State where such institution is located, bears to the total value and income of domestic livestock and poultry in the United States according to the latest published United States Department of Agriculture statistics. The Secretary will determine the total value and income and the proportionate value and income of domestic livestock and poultry for each State with guidance of the Advisory Board from the latest inventory of all cattle, sheep, swine, horses, and poultry published by the United States Department of Agriculture.

(3) Forty-eight per centum shall be distributed among the eligible institutions of the States in proportion to the animal health research capacity of the eligible institution or institutions in each State.

(c) When the amount available under this section for allotment to any eligible institution on the basis of livestock values and income exceeds the amount for which such institution is eligible on the basis of animal health research capacity, the excess may be used for remodeling of old facilities, construction of new facilities, or to increase staffing proportionate to the need for added research capacity.

(d) When a State has two or more eligible institutions, the funds available for such institutions in that State under this section shall be apportioned between or among those institutions in proportion to their animal health research capacity as defined in section 3(f).

(e) The sums distributed on the basis of proportionate value and income of domestic livestock and poultry (b)(2) above and proportionate animal health research capacity (b)(3) above in the first appropriation under this Act and like sums appropriated in subsequent years shall be based on the latest available data on National and State livestock values and income and research capacities, and

any sums in addition to the initial appropriation level appropriated in subsequent years shall be distributed on the basis of domestic livestock and poultry values and income and animal health research capacities in the years those additional sums are first appropriated: *Provided*, That sums available to an eligible institution will not be decreased because of subsequent changes in the proportionate distribution of domestic livestock and poultry values and income and animal health research capacities.

SEC. 5. (a) To support research on specific national or regional animal health problems, the Congress is hereby authorized to appropriate such funds, not to exceed \$15,000,000 annually, as it shall determine to be necessary. Funds appropriated under this section shall be used to pay costs of conducting research and other costs provided for in section 4(a).

(b) Funds appropriated under this section shall be allocated by the Secretary to eligible institutions for work to be done as mutually agreed upon between the Secretary and the eligible institutions. In developing plans for the use of these funds, the Secretary shall consult the Advisory Board.

SEC. 6. (a) To support cost of providing veterinary medical science research facilities, the Congress is hereby authorized to appropriate such sums, not to exceed \$12,000,000 annually, as it determines to be necessary. Funds provided under this section shall be used to purchase land, construct or remodel buildings, and to buy and install necessary research and research-related equipment.

(b) Funds appropriated under this section shall be apportioned among eligible institutions in the same manner as funds apportioned under section 4(b), except that, to meet specific national or regional animal health research needs, additional funds may be appropriated to provide animal health research facilities at one or more eligible institutions as mutually agreed upon in each case between the Secretary and the eligible institution: *Provided*, That, in developing plans for the use of these additional funds, the Secretary shall consult the Advisory Board.

SEC. 7. Sums available for allotment under the terms of this Act shall be paid to each eligible institution at such times and in such amounts as shall be determined by the Secretary. Funds shall remain available for payment of unliquidated obligations for one additional fiscal year following the year of appropriation, except that funds appropriated under section 6 shall remain available for payment, at the option of an eligible institution, for a period of not more than two fiscal years following the fiscal year of appropriation plus the one additional year for payment of unliquidated obligations.

SEC. 8. When the Secretary determines that an eligible institution is not eligible to receive its allotment of funds because of a failure to satisfy requirements of this Act or regulations issued under it, the Secretary shall withhold such amounts; the facts and reasons therefor shall be reported to the President and the amount involved shall be kept separate in the Treasury until the close of the next Congress. If the next Congress shall not direct such sum to be paid it shall be carried to surplus.

SEC. 9. (a) The dean or director of each eligible institution will have prepared local project proposals for research on priority problems of animal health which comply with the purpose in section 1 and for use as specified in section 4(a) and with general guidelines for project

eligibility to be provided by the Secretary with the advice of the Advisory Board. Research proposals approved by the dean or director will be submitted to the Secretary with a brief outline abstract summary which will reveal compliance with the purpose of this Act and the Secretary's general guidelines.

(b) Each dean or director shall also submit a brief annual report of research accomplishments on a project-by-project basis and he shall account for all funds allotted to his institution under the provisions of this Act at such times and on such forms as the Secretary shall prescribe. If any portion of the allotted moneys received shall by any action or contingency be diminished, lost, or misapplied, it shall be replaced by the State concerned and until so replaced, no subsequent appropriation shall be allotted or paid to said college or university.

SEC. 10. (a) The Secretary is authorized to prescribe such rules and regulations as may be necessary to carry out the provisions of this Act and to furnish such advice and assistance as will best promote the purposes of this Act. The Secretary is further directed to appoint the Advisory Board.

(b) The Advisory Board, in addition to providing consultation and advice to the Secretary as provided elsewhere in this Act, shall meet at least annually to advise the Secretary with respect to administration and implementation of this Act and to recommend priorities for conduct of research programs authorized under this Act. The Advisory Board shall continue for the duration of this Act.

(c) Each recipient of Federal assistance under this Act, pursuant to grants, subgrants, contracts, subcontracts, loans, or other arrangements, entered into other than by formal advertising, and which are otherwise authorized by this Act, shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance is given or used, the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

(d) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall, until the expiration of three years after completion of the project or undertaking referred to in subsection (c) of this section, have access for the purpose of audit and examination to any books, documents, papers, and records of such recipients which in the opinion of the Secretary or the Comptroller General may be related or pertinent to the grants, subgrants, contracts, subcontracts, loans, or other arrangements referred to in subsection (c).

SEC. 11. The amount paid by the Federal Government to any eligible institution for assistance under this Act, exclusive of the funds paid for research on specific national or regional animal health problems authorized by sections 5 and 6, shall be in an amount not to exceed \$100,000 in addition to an amount not to exceed during any fiscal year the amount available to and budgeted for expenditure by such institution during the same fiscal year for animal health research from non-Federal sources. The Secretary is authorized to make such expenditures on the certificate of the appropriate official of the institution having charge of the animal health research for which the expenditures

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as herein provided are to be made. If any of the institutions certified for receipt of funds under this Act fails to make available and budget for expenditure for animal health research in any fiscal year sums at least as much as the amount for which it would be eligible for such year under this Act, the difference between the Federal funds available and the funds made available and budgeted for expenditure by the institution shall be reapportioned by the Secretary to other eligible institutions of the same State if there be any which qualify therefor and, if there be none, the Secretary shall reapportion such differences to the qualifying institutions of other States participating in the animal health research program.

Speaker of the House of Representatives.

*Vice President of the United States and
President of the Senate.*

ANIMAL HEALTH RESEARCH ACT

MARCH 26, 1974.—Ordered to be printed

Mr. ALLEN, from the Committee on Agriculture and Forestry,
submitted the following

REPORT

[To accompany H.R. 11873]

The Committee on Agriculture and Forestry, to which was referred the bill (H.R. 11873) to authorize the Secretary of Agriculture to encourage and assist the several States in carrying out a program of animal health research having considered the same, reports favorably thereon with amendments and recommends that the bill (as amended) do pass.

PURPOSE OF LEGISLATION

The purpose of this bill is to place increased emphasis on and provide added funding for animal health research within the structure of our Federal-State university veterinary medical institutions and agricultural experiment stations.

The specific objectives of the legislation include (1) improving the health and productivity of fresh water fish and shellfish, domestic livestock, poultry, and other income-producing animals; (2) preventing disease epidemics; (3) minimizing losses due to sicknesses and diseases and transportation and handling of livestock and poultry; (4) protecting human health through control of animal diseases transmissible to humans; (5) improving the health of companion animals; (6) improving methods of controlling the birth of predators and other animals.

SHORT EXPLANATION

(1) The grant recipients under this legislation would be the colleges of veterinary medicine or, at institutions where there are no colleges of veterinary medicine, the State agricultural experiment stations conducting animal health research.

(1)



(2) There would be a formula for distribution of funds based on the value of and income generated by livestock and poultry in each State and based on the animal health research capacity at the eligible institution or institutions in each State.

(3) In addition, there would be grants to eligible institutions for research on specific national or regional animal health problems.

(4) There would be a total ceiling on annual authorizations of \$75 million. This would be broken down into:

- (a) \$40 million for the basic authorization for research;
- (b) \$20 million authorization for specific national or regional animal health problems; and
- (3) \$15 million authorization for land, buildings, and equipment.

(5) There would be an Advisory Board to be appointed by the Secretary to make recommendations concerning animal health research capacity of eligible institutions, animal health research priorities, and other matters related to the administration of the Act.

NEED FOR LEGISLATION

Witnesses who appeared before the Subcommittee on Agricultural Research and General Legislation on September 27, 1973, documented the great unmet need for increased Federal assistance for animal health research. Assistant Secretary of Agriculture Robert W. Long testified that animal diseases are costly and persistent. He estimated that annual losses from animal diseases and parasites exceed \$3.6 billion. He quoted the 1972 Terry Report of the National Academy of Sciences, which estimated that losses of all animals run as high as 15 to 20 percent.

The Animal and Plant Health Inspection Service of the USDA reported a total of 423,000 animals and animal parts and 404 million pounds of poultry condemned as unfit for human consumption in fiscal year 1972. This loss due to animal diseases looms quite large when we consider that in 1972 the total of meat animals marketed was 169 million and the total pounds of live poultry marketed was 1.2 billion pounds.

In response to a question by a subcommittee member, the representative of the American Veterinary Medical Association indicated that if we had a properly funded program of animal health research, we could cut in half our present annual losses of livestock and poultry, which exceed \$3.6 billion.

While the Committee was aware that currently the Department of Agriculture does program some funds for animal health research, it felt that the present expenditures are far from adequate. The Committee felt that with the current worldwide shortage of protein food, especially animal protein, that it would be a wise investment to provide more Federal funds for eliminating the billions of dollars of annual losses in the livestock and poultry industry which are caused by animal diseases. Moreover, it felt that the seriousness of the problem and the fact that funds would be dispersed among the several States necessitated an increase in the authorization ceiling of the House-passed bill. It was for this reason that the Committee increased the \$45 million authorization level of the House bill to \$75 million.

COMMITTEE CONSIDERATION

This bill to promote increased and improved animal health research was first introduced by the late Senator Allen J. Ellender, former Chairman of the Committee on Agriculture and Forestry, in June of 1972. However, because this bill, S. 3749, was introduced late in the 92nd Congress no action was taken on it.

This legislation was again introduced as S. 1388 in the 93d Congress by the current Chairman of the Senate Committee on Agriculture and Forestry with the co-sponsorship of all of the Members of the Committee. Hearings were held on S. 1388 on September 27, 1973. A number of witnesses testified and others filed statements for the hearing record. The bill received overwhelming support, with only the Department of Agriculture opposed to it.

On October 10, 1973, the Subcommittee on Agricultural Research and General Legislation, chaired by Senator Allen, held an Executive Session to consider S. 1388. However, it was unable to act because of the lack of a quorum. At this meeting the Committee Counsel pointed out several technical problems with the bill. Chairman Allen asked the Counsel to work with the U.S. Department of Agriculture and other interested groups to draft a perfected version of the bill. The Counsel did this and on November 15, 1973, a Committee Print was published which incorporated several technical and conforming amendments, many of which were suggested by the USDA.

Concurrently, the House Agriculture Committee proceeded to have hearings on the companion House bill to S. 1388. On January 24, 1974, the House Agriculture Committee reported a clean bill, H.R. 11873, to the House and this bill was passed by the House on February 7. Since the House Committee had adopted the technical corrections of the Senate Committee Print, there were few differences between the House bill and the corrected Senate version. The House did adopt some substantive amendments which were considered by the Subcommittee on Agricultural Research and General Legislation on March 12, 1974.

The first amendment adopted by the House was an amendment to include in the purposes of the legislation the improvement of the method of controlling the births of predators and other animals. The subcommittee agreed to this amendment.

Second, the House adopted amendments placing ceilings on the level of appropriations to carry out the expanded animal research effort in future years. The total ceiling would have been \$45 million annually (\$20 million for Section 4, \$15 million for Section 5, and \$10 million for Section 6). The Subcommittee on Agricultural Research and General Legislation amended the House bill to increase the ceiling to \$75 million annually (\$40 million for Section 4, \$20 million for Section 5, and \$15 million for Section 6).

Third, the House adopted a "state sharing" formula under which the amount paid by the Federal government to any eligible institution in excess of \$100,000 would be matched from non-Federal sources on a 50-50 basis. This matching requirement would not apply to funds paid for research on specific national or regional animal health problems. The subcommittee adopted this House amendment.

In addition, the subcommittee adopted three other amendments. It amended the bill to eliminate the local review committees authorized

to review local project proposals for research on priority problems. It was the feeling of the subcommittee that these local committees would only have resulted in more red tape and would serve no useful purpose.

Second, the subcommittee adopted an amendment to add to the purposes of the legislation research to minimize losses of livestock and poultry that occur in transportation and handling.

Third, the subcommittee adopted an amendment suggested by the General Accounting Office to require the keeping of records by grant recipients and to require that the Secretary of Agriculture and the Comptroller General be given access to these reports.

On March 20, the full Committee on Agriculture and Forestry considered the legislation reported by the subcommittee. It approved the subcommittee bill, with the addition of two amendments. It amended the legislation to include fresh water fish and shellfish in the definition of animals for which research is to be carried out under the bill.

Also, the Committee accepted an amendment to authorize the Secretary of Agriculture to conduct an inventory on horses. Under Section 4 of the bill, funds are to be apportioned, in part, according to the proportionate value and income of domestic livestock and poultry in each State. In determining the total value and income and the proportionate value and income of domestic livestock and poultry for each State, the Secretary is authorized to use the latest inventory of all cattle, sheep, swine, horses, and poultry published by the USDA. While inventories are published for other animals, no such inventory is published for horses. Therefore, the Committee feels that it is necessary that a horse inventory be carried out by the Secretary in order to facilitate the proper administration of the animal health research program.

The Department of Agriculture discontinued estimating horses on farms in 1960 because of the declining horse population on farms. Pleasure horses were not included in the earlier series of estimates, and the large expansion of horses since that time has been this segment of the industry.

At the request of the National Horse Industry Advisory Committee, the Statistical Reporting Service of the Department of Agriculture prepared a description of a national equine statistics program which, when implemented and completed, would provide the total equine population by major breeds and primary uses. This information would give the Secretary the ability to determine income and value with regard to horses so that funds could be properly apportioned under the bill.

The proposed national horse estimating program to be conducted by the U.S. Department of Agriculture would cover the 48 conterminous States; it would provide State estimates annually for about one-third of the States, a combined estimate for the other States, and a 48-State total. State estimates will be rotated so a cross-section of the United States will be covered each year. The survey will feature probability sampling. Lists of horse owners and land area survey procedures will be used in the development of a multiple-frame sample.

SECTION-BY-SECTION ANALYSIS

Section 1. Purpose

Section 1 provides that the general purpose of the bill is to promote the general welfare through expanded programs of animal health

research. The specific stated objectives include (1) improving the health and productivity of fresh water fish and shellfish, domestic livestock, poultry, and other income-producing animals; (2) preventing disease epidemics; (3) minimizing losses due to sicknesses and diseases and transportation and handling of livestock and poultry; (4) protecting human health through control of animal diseases transmissible to humans; (5) improving the health of companion animals; and (6) improving methods of controlling the births of predators and other animals.

Section 2. Cooperation with States

Section 2 authorizes the Secretary of Agriculture to cooperate with the states to encourage and assist them in carrying out programs of animal health research at eligible institutions.

Section 3. Definitions

Subsection (a).—"Eligible institutions" is defined as including all accredited colleges of veterinary medicine and, at institutions where there is no college of veterinary medicine, agricultural experiment stations which have departments of veterinary science, animal pathology, or similar units conducting animal health research. When a new college of veterinary medicine is formed, the Secretary, after consultation with the Advisory Board, is to provide for the orderly transfer of support from the agricultural experiment station to the college of veterinary medicine.

Subsection (b).—"Dean" is defined as the dean of a college of veterinary medicine. "Director" is defined as the director of an agricultural experiment station at an institution where there is no college of veterinary medicine.

Subsection (c).—"State" is defined as including all the states, Guam, Puerto Rico, and the Virgin Islands.

Subsection (d).—"Secretary" is the Secretary of Agriculture.

Subsection (e).—"Advisory Board" is defined as a Veterinary Medical Science Research Board consisting of not less than nine or more than twelve members appointed by the Secretary. The members of the Board are to be selected so as to give equal representation to (1) accredited colleges of veterinary medicine; (2) veterinary science or animal pathology departments or similar units conducting animal health research at other eligible institutions; and (3) national livestock and poultry organizations.

Subsection (f).—"Animal health research capacity" is defined as the capacity of an eligible institution to conduct research on animal diseases. Such capacity is to be measured by a formula to be developed by the Secretary with the advice of the Advisory Board. The formula will provide a figure for each eligible institution to be used in determining that institution's relative capacity to perform animal health research as a percentage of the total national capacity of all such institutions.

Section 4. Continuing research programs at eligible institutions

Subsection (a) authorizes such appropriations as necessary, not to exceed \$40,000,000 annually, to support continuing research programs at eligible institutions. The funds appropriated pursuant to this section are to be used to meet the expenses of (1) conducting research; (2) publishing and disseminating the results of such research; (3)

contributing to retirement of employees pursuant to 7 U.S.C. 331; (4) administrative planning and direction; (5) the purchase of equipment and supplies; and (6) the alteration or renovation of buildings.

Subsection (b) provides that the funds appropriated pursuant to section 4 are to be apportioned as follows:

(1) Four percent is to be retained by the Department of Agriculture for administration, program assistance to the states, and program coordination;

(2) Forty-eight percent is to be distributed to the eligible institutions in the proportion that the value and income of domestic livestock and poultry in the state where the institution is located bears to the total value and income of domestic livestock and poultry in the United States; and

(3) The remaining forty-eight percent is to be distributed among the eligible institutions in each state in proportion to their animal health research capacity.

Subsection (c) provides that when an eligible institution receives an allotment of funds based on livestock values and income which is larger than the amount for which the institution is eligible on the basis of animal health research capacity, the excess funds may be used for remodeling old facilities, constructing new facilities, or increasing staffing to add needed research capacity.

Subsection (d) provides that if two or more eligible institutions are located in the same state, the funds available under section 4 are to be apportioned among those institutions in proportion to their animal health research capacity.

Subsection (e) provides that funds shall be distributed on the basis of the latest available data. However, sums made available to an eligible institution will not subsequently be reduced due to changes in the proportionate distribution of livestock and poultry values and income and animal health research capacities.

Subsection (f) authorizes the Secretary to conduct an inventory of all horses in the United States.

Section 5. Research on specific national or regional problems

Subsection (a) authorizes such appropriations as necessary, not to exceed \$20,000,000 annually, to support research on specific national or regional animal health problems. The funds are to be used to conduct research and pay the other items of cost specifically listed in section 4(a).

Subsection (b) provides that the funds appropriated under section 5 are to be allocated to eligible institutions for work to be done as mutually agreed upon between the Secretary and the eligible institutions. The Advisory Board is to be consulted in developing such plans.

Section 6. Veterinary medical science research facilities

Subsection (a) authorizes such appropriations as necessary, not to exceed \$15,000,000 annually, to support the cost of providing veterinary medical science research facilities. The funds are to be used to purchase land, construct or remodel buildings, and buy and install necessary research equipment.

Subsection (b) provides that the funds appropriated under section 6 are to be apportioned in the same manner as those apportioned under section 4(b). However, additional funds may be apportioned

to provide research facilities at one or more eligible institutions in order to meet specific national or regional animal health research needs. Such additional funds will be made available as mutually agreed upon between the Secretary and the eligible institutions upon consultation with the Advisory Board.

Section 7. Period when funds are available

Section 7 provides that the Secretary is to determine in what amounts and at what times funds appropriated and available for allotment pursuant to the Act will be paid to the eligible institutions. Funds would remain available to the institutions for the payment of unliquidated obligations for one additional fiscal year following the fiscal year of appropriation, except that funds appropriated under section 6 would remain available for payment of unliquidated obligations, at the option of the institutions, for a period of three additional years following the fiscal year of appropriation.

Section 8. Withholding of funds by the Secretary

Section 8 authorizes the Secretary to withhold an eligible institution's allotment of funds when he makes a determination of ineligibility because of a failure to satisfy the requirements of the Act or the Secretary's regulations issued under it. The reasons for the withholding must be reported to the President. Withheld funds are to be kept separate in the Treasury until the close of the next Congress. They will then be carried to surplus unless the next Congress directs that such funds are to be paid.

Section 9. Local project proposals and reports

Subsection (a) provides that the dean or director of each eligible institution is to have prepared local project proposals for research on priority problems within the purposes of section 1 and for use as specified in section 4(a). The Secretary, with the advice of the Advisory Board, is to establish general guidelines for project eligibility. Research proposals must be submitted to the Secretary.

Subsection (b) provides that each dean or director must submit an annual report of research accomplishments and account for all funds allotted to his institution in such manner as the Secretary may prescribe. If any funds are diminished, lost, or misapplied, they must be replaced by the state concerned before any additional sums are allotted to the institution concerned.

Section 10. Rulemaking authority and recordkeeping requirements

Subsection (a) authorizes the Secretary to prescribe such rules and regulations as may be necessary to carry out the provisions of the Act.

Subsection (b) provides that the Advisory Board appointed by the Secretary is to meet at least annually to advise the Secretary and recommend research priorities.

Subsection (c) provides that each recipient of grants under the Act shall keep such records as the Secretary may prescribe.

Subsection (d) authorizes the Secretary and the Comptroller General to have access to the records maintained by recipients.

Section 11. Matching requirement

Section 11 provides that the amount of funds which may be allotted to any eligible institution during a fiscal year, exclusive of the funds

paid for research on specific national or regional problems under sections 5 and 6, may not exceed \$100,000 in addition to an amount not to exceed the amount of non-Federal funds which the institution budgets for expenditures for animal health research during that fiscal year.

COST ESTIMATE

In accordance with section 252 of the Legislative Reorganization Act of 1970, the Committee estimates that the costs to be incurred by the Federal Government in carrying out the bill in the current and the five subsequent years would not exceed \$75 million annually, the total appropriations ceiling set forth in H.R. 11873. The Committee does not, however, contemplate that expenditures would reach this ceiling immediately because of the need for time to plan and prepare carefully for the expanded program of animal health research.

DEPARTMENTAL VIEWS

The following letter from the Department of Agriculture opposes the enactment of the bill:

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, D.C., October 10, 1973.

HON. H. E. TALMADGE,
Chairman, Committee on Agriculture and Forestry,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in reply to your request of March 30, 1973, for a report on S. 1388, a bill "To authorize the Secretary of Agriculture to encourage and assist the several States in carrying out a program of animal health research."

The Department recommends that this bill not be enacted. Adequate legislative authority now exists by which the Department can carry out the essential features which would be provided in this bill.

The Department is well aware of the importance which animal health holds in this Nation's agricultural economy and the need for continuing support of animal health research. The specific provisions of S. 1388, however, would present a number of problems which we feel can be avoided by continuing to fund animal health research under our current programs, including Public Law 89-106, as we now fund the Black Colleges of 1890. The formula proposed in S. 1388 does not take into account the income from livestock which would significantly alter allocation among States. Provision for matching funds—a very important feature assuring strength and State commitment in our other programs—is omitted. And the determination of research capacity of institutions as a basis for allocation could be highly subjective. There are, in addition, many technical improvements that would be necessary in the language.

For the reasons stated, and in recognition of the existing support programs relating to animal health, the Department does not favor the enactment of S. 1388.

Sincerely,

J. PHIL CAMPBELL,
Under Secretary.

Enclosure.

S.R. 751

SUPPLEMENT TO REPORT ON S. 1388, ANIMAL HEALTH RESEARCH ACT

Suggested Amendments

Page 3, line 1, strike out "at institutions" and insert "in States."

Page 3, lines 9 through 11, strike out all words after "support" and insert "from the agricultural experiment station to the college of veterinary medicine in that State."

Page 3, line 16, strike out "and Puerto Rico," add a comma after "States" and add "Guam, Puerto Rico and the Virgin Islands."

Page 5, line 5, strike out "eligible institutions" and insert "the States," and lines 6 and 7, strike out "where such institution is located."

Page 5, lines 5, 7, and 11, add "and income" after "value."

Page 5, line 18, strike out "each State." and insert "the eligible institution or institutions in each State."

Page 5, lines 19 through 22, strike out all of subsection (4) and insert a new subsection as follows:

(c) When the amount available under this section for allotment to any State on the basis of livestock values and income exceeds the amount for which the State is eligible on the basis of animal health research capacity, the excess may be used for remodeling of old facilities, construction of new facilities, or to increase staffing proportionate to the need for added research capacity.

Page 5, line 23, strike out "(5)" and insert "(d)."

Page 6, line 4, strike out "(6)" and insert "(e)."

Page 6, lines 5, 10, 13, and 18, add "and income" after "value" or "values."

Page 6, line 17, delete "value" and replace with "distribution."

Page 6, line 5, strike out "(4)" and insert "(2)."

Page 6, line 7, strike out "(5)" and insert "(3)."

Page 7, lines 23 through 25 and page 8, lines 1 through 5, strike out all of Sec. 7 and insert a new section as follows:

SEC. 7. Sums available for allotment under the terms of this Act shall be paid to each eligible institution at such times and in such amounts as shall be determined by the Secretary. Funds shall remain available for payment of unliquidated obligations for one additional fiscal year following the year of appropriation, except that funds appropriated under section 6 shall remain available for payment, at the option of an eligible institution, for a period of not more than two fiscal years following the fiscal year of appropriation plus the one additional year for payment of unliquidated obligations.

Page 9, line 18, insert "in addition to providing consultation and advice to the Secretary as provided elsewhere in this Act" following "Board."

Page 9, line 21, add, "The Advisory Board shall continue for the duration of this Act."

Add a new section as follows:

SEC. 11. The amount paid by the Federal Government to any eligible institution for assistance under this Act, exclusive of the funds paid for research on specific national or regional animal health problems authorized by section 5, shall not exceed during any fiscal year the amount available to and budgeted for expenditure by such institution during the same fiscal year for animal

health research from non-Federal sources. The Secretary is authorized to make such expenditures on the certificate of the appropriate official of the institution having charge of the animal health research for which the expenditures as herein provided are to be made. If any or all of the institutions certified for receipt of funds under this Act fails to make available and budget for expenditure for animal health research in any fiscal year sums at least as much as the amount for which it would be eligible for such year under this Act, the difference between the Federal funds available and the funds made available and budgeted for expenditure by the institution shall be reapportioned by the Secretary to other eligible institutions of the same State if there be any which qualify therefor and, if there be none, the Secretary shall reapportion such differences to the qualifying institutions of other States participating in the animal health research program.

Purpose of Amendments

The proposed amendments are intended principally to clarify the provisions of the Act with respect to allocation of funds, to provide a more equitable basis for their formula distribution, and to require matching of certain amounts paid. Major changes suggested are: (1) to clarify that funds are allocated to States rather than institutions, under Sec. 4; (2) to include income from sale of livestock along with value of livestock in developing the allocations; (3) to eliminate the complication of special grant funding under the formula program of Sec. 4; (4) to require matching from non-Federal sources of all payments except those made for research on national and regional problems under Sec. 5. Other amendments will bring Guam and the Virgin Islands (which now have land-grant status) under the Act and clarify the language on availability of funds and on the Advisory Board.



ANIMAL HEALTH RESEARCH ACT

JUNE 28, 1974.—Ordered to be printed

Mr. POAGE, from the committee of conference,
submitted the following

CONFERENCE REPORT

[To accompany H.R. 11873]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11873) to authorize the Secretary of Agriculture to encourage and assist the several States in carrying out a program of animal health research, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendments insert the following:

That this Act shall be known as the Animal Health Research Act.

SECTION 1. PURPOSE.—It is the purpose of this Act to promote the general welfare through improved health and productivity of fresh water fish and shellfish, domestic livestock, poultry, and other income-producing animals so essential to the Nation's food supply and the welfare of producers and consumers of animal products; to prevent disease epidemics that would be disastrous to the American livestock and poultry industries and our food supply; to minimize losses due to sicknesses and diseases of livestock and poultry; to minimize losses of livestock and poultry due to transportation and handling; to protect human health through control of animal diseases transmissible to humans; to improve the health of companion animals which support an industry of major economic importance and which contribute significantly to the quality of family life; to improve methods of controlling the births of predators and other animals; and otherwise to promote the general welfare through expanded programs of research to improve animal health. It is recognized that the total animal

health research efforts of the several State colleges and universities and of the Federal Government are more fully effective if there is a close coordination between such programs, and it is further recognized that colleges of veterinary medicine and departments of veterinary sciences and animal pathology, and similar units conducting animal health research in the agricultural experiment stations, are especially vital in the training of research workers in animal health.

SEC. 2. In order to carry out the purposes of this Act, the Secretary of Agriculture is hereby authorized to cooperate with the several States for the purpose of encouraging and assisting them in carrying out programs of animal health research at eligible institutions.

SEC. 3. DEFINITIONS.—As used in this Act:

(a) "Eligible institutions" shall include all accredited colleges of veterinary medicine and at institutions where there is no college of veterinary medicine, agricultural experiment stations eligible to receive assistance under the Hatch Act, as amended in 1955 (69 Stat. 671), which have departments of veterinary science or animal pathology, or similar units conducting animal health research: Provided, however, That when a new college of veterinary medicine is formed, the Secretary, after consultation with the Advisory Board, shall provide for the orderly transfer of support from the agricultural experiment station to the college of veterinary medicine in that institution.

(b) "Dean" shall mean the dean of a college of veterinary medicine. "Director" shall mean director of an agricultural experiment station at institutions where there is no college of veterinary medicine.

(c) "State" shall mean all States, Guam, Puerto Rico, and the Virgin Islands.

(d) "Secretary" shall mean the Secretary of Agriculture.

(e) "Advisory Board" shall mean a Veterinary Medical Science Research Board appointed by the Secretary of Agriculture which shall be constituted of not less than nine nor more than twelve members selected from individuals nominated by and selected so as to give equal representation to respectively: (1) accredited colleges of veterinary medicine, (2) veterinary science or animal pathology departments or similar units conducting animal health research at other eligible institutions, and (3) to representatives of national livestock and poultry organizations.

(f) "Animal health research capacity" shall mean the capacity of an eligible institution to conduct research on animal diseases as measured by a formula to be developed and applied by the Secretary with the advice of the Advisory Board. The Secretary's formula will provide a figure for each eligible institution which will be used in determining that institution's relative capacity to perform such research as a percentage of the total national capacity of all such institutions to conduct animal health research.

SEC. 4. (a) To support continuing research programs at eligible institutions, the Congress is hereby authorized to appropriate such funds, not to exceed \$21,125,000 annually during each of the three fiscal years beginning June 30, 1974, and ending July 1, 1977, and \$20,000,000 annually for each fiscal year thereafter, as it may determine to be necessary. Funds appropriated under this section shall be used to meet expenses of conducting research, publishing and disseminating the results of such research, of

contributing to retirement of employees subject to the provisions of an Act approved March 4, 1940 (54 Stat. 39), of administrative planning and direction, and for the purchase of needed equipment and supplies and the alteration or renovation of buildings necessary for conducting research and for carrying out the provisions of subsection (f).

(b) Except as provided in subsection (f) of this section, funds appropriated under this section shall be apportioned as follows:

(1) Four per centum shall be retained by the United States Department of Agriculture for administration, program assistance to the States, and program coordination.

(2) Forty-eight per centum shall be distributed to eligible institutions in the proportion that the value and income of domestic livestock and poultry in each State where such institution is located, bears to the total value and income of domestic livestock and poultry in the United States according to the latest published United States Department of Agriculture statistics. The Secretary will determine the total value and income and the proportionate value and income of domestic livestock and poultry for each State with guidance of the Advisory Board from the latest inventory of all cattle, sheep, swine, horses, and poultry published by the United States Department of Agriculture.

(3) Forty-eight per centum shall be distributed among the eligible institutions of the States in proportion to the animal health research capacity of the eligible institution or institutions in each State.

(c) When the amount available under this section for allotment to any eligible institution on the basis of livestock values and income exceeds the amount for which such institution is eligible on the basis of animal health research capacity, the excess may be used for remodeling of old facilities, construction of new facilities, or to increase staffing proportionate to the need for added research capacity.

(d) When a State has two or more eligible institutions, the funds available for such institutions in that State under this section shall be apportioned between or among those institutions in proportion to their animal health research capacity as defined in section 3 (f).

(e) The sums distributed on the basis of proportionate value and income of domestic livestock and poultry (b) (2) above and proportionate animal health research capacity (b) (3) above in the first appropriation under this Act and like sums appropriated in subsequent years shall be based on the latest available data on National and State livestock values and income and research capacities, and any sums in addition to the initial appropriation level appropriated in subsequent years shall be distributed on the basis of domestic livestock and poultry values and income and animal health research capacities in the years those additional sums are first appropriated: Provided, That sums available to an eligible institution will not be decreased because of subsequent changes in the proportionate distribution of domestic livestock and poultry values and income and animal health research capacities.

(f) The Secretary is authorized to conduct an inventory of all horses in the United States during each of the three fiscal years beginning July 1, 1974, and ending June 30, 1977: Provided, That of the amount authorized by subsection (a) of this section, there are hereby authorized to be appro-

appropriated not to exceed \$1,250,000 annually for the purposes of carrying out the provisions of this subsection.

SEC. 5. (a) To support research on specific national or regional animal health problems, the Congress is hereby authorized to appropriate such funds, not to exceed \$15,000,000 annually, as it shall determine to be necessary. Funds appropriated under this section shall be used to pay costs of conducting research and other costs provided for in section 4(a).

(b) Funds appropriated under this section shall be allocated by the Secretary to eligible institutions for work to be done as mutually agreed upon between the Secretary and the eligible institutions. In developing plans for the use of these funds, the Secretary shall consult the Advisory Board.

SEC. 6. (a) To support cost of providing veterinary medical science research facilities, the Congress is hereby authorized to appropriate such sums, not to exceed \$12,000,000 annually, as it determines to be necessary. Funds provided under this section shall be used to purchase land, construct or remodel buildings, and to buy and install necessary research and research-related equipment.

(b) Funds appropriated under this section shall be apportioned among eligible institutions in the same manner as funds apportioned under section 4(b), except that, to meet specific national or regional animal health research needs, additional funds may be appropriated to provide animal health research facilities at one or more eligible institutions as mutually agreed upon in each case between the Secretary and the eligible institution: Provided, That, in developing plans for the use of these additional funds, the Secretary shall consult the Advisory Board.

SEC. 7. Sums available for allotment under the terms of this Act shall be paid to each eligible institution at such times and in such amounts as shall be determined by the Secretary. Funds shall remain available for payment of unliquidated obligations for one additional fiscal year following the year of appropriation, except that funds appropriated under section 6 shall remain available for payment, at the option of an eligible institution, for a period of not more than two fiscal years following the fiscal year of appropriation plus the one additional year for payment of unliquidated obligations.

SEC. 8. When the Secretary determines that an eligible institution is not eligible to receive its allotment of funds because of a failure to satisfy requirements of this Act or regulations issued under it, the Secretary shall withhold such amounts; the facts and reasons therefor shall be reported to the President and the amount involved shall be kept separate in the Treasury until the close of the next Congress. If the next Congress shall not direct such sum to be paid it shall be carried to surplus.

SEC. 9. (a) The dean or director of each eligible institution will have prepared local project proposals for research on priority problems of animal health which comply with the purpose in section 1 and for use as specified in section 4(a) and with general guidelines for project eligibility to be provided by the Secretary with the advice of the Advisory Board. Research proposals approved by the dean or director will be submitted to the Secretary with a brief outline abstract summary which will reveal compliance with the purpose of this Act and the Secretary's general guidelines.

(b) Each dean or director shall also submit a brief annual report of research accomplishments on a project-by-project basis and he shall account for all funds allotted to his institution under the provisions of this Act at such times and on such forms as the Secretary shall prescribe. If any portion of the allotted moneys received shall by any action or contingency be diminished, lost, or misapplied, it shall be replaced by the State concerned and until so replaced, no subsequent appropriation shall be allotted or paid to said college or university.

SEC. 10. (a) The Secretary is authorized to prescribe such rules and regulations as may be necessary to carry out the provisions of this Act and to furnish such advice and assistance as will best promote the purposes of this Act. The Secretary is further directed to appoint the Advisory Board.

(b) The Advisory Board, in addition to providing consultation and advice to the Secretary as provided elsewhere in this Act, shall meet at least annually to advise the Secretary with respect to administration and implementation of this Act and to recommend priorities for conduct of research programs authorized under this Act. The Advisory Board shall continue for the duration of this Act.

(c) Each recipient of Federal assistance under this Act, pursuant to grants, subgrants, contracts, subcontracts, loans, or other arrangements, entered into other than by formal advertising, and which are otherwise authorized by this Act, shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance is given or used, the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

(d) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall, until the expiration of three years after completion of the project or undertaking referred to in subsection (c) of this section, have access for the purpose of audit and examination to any books, documents, papers, and records of such recipients which in the opinion of the Secretary or the Comptroller General may be related or pertinent to the grants, subgrants, contracts, subcontracts, loans, or other arrangements referred to in subsection (c).

SEC. 11. The amount paid by the Federal Government to any eligible institution for assistance under this Act, exclusive of the funds paid for research on specific national or regional animal health problems authorized by sections 5 and 6, shall be in an amount not to exceed \$100,000 in addition to an amount not to exceed during any fiscal year the amount available to and budgeted for expenditure by such institution during the same fiscal year for animal health research from non-Federal sources. The Secretary is authorized to make such expenditures on the certificate of the appropriate official of the institution having charge of the animal health research for which the expenditures as herein provided are to be made. If any of the institutions certified for receipt of funds under this Act fails to make available and budget for expenditure for animal health research in any fiscal year sums at least as much as the amount for which it would be eligible for such year under this Act, the difference between the Federal funds available and the funds made available and budgeted

for expenditure by the institution shall be reapportioned by the Secretary to other eligible institutions of the same State if there be any which qualify therefor and, if there be none, the Secretary shall reapportion such differences to the qualifying institutions of other States participating in the animal health research program.

And the Senate agree to the same.

W. R. POAGE,
FRANK A. STUBBLEFIELD,
THOMAS S. FOLEY,
JOHN MELCHER,
GEO. A. GOODLING,
ROBERT B. MATHIAS,
JOHN M. ZWACH,

Managers on the Part of the House.

HERMAN E. TALMADGE,
GEORGE MCGOVERN,
JAMES B. ALLEN,
DICK CLARK,
MILTON R. YOUNG,
ROBERT DOLE,
HENRY BELLMON,

Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11873) to authorize the Secretary of Agriculture to encourage and assist the several States in carrying out a program of animal health research, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report.

The House recedes from its disagreement to the amendments of the Senate, with an amendment which is a substitute for both the House bill and the Senate amendments. The differences between the House bill and the Senate amendments and the substitute agreed to in conference are noted in the following outline, except for conforming, clarifying and technical changes.

(1) The conference substitute adopts the Senate provision to include fresh water fish and shellfish as animals for which research is to be carried out under the bill.

(2) The conference substitute adopts the Senate provision to authorize research to minimize losses of livestock and poultry due to transportation and handling.

(3) The conference substitute adopts the Senate provision authorizing the Secretary of Agriculture to conduct an inventory on horses with an amendment limiting the inventory to the 3 fiscal years beginning July 1, 1974, and ending June 30, 1977.

(4) The House bill authorized appropriations not to exceed \$20 million annually to support continuing research programs at eligible institutions. The Senate amendment increased the authorization to \$40 million.

The conference substitute adopts the House provision with an amendment increasing the authorization to \$21,125,000 annually during each of the 3 fiscal years beginning June 30, 1974, and ending July 1, 1977, with \$20 million authorized annually for each fiscal year thereafter. The conference substitute provides that of the total amount authorized for the first 3 fiscal years, an amount not to exceed \$1,250,000 annually is authorized to be appropriated to conduct the horse inventory authorized by the bill.

(5) The House bill authorized appropriations not to exceed \$15 million annually to support research on specific national or regional animal health problems. The Senate amendment increased the authorization to \$20 million.

The conference substitute adopts the House provision.

(6) The House bill authorized not to exceed \$10 million annually to support the cost of providing veterinary medical science research facilities. The Senate amendment increased the authorization to \$15 million.

The conference substitute authorizes not to exceed \$12 million for such purpose.

(7) The conference substitute adopts the Senate amendment eliminating local review committees. Such committees, under the House bill, would have reviewed local project proposals for research on priority problems of animal health.

Under the conference substitute (and the Senate amendments), such review authority is vested in the dean or director of each college of veterinary medicine or eligible institution conducting animal health research.

(8) The conference substitute adopts the Senate provision requiring the keeping of records by grant recipients and requiring that the Secretary of Agriculture and the Comptroller General be given access to the reports.

W. R. POAGE,
FRANK A. STUBBLEFIELD,
THOMAS S. FOLEY,
JOHN MELCHER,
GEO. A. GOODLING,
ROBERT B. MATHIAS,
JOHN M. ZWACH,

Managers on the Part of the House.

HERMAN E. TALMADGE,
GEORGE MCGOVERN,
JAMES B. ALLEN,
DICK CLARK,
MILTON R. YOUNG,
ROBERT DOLE,
HENRY BELLMON,

Managers on the Part of the Senate.

○

ANIMAL HEALTH RESEARCH ACT

JULY 12, 1974.—Ordered to be printed

Mr. POAGE, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany H.R. 11873]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11873) to authorize the Secretary of Agriculture to encourage and assist the several States in carrying out a program of animal health research, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 5, 6, and 7.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 8, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, and 22 and agree thereto.

That the House recede from its disagreement to the amendment of the Senate numbered 9 and agree to the same with an amendment, as follows:

Strike out the figure "\$15,000,000" and insert in lieu thereof, the figure "\$12,000,000."

And the Senate agree to the same.

W. R. POAGE,
FRANK A. STUBBLEFIELD,
THOMAS S. FOLEY,
JOHN MELCHER,
GEO. A. GOODLING,
ROBERT B. MATHIAS,
JOHN M. ZWACH,

Managers on the Part of the House.

HERMAN E. TALMADGE,
GEORGE MCGOVERN,
JAMES B. ALLEN,
DICK CLARK,
MILTON R. YOUNG,
ROBERT DOLE,
HENRY BELLMON,

Managers on the Part of the Senate.

of livestock under the Organic Act (7 U.S.C. 2201). In order to carry out the provisions of this bill, inventories of livestock—including horses—are required, and the conferees expect that such inventories will be conducted.

W. R. POAGE,
FRANK A. STUBBLEFIELD,
THOMAS S. FOLEY,
JOHN MELCHER,
GEO. A. GOODLING,
ROBERT B. MATHIAS,
JOHN M. ZWACH,
Managers on the Part of the House.
HERMAN E. TALMADGE,
GEORGE MCGOVERN,
JAMES B. ALLEN,
DICK CLARK,
MILTON R. YOUNG,
ROBERT DOLE,
HENRY BELLMON,
Managers on the Part of the Senate.

○

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11873) to authorize the Secretary of Agriculture to encourage and assist the several States in carrying out a program of animal health research, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report.

The Senate adopted 22 amendments to the House bill. Under the conference committee agreement, the House receded from its disagreement to Senate amendments numbered 1, 2, 3, 4, 8, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, and 22. The Senate receded from its amendments numbered 5, 6, and 7. Senate amendment numbered 9 was further amended by the conferees.

(1) The conferees agreed to Senate amendment numbered 1 to include freshwater fish and shellfish as animals for which research is to be conducted under this bill.

(2) The conferees agreed to Senate amendment numbered 2 authorizing research to minimize loss of livestock and poultry due to transportation and handling.

(3) The conferees agreed to Senate amendments numbered 13, 15, and 16 eliminating local review committees.

(4) The conferees did not agree to Senate amendment numbered 5 and retained the House language authorizing appropriations not to exceed \$20 million annually to support continuing research programs at eligible institutions.

(5) The conferees did not agree to Senate amendment numbered 7 and agreed to the House provision authorizing appropriations not to exceed \$15 million annually to support research on specific national or regional animal health problems.

(6) The conferees agreed to Senate amendment numbered 9 with an amendment establishing the level of authorized appropriations at not to exceed \$12 million annually to support the cost of providing veterinary medical science research facilities.

(7) The conferees agreed to Senate amendment numbered 21 requiring the keeping of records by grant recipients and requiring that the Secretary of Agriculture and the Comptroller General be given access to these records.

(8) The conferees agreed to Senate amendments numbered 3, 4, 8, 10, 11, 12, 14, 17, 18, 19, 20, and 22 which make conforming, clarifying, and technical changes in the House bill.

(9) The conferees did not agree to Senate amendment numbered 6 dealing with the authority for the Secretary to conduct an inventory of all horses in the United States. The conferees determined that the Department of Agriculture has basic authority to conduct inventories

ANIMAL HEALTH RESEARCH ACT

JANUARY 24, 1974.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. POAGE, from the Committee on Agriculture,
submitted the following

REPORT

together with

DISSENTING VIEWS

[To accompany H.R. 11873]

The Committee on Agriculture, to whom was referred the bill (H.R. 11873) to authorize the Secretary of Agriculture to encourage and assist the several States in carrying out a program of animal health research, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

PURPOSE OF LEGISLATION

The purpose of this bill is to place increased emphasis on animal health research within the structure of our Federal-State university veterinary medicine institutions.

H.R. 11873 would authorize the Secretary of Agriculture to encourage and assist the States in carrying out a program of animal health research through grants for research and research facilities needed in solving health problems of livestock, poultry, and companion animals. This assistance would be accomplished through the following main provisions:

The grant recipients would be the Colleges of Veterinary Medicine, or where there are no Colleges of Veterinary Medicine, the State Agricultural Experiment Stations conducting animal health research.

There would be a formula for distribution of funds based on the value of and income generated by livestock and poultry and research capacity for research programs and facilities at eligible institutions.

There would be grants to eligible institutions for research on specific national or regional animal health problems.

There would also be an Advisory Board to be appointed by the Secretary to make recommendations concerning relative animal health research capacity of eligible institutions, animal health research priorities, and other matters related to administration of the Act.

The 18 Colleges of Veterinary Medicine and 38 State Agricultural Experiment Stations that would directly participate in this program have traditional and close working relationships with USDA. The Committee expects that administrative responsibilities assigned to the Secretary can be assumed within the present organization with a minimum of added staffing.

NEED FOR LEGISLATION

The Committee found that an increased effort should be made in the area of animal health research. Substantive testimony presented to the Committee by experts in veterinary science and in livestock management established that animal disease losses cost farmers, ranchers, and consumers at least \$3.6 billion annually. The Committee thus feels that a modest investment in a research effort to learn new ways to cope with animal diseases and pests can pay handsome dividends to the entire Nation in the future.

The Committee of course recognizes that the Department of Agriculture currently supports animal health research through the Agricultural Research Service and the Cooperative State Research Service. In 1973 an estimated total of \$23.4 million was programmed for such research, of which about \$1.7 million supported research at Colleges of Veterinary Medicine, \$2 million supported research at the State Agricultural Experiment Stations, and over \$19.7 million supported work at Federal laboratories. These figures, however, suggest that the combined Department support of State research at colleges and experiment stations are most modest in view of the need to reduce the enormous annual losses from animal diseases.

COMMITTEE CONSIDERATION

H.R. 11873 is a clean bill superseding H.R. 3286.

The Livestock and Grains Subcommittee held public hearings on H.R. 3286 on November 13 and 14, 1973. Except for the Department of Agriculture witnesses, there was no opposition expressed to the basic provisions of the bill.

The Department, however, objected to the bill, and during the consideration of this legislation submitted to the Subcommittee some 16 separate suggested amendments. Most of these amendments along with several Subcommittee amendments were approved by the Subcommittee on November 14, 1973, and the bill was sent forward to the full Committee which considered it on December 6, 1973. Other changes were suggested by the full Committee on that date, so on December 10, 1973, Mr. Melcher and 15 other members of the Subcommittee, plus several other members of the Committee and the

House, introduced H.R. 11873 in a form which reflected all the changes proposed and considered up to that date.

On December 13, 1973, the Subcommittee approved H.R. 11873 without amendment, and on December 18, 1973, the full Committee ordered it favorably reported to the House by a voice vote.

This bill makes a number of substantive and technical changes in the original legislation.

First, it places ceilings on the level of appropriations that may be made to carry out the expanded animal research effort in future years. The total ceiling would be \$45 million annually (\$20 million for Section 4, \$15 million for Section 5, and \$10 million for Section 6).

Second, it includes as a policy objective of the Act additional birth control research on predators and other animals. This provision specifically authorizes the Secretary to conduct research on controlling births of predators and other animals. Thus, appropriate research on predators and related species is contemplated. In the course of such research, efforts to ascertain and develop animal birth control techniques on other animals such as domestic dogs and cats would also be authorized inasmuch as such research can be useful and relative to the overall objectives of this legislation. It is also the intent of the Committee that any research in this area be coordinated with and not be duplicative of similar efforts that are or may be undertaken by the U.S. Department of the Interior.

Third, it adopts a "State-sharing" formula under which the amount paid annually by the Federal Government to any eligible institution in excess of \$100,000 would generally be matched from non-Federal sources on a 50-50 basis. Excepted from this general matching grant rule would be sums made available under Sections 5 and 6 dealing with specified regional efforts and real property and scientific equipment acquisition.

Fourth, it embraces most of the Departmental suggestions. The amendments proposed by USDA were intended principally to clarify the provisions of the Act with respect to allocation of funds, to provide a more equitable basis for their formula distribution, and to require matching of certain amounts paid. Major changes suggested were: (1) to clarify that funds are allocated to States rather than institutions, under Section 4; (2) to include income from sale of livestock along with value of livestock in developing the allocations; (3) to eliminate the complication of special grant funding under the formula program of Section 4; (4) to require matching from non-Federal sources of all payments except those made for research on national and regional problems under Section 5. Other amendments were designed to bring Guam and the Virgin Islands (which now have land-grant status) under the Act and clarify the language on availability of funds and the Advisory Board.

As noted earlier, the Committee adopted a modified "State-sharing" provision. Except for the USDA suggestion to allocate funds to the States rather than institutions, the Committee has included the other Departmental suggested amendments.

Fifth, it reflects a number of technical and conforming amendments occasioned by the various substantive amendments adopted by the Committee.

In brief, both the Subcommittee and the Committee have labored diligently to first consider and then adopt those changes and suggestions that were designed to constructively improve this legislation. The broad bi-partisan support for this legislation reflects this effort to achieve the purposes of H.R. 11873 in the most forthright and effective manner.

CURRENT AND FIVE SUBSEQUENT FISCAL YEAR COST ESTIMATE

Pursuant to Clause 7 of Rule XIII of the Rules of the House of Representatives, the Committee estimates the cost to be incurred by the Federal Government during the current and the five subsequent fiscal years as a result of the enactment of this legislation would not exceed \$45 million annually, the total appropriations ceiling set forth in H.R. 11873.

The Committee, however, does not contemplate that expenditures will reach this ceiling in the next several years because of the need to carefully plan and prepare for the expanded effort. The Committee estimates that the proposed program would probably require funding of \$5 million in FY 1975, increasing \$5 million in each of two succeeding years to a level of \$15 million for continuing program support. This would permit an orderly expansion of support of the State scientists now conducting animal health research to a level commensurate with the needs expressed in the National Academy of Sciences and other studies conducted cooperatively by the State institutions and the Department.

No comparable estimate of costs was formally submitted to the Committee by a government agency.

ADMINISTRATION POSITION

The Administration did not favor the enactment of H.R. 3286, the original legislation. This was indicated by the report from the Department of Agriculture on H.R. 3286 and by the testimony of Departmental witnesses at the public hearings.

The Administration has not indicated its position on H.R. 11873, but the Committee has attempted to meet the objections raised by the Department and has adopted most of the amendments proposed by the Department.

The following statement was presented by Deputy Assistant Secretary Paul A. Vander Myde at the public hearings:

STATEMENT OF DEPUTY ASSISTANT SECRETARY PAUL A. VANDER MYDE
BEFORE THE SUBCOMMITTEE ON LIVESTOCK AND GRAINS OF THE HOUSE
COMMITTEE ON AGRICULTURE, NOVEMBER 13, 1973.

Mr. Chairman, we appreciate this opportunity to comment on H.R. 3286, a bill to authorize the Secretary of Agriculture to encourage and assist the several States in carrying out a program of animal health research. We have long-standing relationships with the Colleges of Veterinary Medicine and the State Agricultural Experiment Stations in this area. Their research has helped us to maintain a continuing sup-

ply of top-quality meat, dairy and poultry products at prices consumers can afford. We want to strengthen our association with the colleges and State stations on animal health research in the most efficient manner.

We have some brief comments on the animal health problem, our current animal health research efforts, and some particular features of H.R. 3286.

Animal diseases are a very significant cost factor in our food supply system. Annual losses from diseases and parasites in livestock probably exceed \$3.6 billion. The 1972 Terry Report of the National Academy of Sciences indicates losses as high as 15 to 20 percent of all animals. Our Animal and Plant Health Inspection Service reported a total of 423,000 animals and animal parts and 404 million pounds of poultry condemned as unfit for human consumption in fiscal year 1972, when 169 million meat animals and 12 billion pounds of live poultry were marketed. Diseases and parasites largely caused these condemnations.

Specific diseases exact a severe toll each year. Bovine mastitis losses are about \$500 million annually, those from bovine respiratory diseases about \$200 million, and those from swine dysentery about \$34 million, to name a few. Many other losses are of unknown cause, including one of the most costly, shipping fever. Approximately 70 percent of livestock abortions also are of unknown cause.

Animal disease research has been in progress for a long time throughout the Nation. As a result, many once-severe diseases, such as hog cholera, have been brought under control and we have been able to maintain profitable production of meat, dairy and poultry animals. But disease problems continue to plague producers and in 1973 the Department of Agriculture programmed about \$23.4 million for animal health research. About \$1.7 million was allocated to Colleges of Veterinary Medicine, \$2 million to State Agricultural Experiment Stations, and \$19.7 million to Federal laboratories. The States and industry invest additional large sums in animal health research. We do not have complete information, but the funding of research on animal diseases, pests, parasites and toxins by USDA, the State Agricultural Experiment Stations, and other cooperating institutions alone exceeds \$40 million annually. In terms of cash receipts from livestock—which will probably exceed \$35 billion this year—it is a modest investment for value received.

The Colleges of Veterinary Medicine currently receive about \$15 million in total from Federal agencies. Nearly two-thirds of this amount is human-health related research grants of one to five years' duration from the Department of Health, Education and Welfare.

H.R. 3286 would establish a new program to support animal health research in the veterinary colleges and agricultural experiment stations through formula funding administered by the Department of Agriculture. The funds would be allocated to eligible institutions in the States on recommendation of an advisory board as follows: 48 percent on the basis of the value of livestock and poultry in each State; 38 percent in proportion to animal health research capacity; and, 10 percent on the basis of need for expanded research capacity. The balance of four percent would be used for administration, program assistance to the States and program coordination.

It is our understanding that the intent of the new program is to assure more continuous and stable funding of animal health research in these State institutions, as well as to increase the total research effort. Indirectly, of course, the additional funding would stimulate the training and development of new animal health scientists and technicians. Many graduate students, for example, would obtain valuable experience by assisting on the research projects as a part of their training. This has been demonstrated in our continuing research support programs with the State Agricultural Experiment Stations under the Hatch Act as amended in 1955, and with the State schools of forestry under the McIntire-Stennis Act of 1962. Animal health-related research currently is supported under both of these programs. In addition, the Department of Agriculture awards special research grants under Public Law 89-106 in support of the programs of the Department, including animal health research.

The specific provisions of H.R. 3286, however, would present a number of problems as well as additional administration which we feel can be avoided by continuing to fund the colleges and experiment stations under the current programs—Hatch, McIntire-Stennis, and P.L. 89-106. For example, the formula proposed in H.R. 3286 does not take into account income from livestock. It further restricts possible funding to States lacking research capacity. Provision for matching funds—a very important feature assuring strength and State commitment for continuing support in our other programs—is omitted. The determination of research capacity of institutions as a basis for allocation could be highly subjective. Other technical improvements would be necessary in the language of the bill.

For the reasons stated, and in recognition of the existing support programs relating to animal health, the Department does not favor the enactment of H.R. 3286.

We want to continue our successful association with the colleges and experiment stations and with veterinary science leaders to assure an adequate level of animal health research. We will also continue to review animal health research needs with budget officials and with the Congress, insofar as the Federal commitment is identified and reaffirmed periodically.

If there are any questions, we will be glad to attempt to answer them.

DISSENTING VIEWS

I feel that H.R. 11873 is unnecessary because it fails to answer this simple question: What does this bill do that cannot already be done under existing legislation? The answer is "Nothing."

Animal health research programs are presently being funded and carried out under several existing laws; namely, through the State Agricultural Experiment Stations under the Hatch Act, as amended, through the State Schools of Forestry under the McIntire-Stennis Act, and in addition, special research grants are being awarded under P.L. 89-106, in support of animal health research.

In 1973 the Department of Agriculture programmed about \$23.4 million for animal health research. States and industry invest additional large sums in animal health research. Combined, the USDA, the State Agricultural Experiment Stations, and other cooperating institutions spend over \$40 million annually on animal health research. The Colleges of Veterinary Medicine currently receive about \$15 million in total from Federal agencies. Nearly two-thirds of this amount is human-health related research grants of one to five year duration from the Department of Health, Education and Welfare.

I would recommend, therefore, to those who feel this bill is necessary that they go through channels already provided in the form of the budgetary and appropriations process to obtain additional funds for this research and then only if such monies can be proven to be actually required.

GEORGE A. GOODLING.

(7)

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Ninety-third Congress of the United States of America

AT THE SECOND SESSION

*Begun and held at the City of Washington on Monday, the twenty-first day of January,
one thousand nine hundred and seventy-four*

An Act

To authorize the Secretary of Agriculture to encourage and assist the several States in carrying out a program of animal health research.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act shall be known as the Animal Health Research Act.

SECTION 1. PURPOSE.—It is the purpose of this Act to promote the general welfare through improved health and productivity of fresh water fish and shellfish, domestic livestock, poultry, and other income-producing animals so essential to the Nation's food supply and the welfare of producers and consumers of animal products; to prevent disease epidemics that would be disastrous to the American livestock and poultry industries and our food supply; to minimize losses due to sicknesses and diseases of livestock and poultry; to minimize losses of livestock and poultry due to transportation and handling; to protect human health through control of animal diseases transmissible to humans; to improve the health of companion animals which support an industry of major economic importance and which contribute significantly to the quality of family life; to improve methods of controlling the births of predators and other animals; and otherwise to promote the general welfare through expanded programs of research to improve animal health. It is recognized that the total animal health research efforts of the several State colleges and universities and of the Federal Government are more fully effective if there is a close coordination between such programs, and it is further recognized that colleges of veterinary medicine and departments of veterinary sciences and animal pathology, and similar units conducting animal health research in the agricultural experiment stations, are especially vital in the training of research workers in animal health.

SEC. 2. In order to carry out the purposes of this Act, the Secretary of Agriculture is hereby authorized to cooperate with the several States for the purpose of encouraging and assisting them in carrying out programs of animal health research at eligible institutions.

SEC. 3. DEFINITIONS.—As used in this Act:

(a) "Eligible institutions" shall include all accredited colleges of veterinary medicine and at institutions where there is no college of veterinary medicine, agricultural experiment stations eligible to receive assistance under the Hatch Act, as amended in 1955 (69 Stat. 671), which have departments of veterinary science or animal pathology, or similar units conducting animal health research: *Provided, however,* That when a new college of veterinary medicine is formed, the Secretary, after consultation with the Advisory Board, shall provide for the orderly transfer of support from the agricultural experiment station to the college of veterinary medicine in that institution.

(b) "Dean" shall mean the dean of a college of veterinary medicine. "Director" shall mean director of an agricultural experiment station at institutions where there is no college of veterinary medicine.

(c) "State" shall mean all States, Guam, Puerto Rico, and the Virgin Islands.

(d) "Secretary" shall mean the Secretary of Agriculture.

(e) "Advisory Board" shall mean a Veterinary Medical Science Research Board appointed by the Secretary of Agriculture which shall be constituted of not less than nine nor more than twelve members selected from individuals nominated by and selected so as to give equal representation to respectively: (1) accredited colleges of veterinary medicine, (2) veterinary science or animal pathology departments or similar units conducting animal health research at other eligible

institutions, and (3) to representatives of national livestock and poultry organizations.

(f) "Animal health research capacity" shall mean the capacity of an eligible institution to conduct research on animal diseases as measured by a formula to be developed and applied by the Secretary with the advice of the Advisory Board. The Secretary's formula will provide a figure for each eligible institution which will be used in determining that institution's relative capacity to perform such research as a percentage of the total national capacity of all such institutions to conduct animal health research.

SEC. 4. (a) To support continuing research programs at eligible institutions, the Congress is hereby authorized to appropriate such funds, not to exceed \$20,000,000 annually, as it may determine to be necessary. Funds appropriated under this section shall be used to meet expenses of conducting research, publishing and disseminating the results of such research, of contributing to retirement of employees subject to the provisions of an Act approved March 4, 1940 (54 Stat. 39), of administrative planning and direction, and for the purchase of needed equipment and supplies and the alteration or renovation of buildings necessary for conducting research.

(b) Funds appropriated under this section shall be apportioned as follows:

(1) Four per centum shall be retained by United States Department of Agriculture for administration, program assistance to the States, and program coordination.

(2) Forty-eight per centum shall be distributed to eligible institutions in the proportion that the value and income of domestic livestock and poultry in each State where such institution is located, bears to the total value and income of domestic livestock and poultry in the United States according to the latest published United States Department of Agriculture statistics. The Secretary will determine the total value and income and the proportionate value and income of domestic livestock and poultry for each State with guidance of the Advisory Board from the latest inventory of all cattle, sheep, swine, horses, and poultry published by the United States Department of Agriculture.

(3) Forty-eight per centum shall be distributed among the eligible institutions of the States in proportion to the animal health research capacity of the eligible institution or institutions in each State.

(c) When the amount available under this section for allotment to any eligible institution on the basis of livestock values and income exceeds the amount for which such institution is eligible on the basis of animal health research capacity, the excess may be used for remodeling of old facilities, construction of new facilities, or to increase staffing proportionate to the need for added research capacity.

(d) When a State has two or more eligible institutions, the funds available for such institutions in that State under this section shall be apportioned between or among those institutions in proportion to their animal health research capacity as defined in section 3(f).

(e) The sums distributed on the basis of proportionate value and income of domestic livestock and poultry (b)(2) above and proportionate animal health research capacity (b)(3) above in the first appropriation under this Act and like sums appropriated in subsequent years shall be based on the latest available data on National and State livestock values and income and research capacities, and

any sums in addition to the initial appropriation level appropriated in subsequent years shall be distributed on the basis of domestic livestock and poultry values and income and animal health research capacities in the years those additional sums are first appropriated: *Provided*, That sums available to an eligible institution will not be decreased because of subsequent changes in the proportionate distribution of domestic livestock and poultry values and income and animal health research capacities.

SEC. 5. (a) To support research on specific national or regional animal health problems, the Congress is hereby authorized to appropriate such funds, not to exceed \$15,000,000 annually, as it shall determine to be necessary. Funds appropriated under this section shall be used to pay costs of conducting research and other costs provided for in section 4(a).

(b) Funds appropriated under this section shall be allocated by the Secretary to eligible institutions for work to be done as mutually agreed upon between the Secretary and the eligible institutions. In developing plans for the use of these funds, the Secretary shall consult the Advisory Board.

SEC. 6. (a) To support cost of providing veterinary medical science research facilities, the Congress is hereby authorized to appropriate such sums, not to exceed \$12,000,000 annually, as it determines to be necessary. Funds provided under this section shall be used to purchase land, construct or remodel buildings, and to buy and install necessary research and research-related equipment.

(b) Funds appropriated under this section shall be apportioned among eligible institutions in the same manner as funds apportioned under section 4(b), except that, to meet specific national or regional animal health research needs, additional funds may be appropriated to provide animal health research facilities at one or more eligible institutions as mutually agreed upon in each case between the Secretary and the eligible institution: *Provided*, That, in developing plans for the use of these additional funds, the Secretary shall consult the Advisory Board.

SEC. 7. Sums available for allotment under the terms of this Act shall be paid to each eligible institution at such times and in such amounts as shall be determined by the Secretary. Funds shall remain available for payment of unliquidated obligations for one additional fiscal year following the year of appropriation, except that funds appropriated under section 6 shall remain available for payment, at the option of an eligible institution, for a period of not more than two fiscal years following the fiscal year of appropriation plus the one additional year for payment of unliquidated obligations.

SEC. 8. When the Secretary determines that an eligible institution is not eligible to receive its allotment of funds because of a failure to satisfy requirements of this Act or regulations issued under it, the Secretary shall withhold such amounts; the facts and reasons therefor shall be reported to the President and the amount involved shall be kept separate in the Treasury until the close of the next Congress. If the next Congress shall not direct such sum to be paid it shall be carried to surplus.

SEC. 9. (a) The dean or director of each eligible institution will have prepared local project proposals for research on priority problems of animal health which comply with the purpose in section 1 and for use as specified in section 4(a) and with general guidelines for project

eligibility to be provided by the Secretary with the advice of the Advisory Board. Research proposals approved by the dean or director will be submitted to the Secretary with a brief outline abstract summary which will reveal compliance with the purpose of this Act and the Secretary's general guidelines.

(b) Each dean or director shall also submit a brief annual report of research accomplishments on a project-by-project basis and he shall account for all funds allotted to his institution under the provisions of this Act at such times and on such forms as the Secretary shall prescribe. If any portion of the allotted moneys received shall by any action or contingency be diminished, lost, or misapplied, it shall be replaced by the State concerned and until so replaced, no subsequent appropriation shall be allotted or paid to said college or university.

SEC. 10. (a) The Secretary is authorized to prescribe such rules and regulations as may be necessary to carry out the provisions of this Act and to furnish such advice and assistance as will best promote the purposes of this Act. The Secretary is further directed to appoint the Advisory Board.

(b) The Advisory Board, in addition to providing consultation and advice to the Secretary as provided elsewhere in this Act, shall meet at least annually to advise the Secretary with respect to administration and implementation of this Act and to recommend priorities for conduct of research programs authorized under this Act. The Advisory Board shall continue for the duration of this Act.

(c) Each recipient of Federal assistance under this Act, pursuant to grants, subgrants, contracts, subcontracts, loans, or other arrangements, entered into other than by formal advertising, and which are otherwise authorized by this Act, shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance is given or used, the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

(d) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall, until the expiration of three years after completion of the project or undertaking referred to in subsection (c) of this section, have access for the purpose of audit and examination to any books, documents, papers, and records of such recipients which in the opinion of the Secretary or the Comptroller General may be related or pertinent to the grants, subgrants, contracts, subcontracts, loans, or other arrangements referred to in subsection (c).

SEC. 11. The amount paid by the Federal Government to any eligible institution for assistance under this Act, exclusive of the funds paid for research on specific national or regional animal health problems authorized by sections 5 and 6, shall be in an amount not to exceed \$100,000 in addition to an amount not to exceed during any fiscal year the amount available to and budgeted for expenditure by such institution during the same fiscal year for animal health research from non-Federal sources. The Secretary is authorized to make such expenditures on the certificate of the appropriate official of the institution having charge of the animal health research for which the expenditures



H. R. 11873—5

as herein provided are to be made. If any of the institutions certified for receipt of funds under this Act fails to make available and budget for expenditure for animal health research in any fiscal year sums at least as much as the amount for which it would be eligible for such year under this Act, the difference between the Federal funds available and the funds made available and budgeted for expenditure by the institution shall be reapportioned by the Secretary to other eligible institutions of the same State if there be any which qualify therefor and, if there be none, the Secretary shall reapportion such differences to the qualifying institutions of other States participating in the animal health research program.

Speaker of the House of Representatives.

*Vice President of the United States and
President of the Senate.*

VETOING H.R. 11873—
ANIMAL HEALTH RESEARCH

MESSAGE

FROM

THE PRESIDENT OF THE UNITED STATES

VETOING THE ACT (H.R. 11873) TO AUTHORIZE THE SECRETARY OF AGRICULTURE TO ENCOURAGE AND ASSIST THE SEVERAL STATES IN CARRYING OUT A PROGRAM OF ANIMAL HEALTH RESEARCH



August 15, 1974.—Message and accompanying act referred to the Committee on Agriculture and ordered to be printed

U.S. GOVERNMENT PRINTING OFFICE

H. R. 11873

Ninety-third Congress of the United States of America

AT THE SECOND SESSION

*Began and held at the City of Washington on Monday, the twenty-first day of January,
one thousand nine hundred and seventy-four*

An Act

To the House of Representatives:

I am returning today without my approval H.R. 11873, an act authorizing the Secretary of Agriculture to encourage and assist States in carrying out programs of animal health research.

I believe, as do proponents of this bill, that veterinary research has helped to make American livestock the healthiest and most productive in the world. We must continue to maintain high standards of research.

But I also believe that this bill adds little to the existing programs of the Department of Agriculture and other agencies.

We are presently spending over \$40 million on programs involving animal health research, and nearly every land-grant college and colleges of veterinary medicine in the United States are participating in these programs.

This bill, however, would establish a new categorical grant program that would authorize an expenditure of an additional \$47 million annually and would be duplicative of many programs that already exist. The overlapping would be especially true of programs in fish and shellfish research and predator control.

Because this bill would add further to the Federal taxpayers' burdens without significantly meeting national needs and would only add to inflationary pressures within the economy, I feel that I must withhold my approval.

GERALD R. FORD.

THE WHITE HOUSE, August 14, 1974.

(1)

Ninety-third Congress of the United States of America

AT THE SECOND SESSION

*Began and held at the City of Washington on Monday, the twenty-first day of January,
one thousand nine hundred and seventy-four*

An Act

To authorize the Secretary of Agriculture to encourage and assist the several States in carrying out a program of animal health research.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act shall be known as the Animal Health Research Act.

SECTION 1. PURPOSE.—It is the purpose of this Act to promote the general welfare through improved health and productivity of fresh water fish and shellfish, domestic livestock, poultry, and other income-producing animals so essential to the Nation's food supply and the welfare of producers and consumers of animal products; to prevent disease epidemics that would be disastrous to the American livestock and poultry industries and our food supply; to minimize losses due to sicknesses and diseases of livestock and poultry; to minimize losses of livestock and poultry due to transportation and handling; to protect human health through control of animal diseases transmissible to humans; to improve the health of companion animals which support an industry of major economic importance and which contribute significantly to the quality of family life; to improve methods of controlling the births of predators and other animals; and otherwise to promote the general welfare through expanded programs of research to improve animal health. It is recognized that the total animal health research efforts of the several State colleges and universities and of the Federal Government are more fully effective if there is a close coordination between such programs, and it is further recognized that colleges of veterinary medicine and departments of veterinary sciences and animal pathology, and similar units conducting animal health research in the agricultural experiment stations, are especially vital in the training of research workers in animal health.

SEC. 2. In order to carry out the purposes of this Act, the Secretary of Agriculture is hereby authorized to cooperate with the several States for the purpose of encouraging and assisting them in carrying out programs of animal health research at eligible institutions.

SEC. 3. DEFINITIONS.—As used in this Act:

(a) "Eligible institutions" shall include all accredited colleges of veterinary medicine and at institutions where there is no college of veterinary medicine, agricultural experiment stations eligible to receive assistance under the Hatch Act, as amended in 1955 (69 Stat. 671), which have departments of veterinary science or animal pathology, or similar units conducting animal health research: *Provided, however,* That when a new college of veterinary medicine is formed, the Secretary, after consultation with the Advisory Board, shall provide for the orderly transfer of support from the agricultural experiment station to the college of veterinary medicine in that institution.

(b) "Dean" shall mean the dean of a college of veterinary medicine. "Director" shall mean director of an agricultural experiment station at institutions where there is no college of veterinary medicine.

(c) "State" shall mean all States, Guam, Puerto Rico, and the Virgin Islands.

(d) "Secretary" shall mean the Secretary of Agriculture.

(e) "Advisory Board" shall mean a Veterinary Medical Science Research Board appointed by the Secretary of Agriculture which shall be constituted of not less than nine nor more than twelve members selected from individuals nominated by and selected so as to give equal representation to respectively: (1) accredited colleges of veterinary medicine, (2) veterinary science or animal pathology departments or similar units conducting animal health research at other eligible institutions, and (3) to representatives of national livestock and poultry organizations.

(f) "Animal health research capacity" shall mean the capacity of an eligible institution to conduct research on animal diseases as measured by a formula to be developed and applied by the Secretary with the advice of the Advisory Board. The Secretary's formula will provide a figure for each eligible institution which will be used in determining that institution's relative capacity to perform such research as a percentage of the total national capacity of all such institutions to conduct animal health research.

SEC. 4. (a) To support continuing research programs at eligible institutions, the Congress is hereby authorized to appropriate such funds, not to exceed \$20,000,000 annually, as it may determine to be necessary. Funds appropriated under this section shall be used to meet expenses of conducting research, publishing and disseminating the results of such research, of contributing to retirement of employees subject to the provisions of an Act approved March 4, 1940 (54 Stat. 39), of administrative planning and direction, and for the purchase of needed equipment and supplies and the alteration or renovation of buildings necessary for conducting research.

(b) Funds appropriated under this section shall be apportioned as follows:

(1) Four per centum shall be retained by United States Department of Agriculture for administration, program assistance to the States, and program coordination:

(2) Forty-eight per centum shall be distributed to eligible institutions in the proportion that the value and income of domestic livestock and poultry in each State where such institution is located, bears to the total value and income of domestic livestock and poultry in the United States according to the latest published United States Department of Agriculture statistics. The Secretary will determine the total value and income and the proportionate value and income of domestic livestock and poultry for each State with guidance of the Advisory Board from the latest inventory of all cattle, sheep, swine, horses, and poultry published by the United States Department of Agriculture.

(3) Forty-eight per centum shall be distributed among the eligible institutions of the States in proportion to the animal health research capacity of the eligible institution or institutions in each State.

(c) When the amount available under this section for allotment to any eligible institution on the basis of livestock values and income

exceeds the amount for which such institution is eligible on the basis of animal health research capacity, the excess may be used for remodeling of old facilities, construction of new facilities, or to increase staffing proportionate to the need for added research capacity.

(d) When a State has two or more eligible institutions, the funds available for such institutions in that State under this section shall be apportioned between or among those institutions in proportion to their animal health research capacity as defined in section 3(f).

(e) The sums distributed on the basis of proportionate value and income of domestic livestock and poultry (b)(2) above and proportionate animal health research capacity (b)(3) above in the first appropriation under this Act and like sums appropriated in subsequent years shall be based on the latest available data on National and State livestock values and income and research capacities, and any sums in addition to the initial appropriation level appropriated in subsequent years shall be distributed on the basis of domestic livestock and poultry values and income and animal health research capacities in the years those additional sums are first appropriated: *Provided*, That sums available to an eligible institution will not be decreased because of subsequent changes in the proportionate distribution of domestic livestock and poultry values and income and animal health research capacities.

SEC. 5. (a) To support research on specific national or regional animal health problems, the Congress is hereby authorized to appropriate such funds, not to exceed \$15,000,000 annually, as it shall determine to be necessary. Funds appropriated under this section shall be used to pay costs of conducting research and other costs provided for in section 4(a).

(b) Funds appropriated under this section shall be allocated by the Secretary to eligible institutions for work to be done as mutually agreed upon between the Secretary and the eligible institutions. In developing plans for the use of these funds, the Secretary shall consult the Advisory Board.

SEC. 6. (a) To support cost of providing veterinary medical science research facilities, the Congress is hereby authorized to appropriate such sums, not to exceed \$12,000,000 annually, as it determines to be necessary. Funds provided under this section shall be used to purchase land, construct or remodel buildings, and to buy and install necessary research and research-related equipment.

(b) Funds appropriated under this section shall be apportioned among eligible institutions in the same manner as funds apportioned under section 4(b), except that, to meet specific national or regional animal health research needs, additional funds may be appropriated to provide animal health research facilities at one or more eligible institutions as mutually agreed upon in each case between the Secretary and the eligible institution: *Provided*, That, in developing plans for the use of these additional funds, the Secretary shall consult the Advisory Board.

SEC. 7. Sums available for allotment under the terms of this Act shall be paid to each eligible institution at such times and in such amounts as shall be determined by the Secretary. Funds shall remain available for payment of unliquidated obligations for one additional fiscal year following the year of appropriation, except that funds

appropriated under section 6 shall remain available for payment, at the option of an eligible institution, for a period of not more than two fiscal years following the fiscal year of appropriation plus the one additional year for payment of unliquidated obligations.

SEC. 8. When the Secretary determines that an eligible institution is not eligible to receive its allotment of funds because of a failure to satisfy requirements of this Act or regulations issued under it, the Secretary shall withhold such amounts; the facts and reasons therefor shall be reported to the President and the amount involved shall be kept separate in the Treasury until the close of the next Congress. If the next Congress shall not direct such sum to be paid it shall be carried to surplus.

SEC. 9. (a) The dean or director of each eligible institution will have prepared local project proposals for research on priority problems of animal health which comply with the purpose in section 1 and for use as specified in section 4(a) and with general guidelines for project eligibility to be provided by the Secretary with the advice of the Advisory Board. Research proposals approved by the dean or director will be submitted to the Secretary with a brief outline abstract summary which will reveal compliance with the purpose of this Act and the Secretary's general guidelines.

(b) Each dean or director shall also submit a brief annual report of research accomplishments on a project-by-project basis and he shall account for all funds allotted to his institution under the provisions of this Act at such times and on such forms as the Secretary shall prescribe. If any portion of the allotted moneys received shall by any action or contingency be diminished, lost, or misapplied, it shall be replaced by the State concerned and until so replaced, no subsequent appropriation shall be allotted or paid to said college or university.

SEC. 10. (a) The Secretary is authorized to prescribe such rules and regulations as may be necessary to carry out the provisions of this Act and to furnish such advice and assistance as will best promote the purposes of this Act. The Secretary is further directed to appoint the Advisory Board.

(b) The Advisory Board, in addition to providing consultation and advice to the Secretary as provided elsewhere in this Act, shall meet at least annually to advise the Secretary with respect to administration and implementation of this Act and to recommend priorities for conduct of research programs authorized under this Act. The Advisory Board shall continue for the duration of this Act.

(c) Each recipient of Federal assistance under this Act, pursuant to grants, subgrants, contracts, subcontracts, loans, or other arrangements, entered into other than by formal advertising, and which are otherwise authorized by this Act, shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance is given or used, the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

(d) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall, until the expiration of three years after completion of the project or undertaking referred to in subsection (c) of this section, have access for the

purpose of audit and examination to any books, documents, papers, and records of such recipients which in the opinion of the Secretary or the Comptroller General may be related or pertinent to the grants, subgrants, contracts, subcontracts, loans, or other arrangements referred to in subsection (c).

SEC. 11. The amount paid by the Federal Government to any eligible institution for assistance under this Act, exclusive of the funds paid for research on specific national or regional animal health problems authorized by sections 5 and 6, shall be in an amount not to exceed \$100,000 in addition to an amount not to exceed during any fiscal year the amount available to and budgeted for expenditure by such institution during the same fiscal year for animal health research from non-Federal sources. The Secretary is authorized to make such expenditures on the certificate of the appropriate official of the institution having charge of the animal health research for which the expenditures as herein provided are to be made. If any of the institutions certified for receipt of funds under this Act fails to make available and budget for expenditure for animal health research in any fiscal year sums at least as much as the amount for which it would be eligible for such year under this Act, the difference between the Federal funds available and the funds made available and budgeted for expenditure by the institution shall be reapportioned by the Secretary to other eligible institutions of the same State if there be any which qualify therefor and, if there be none, the Secretary shall reapportion such differences to the qualifying institutions of other States participating in the animal health research program.

CARL ALBERT,
Speaker of the House of Representatives.

LEE METCALF,
Acting President of the Senate pro Tempore.

I certify that this Act originated in the House of Representatives.

W. PAT JENNINGS, *Clerk.*

August 15, 1974

Office of the White House Press Secretary

THE WHITE HOUSE

TO THE HOUSE OF REPRESENTATIVES:

I am returning today without my approval H.R. 11873, an act authorizing the Secretary of Agriculture to encourage and assist States in carrying out programs of animal health research.

I believe, as do proponents of this bill, that veterinary research has helped to make American livestock the healthiest and most productive in the world. We must continue to maintain high standards of research.

But I also believe that this bill adds little to the existing programs of the Department of Agriculture and other agencies.

We are presently spending over \$40 million on programs involving animal health research, and nearly every land grant college and colleges of veterinary medicine in the United States is participating in these programs.

This bill, however, would establish a new categorical grant program that would authorize an expenditure of an additional \$47 million annually and would be duplicative of many programs that already exist. The overlapping would be especially true of programs in fish and shellfish research and predator control.

Because this bill would add further to the Federal taxpayers' burdens without significantly meeting national needs and would only add to inflationary pressures within the economy, I feel that I must withhold my approval.

GERALD R. FORD

THE WHITE HOUSE,

August 14, 1974.

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August 2, 1974

Dear Mr. Director:

The following bills were received at the White House on August 2nd:

S. 2665
S. 3477
H.R. 11873

Please let the President have reports and recommendations as to the approval of these bills as soon as possible.

Sincerely,

Robert D. Linder
Chief Executive Clerk

The Honorable Roy L. Ash
Director
Office of Management and Budget
Washington, D. C.

