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THE WHITE HOUSE

ACTION

WASHINGTON

August 14, 1974

MEMORANDUM FOR: THE PRESIDENT
FROM: KEN COLE
SUBJECT: H.R. 11873 - Animal Health Research Act

Awaiting your action is H.R. 11873, a bill that would establish a new categorical formula grant program to support animal health research.

Background

Under this legislation, a new categorical grant program would be established with the formula approach being 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. The funding levels of \$47 million annually would add further pressure to the Federal budget and impair our efforts to fight inflation, particularly over the short term.

Recommendations

Bill Timmons, the Counsel's office, Secretary Morton and Roy Ash recommend disapproval. I also recommend disapproval.

Secretary Butz recommends reluctant approval.

Recommendation

That you sign the attached veto message (Tab A).

APPROVE DISAPPROVE

August 14, 1974

Received from the White House a sealed envelope
said to contain 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, and a veto
message thereon.

Robert Jennings
Clerk of the House of Representatives

8:30 PM
Time received



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.

Gerald R. Ford



Delivered to Clerk of House: 8/14/74 (8:30 pm)

(Stencilled)

Handwritten initials/signature in bottom right corner.

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



*Vetoed
8/14/74*

*Delivered
to the Clerk
of the House
8/14/74
(12:30pm)*

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

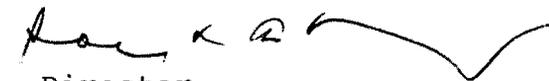
1. H.R. 11873 would establish a new categorical grant program -- this is inconsistent with the Administration's general policy of eliminating such grants.
2. The enrolled bill would largely duplicate existing authorities for animal health research.
3. The formula approach in the enrolled bill is in part 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 live-stock 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



ACTION MEMORANDUM

Date: August 12, 1974

Time: 2:00 p. m.

FOR ACTION: ✓ Mike Duval
Jim Cavanaugh
Fred Buzhardt
Bill Timmons

cc (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

XX For Your Recommendations

___ Prepare Agenda and Brief

___ Draft Reply

___ For Your Comments

___ Draft Remarks

REMARKS:

*Hold for 10 days
then ~~for~~*
*After was vetoed by the
president
aug 14, 1974
p. Jones*

Please return to Kathy Tindle
West Wing

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



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,



Save Energy and You Serve America!

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.

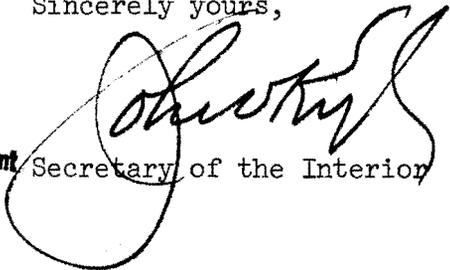
Historically, veterinary schools have shunned fish diseases because of the necessity of understanding the aquatic environment which is alien to the classical study of veterinary medicine. This is quite understandable in view of the fact that the value of the poultry industry is \$3 billion compared to 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.

TO THE HOUSE OF REPRESENTATIVES:

I return herewith, without my approval, H.R. 11873, a bill "To authorize the Secretary of Agriculture to encourage and assist the several States in carrying out a program of animal health research."

I am withholding approval of H.R. 11873 because I consider it to be duplicative and unnecessary, and unduly costly.

H.R. 11873 would authorize the Secretary of Agriculture to provide financial assistance to the several States in carrying out a broad program of animal health research. Such research is for the express purpose of benefiting income producing animals and the producers and consumers of animal products.

To support continuing research programs at eligible institutions, Congress is authorized by H.R. 11873 to appropriate up to \$20,000,000 annually as it may determine to be necessary. Additional amounts of \$15,000,000 annually are provided to support research on specific national or regional animal health problems, and \$12,000,000 annually to support the cost of providing veterinary medical science research facilities.

Although some of the objectives of H.R. 11873 appear to be desirable, they duplicate two programs which already are effectively being carried out by the Department of the Interior. These are programs to control fish diseases and animal predators now being administered by the U.S. Fish and Wildlife Service.

The control and treatment of fish diseases has been one of the primary concerns of the Fish and Wildlife Service of the Department of the Interior. The Service presently operates two fish laboratories, one of which has provided the training for most of the fish disease specialists in this country. Also, partially due to the efforts of the Service, some 20 colleges and universities now offer at least one course in fish diseases, although none of these courses is associated with veterinary schools which would receive a large portion of funds being appropriated by H.R. 11873. The control of fish disease requires



the efforts of specialists--not veterinary schools which traditionally treat warm-blooded animals.

Further, the Fish and Wildlife Service now conducts an extensive predatory animal control research program which H.R. 11873 would also duplicate. This program is conducted pursuant to the Animal Damage Control Act of 1931 (7 U.S.C. 426-426b). Under recommendations contained in my environmental messages to the 92nd and 93rd Congresses, legislation was transmitted to give new impetus to this program. This legislation would continue predatory control under the Secretary of the Interior and would give increased emphasis to research in new, environmentally safe methods of control. 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. In fiscal year 1975, an additional \$2,000,000 was recommended in my budget for assistance to States in the conduct of predator control programs.

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.

Richard M. Nixon

THE WHITE HOUSE

August 7, 1974



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



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. Guyford Stever'.

H. Guyford Stever
Director



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,

Tilton H. Dobbin

Tilton H. Dobbin
Assistant Director for Domestic
and International Business





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:

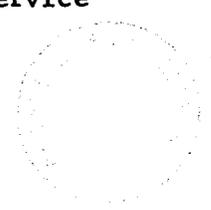
In reply to the request of your office, the following report is submitted on the enrolled enactment H. R. 11873, the Animal Health Research Act, to encourage and assist the States in carrying out a program of animal health research through grants for research and research facilities needed in solving 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 1

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 ii

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."

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 WHITE HOUSE

ACTION

WASHINGTON

August 14, 1974

MEMORANDUM FOR: THE PRESIDENT
FROM: KEN ^CCOLE
SUBJECT: H.R. 11873 - Animal Health Research Act

Awaiting your action is H.R. 11873, a bill that would establish a new categorical formula grant program to support animal health research.

Background

Under this legislation, a new categorical grant program would be established with the formula approach being 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. The funding levels of \$47 million annually would add further pressure to the Federal budget and impair our efforts to fight inflation, particularly over the short term.

Recommendations

Bill Timmons, the Counsel's office, Secretary Morton and Roy Ash recommend disapproval. I also recommend disapproval.

Secretary Butz recommends reluctant approval.

Recommendation

That you sign the attached veto message (Tab A).

_____ APPROVE

_____ DISAPPROVE

THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.: 504

Date: August 12, 1974

Time: 2:00 p. m.

FOR ACTION: Mike Duval - *N. Room*
Jim Cavanaugh
~~Fred Buzhardt~~ (*possible veto*)
✓ Bill Timmons (*veto*)

cc (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:



Please return to Kathy Tindle
West Wing

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.

K. R. COLE, JR.
For the President

THE WHITE HOUSE
WASHINGTON

OK
Ⓟ

August 13, 1974

MEMORANDUM FOR: WARREN HENDRICKS
FROM: DAVE GERGEN
SUBJECT: Veto of Animal Health Research Bill

We were notified this afternoon that the President would veto this bill. As you know, the last day for action is today. In view of the time pressures, I would urge that you quickly circulate this revised version of the statement among all principals, including Cavanaugh, Duval and Timmons. (I can be reached in the East Room from 4-5 p.m.)

cc: Jerry Jones

Zorb
approves
as is 8/13/74
without
more changes
OK changes
8/14/74

7/17/74

(Coyne)DG

August 13, 1974

VETO STATEMENT -- ENROLLED BILL H. R. 11873 - ANIMAL HEALTH RESEARCH

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 college of veterinary medicine in the United States is participating in these programs.



This bill, however, would establish a new categorical grant program that would require the 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.

~~In addition, this bill would allocate substantial portions of the proposed grants simply on the basis of the value of domestic livestock and poultry production in a given State, rather than on the basis of the research capability of an institution within that State.~~

Because this bill would further strain the Federal budget without significantly meeting national needs and would only add to inflationary pressures within the economy, I feel that I must withhold my approval. I intend, however, to work with the Congress to develop a truly comprehensive, non-inflationary program of animal health research that will make maximum use of Federal resources in the most effective manner.

###

changes
per Powell Moore
8/14/74



THE WHITE HOUSE
WASHINGTON

August 13, 1974

MEMORANDUM FOR: WARREN HENDRICKS
FROM: DAVE GERGEN
SUBJECT: Veto of Animal Health Research Bill

We were notified this afternoon that the President would veto this bill. As you know, the last day for action is today. In view of the time pressures, I would urge that you quickly circulate this revised version of the statement among all principals, including Cavanaugh, Duval and Timmons. (I can be reached in the East Room from 4-5 p.m.)

cc: Jerry Jones



THE WHITE HOUSE

WASHINGTON

August 13, 1974

MEMORANDUM FOR: MR. WARREN HENDRIKS

FROM: WILLIAM E. TIMMONS *BT*

SUBJECT: Action Memorandum - Log No. 504
Enrolled Bill H.R. 11873 - Animal
Health Research

The Office of Legislative Affairs concurs in the attached proposal and has no additional recommendations.

Veto!

Attachment



Date: August 12, 1974

Time: 2:00 p. m.

FOR ACTION: Mike Duval
 Jim Cavanaugh
 Fred Buzhardt
 ✓ Bill Timmons

cc (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 XX For Your Recommendations Prepare Agenda and Brief Draft Reply For Your Comments Draft Remarks

REMARKS:

Please return to Kathy Tindle
 West Wing

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



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 live-stock, 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.

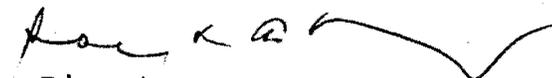
Arguments against approval

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 1

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 ii

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.

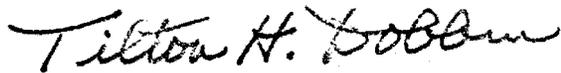
To this end, this Department recommends that the President's signing message include language such as the following:

"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". The signature is written in dark ink and is positioned above the typed name and title.

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,



Save Energy and You Serve America!

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.

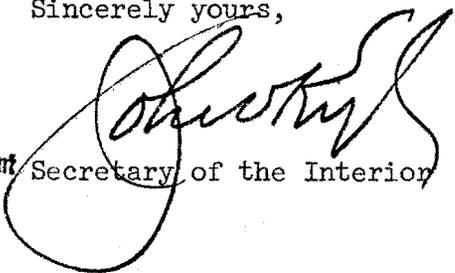
Historically, veterinary schools have shunned fish diseases because of the necessity of understanding the aquatic environment which is alien to the classical study of veterinary medicine. This is quite understandable in view of the fact that the value of the poultry industry is \$3 billion compared to 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.

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

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(Coyne)DG

August 13, 1974

VETO STATEMENT -- ENROLLED BILL H. R. 11873 - ANIMAL HEALTH RESEARCH

To The House of Representatives

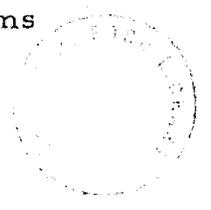
I am returning today without my approval H. R. 11873, an act authorizing the Secretary of Agriculture to encourage and assist States in carrying out programs of animal health research.

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 college of veterinary medicine in the United States is participating in these programs.

This bill, however, would establish a new categorical grant program that would require the 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.



~~In addition, this bill would allocate substantial portions of the proposed grants simply on the basis of the value of domestic livestock and poultry production in a given State, rather than on the basis of the research capability of an institution within that State.~~

Because this bill would further strain the Federal budget without significantly meeting national needs and would only add to inflationary pressures within the economy, I feel that I must withhold my approval. ~~I intend, however, to work with the Congress to develop a truly comprehensive, non-inflationary program of animal health research that will make maximum use of Federal resources in the most effective manner.~~

changes
per Powell Moore
8/14/74

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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.



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code changes

THE WHITE HOUSE,

August 14, 1974.