

FOR IMMEDIATE RELEASE

JULY 25, 1975

Office of the White House Press Secretary

THE WHITE HOUSE

TO THE CONGRESS OF THE UNITED STATES:

Due to the existing law which invites almost unlimited expansion of the Food Stamp program, the cost of the program has nearly doubled in the past six months. The unemployment rate has also been a factor in the increase. To continue the Food Stamp program for the remainder of this fiscal year, I am forced to ask the Congress for an additional \$3 billion over the \$3.8 billion which I requested in my budget submitted in February.

Accordingly, I am today transmitting to the Congress a budget amendment requesting these additional funds.

The flaws in the existing law easily can be seen. Only 10 years ago, there were fewer than 500,000 people participating in the program at a cost of \$36 million. Today, the number of participants has expanded to 20 million and the cost to \$6.8 billion. Furthermore, if all those presently eligible under current law suddenly signed up for the program, estimates are that between 40 and 60 million persons would be receiving food stamps.

In short, what has evolved in just 10 years is another massive, multi-billion dollar program, almost uncontrolled and fully supported by Federal taxpayers.

Some claim that the Food Stamp program cannot be controlled and that ever-increasing costs are inevitable. I refuse to accept that proposition. Every public program is controllable. The Food Stamp Act was placed on the Statute books by the Congress which has the power and authority to amend the law.

Earlier this year, I submitted a proposal which would have required all participants in this program to pay a proportionate share of their total income for food stamps. This plan would have continued assistance to those in need and would have distributed benefits on an equitable basis. This reform was rejected by the Congress. Had it been approved, a savings of \$1 billion in fiscal year 1976 at the current rate of participation would have resulted.

In submitting this revised budget request, made necessary by the existing law, I once again ask the Congress to work with me on needed changes. We must work toward two goals:

- In fairness to those truly in need, we must focus food stamp assistance on them;
- In fairness to the overburdened taxpayers who must pay the bills, we must tighten eligibility and participation requirements.

More than 70 members of the Congress already have joined in supporting legislation which would recognize the need for

more

changes in the Food Stamp Act. Their proposal would concentrate resources on assistance to low-income Americans and relate the Food Stamp program to other assistance programs directed toward these same families. It would introduce a number of positive objectives which should be supported by everyone who shares the desire to assist those truly in need and to control costs.

I urge in the strongest terms possible that the Congress begin hearings on these proposals at the earliest possible date. If this program is to be contained, even within its current bounds action must be taken immediately.

GERALD R. FORD

THE WHITE HOUSE,

July 25, 1975.

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