

85th Congress }
2d Session }

HOUSE COMMITTEE PRINT NO. 16

ANALYSIS OF VETO OF THE OMNIBUS RIVERS
AND HARBORS AND FLOOD CONTROL BILL,
S. 497

COMMITTEE ON PUBLIC WORKS
HOUSE OF REPRESENTATIVES



APRIL 15, 1958

Printed for the use of the Committee on Public Works

UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1958

24698

ANALYSIS OF THE PRESIDENTIAL VETO OF THE OMNIBUS RIVER AND HARBOR AND FLOOD-CONTROL BILL (S. 497)

On April 15, 1958, the President vetoed the omnibus river and harbor and flood-control bill (S. 497) which had been passed by both Houses of Congress. The bill would authorize appropriations totaling approximately \$1,580 million for navigation, beach-erosion, and flood-control projects throughout the United States. Because of the tremendous importance of this bill to the Nation the Committee on Public Works has made this analysis of the President's veto message. For easy identification, the paragraphs in the President's message are numbered consecutively.

PARAGRAPH 1

President's comment

"I return herewith, without my approval, S. 497. The bill would properly authorize needed appropriations of over \$800 million for 14 previously authorized river-basin plans on which legal limitations on appropriations were imposed in earlier legislation. The bill would also authorize future appropriations for 140 new water resources development projects or project modifications estimated to cost nearly \$900 million. Many of these are sound projects which will make important contributions to our national wealth, but others are not justified for reasons I shall detail."

Rebuttal

The principal comment on this paragraph is that the figures given are not correct. The total amount of money actually set forth in the bill is \$1,577 million. Some projects included had no cost estimate due to the fact that plans are approved but a future monetary authorization would be required. The President has apparently put an estimate of cost on some of these projects. If this method is followed for a few projects, it should be followed for all of the projects in the bill, including the basin plans, which would then make the size of the bill far greater than the \$1,700 million cited by the President. However, this is not the usual procedure for estimating the total of monetary authorizations in an omnibus bill. The last sentence of the paragraph which refers to certain projects as unjustified is discussed in more detail in those sections where the President elaborates on his reasons for disapproval of them.

PARAGRAPH 2

President's comment

"It is with real regret that I have found it necessary for the second time in 2 years and for many of the same reasons to disapprove omnibus legislation authorizing appropriations for rivers and harbors and flood control improvements."

Rebuttal

There are two points to be made in connection with this statement. The first is the fact that there has been no omnibus bill since 1954 and the present omnibus bill is badly needed and should have been signed 2 years ago. The second point is that the bill vetoed by the President 2 years ago contained monetary objections amounting to 37.5 percent of the total value of the bill, whereas the present bill has been modified to meet his wishes to a point where the total value of the monetary objections is 5.2 percent. The committee does not concede that the veto of the 1956 bill was justified merely because there was a difference in opinion between the executive agencies and the Congress on certain of the projects and, most certainly, there is no justification for the veto of the 1958 bill, of which more than 94 percent meets the views of the President.

PARAGRAPH 3

President's comment

"The Congress in enacting S. 497 has in many instances disregarded the careful study and considered judgments of the professional services and other executive agencies concerned. The bill would authorize 28 new projects or project modifications estimated to cost about \$350 million under terms which I cannot approve without destroying some of the most important governmental policies in the field of water resources development. The bill has other unacceptable provisions. In particular I believe that the bill is defective for the following reasons:"

Rebuttal

The first sentence states that the Congress has disregarded the "professional services." It should be noted that of the 5.2 percent of monetary objections in the bill only seven-tenths of 1 percent was not approved by the Corps of Engineers, which is the principal professional service to which the President presumably referred. (See table at end of this analysis.) The second sentence concerning the authorization of new projects estimated to cost about \$350 million is misleading. This figure is the total cost of the projects objected to and not just that amount objected to by the President. The actual value of the monetary objections is approximately \$82 million of the \$350 million referred to. The figure of \$350 million is about 22 percent of the total cost of the bill. The figure of approximately \$82 million is 5.2 percent of the total cost of the bill. In the second sentence of this preamble to paragraph 3, the President states that he cannot approve these projects without destroying some of the most important governmental policies in the field of water resources development. The Corps of Engineers has recommended these projects in accordance with time honored and traditional practices. The truth of the matter is that governmental policies in the field of water resources development come about as a joint effort of the legislative and the executive branches of Government as a reflection of the desires of the people. The policies are established following legislative enactments of the Congress. This statement in the veto message, therefore, has no validity. In the subparagraphs of the third paragraph of the veto message the President discusses in more detail specific groups of

projects and reasons for his objections. These are covered in the following sections.

SUBPARAGRAPH 3-1

President's comment

"1. It would authorize 14 projects, estimated to cost about \$168 million, on which the local participation provided for in the bill does not adequately reflect the substantial local benefits which would result. It would also reduce the cost sharing required for one other previously authorized project. I believe a sound national policy requires that a comparable measure of responsibility for projects where there are identifiable beneficiaries must remain at the State and local level. I also believe, as I stated in August of 1956 in my disapproval of legislation similar to S. 497, that authorization of water-resource projects on the terms provided for in the bill would result in the loss of the best test yet devised for insuring that a project is sound—the the willingness of local people to invest their own money in a joint enterprise with the Federal Government."

Rebuttal

The foregoing subparagraph has reference to 14 projects estimated to cost about \$168 million on which the local participation provided in the bill does not adequately reflect the substantial local benefits which would result, according to the veto message. The subparagraph also states that the bill would reduce the cost sharing required for a previously authorized project. The 14 projects referred to in this paragraph are listed below:

Name of the project	Total estimated Federal cost as carried in bill	Amount objected to by Budget and President	Amount not approved by Corps of Engineers
Booie and Texas Rivers, Ark., and La.	\$1,212,000	\$581,000	0
White River backwater, Arkansas	2,380,000	707,000	0
Millwood Reservoir and alternate reservoirs, Arkansas and Oklahoma	53,235,000	(1)	(1)
Hendry County, Fla.	3,172,000	(2)	(2)
Kaskaskia River, Ill.	23,000,000	(3)	0
Mississippi River at Alton, Ill. (small-boat harbor)	101,000	39,000	0
Saline River, Ill.	5,970,000	698,000	\$698,000
Des Moines River, Iowa	44,500,000	4,500,000	0
Tombigbee River, Miss. and Ala.	19,711,000	5,265,600	5,265,600
Carlsbad, N. Mex. (Pecos River)	2,066,000	275,000	275,000
Socorro, N. Mex. (Rio Grande)	3,152,000	50,000	50,000
Irondequoit Bay, N. Y.	1,938,000	73,000	0
Port Washington Harbor, Wis.	2,181,000	420,300	(4)
Water-hyacinth program	5,062,500	1,687,500	0
Total	167,680,500	14,356,400	6,288,600

¹ No funds are authorized in the bill for the part of the project objected to by the Budget and the President. The amount of \$53,235,000 is the amount carried in the bill for the project as recommended by the Chief of Engineers and approved by the Budget.

² Indeterminate.

³ The objection is to what the Budget and the President consider to be insufficient local cooperation on Carlyle Reservoir and certain levees, which are projects previously authorized in the Kaskaskia River Basin and have no relation to the \$23 million in the bill.

⁴ Corps of Engineers actually recommended a higher Federal cost, or \$2,931,700, which is \$750,700 more than amount in bill.

The total amount of \$167,680,500 is the total estimated cost of the projects in the foregoing list and is not the total value of the monetary objections. The total value of the monetary objections of the President is \$14,356,400. However, the main thesis of this sub-

paragraph of the veto message concerns what the President considers to be inadequacy of local participation. Actually what this amounts to is a difference of opinion between the Congress and the executive branch as to what the local contribution should be for Federal projects of this nature. The following examples are taken from this group to show why the Congress considers the amount of local cooperation contained in the vetoed bill to be adequate.

DES MOINES RIVER, IOWA

The total estimated cost of this project is \$44,500,000 as contained in the bill. The President believes that 10 percent of this amount, or \$4,500,000, should be paid by local interests. The project involves a reservoir located above the city of Des Moines known as Saylorville Reservoir. In this reservoir there would be conservation storage which is already provided at full Federal cost in the authorized reservoir called Red Rock below the city of Des Moines. The Chief of Engineers, in making his recommendation, simply changed the location of the authorized conservation storage in the Red Rock Reservoir to the Saylorville Reservoir and, in view of the fact that this conservation storage has already been authorized at Federal expense, he felt it equitable that the mere fact of its transfer to the Saylorville Reservoir should not require a \$4,500,000 contribution by local interests. Otherwise, local interests could rightfully claim that the conservation storage be left in the reservoir downstream. This seems a reasonable point of view to the committee.

The committee emphasizes that this was a recommendation of the responsible executive agency, those "professional services" which the President commends so highly.

SALINE RIVER, ILL.

The total cost of this project is \$5,970,000. In this particular case the Chief of Engineers recommended that local interests contribute to the cost of construction the value of all lands, easements, and rights-of-way necessary for the construction of the project, replace highway bridges and make required utility alterations and hold and save the United States free from damages due to the construction work and, finally, maintain the works after completion. In addition, the recommendation would require local interests to contribute 15 percent of the cost of construction in cash. This amount of cash contribution is estimated at \$930,000. The committee heard extensive testimony on this project and found that it was impossible for local interests in this predominately rural farming area to contribute this much in cash in addition to meeting the other provisions of local cooperation, and the committee therefore reduced the cash contribution to 25 percent of the amount recommended, or \$233,000. This presumably is what the President means when he says a sound national policy requires that a comparable measure of responsibility, for projects where there are identifiable beneficiaries, must remain at the State and local level. In other words, he would require that local interests in this rural area contribute, in addition to the land, easements, rights-of-way, and the other normal provisions in flood-control projects, a total of almost \$1 million in cash, far beyond their proven ability to pay. If this is

to be a requirement for authorization, the project might just as well not be included in the bill. Local interests, in the opinion of the committee, will have difficulty enough in raising the \$233,000 required by the terms of the vetoed omnibus bill.

TOMBIGBEE RIVER, MISS. AND ALA.

This project, which provides for snagging, cutoffs, and channel improvements on 22 tributary streams of the Tombigbee River, was included in the vetoed bill of 1956. At that time the committee was impressed with the exceptionally high cash contribution required to be made by local interests in accordance with the directive of the Bureau of the Budget in the now famous circular known as A-47. Testimony was presented regarding the inability of local people to meet this requirement. The committee is concerned about the critical need for the improvements and attempted to work out an equitable arrangement on a cost-sharing provision. After long and exhaustive consideration of the situation the committee arrived at what is believed to be a most satisfactory arrangement in the division of costs for this project. After further discussion during the meeting of the Senate and House conferees on S. 497, an amount was arrived at which was felt to be the maximum cash amount which the local people could afford to contribute in addition to the costs of lands and rights-of-way and the usual provisions in a flood-control project. This amount is in excess of \$1 million in comparison to the more than \$6 million recommended by the Chief of Engineers and the Bureau of the Budget in accordance with the completely unrealistic provisions of circular A-47. As in the case of the Saline River Basin, Ill., local interests, which are predominantly located in a rural farming area, will have insuperable difficulties in raising \$1 million and it would be completely impossible for them to consider raising more than \$6 million in cash in addition to the costs of lands, and rights-of-way, etc.

MISSISSIPPI RIVER AT ALTON, ILL.

This is a project for a small-boat harbor with a total cost of \$167,000, of which the Chief of Engineers recommended that \$100,300 should be the Federal cost and \$66,700 should be the non-Federal cost. The Bureau of the Budget and the President are dissatisfied with the amount of local contribution and insist that the local costs should be raised to \$105,500. The Senate and House conferees did not concur in this relatively large proportion of non-Federal cost and have included the item in the bill the way that it was recommended by the Chief of Engineers, those "professional services" whose considered judgment the committee accepted just as the President urged in his veto message.

The foregoing examples are illustrations of what the President means by insufficient local cost sharing. Actually the point involved is an honest difference of opinion between the Congress of the United States and the President as to how much local people can or should contribute to a Federal project for navigation or flood control. The same kind of analysis has been made of all of the other projects listed in the foregoing table, and in the judgment of the committee and the Congress the amounts as contained in the omnibus river and harbor

and flood control bill (S. 497) are appropriate and proper and reflect the realities of the situation. Each case has been considered on its own merits, and the rigid formula followed by the Bureau of the Budget has been discarded in those cases where its application would be infeasible.

SUBPARAGRAPH 3-2

President's comment

"2. It would authorize 4 projects estimated to cost over \$27 million on which adequate reports have not yet been submitted to the Congress under legally established procedures. It is, therefore, not possible to determine whether their authorization would be in the public interest."

Rebuttal

The President states that this section would authorize 4 projects estimated to cost over \$27 million, on which adequate reports have not yet been submitted to the Congress under legally established procedures. He contends that it is therefore not possible to determine whether their authorization would be in the public interest. This is misleading. The projects involved are Buchanan Reservoir in California, at an estimated cost of \$10,900,000, and Hidden Reservoir in California, at an estimated cost of \$12,500,000; a project for the Gila River in Arizona, at an estimated cost of \$1,570,000; and finally a project for a harbor at Greenville, Miss., at an estimated cost of \$2,530,000. With respect to Hidden and Buchanan Reservoirs, these two structures if completed prior to the floods of a few weeks ago would have prevented many million dollars' worth of damage in the areas below their sites. They were covered adequately and completely in a survey report by the Corps of Engineers completed in 1948 and submitted to the Congress, and contained in House Document 367 of the 81st Congress. Their economic justification was amply demonstrated at that time. The growth and development in that area since that time has been so apparent to even the most casual observer that there is no question about the economic justification of these reservoirs. The President, however, would require that brand new reports be submitted with new economic justification and new detailed surveys. In order to be sure of its position, the committee called upon the Corps of Engineers and local witnesses to testify as to the worth of these projects and their testimony was so convincing that the committee had no hesitation in including them in the omnibus bill.

The next project, for the Gila River Basin in Arizona, was included in the original bill which was vetoed in 1956, and was removed because of the objections of the Bureau of the Budget. In the intervening time a new study has been made and a new project proposed considerably less extensive in scope than that of the 1956 project and one which engineering studies by the Corps of Engineers have shown to be amply justified. This project would save water in a part of the country where water is vitally needed, would help in the control of floods, and would benefit the general economy. The project was well justified and was thoroughly discussed at the meeting between the Senate and House conferees in their consideration of the final version of the omnibus bill.

The final project in this category, Greenville Harbor, Miss., is the same type of project for improvement of navigation facilities on the

Mississippi River that have been constructed at other locations such as Vicksburg. In the latter case the Bureau of the Budget had no objections to the project and the committee and the Congress has felt that in view of the similarity between the two projects there could be no reason for the President to object to the project for Greenville. This project is recommended by the President of the Mississippi River Commission. It has a benefit-cost ratio of 4.51 which is unusually high. The project was thoroughly considered by the committees and by the Congress, and the fact that it did not have a formal report cleared by the Bureau of the Budget was considered to be insufficient reason as in the few other cases described in this analysis to warrant its exclusion from this omnibus river and harbor bill.

The committee had in mind, too, that if there is another 4-year lapse between this authorization bill and the next one, through Presidential action or otherwise, those needed projects which have a high benefit-cost ratio and lack only a formal report from Budget should be authorized now. The Budget Bureau, of course, still has the power to veto when requests for funds are submitted through the usual channels.

SUBPARAGRAPH 3-3

President's comment

"3. It would authorize 3 projects estimated to cost about \$115 million which the reports of the Chief of Engineers show have no economic justification.

"I cannot overstate my opposition to this kind of waste of public funds."

Rebuttal

The three projects referred to in this particular subparagraph are Gilbert and Lone Rock Reservoirs in the White River Basin, Ark., the Sherwood and Broken Bow Reservoirs in the Millwood Reservoir system in the Red River, Ark., and Okla., and the project at Rome, N. Y., on the Mohawk River. The statement of the President concerning the waste of public funds is hard to understand by those who have made a reasonable examination of these projects. The projects for Gilbert and Lone Rock Reservoirs were actually recommended by the district engineer for the Corps of Engineers and this recommendation was later reversed by the Chief of Engineers only because of the application of an intricate formula for the evaluation of power. At the very best this would be an argument between experts on hydroelectric-power development. The committee considered the views of the Bureau of the Budget in this connection and used its own judgment in arriving at its evaluation of the potential value of the development of these natural resources. The committee believes it has access to as many experts on this subject, including the Corps of Engineers, as has the President, and believes its judgment on this technical matter to be superior to that of the President. The projects for Sherwood Reservoir and Broken Bow Reservoir for hydroelectric-power development are in the same category. Here again it is a matter of differences of opinion between experts, and the committee has considered both sides of the question and has chosen to use its own judgment in including these projects in the bill. With respect to the project for Rome, N. Y., on the Mohawk River, this project was recommended by the Chief of Engineers because although it fell

slightly below a benefit-cost ratio of unity based on dollars and cents, it was considered to have high intangible values in that it would protect lives and would promote the general welfare of this city. The committee agreed with the Chief of Engineers that in certain special cases of this kind these intangible benefits should be given consideration.

SUBPARAGRAPH 3-4

President's comment

"4. It would authorize the reimbursement of local interests for work accomplished by them in their own behalf prior to authorization of a Federal project, on the grounds that the work is similar to that undertaken elsewhere by the Federal Government. I consider it quite inequitable to provide for this kind of reimbursement when local communities all over the country are investing their money in public works projects which are similar to many kinds of Federal projects."

Rebuttal

This refers to a navigation channel in the vicinity of La Quinta, Tex. The refutation of this argument was made last summer in the report of the House Committee on Public Works (Rept. No. 1122), which was printed on August 13, 1957. On page 28 the committee made the following statement, and it is believed nothing further can be added to show the complete invalidity of this part of the veto message. As a matter of fact, there are three other items in S. 497 dealing with reimbursement to which the President did not object, and yet in principle they amount to exactly the same thing. The statement concerning La Quinta Channel from the committee report on S. 497 is quoted below:

Remarks.—The Chief of Engineers recommended that local interests be reimbursed the sum of \$954,000, which is the amount they have expended in excess of their 50 percent contribution under the "one user" concept. The Bureau of the Budget and the Secretary of the Army have recommended this reimbursement not be made. The committee is at a loss to understand the reasoning behind the latter position. The original report of the Chief of Engineers was completed last summer and submitted through channels to the Bureau of the Budget. It recommended that the project be constructed under the "one user" concept with local interests contributing 50 percent. If the project had been adopted at that time the committee believes that there would have been no question about its authorization as a Federal navigation project on a 50-50 matching basis, because of the need for the deeper draft channel brought about by the impending use of larger ore carriers. If the dredging had been postponed until the normal process of authorization and appropriation could have been followed, this need could not have been met and, furthermore, such postponement would have resulted in an additional economic loss because advantage could not have been taken of the fact that a dredging contract was being advertised for another project which could be combined with the new work at a resultant saving. It appears obvious to the committee that the dredging undertaken was in accord with the ordinary principles of good business. The committee notes that local interests did not qualify their proposition to advance the money for dredging with the proviso that such funds should be later repaid by the United States but were willing to take their chances on the reasonableness of such reimbursement. The committee does not believe in reimbursement for work accomplished prior to authorization as a general rule but most emphatically believes that each case should be considered on its own merits. It considers that the equities involved in the present case are such as to justify the inclusion of this item in the bill.

SUBPARAGRAPH 3-5

President's comment

"5. It would authorize a new small-boat harbor in spite of the fact that adequate harbors are located nearby and the likelihood that local interests cannot meet the cost-sharing requirements recommended by the Chief of Engineers."

Rebuttal

This is the part of the veto statement which is hardest to understand. It appears obvious that the message was prepared in haste and given little consideration. The new small-boat harbor in question is located at Hull Creek, Va. This is similar to the many small-boat harbors located throughout the United States improved by the Federal Government for many years. It serves both commercial fishing craft and recreational craft. As a result of his study, the Chief of Engineers recommended the project at an estimated Federal cost of \$269,800 subject to the condition that local interests contribute approximately \$70,000 in cash to the improvement, in addition to the cost of lands and rights-of-way and other customary items. This contribution in cash follows the principle established in the development of small-boat recreational harbors. In accordance with the law, the Chief of Engineers referred his report to the State of Virginia and to interested Federal agencies. The State of Virginia replied that in its opinion local interests would be unable to contribute the amount of cash recommended. The Bureau of the Budget seized upon this point and said that because of the views of the State of Virginia the project should not be authorized. The Secretary of the Army, in reviewing the comments of the Bureau of the Budget, made a reasonable decision and pointed out that the Chief of Engineers has covered this contingency by recommending that the project be authorized on the basis of this cash contribution and that in the event the contribution was not forthcoming within a period of 5 years after notification that work could begin, the project would be automatically deauthorized. This is considered to be ample protection for the United States and would provide local interests with an opportunity to secure the improvement if they so desired. The committee felt that the views of the Secretary of the Army in this case were reasonable and included the project in the omnibus bill. It is inconceivable that this project would be a major reason for a veto of a \$1½ billion omnibus river and harbor and flood-control bill. The very inclusion of this item in the veto message is in itself overwhelming evidence of the inadequate and hasty consideration which must have been given to this extremely important measure.

SUBPARAGRAPH 3-6

President's comment

"6. It would authorize as costs to Oahe and Fort Randall Reservoirs five payments for damages alleged to have been suffered from construction of those reservoirs in South Dakota. In three of these cases the executive branch has determined that there is no legal liability and the Congress has previously accepted this determination. In 1 of the other 2 cases there appears to be no merit to the claim, and in the final case it may be possible to adjust the claim administratively."

Rebuttal

The matter of payment by the United States Government for certain damages suffered from construction of the reservoirs referred to in this subparagraph has been a matter of discussion and debate over 2 Congresses and for a period of 3 years. There is ample ground for an honest difference of opinion in these matters. The total amount of the payment involved is \$412,000. In the final judgment of the Congress it appeared equitable that these damages be paid as a result of the construction of the Federal dams and, therefore, the item was included in the bill. Again as an example of the hasty and ill-considered veto message, it may be noted that 1 of the 5 payments referred to therein is 1 in which it is stated in the veto message itself "it may be possible to adjust the claim administratively." If this is true, it should not be cited as a reason for objection to the omnibus bill. With respect to the other four cases, the Congress believes it knows a great deal about the equities of this matter and is as well informed as the President, and feels that it is thoroughly justified in including these payments in the omnibus bill.

SUBPARAGRAPH 3-7

President's comment

"7. It would authorize, in reservoir projects of the Corps of Engineers and the Bureau of Reclamation, the inclusion without reimbursement of water storage for increasing the flow in times of low water, even though the beneficiaries of such works may be clearly identifiable. It would also authorize the inclusion of municipal and industrial water supply storage in such projects without providing adequate standards for payment of an appropriate share of the basic costs by local interests. In addition, there has been insufficient exploration of the complex legal implications of these ambiguous provisions as affecting water rights. It is my firm conviction that such important substantive changes affecting water resources policy and costs should be made, if at all, only after full, independent consideration not related to an omnibus authorization bill. The Secretary of the Army has previously made suggestions for acceptable legislation on this subject."

Rebuttal

The first sentence of this paragraph of the veto message is a statement which is completely contradictory to the actual wording of the bill. This sentence states that storage for low-flow augmentation may be provided without reimbursement even though the beneficiaries of such works may be clearly identifiable. Section 205 of the omnibus bill states that such low-flow augmentation may be provided only where the benefits are widespread, general, and nonexclusive. In other words, the bill states that such low-flow augmentation or storage for this purpose may be provided without reimbursement where the beneficiaries are not clearly identifiable whereas the President's veto message says exactly the contrary. There has never been any misunderstanding about this provision of the bill. It is not only stated clearly in the bill but it is explained and discussed at considerable length in the committee reports and in the debates on the floors of both the Senate and the House.

This whole matter of water-supply provisions has been given more attention and more time by the committees and by the Con-

gress than probably any other item in the bill. The President's flat statement in the veto message that there has been insufficient exploration of the complex legal implications shows a complete lack of understanding of what is proposed by this section. Section 205 as now contained in the bill represents a broad statement of policy regarding future water supply and one within the framework of which the agencies can proceed with sufficient flexibility to develop the best overall use of water resources in a river basin. This section is of vital importance because of the increasingly acute water shortages which are developing in the more arid sections and, in some cases, in the humid areas and which give promise of developing on a nationwide basis before too many years. The vastly increased use of water for municipal, industrial, and agricultural purposes has been the concern of many observers engaged not only in long-range planning but in planning for the more immediate future.

The authority provided by section 205 would do two fundamental things: First, it would permit storage for low-flow augmentation to be included without reimbursement. This covers cases where benefits are widespread and nonexclusive, as for example a reservoir in the upper Ohio River Basin which might well provide low-flow augmentation to communities all the way down the Ohio and the Mississippi. In this type of case obviously there can be no reimbursement expected because of the impracticability of assessing cities, towns, and communities over such a long distance. Secondly, this legislation would permit storage to be constructed in reservoirs where it is apparent there will be a future demand but where the necessary organization is not in existence at the time of construction. Under section 205 such reimbursement would be collected at some later date when conditions were appropriate on terms that would be equitable to the United States as provided in the bill.

This section is wise and prudent legislation. It is urgently needed to meet one of the most acute domestic problems facing the country and it deals with the problem in sufficiently broad and flexible terms to suit the varying needs and requirements as they arise. To use this section as one of the main reasons for a veto is to indicate a complete lack of familiarity with the domestic problems in the field of water-resources development. With respect to the President's comment that such legislation should be made the subject of independent consideration and not related to an omnibus authorization bill, it should be pointed out that all such legislation dealing with water resources in the past had been contained in omnibus river and harbor and flood-control bills. The present legislation is not an exception or precedent. It follows traditional fashion.

The committee feels very strongly that section 205 is so important and so vital to the national interest that it should have provided the basis for the President's approval of S. 497 no matter how many misgivings he may have had about the rest of the bill.

SUBPARAGRAPH 3-8

President's comments

"8. It contains a provision that, contrary to a time-honored principle, is intended to affect the conduct of litigation now pending in a Federal court."

Rebuttal

No one but a student of the bill would know where this particular item would be found. As is true throughout the veto message there is little identification between the projects referred to and the comment. In this way the veto message can be couched in general terms and the identity of the projects or items referred to concealed. The particular issue involved in this subparagraph concerns Markham Ferry Reservoir in Oklahoma. It was thoroughly discussed in debate on the floor of the House of Representatives during passage of S. 497. The provision is not intended to affect the conduct of litigation as stated in the Presidential veto. It is intended simply to let the issue come to litigation. A loosely worded proviso in the act authorizing a Federal contribution for flood control toward the cost of the Markham Ferry Reservoir has been interpreted to prevent the authority which has constructed the reservoir to make any claims for damages against the United States for the Fort Gibson Reservoir, an entirely different structure many miles away. It is customary in Federal projects that a provision be inserted that local interests be required to hold the Federal Government free from damages due to the construction of a project but nowhere in the history of flood-control legislation is there any instance when local interests are required to hold the Federal Government free from damages due to the construction of an entirely different project in an entirely different geographical location. This proviso in the bill does not affect the merits of the case pending in Federal courts. It merely permits the settlement of the claim on a judicial basis. The true facts in this case are considerably different than one would gain from reading the Presidential veto message.

PARAGRAPH 4

President's comments

"In addition, the bill would authorize 3 projects estimated to cost about \$38 million, representing the first proposals for a broad new Federal program of hurricane-flood protection in tidal waters, without adequate consideration of the level of local participation in the cost of such a program. These three are sound, worthwhile projects, and I believe that the Federal Government has a responsibility to assist State and local communities in such a program of local protection against floods resulting from hurricanes. I have, therefore, requested the Secretary of the Army to submit to me at the earliest practicable date his recommendations for an appropriate division of responsibilities between the Federal Government and the affected State and local governments for such a program. I shall then be prepared to recommend to the Congress the enactment of legislation on this subject."

Rebuttal

The three projects referred to in this paragraph are authorizations for the protection from hurricane floods in the Providence area of Narragansett Bay, for protection of the New Bedford, Fairhaven, and Acushnet area, and for the protection of Texas City, Tex. The committee has seen fit to include these projects in the omnibus bill in accordance with the recommendations of the Chief of Engineers. The Bureau of the Budget, in its comments on these reports, recommended that authorization of these projects be deferred until further studies have been completed of hurricane structures on the eastern

coast and on the gulf coast and a proper distribution of Federal cost be determined. The President has varied somewhat from the original Bureau of the Budget recommendation in that he now states that he has requested the Secretary of the Army to submit at the earliest practicable date his recommendations for an appropriate division of responsibility between the Federal Government and the affected State and local governments. The President states that he then will be prepared to submit appropriate legislation. The fact is that the Secretary of the Army already has submitted his recommendations to the Congress in the reports accompanying the comments of the Corps of Engineers and the Bureau of the Budget. These recommendations are based upon the philosophy that damages from hurricane floods are similar to damages from river floods and that the Federal Government should, in general, participate to the same extent. It was pointed out during committee hearings on these projects that it little concerns a property owner whether his home is flooded, or his life endangered, by salt water or by fresh water. If there is justification for the participation by the Federal Government in the protection of floods from rivers, then there is certainly equal justification in the participation of the Federal Government in the protection of floods from hurricane storms.

These projects are a direct result of the study and investigation made by the Corps of Engineers following the disastrous hurricanes of 1955 in New England and in the area further south. These are the first projects resulting from that study and it is felt that they should be included in the omnibus bill at this time and not be required to wait for some future omnibus bill or separate legislation. The project for Narragansett Bay would protect the city of Providence and anyone who has seen the terrible destruction wrought by the 1955 hurricanes in the city can well understand the views of the committee and Congress in including this item in the omnibus bill. The same holds true for the New Bedford and Texas City areas.

PARAGRAPH 5

President's comments

"The argument has been advanced that S. 497 is needed for the stimulus to the economy which would result from starting the projects it would authorize. I would point out that significant steps have already been taken to accelerate Federal construction activities. Should it be found desirable to increase these activities further, appropriations will be recommended for projects capable of being started quickly."

Rebuttal

The argument referred to by the President as cited above certainly has not been advanced by the members of the committee who are most familiar with the omnibus river and harbor and flood-control bill. Although some projects in this bill might well fit into the general plan of public improvements needed to combat a recession, that is not its primary purpose nor has it been so contended by this committee. This is a regular river and harbor and flood-control bill which normally is considered by the Congress at intervals of several years. Omnibus navigation bills have been considered and passed by the Congress for many, many years. Omnibus flood-control bills started with the in-

ception of the national flood-control program in 1936. The last omnibus bill was vetoed in 1956. The last bill to become law, which amounted to slightly more than \$1 billion, was passed in 1954. The preceding one, which amounted to a total of \$1,654 million, was passed in 1950, and the major one preceding that, amounting to \$1,443 million, was passed in 1946. These bills are concerned with the regular and the normal development of the Nation's water resources. The very reference to them in the Presidential veto message as antirecession bills is completely unfounded and is again an indication of a desire apparently to mislead rather than to enlighten.

PARAGRAPH 6

President's comments

"At the present time there is a backlog of public-works projects estimated to cost nearly \$5 billion. With a few minor exceptions, it would be many months, even years in the case of larger projects, before the necessary plans could be completed and actual construction started on the new projects which this bill would authorize."

Rebuttal

As in the previous subparagraph, this again has no relation to the omnibus bill. The fact that there is a backlog of public-works projects is of no significance in considering the purpose of the omnibus bill. It is obvious to any student of the subject that the programs for rivers and harbors and flood control cannot be considered static. Like most human endeavors these programs must be treated as flexible undertakings subject to modification and additions as conditions warrant. Floods are no respecter of priority of authorization and any philosophy which says that all meritorious projects now authorized should be constructed before any new ones are considered ignores the nature of physical phenomena, the meaning of the civil-works program and indeed logic itself.

It is emphasized that S. 497 is an authorization measure and does not impose any obligation upon Congress subsequently to appropriate money for any project authorized therein. It is normal procedure for the Corps of Engineers and the Bureau of the Budget to consider the economic justification of authorized projects at the time it is proposed to initiate construction. If at that time any of the projects in the bill are not economically justified, complete control over the matter of appropriations is exercised by the Bureau of the Budget, the President, the Appropriations Committees, and the Congress itself.

PARAGRAPH 7

President's comments

"I believe that the experience of the last 3 years suggests that the authorization of water resources development projects might better be handled by a divided approach to the problem. Projects favorably reported on by the Chief of Engineers, and to which the executive branch has no objection, could be included in one bill. The authorization of other projects, not meeting either of the above criteria, could then be proposed in separate bills, one for each such project. This approach would, I believe, provide a better opportunity for the kind of careful review by the Congress and the executive branch which

should be given to matters of such importance to the people of this Nation."

Rebuttal

This is an effort to obtain the famous "item veto" provision so long desired by the executive branch whereby those projects in omnibus bills of this nature, including appropriation bills, could be vetoed or approved individually by the President. It would mean the complete abrogation of the powers of Congress and would leave the Congress no opportunity to exercise its judgment or initiative. This philosophy has been thoroughly discussed and its undemocratic principles exploded many times in the past. Time and again the Congress has shown its reluctance to grant the power of an item veto because any such power would destroy the delicate relationship between the executive and the legislative branches.

PARAGRAPH 8

President's comments

"Meanwhile, I recommend that the Congress act quickly to provide increased monetary authorizations for the river basins where 1958 and 1959 fund requirements for projects now under construction will exceed present statutory limits. This can be accomplished by enactment of legislation submitted to the Congress in January by the Secretary of the Army."

Rebuttal

The river basins which need additional monetary authorization are in serious difficulties. These river basins are as follows:

- Central and southern Florida project
- White River Basin in Arkansas
- Comprehensive Columbia River Basin plan
- Kaweah and Tule Rivers in California
- Comprehensive flood-control plan for the Los Angeles area
- Comprehensive Basin plan for the Santa Ana River Basin California

It is normal procedure in basins of this type for the Congress to limit the monetary authorization so that the plans can be reexamined from time to time, and the monetary authorizations increased accordingly as the appropriations begin to approach the monetary ceiling. These ceilings were being approached in 1956 when H. R. 12080, 84th Congress, was approved by Congress. In 1956 there was ample time for the monetary authorizations to be increased if H. R. 12080 had been signed. That time margin no longer exists. Three of the river basins cited have run out of monetary authorization in the present fiscal year. All six basins will have exceeded their monetary authorization in the fiscal year 1959. In other words, funds requested in the Presidential budget now under consideration by the Appropriations Committees for these basins are in excess of the monetary authorization and therefore cannot be appropriated. The total shortage in all 6 basins is approximately \$60 million. The stoppage of work in these basins at this time would cause irreparable harm. The President's proposed solution is again similar to that of an item veto. The President wishes the Congress to select these river-basin authorizations for preferential treatment. The same arguments apply against

this philosophy as was stated in the preceding paragraph in the discussion of the item veto. If work must be stopped in these basins, the blame lies fairly and squarely on the veto.

SUMMARY OF MONETARY OBJECTIONS

The monetary objections to the bill are summarized in the following table:

Summary of amounts in S. 497 objected to or not approved by the President, the Bureau of the Budget, and the Chief of Engineers

Veto message	Total amount in bill	Amount in bill objected to or not approved by the—	
		President	Chief of Engineers
Par. 3:			
Subpar. 1	\$167,680,600	\$14,856,400	\$6,288,600
Subpar. 2	27,600,000	27,600,000	4,100,000
Subpar. 3	12,089,000	1240,000	(1)
Subpar. 4	954,000	954,000	0
Subpar. 5	269,800	269,800	0
Subpar. 6	412,000	402,000	402,000
Par. 4	87,836,000	87,836,000	0
Total	236,721,800	81,558,200	10,790,600
Percent of total bill		5.2	0.7

¹ Specific amounts for items objected to by President are not in bill in 2 cases.