by 40 percent. In May of this year I signed an Executive order calling for a White House Conference on Small Business to be held in January 1980. This Conference will involve over 25,000 small business people throughout the country helping us to develop a small business policy for this country. I intend to work with the Congress and particularly with Chairmen SMITH and NELSON to develop and implement such a policy.

This legislation does have beneficial features. However, it is precisely because of my commitment to small business and an effective Small Business Administration, that I must withhold my approval from H.R. 11445. This bill, in its present form, is not the best we can do for small business in the United States and is inconsistent with the tight budget situation we will face in the next few years. Disapproval of the bill would not interrupt any existing SBA program since SBA programs are already authorized for fiscal year 1979, nor would it interfere with administration plans regarding the White House Conference on Small Business, since $4,000,000 has already been appropriated for the Conference in fiscal year 1979. This Conference is an important priority of mine and of my administration.

The bill authorizes over $2 billion in expenditures in excess of our budget projections through 1982. It continues a duplicative program of farm disaster lending by the SBA with excessively deep interest subsidies and terms which we believe to be wasteful. This has led to an unwarranted amount of farm disaster lending which should be done by the Farmers Home Administration. This Administration has proposed that farm lending be consolidated in the Department of Agriculture which has the farm credit expertise and extensive field network necessary to operate the program effectively and efficiently. The Congress has failed to act on this recommendation.

Even more important is the effect this bill would have on the operations of the Small Business Administration. The bill virtually mandates significant staff increases. It would also interfere with the ability of the Administrator of the SBA, my primary small business advisor and representative, to effectively run that agency. The legislation imposes specific titles and responsibilities upon agency officials and specifies funding and personnel levels for activities throughout SBA down to the smallest detail. These legislative strictures run counter to my efforts to better manage the Federal government.

The bill also distorts the role of SBA's Chief Counsel for Advocacy. I supported the establishment of this office as a means to insure that the views of small business were adequately reflected in the policy-making processes of the government. But the legislation tends to move the Chief Counsel for Advocacy into policy and administrative areas more properly those of the Administrator of the SBA. This bill also might begin to isolate the Chief Counsel for Advocacy from the executive policy-making process by calling for an annual report to Congress which could not be reviewed or coordinated with any other agency of the Executive Branch. Current statutes provide the Chief Counsel with sufficient authorities to evaluate small business issues and serve as an ombudsman to small business interests.

I am also concerned by the loan pooling provision in this bill that would authorize private dealers to issue a new class of 100 percent Federally guaranteed securities which would compete directly with the Treasury and other Federally-backed securities in the bond markets.

I look forward to working with the Congress and the small business community who worked on this bill to develop a program to meet the needs of small business. It is my great hope that early in the next Congress an approach will be fashioned to meet the needs of the small business community, with the full involvement of my Administration.

JIMMY CARTER.

THE WHITE HOUSE, *October 25, 1978.*

H.R. 11092

MEMORANDUM OF DISPPROVAL

I am withholding my approval of H.R. 11092, the "Navajo and Hopi Relocation Amendments of 1978." I have no objection to the authorization in this bill to fund the important and difficult work being performed by the Relocation Commission to administer the partitioning of land which has been jointly used by the Navajo and Hopi Tribes. My failure to approve this bill will not affect the ability of the Commission to continue its work, because appropriations for this fiscal year have already been approved.

My objections to the bill center on section 4, which would provide for a one-house veto of the relocation plan which is finally adopted by the Relocation Commission. I have previously informed the Congress of my view that such legislative veto devices are unconstitutional intrusions into the day-to-day administration of the law by the Executive Branch, including independent agencies such as the Relocation Commission. Congress is constitutionally empowered to overrule agency decisions executing the law only by enacting legislation subject to the veto power of the President under Article I, section 7 of the Constitution.

Where either Congress or the President is dissatisfied with the execution of the law by an independent agency or commission, legislation agreeable to both or enacted over the President's veto is an appropriate and constitutional means for overturning the result reached by that independent agency. If the Constitution required less, there would in fact be no true independence for agencies such as the Relocation Commission. This principle was adhered to by the Ninety-third Congress when it enacted the Navajo and Hopi Indian Relocation Commission Act in 1974 and is one from which we should not depart.

The bill also contains a provision which would oust incumbent members of the Navajo and Hopi Indian Relocation Commission if they happened to be Federal, State or local elected officials. This provision in section 2 has constitutional implications since it would allow for Congressional removal of officers in the Executive Branch. Further, as a matter of fairness and equity, interruption of the tenure of appointed officials by the imposition of new "qualifications" should not be lightly undertaken. Accordingly, I would suggest that the Ninety-sixth Congress, in any consideration of a similar bill, give due consideration to these problems.

The Administration will work with the Congress next year to develop any needed legislation to improve the operations of the Relocation Commission. The Commission needs to operate more effectively and I look forward to working with Congressional leaders such as Senator DECONCINI and Congressman UDALL toward this end.

JIMMY CARTER.

THE WHITE HOUSE, *November 2, 1978.*

H.R. 11861

MEMORANDUM OF DISAPPROVAL

I am withholding my signature from H.R. 11861, which would require the Secretaries of Commerce and the Navy to meet at least four times a year with representatives of the maritime industry and to submit an annual report to the President and Congress on their activities and recommendations.

Both the Maritime Administration of the Commerce Department (MARAD) and the Navy already have numerous contacts with the maritime industry and with each other to study, develop, and implement the goals of the Merchant Marine Act. Navy and MARAD are currently working to improve their cooperation in this area by adding the Secretaries of Commerce and Navy to an existing inter-agency advisory board on maritime matters. They are also arranging to have the board meet at least four times a year, and at least one of these meetings will be open to maritime industry representatives.

In addition, in order to assure that the concerns that generated this bill are fully addressed, I am directing both Secretaries to consult regularly with maritime industry officials to discuss issues of mutual concern.

In light of these actions, I see no reason for this legislation. It is not necessary to achieve our goal of an adequate merchant marine. It would mandate a change in administrative functions which are currently satisfactory. It is an undue legislative intrusion into administrative activities which are the appropriate responsibility of the Executive Branch, and the required report would be an additional and unnecessary government expense. For these reasons, I am disapproving this bill.

JIMMY CARTER.

THE WHITE HOUSE, *November 2, 1978.*

H.R. 6536

MEMORANDUM OF DISAPPROVAL

I am withholding my approval from H.R. 6536 which would make certain changes in the retirement program for police, firefighers, teachers, and judges of the District of Columbia.

This action today in no way alters my commitment to the basic principles of fairness and self-determination which must be the cornerstone of Federal-District relations. Included among our ac-