

INCREASE IN EXPENSES FOR THE COMMODITY CREDIT
CORPORATION

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

A PROPOSED INCREASE OF \$3,850,000 IN THE LIMITATION ON THE
AMOUNT AVAILABLE FOR THE ADMINISTRATIVE EXPENSES
FOR THE FISCAL YEAR 1951, FOR THE COMMODITY CREDIT
CORPORATION, DEPARTMENT OF AGRICULTURE

FEBRUARY 13, 1951.—Referred to the Committee on Appropriations and ordered
to be printed

THE WHITE HOUSE,
Washington, February 13, 1951.

The SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I have the honor to transmit herewith for the consideration
of the Congress a proposed increase of \$3,850,000 in the limitation on
the amount available for administrative expenses for the fiscal year
1951, for the Commodity Credit Corporation, Department of
Agriculture.

The details of the estimate, the necessity therefor, and the reasons
for its submission at this time are set forth in the letter of the Director
of the Bureau of the Budget, transmitted herewith, in whose com-
ments and observations thereon I concur.

Respectfully yours,

HARRY S. TRUMAN.

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EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., February 12, 1950.

The PRESIDENT,
The White House.

SIR: I have the honor to submit herewith for your consideration a proposed increase in a limitation affecting the Department of Agriculture in the amount of \$3,850,000, as follows:

DEPARTMENT OF AGRICULTURE

CORPORATIONS

COMMODITY CREDIT CORPORATION

The limitation under this head in the Department of Agriculture Appropriation Act, 1951, on the amount available for administrative expenses of the Corporation, is increased from "\$16,350,000" to "\$20,200,000".

An increase of \$3,850,000 will be required in the administrative expense limitation of the Commodity Credit Corporation to provide for increased administrative costs to perform storage, inspection, maintenance, accounting, and other work in connection with the management and disposition of inventories acquired by the Corporation under the price-support program.

The fiscal year 1951 is the first in recent years in which the Commodity Credit Corporation has been confronted with the task of managing and disposing of a large inventory of agricultural commodities and at the same time making settlements with thousands of producers, elevators, warehousemen, and others incident to the acquisition of additional inventories from past-year crop operations and, in addition, providing price support on current-year crops. The need for this increase arises principally out of an underestimation of the complexity and amount of work involved in managing and disposing of huge inventories of agricultural commodities acquired under the price-support program. In addition, the storage-facilities program is substantially larger than was anticipated when the 1951 budget was prepared.

On October 23, 1950, I reapportioned the amounts available to the Commodity Credit Corporation for administrative expenses in the fiscal year 1951 on a basis which would indicate a necessity for a supplemental estimate. This action was reported to the President of the Senate and the Speaker of the House of Representatives by my letters of November 22, 1950, in accordance with the provisions of paragraph 2 of subsection (e) of section 3679 of the Revised Statutes, as amended.

It is recommended that the foregoing estimate be transmitted to the Congress.

Respectfully yours,

F. J. LAWTON,
Director of the Bureau of the Budget.

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