

DEPARTMENT OF STATE
THE LEGAL ADVISER

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MEMORANDUM FOR THE SECRETARY

December 29, 1966.

THROUGH: S/S_{cb}FROM: L - Leonard C. Meeker *LCM*SUBJECT: Findley and Belcher Amendments

The Findley Amendment to the U.S. Department of Agriculture appropriation act prohibits the use of appropriated funds "to formulate or administer" Title I or Title IV (of the old act) sales to nations shipping or furnishing goods to North Vietnam. Where this provision applies, it prohibits P.L. 480 sales even where there is a pre-existing agreement.

The Belcher Amendment to the 1966 Food for Peace Act, which revises P.L. 480, permits making agreements only with "friendly countries". The act provides that countries shipping or furnishing goods to North Vietnam or Cuba are not "friendly". (The President may waive the prohibition only as to a country furnishing agricultural type goods to Cuba.) The words of the act thus make clear that it is the making of agreements, and not the carrying out of existing agreements, that is prohibited. Agriculture has checked this interpretation with Justice, and Justice agrees. The Belcher Amendment becomes effective on January 1.

As applied to Yugoslavia, these amendments have the following consequences.

1. A sale of grain would require a new agreement, (which presumably could not be signed before January 1). Since Yugoslav ships call regularly in Cuba and Yugoslavia trades with Cuba in non-agricultural products, no new agreement may be made after

January 1.

2. A sale of edible oils could be made under the existing agreement. Thus, the sale could be carried out after January 1. The only action we would need take is to authorize extension of the supply period under the agreement. This could be done before or after January 1, without amending the agreement or making a new one. Agriculture could then legally issue purchase authorizations at any time during the extended supply period.