vate citizens, it also threatens an adverse effect on our economy. By hampering the flow of mail, we would be blocking one of the most vital economic avenues of communication.

Finally, in this catalog of unfortunate results, we must consider the effect on our labor force. In the face of problems of poverty and unemployment, it could be disastrous to eliminate 30,000 postal jobs this year.

The situation would be clearly intolerable, and we must act quickly to prevent it. I urge my colleagues from both sides of the aisle to join with me in support of an exemption for the Post Office Department from the personnel cutback imposed by the tax bill.

SENATE—*Saturday, July 27, 1968*

The Senate met at 10 a.m., and was called to order by the President pro tempore.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Our Father God, help of the ages past, hope for the years to come, Thy goodness is ever before us and Thy mercy has followed us all our days.

Speak to us and through us, that we may be the channels of healing good will for this tangled and tragic time.

"Under the shadow of Thy throne
Still may we dwell secure,
Sufficient is Thine arm alone,
And our defense is sure."

May we follow the gleam of the highest and best we know, as it leads o'er moor and fen and crag and torrent till the evening comes and the fever of life is over, and our work is done.

We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Friday, July 26, 1968, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

LIMITATION ON STATEMENTS DURING TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that statements in relation to the transaction of routine morning business be limited to 3 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

HEALTH SERVICE AMENDMENTS OF 1968

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1436, H.R. 15758.

The PRESIDING OFFICER (Mr. HOLLINGS in the chair). The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 15758) to amend the Public Health Service Act so as to extend and improve the provisions relating to regional medical programs, to extend the authorization of grants for health of migratory agricultural workers, to provide for specialized facilities for alcoholics and narcotic addicts, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Labor and Public Welfare, with an amendment, to strike out all after the enacting clause and insert:

TITLE I—REGIONAL MEDICAL PROGRAMS

EXTENSION OF REGIONAL MEDICAL PROGRAMS

SEC. 101. Section 901(a) of the Public Health Service Act (42 U.S.C. 299a), is amended by striking out "and" before "$200,000,000" and by inserting after "June 30, 1968," the following: "$65,000,000 for the fiscal year ending June 30, 1969, $140,000,000 for the fiscal year ending June 30, 1970, and $200,000,000 for the fiscal year ending June 30, 1971,".

EVALUATION OF REGIONAL MEDICAL PROGRAMS

SEC. 102. Section 901(a) of the Public Health Service Act is further amended by inserting at the end thereof the following new sentence: "For any fiscal year ending after June 30, 1969, such portion of the appropriations pursuant to this section as the Secretary may determine, but not exceeding 1 per centum thereof, shall be available to the Secretary for evaluation (directly or by grants or contracts) of the program authorized by this title."

INCLUSION OF TERRITORIES

SEC. 103. Section 902(a)(1) of the Public Health Service Act (42 U.S.C. 299b) is amended by inserting after "States" the following: "(which for purposes of this title includes the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands)".

COMBINATIONS OF REGIONAL MEDICAL PROGRAM AGENCIES

SEC. 104. Section 903(a) and section 904(a) of the Public Health Service Act (42 U.S.C. 299c, 299d) are each amended by inserting after "other public or nonprofit private agencies and institutions" the following: ", and combinations thereof,".

ADVISORY COUNCIL MEMBERS

SEC. 105. (a) Section 905(a) of the Public Health Service Act (42 U.S.C. 299e) is amended by striking out "twelve" and inserting in lieu thereof "sixteen".

(b) Section 905(b) of such Act is amended by striking out "and four at the end of the third year" and inserting in lieu thereof "four at the end of the third year, and four at the end of the fourth year".

MULTIPROGRAM SERVICES

SEC. 106. Title IX of the Public Health Service Act is further amended by adding at the end thereof the following new section:

"PROJECT GRANTS FOR MULTIPROGRAM SERVICES

"SEC. 910. Funds appropriated under this title shall also be available for grants to any public or nonprofit private agency or institution for services needed by, or which will be of substantial use to, any two or more regional medical programs."

CLARIFYING OR TECHNICAL AMENDMENTS

SEC. 107. (a) Section 901(c) of the Public Health Service Act is amended by inserting before the period at the end thereof "or, where appropriate, a practicing dentist".

(b) Section 901 of such Act is further amended by adding at the end thereof the following new subsection:

"(d) Grants under this title to any agency or institution for a regional medical program may be used by it to assist in meeting the cost of participation in such program by any Federal hospital."

TITLE II—MIGRATORY WORKERS

EXTENSION OF SPECIAL GRANTS FOR HEALTH OF MIGRATORY WORKERS

SEC. 201. Section 310 of the Public Health Service Act (42 U.S.C. 242h) is amended by striking out "and $9,000,000 for the fiscal year ending June 30, 1968" and inserting in lieu thereof "$9,000,000 each for the fiscal year ending June 30, 1968, and the next fiscal year, $15,000,000 for the fiscal year ending June 30, 1970, and $20,000,000 for the fiscal year ending June 30, 1971".

TITLE III—ALCOHOLIC AND NARCOTIC ADDICT REHABILITATION

SEC. 301. The Community Mental Health Centers Act (42 U.S.C. 2681, et seq.) is amended by adding after part B the following new parts:

"PART C—ALCOHOLISM AND NARCOTIC ADDICT REHABILITATION

"DECLARATION OF FINDINGS AND PURPOSES

"SEC. 240. (a) The Congress hereby finds that—

"(1) Alcoholism is a major health and social problem afflicting a significant proportion of the public, and much more needs to be done by public and private agencies to develop effective prevention and control.

"(2) Alcoholism treatment and control programs should whenever possible: (A) be community based, (B) provide a comprehensive range of services, including emergency treatment, under proper medical auspices on a coordinated basis, and (C) be integrated with and involve the active participation of a wide range of public and nongovernmental agencies.

"(3) The handling of chronic alcoholics within the system of criminal justice perpetuates and aggravates the broad problem of alcoholism whereas treating it as a health problem permits early detection and prevention of alcoholism and effective treatment and rehabilitation, relieves police and other law enforcement agencies of an inappropriate burden that impedes their important work, and better serves the interests of the public.

"(4) Narcotic addiction is also a major health problem about which much more needs to be done, and narcotic treatment and control programs should whenever possible be community based with a wide range of medical services that are comprehensive in scope.

"(b) It is the purpose of this part to help prevent and control alcoholism and narcotic addiction through authorization of Federal aid in the construction and operation of facilities for the prevention and treatment of alcoholism or narcotic addiction and in the conduct of appropriate study, research, and experimentation, and in the creation of appropriate demonstration projects relating to alcoholism.

"(c) The Congress further declares that, in addition to the funds provided to carry out this part, other Federal legislation providing for Federal or federally assisted research, prevention, treatment, or rehabilita-

tion programs in the fields of health should be utilized to help eradicate alcoholism and narcotic addiction as a major health problem.

"AUTHORIZATION

"SEC. 241. (a) There are hereby authorized to be appropriated $15,000,000 for the fiscal year ending June 30, 1969, and $25,000,000 for the next fiscal year to enable the Secretary (1) to make grants to States and political subdivisions thereof and to public or nonprofit private agencies and organizations, and contracts with them and with other private agencies and organizations, (A) for the development of field testing and demonstration programs for the prevention and treatment of alcoholism or narcotic addiction, (B) for the development of specialized training programs or materials relating to the provision of public health services for the prevention and treatment of alcoholism or narcotic addiction, or the development of in-service training or short-term refresher courses with respect to the provision of such services, (C) for training personnel to operate, supervise, and administer such services, (D) for the conducting of surveys evaluating the adequacy of the programs for the prevention and treatment of alcoholism or narcotic addiction within the several States with a view to determining ways and means of improving, extending, and expanding such programs, and (E) for a program of research and study relating to (i) personnel practices and current and projected personnel needs in the field of alcoholism (including its prevention, control, treatment, and the rehabilitation of alcoholics), (ii) the availability and adequacy of the educational and training resources of individuals in, or preparing to enter such field, and (iii) the availability and adequacy of specialized training for persons, such as physicians and law enforcement officials, who have occasion to deal with alcoholics, including the extent to which such persons make the best use of their professional qualifications when dealing with alcoholics; and (2) to make grants to or enter into contracts with public or nonprofit private agencies and organizations, and contracts with other private agencies and organizations, with a view toward the developing, constructing, operating, staffing, and maintaining of treatment centers and facilities (including posthospitalization treatment centers and facilities) for alcoholics or narcotic addicts within the States. Such grants or contracts may be made only for facilities which (1) are affiliated with a community mental health center providing at least those essential elements of comprehensive community mental health services which are prescribed by the Secretary, or (2) which are not so affiliated because no such center has yet been established in the area, but with respect to which satisfactory provision (as determined by the Secretary) has been made for appropriate utilization of existing community mental health and other health resources needed for an adequate program of prevention and treatment of alcoholism or narcotic addiction. As soon as the Secretary determines that a community mental health center has been established in the area, affiliation with it shall be required as a condition of further assistance under this section.

"(b) Grants made under 241(a)(2) shall be made only upon application which contains a showing that the application has been approved and recommended by the single State agency designated by the State as being the agency primarily responsible for care and treatment of alcoholics or narcotic addicts in the State, and, in case this agency is different from the agency designated pursuant to section 204(a)(1), a showing that the application has also been approved and recommended by the agency designated pursuant to section 204(a)(1), and, in case neither of these is the State mental health authority, a showing that the application has been approved and recommended by such authority.

"(c) Payments under this section may be made in advance or by way of reimbursement, as determined by the Secretary, and shall be made on such conditions as the Secretary determines to be necessary to carry out the purposes of this title.

"(d) The Secretary is authorized to issue appropriate rules and regulations to carry out the provisions of this part.

"PROTECTION OF PERSONAL RIGHTS OF ALCOHOLICS AND NARCOTIC ADDICTS

"SEC. 242. In making grants, entering into contracts, or in engaging in other activities to carry out the purposes of this part, the Secretary shall take such steps as may be necessary to assure that no individual shall be made the subject of any research which is carried out (in whole or in part) with funds provided under this part unless such individual explicitly agrees to become a subject of such research.

"PART D—CONTINUATION OF EXISTING PROGRAMS

"SEC. 251. There is authorized to be appropriated such sums as may be necessary to enable the Secretary to make grants to continue the projects for which commitments were made under section 402(a) of the Narcotic Addict Rehabilitation Act of 1966, but such grants may be made only for the periods specified in such commitments for such projects."

SEC. 302. Section 402 of the Narcotic Addict Rehabilitation Act of 1966 is hereby repealed.

TITLE IV—HEALTH FACILITY CONSTRUCTION AND MODERNIZATION

SEC. 401. This title may be cited as the "Hospital and Medical Facilities Construction and Modernization Assistance Amendments of 1968".

SEC. 402. (a) Section 601 of the Public Health Service Act is amended—

(1) by striking out "next four" and inserting in lieu thereof "next six", and

(2) by striking out "and $180,000,000 each for the next two fiscal years" and inserting in lieu thereof "$180,000,000 for the fiscal year ending June 30, 1968, $210,000,000 for the fiscal year ending June 30, 1969, $240,000,000 for the fiscal year ending June 30, 1970, and $270,000,000 for the fiscal year ending June 30, 1971."

(b)(1) Section 602(a)(1) of such Act is amended by inserting immediately before the period at the end of the second sentence thereof the following: ", and two-thirds thereof in the case of the fifth and sixth fiscal years thereafter".

(2) Section 602(e)(2) of such Act is amended (A) by striking out "and" at the end of clause (C), (B) by striking out the period at the end of clause (D) and inserting in lieu of such period a semicolon followed by the word "and", and (C) by inserting after and below clause (D) the following new clause:

"(E) in the case of an allotment thereunder for the fiscal year ending June 30, 1970, or the fiscal year ending June 30, 1971, one-half of such allotment."

(c) Title VI of the Public Health Service Act is further amended by redesignating part B as part D, by redesignating sections 621 through 625, and references thereto, as sections 641 through 645, respectively, and by inserting after section 610 the following new parts:

"PART B—LOANS FOR MODERNIZATION OF HOSPITALS AND OTHER HEALTH FACILITIES

"AUTHORIZATION OF LOANS

"SEC. 621. (a) In order to assist public and other nonprofit agencies to carry out needed projects for the modernization of facilities referred to in paragraphs (a) and (b) of section 601, the Secretary is authorized to make (subject to the limitations contained in this part) a loan of funds to such agencies for the purpose of carrying out such projects.

"(b) No loan under this part to carry out any modernization project may, when added to the amount of any grant or loan under part A with respect to such project, exceed 90 per centum of the cost of such project.

"ALLOCATION AMONG THE STATES

"SEC. 622. (a) The Secretary, after consultation with the Federal Hospital Advisory Council, shall allot the amounts available, for each fiscal year, for the making of loans under this part, among the States. Such funds, for any fiscal year, shall be allotted among the States in a manner which is fair and equitable to each State after taking into consideration the population, financial need, and need for modernization of facilities referred to in paragraphs (a) and (b) of section 601, of each State, as compared to the population, financial need, and need for the modernization of such facilities, of all States.

"(b) Any sum allotted to a State prior to the fiscal year ending June 30, 1972, for a fiscal year and remaining unobligated at the end of such year shall remain available to such State, for the purposes for which made, for the next fiscal year (and for such year only), and any such sum shall be in addition to the sums allotted to such State for such purpose for such next fiscal year. Any sum so allotted to a State for a fiscal year shall not (even though remaining unobligated at the close thereof) be considered as available for allotment for the next fiscal year.

"APPLICATIONS

"SEC. 623. (a) For each project for which a loan is sought under this part, there shall be submitted to the Secretary, through the State agency designated in accordance with section 604, an application by the State or a political subdivision thereof or by a public or other nonprofit agency. If two or more such agencies join in the project, the application may be filed by one or more such agencies. Such application shall set forth all of the descriptions, plans, specifications, assurances, and information which would be required under clauses (1) through (5) of section 605(a) with respect to applications for projects under that section, such other information as the Secretary may require to carry out the purposes of this part, and a certification by the State agency of the total cost of the project for which the application is approved and recommended by such agency, and the amount of the project cost with respect to which a loan is sought under this part.

"(b) The Secretary may approve such application only if (1) there remains sufficient balance in the allotment determined for such State pursuant to section 622 to cover the cost of the project, (2) he makes each of the findings which would be required under clauses (1) through (4) of section 605(b) for the approval of applications for projects thereunder (but with appropriate modifications, for this purpose, in the regulations concerning priority of projects), (3) he obtains assurances that the applicant will keep such records, and afford such access thereto, and make such reports, in such form and containing such information, as the Secretary may reasonably require, and (4) he also determines that the terms, conditions, maturity, security (if any), and schedule and amounts of repayments are reasonable and in accord with regulations.

"(c) No application shall be disapproved until the Secretary has afforded the State agency an opportunity for a hearing.

"(d) Amendment of an approved application shall be subject to approval in the same manner as an original application.

"RECOVERY

"SEC. 624. If any of the events specified in clause (a) or clause (b) of section 609 occurs with respect to any facility for which a loan

has been made under this part, before the termination of the period during which a loan made by the Secretary under this part is outstanding, the balance of any loan made by the Secretary under this part shall become immediately due and payable, unless the Secretary for good cause determines to waive the provisions of this section.

"LIMITATION ON AMOUNT OF LOANS OUTSTANDING

"SEC. 625. The cumulative total of the principal of the loans outstanding under this part at any time may not exceed the lesser of (1) such limitations as may be specified in appropriation Acts, and (2) in the case of loans from allotments for the fiscal year ending June 30, 1969, $200,000,000; the fiscal year ending June 30, 1970, $400,000,000; and the fiscal year ending June 30, 1971, $600,000,000.

"GENERAL PROVISIONS FOR LOAN PROGRAM

"SEC. 626. (a) Loan made under this part shall—

"(1) be repayable in equal periodic installments over a period of not to exceed twenty-five years,

"(2) bear interest at the rate of 3 per centum per annum, and

"(3) be secured by a mortage or deed of trust on the part of the borrower to repay the principal and such other evidences of financial obligation as the Secretary shall determine to be necessary or desirable to protect the interests of the United States against failure on the part of the borrower to repay the principal and interest on such loan in accordance with the terms thereof.

"(b) No loan shall be made under this part unless—

"(1) the project with respect to which such loan is requested has been recommended by the single State agency (designated in accordance with section 604(a)(1)) of the State in which such project is to be located as being a project which is needed in such State as determined in accordance with the survey of need of such State conducted in accordance with section 604(a)(4); and

"(2) the Secretary is satisfied that there are or will be available funds which when combined with the amount of the loan requested under this part, will be sufficient to complete the project with respect to which such loan is requested.

"REVOLVING LOAN FUND

"SEC. 627. (a) There is hereby created within the Treasury a separate fund for loans for modernization of hospital and other health facilities (hereafter in this section referred to as the 'fund') which shall be available to the Secretary without fiscal year limitation as a revolving fund for the purposes of this part. The total of any loans made from the fund in any fiscal year shall not exceed such limitations as may be specified in appropriation Acts. A business-type budget for the fund shall be prepared, transmitted to the Congress, considered, and enacted in the manner prescribed by law (sections 102, 103, and 104 of the Government Corporation Control Act, 31 U.S.C. 847–849) for wholly owned Government corporations.

"(b)(1) The Secretary, when authorized by an appropriation Act, may transfer to the fund available appropriations provided under section 628 to provide capital for the fund. All amounts received by the Secretary as interest payments or repayments of principal on loans, and any other moneys, property, or assets derived by him from his operations in connection with this part, including any moneys derived directly or indirectly from the sale of assets, or beneficial interests or participations in assets, of the fund, shall be deposited in the fund.

"(2) All loans, expenses and payments pursuant to operations of the Secretary under this title shall be paid from the fund, including (but not limited to) expenses and payments of the Secretary in connection with sale, under section 302(c) of the Federal National Mortgage Association Charter Act, of participations in obligations acquired under this part. From time to time, and at least at the close of each fiscal year, the Secretary shall pay from the fund into the Treasury as miscellaneous receipts interest on the cumulative amount of appropriations paid out for loans under this part available as capital to the fund, less the average undisbursed cash balance in the fund during the year. The rate of such interest shall be determined by the Secretary of the Treasury, taking into consideration the average market yield during the month preceding each fiscal year on outstanding Treasury obligations of maturity comparable to the average maturity of loans made from the fund. Interest payments may be deferred with the approval of the Secretary of the Treasury, but any interest payments so deferred shall themselves bear interest. If at any time the Secretary determines that moneys in the fund exceed the present and any reasonably prospective future requirements of the fund, such excess may be transferred to the general fund of the Treasury.

"APPROPRIATION AUTHORIZATION

"SEC. 628. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this part, including sums for contributions to the revolving loan fund established under section 627.

"DURATION OF LOAN PROGRAM

"SEC. 629. No loans shall be made under this part after June 30, 1972.

"PART C—LOAN GUARANTEES FOR MODERNIZATION OF HOSPITALS AND OTHER HEALTH FACILITIES

"AUTHORIZATION OF LOAN GUARANTEES

"SEC. 631. (a) In order to assist public and other nonprofit agencies to carry out needed projects for the modernization of facilities referred to in paragraphs (a) and (b) of section 601, the Secretary is authorized (subject to the limitations contained in this part) to guarantee, to non-Federal lenders making loans to such agencies for such purpose, payment when due of principal and interest on loans approved under this part.

"(b) No loan guarantee under this part with respect to any modernization project may apply to so much of the principal amount thereof as, when added to the amount of any grant or loan under part A or B with respect to such project, exceeds 90 per centum of the cost of such project.

"ALLOCATION AMONG THE STATES

"SEC. 632. (a) The Secretary, after consultation with the Federal Hospital Advisory Council, shall allot among the States the amounts available for each fiscal year to cover loans which may be guaranteed under this part. Such amounts, for any fiscal year, shall be allotted among the States in a manner which is fair and equitable to each State after taking into consideration the population, financial need, and need for modernization of facilities referred to in paragraphs (a) and (b) of section 601, of each State, as compared to the population, financial need, and need for the modernization of such facilities, of all States.

"(b) Any amount allotted to a State prior to the fiscal year ending June 30, 1972, for a fiscal year and remaining unobligated at the end of such year shall remain available to such State, for the purposes for which made, for the next fiscal year (and for such year only), and any such amount shall be in addition to the amounts allotted to such State for such purpose for such next fiscal year. Any amount so allotted to a State for a fiscal year shall not (even though remaining unobligated at the close thereof) be considered as available for allotment for the next fiscal year.

"APPLICATIONS AND CONDITIONS

"SEC. 633. (a) For each project for which a loan guarantee is sought under this part, there shall be submitted to the Secretary, through the State agency designated in accordance with section 604, an application by the State or a political subdivision thereof or by a public or other nonprofit agency. If two or more such agencies join in the project, the application may be filed by one or more such agencies. Such application shall set forth all of the descriptions, plans, specifications, assurances, and information which would be required under clauses (1) through (5) of section 605(a) with respect to applications for projects under that section, such other information as the Secretary may require to carry out the purposes of this part, and a certification by the State agency of the total cost of the project for which the application is approved and recommended by such agency, and the amount of the project cost with respect to which a loan guarantee is sought under this part.

"(b) The Secretary may approve such application only if (1) there remains sufficient balance in the allotment determined for such State pursuant to section 632 to cover the cost of the project, (2) he makes each of the findings which would be required under clauses (1) through (4) of section 605(b) for the approval of applications for projects thereunder (but with appropriate modifications, for this purpose, in the regulations concerning priority of projects), (3) he obtains assurances that the applicant will keep such records, and afford such access thereto, and make such reports, in such form and containing such information, as the Secretary may reasonably require, and (4) he also determines that the terms (including the rate of interest), conditions, maturity, security (if any), and schedule and amounts of repayments with respect to the loan are reasonable and in accord with regulations.

"(c) No application shall be disapproved until the Secretary has afforded the State agency an opportunity for a hearing.

"(d) Amendment of an approved application shall be subject to approval in the same manner as an original application.

"(e)(1) The United States shall be entitled to recover from the applicant the amount of any payments made pursuant to any guarantee under this part, unless the Secretary for good cause waives its right of recovery, and, upon making any such payment, the United States shall be subrogated to all of the rights of the recipient of the payments with respect to which the guarantee was made.

"(2) Guarantees under this part shall be subject to such further terms and conditions as the Secretary determines to be necessary to assure that the purposes of this part will be achieved, and, to the extent permitted by subsection (f), any of such terms and conditions may be modified by the Secretary if he determines such modification is necessary to protect the financial interests of the United States.

"(f) Any guarantee made by the Secretary pursuant to this part shall be incontestable in the hands of an applicant on whose behalf such guarantee is made, and as to any person who makes or contracts to make a loan to such applicant in reliance thereon, except for fraud or misrepresentation on the part of such applicant or such other person.

"PAYMENT OF INTEREST ON GUARANTEED LOANS

"SEC. 634. (a) The Secretary shall pay to each holder of a loan guaranteed under this part, for and on behalf of the hospital to which such loan was made, so much of the interest which becomes due and payable on such loan as is attributable to the excess of

the interest rate of such loan over 3 per centum. Each holder of a loan guaranteed under this part shall have a contractual right to receive from the United States interest payments required by the preceding sentence.

"(b) There are hereby authorized to be appropriated for each fiscal year such amounts as may be necessary to carry out the provisions of subsection (a).

"(c) Contracts to make the payments provided for in this section shall not carry an aggregate amount greater than such amount as may be provided in appropriations Acts.

"LIMITATION ON AMOUNT OF LOANS GUARANTEED

"SEC. 635. The cumulative total of the principal of the loans outstanding at any time with respect to which guarantees have been issued under this part may not exceed the lesser of—

"(1) such limitations as may be specified in appropriations Acts,

"(2) in the case of loans covered by allotments for the fiscal year ending June 30, 1969, $200,000,000; for the fiscal year ending June 30, 1970, $400,000,000; and for the fiscal year ending June 30, 1971, $600,000,000.

"LOAN GUARANTEE FUND

"SEC. 636. (a) There is hereby established in the Treasury a loan guarantee fund (hereinafter in this section referred to as the 'fund') which shall be available to the Secretary without fiscal year limitation to enable him to discharge his responsibilities under any guarantee issued by him under this part. There are authorized to be appropriated to the fund from time to time such amounts as may be necessary to provide capital for the fund.

"(b) If at any time the moneys in the fund are insufficient to enable the Secretary to discharge his responsibilities under guarantees issued by him under this part, he is authorized to issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions as may be prescribed by the Secretary with the approval of the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the notes or other obligations. The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations issued hereunder and for that purpose he is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that Act, as amended, are extended to include any purchase of such notes and obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this subsection. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States. Sums borrowed under this subsection shall be deposited in the fund and redemption of such notes and obligations shall be made by the Secretary from such fund."

SEC. 403. Section 302(c)(2)(B) of the Federal National Mortgage Association Charter Act is amended to read as follows:

"(B) The Department of Health, Education, and Welfare, but only with respect to loans (i) made by the Commissioner of Education for construction of academic facilities, and loans to help finance student loan programs, and (ii) made under part B of title VI of the Public Health Service Act for the modernization of hospitals and other health facilities."

TITLE V—MISCELLANEOUS

SPECIALLY QUALIFIED SCIENTIFIC, PROFESSIONAL, AND ADMINISTRATION PERSONNEL

SEC. 501. The proviso of the first sentence of section 208(g) of the Public Health Service Act (42 U.S.C. 210(g)) is amended by inserting "(1)" after "not more than", and by striking out the word "and" following the last comma and inserting in lieu thereof "or (2) in the case of one such position, the rate specified, at the time the service in such position is performed, for level II of the Executive Schedule (5 U.S.C. 5313), or (3) in the case of one such position, the rate specified, at the time the service in such position is performed, for level I of such Executive Schedule; and such rates of compensation for all positions included in this proviso".

USE OF ALLOTMENTS FOR COST OF ADMINISTRATION

SEC. 502. Section 403 of the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 (42 U.S.C. 2693) is amended by adding at the end thereof the following new subsection:

"(c)(1) At the request of any State, a portion of any allotment or allotments of such State under part A of title II shall be available to pay one-half (or such smaller share as the State may request) of the expenditures found necessary by the Secretary for the proper and efficient administration during such year of the State plan approved under such part; except that not more than 2 per centum of the total of the allotments of such State for a year, or $50,000, whichever is less, shall be available for such purpose for such year. Payments of amounts due under this paragraph may be made in advance or by way of reimbursement, and in such installments, as the Secretary may determine.

"(2) Any amount paid under paragraph (1) to any State for any fiscal year shall be paid on condition that there shall be expended from State sources for such year for administration of the State plan approved under such part A not less than the total amount expended for such purposes from such sources during the fiscal year ending June 30, 1968."

ACKNOWLEDGMENTS

SEC. 503. (a) Title V of the Public Health Service Act is further amended by adding at the end thereof the following new section:

"MEMORIALS AND OTHER ACKNOWLEDGMENTS

"SEC. 512. The Secretary may provide for suitability acknowledging, within the Department (whether by memorials, designations, or other suitable acknowledgments), (1) efforts of persons who have contributed substantially to the health of the Nation and (2) gifts for use in activities of the Department related to health."

(b) Section 501(e) of such Act is repealed.

DUPLICATION OF BENEFITS

SEC. 504. No grant, award, or loan assistance to any student under any Act amended by this Act shall be considered a duplication of benefits for the purposes of section 1781 of title 38, United States Code.

GORGAS MEMORIAL LABORATORY

SEC. 505. Effective for fiscal years ending after June 30, 1968, the first section of the Act entitled "An Act to authorize a permanent annual appropriation for the maintenance and operation of the Gorgas Memorial Laboratory", approved May 7, 1928, as amended (45 Stat. 491; 22 U.S.C. 278), is amended by striking out "$500,000" and inserting in lieu thereof "$1,000,000".

SECRETARY

SEC. 506. As used in the amendments made by this Act, the term "Secretary", unless the context otherwise requires, means the Secretary of Health, Education, and Welfare.

Mr. HILL. Mr. President, I am privileged to submit to the Senate H.R. 15758, which was approved in the House of Representatives by a vote of 325 to 1. The measure was unanimously approved by the Committee on Labor and Public Welfare.

H.R. 15758 is comprised of five titles that would extend and improve health programs now authorized under existing law.

Title I would extend for 3 additional years the authorizations for appropriations to assist in financing the regional medical program to combat heart disease, cancer, and stroke, and related diseases. The authorizations for appropriations are those recommended by the Department of Health, Education, and Welfare. They are: $65,000,000 for 1969, $140,000,000 for 1970, and $200,000,000 for 1971. The enactment of this title is recommended by the American Medical Association, the American Hospital Association, the American Heart Association, the American Dental Association and by other health organizations and individuals.

Title II would extend for 3 additional years the authorization for appropriations to assist in financing the health services for migratory agricultural workers. The authorizations for appropriations are those previously approved by the Senate in passing S. 2688 on May 6, 1968. The authorizations are: $9,000,000 for 1969, $15,000,000 for 1970, and $20,000,000 for 1971.

Title III would extend for two additional years the authority for project grants for the rehabilitation of narcotic addicts as provided for under the Narcotic Addict Rehabilitation Act of 1966. Similar grants would be authorized to assist in the rehabilitation of those afflicted with alcoholism. This title would authorize $15 million for 1969 and $25 million for 1970 to assist in financing training programs, evaluation programs, demonstrations, and community programs of prevention and treatment of alcoholism or narcotic addicts. The enactment of this title is recommended by the North American Association of Alcoholism programs, the American Psychiatric Association, the State Mental Health Program Directors, the National Council on Alcoholism, and by other health organizations and individuals.

Title IV would extend for two additional years the authorization for grants under the Hill-Burton Act for the construction and modernization of hospitals and other medical care facilities. This temporary extension will provide for continuity pending completion of the study of the National Advisory Commission on Health Facilities. The authorization for appropriations for grants would be increased by $30 million for 1969 and established at $340 million for 1970 and $370 million for 1971. The Hill-Burton Act would be expanded to authorize a program of Federal loans and a program for mortgage insurance for the modernization of hospitals and other health facilities. Each program would provide for not to exceed $200 million in loans in each of the 3 years 1969, 1970, and 1971. Up to 90 percent of the construction costs of modernization could be covered

by the loans. The interest rate for the hospitals and other health facilities would be 3 percent.

Title V provides for several minor or technical amendments, including:

First. The existing authority of the PHS to pay salaries above the general schedule of the Classification Act would be expanded to include two additional positions, one at level 1 of the executive schedule and one at level 2 of the executive schedule.

Second. The Community Mental Health Center legislation would be amended to permit States to use not more than 3 percent of their construction allotments, or $50,000 whichever is less, to pay for not more than one-half of the costs of administration.

Third. The Secretary would be authorized to acknowledge gifts or efforts of persons who have contributed substantially to the health of the Nation.

Fourth. The authorization for appropriation for the operations of the Gorgas Memorial Laboratory would be increased from $500,000 to $1,000,000 per year.

Fifth. An amendment would permit a veteran to supplement GI benefits with a scholarship or student loan under the PHS Act.

The PRESIDING OFFICER. The bill is open to amendment.

Mr. SPONG. Mr. President, I send to the desk an amendment and ask for its consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

At the end of the bill insert a new section as follows:

"ONE YEAR EXTENSION OF SOLID WASTE DISPOSAL AUTHORIZATION

"SEC. 507. Subsections (a) and (b) of section 210 of the Solid Waste Disposal Act (42 U.S.C. 3259) are each amended by inserting before the period at the end thereof a comma and 'and for the succeeding fiscal year'."

Mr. SPONG. Mr. President, the amendment to H.R. 15758 which I have sent to the desk does not relate to this particular legislation but is instead an amendment to the Solid Waste Disposal Act of 1965. The language of this amendment is identical to the bill, S. 3201, which was reported by the Senate Committee on Public Works and which simply continues for 1 year the authorizations for the Federal solid waste disposal program. The language of S. 3201 is being added to this legislation in order to facilitate passage during this session of the 90th Congress.

The Committee on Public Works was informed by the appropriate House committee that it would be difficult to hold hearings and report the House version of this legislation this year. The leadership of that committee also indicated that this amendment would be accepted if attached to H.R. 15758. The noncontroversial nature of the simple extension of the solid waste program, combined with a need to have the fiscal year 1970 authorization precede the appropriations suggest the usefulness of this approach.

The Solid Waste Disposal Act of 1965—Public Law 89-272 title II—launched a new program to develop efficient means of disposing the millions of tons of solid wastes that clog the Nation's cities and countryside. In 1965 only two States had identifiable solid waste programs, while today 38 States are developing modern plans for statewide solid waste programs and comprehensive survey of solid waste problems and practices under the Department of Health, Education, and Welfare grants.

The quantities of solid waste have become so great in recent years that traditional methods of disposal are either inefficient or ineffective. Incineration and landfill, the traditionally accepted methods of disposal, are inadequate and often compound existing air and water pollution problems degrading the overall quality of the environment.

A report prepared at the request of Senator J. CALEB BOGGS, entitled "Availability, Utilization, and Salvage of Industrial Materials," suggests that the industrial economy of the United States—and indeed that of the entire industrial word—should undergo a shift from a use-and-discard approach to a system which includes methods of salvage, reprocessing, and reuse. The report further suggests that the timing of this conversion need not be precise, nor immediate, but that it must occur, or man, in the future, faces a continually degrading environment which will eventually be intolerable to him.

The President, in his conservation message of March 11, 1968, called for a comprehensive review of current solid waste disposal technology to be undertaken by the Director of the Office of Science and Technology, working with the appropriate Cabinet officers. This review is to consider two key problems: first, how to lower the present high costs of solid waste disposal, and second, how to improve and strengthen Government-wide research and development in this field.

In order to take advantage of the results of this study it is desirable that a simple 1-year extension of the Solid Waste Disposal Act be granted. This extension is provided by S. 3201. Following completion of the President's study the Public Works Committee will evaluate the results which should indicate the best and most useful methods of handling solid waste disposal. At that time hearings will be held on S. 1646, or similar proposals, which would authorize a massive Federal grant program to assist communities in the construction of solid waste disposal facilities.

Mr. President, I move the adoption of the amendment.

Mr. BOGGS. Mr. President, as a cosponsor of S. 3201, now in the form of an amendment, to H.R. 15758, the pending bill, I wish to join in the remarks made by the Senator from Virginia [Mr. SPONG].

Solid waste disposal represents a growing problem in this country, and while we have made good strides in controlling pollution of air and water, we are faced with developing programs and methods to help dispose of the increasing amounts of solid waste.

This simple 1-year extension of the existing Solid Waste Disposal Act will give the Department of Health, Education, and Welfare the authority to continue its research and fund some pilot programs seeking an answer to this serious problem.

I commend the Senator from Maine [Mr. MUSKIE] for his continued leadership in the pollution field and I urge approval of this amendment by the Senate.

Mr. HILL. We have no objection to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Virginia.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment, as amended, was agreed to.

Mr. HILL. Mr. President, the Senator from New York [Mr. JAVITS] is unable to be present today. He favors the bill. I ask unanimous consent that a statement of the Senator from New York, in support of the bill, together with excerpts from the committee report to which he refers be printed at this point in the RECORD.

There being no objection, the statement and excerpts were ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR JAVITS

Mr. President, I rise in support of HR 15758, which was reported from the Senate Committee on Labor and Public Welfare with the unanimous support of both majority and minority Senators. This comprehensive measure bespeaks the bipartisan support which has characterized constructive health legislation coming before this body and is a tribute to the leadership of our distinguished chairman, the gentleman from Alabama, Mr. Hill, who so appropriately bears the title, "Mr. Health", in the Congress.

There are two parts of this bill which are of particular concern to me; namely, Title III, which deals with Alcoholic and Narcotic Addict Rehabilitation, and Part C of Title IV, which Part deals with Loan Guarantees for Modernization of Hospitals and Other Health Facilities. I should like to discuss them separately.

ALCOHOLISM

There is, most fortunately, a growing recognition that alcoholism is a major health problem, one affecting directly some 5 million Americans, which must be dealt with as are our other health problems. It is, as the Public Health Service and the Crime Commission both have described it, the Nation's most serious health menace, ranking behind only heart disease, mental illness and cancer. But, as the Supreme Court observed in its decision in the *Powell* case last month, "the legislative response to this enormous problem has in general been inadequate."

Title III of this bill seeks to deal with this problem and represents the first comprehensive legislative effort in the fight against alcoholism to be presented for debate and vote before this body.

In its provisions concerning alcoholism, Title III follows in good part the pattern laid down by S-1508, the measure introduced in April of last year by the distinguished Senator from Utah, Mr. Moss, and myself, together with thirty-four colleagues from both parties. We are proud that this pioneer effort has borne this fruit. I ask that at this point in the RECORD there appear the names of the Senators who had joined in cosponsoring the Javits-Moss bill:

Messrs. Birch Bayh, Alan Bible, Edward Brooke, Quentin Burdick, Howard Cannon, Frank Church, Joseph Clark, John Sherman Cooper, Thomas Dodd, Sam J. Ervin, Jr., Paul Fannin, Hiram Fong, Philip Hart, Mark Hat-

field, Daniel Inouye, Thomas Kuchel, Edward Long, Warren Magnuson, Eugene McCarthy, Gale McGee, Jack Miller, Walter Mondale, Wayne Morse, George Murphy, Gaylord Nelson, Claiborne Pell, Charles Percy, Winston Prouty, Jennings Randolph, Hugh Scott, Strom Thurmond, Joseph Tydings, Harrison Williams, Ralph Yarborough and Milton Young.

I include at this point in the RECORD that portion of the section-by-section analysis of H.R. 15758 in the committee report covering title III:

"PART C—ALCOHOLISM AND NARCOTIC ADDICT REHABILITATION

"DECLARATION OF FINDINGS AND PURPOSES

"The new section 240 of the Community Mental Health Centers Act contains congressional findings that—

"(1) Alcoholism is a major health and social problem afflicting many people, and much more needs to be done to develop effective prevention and control;

"(2) Alcoholism treatment and control programs should, where possible, be community based, provide a comprehensive range of services under proper medical auspices on a coordinated basis, and be integrated with and involve active participation by a wide range of public and private agencies;

"(3) Treating chronic alcoholics within the criminal justice system aggravates the problem, whereas treating chronic alcoholism as a health problem better serves the interests of all concerned; and

"(4) Narcotic addiction is also a major health problem about which much more needs to be done, and programs for its prevention and control should, where possible, be community based with a wide range of medical services that are comprehensive in scope.

"It is, therefore, the purpose of this part to help prevent and control alcoholism and narcotic addiction through construction and operation grants under this part and through use of other relevant Federal and federally assisted programs. It is also the purpose of this part to authorize Federal aid for appropriate study and demonstration projects relating to alcoholism.

"AUTHORIZATION

"The new section 241, which would be added to the Community Mental Health Centers Act, would authorize $15 million for fiscal year 1969 and $25 million for fiscal year 1970 for the prevention and treatment of alcoholism and narcotic addiction. The Secretary would be authorized to make grants to States, to their political subdivisions, and to public and non-profit-private agencies and organizations, and to make contracts with them and with other private agencies and organizations, for the developing of field testing and demonstration programs, for the developing of specialized training programs and materials, for the training of personnel to provide the services, for the evaluation of the programs for the prevention and treatment of alcoholism and narcotic addiction, and for research into personnel practices and training needs in the field of alcoholism. The new section 241 would also authorize the Secretary to enter into grants with public and non-profit-private agencies and organizations, and to make contracts with them and with other private agencies and organizations, for the development, construction, operation, staffing, and maintenance of treatment centers and facilities (including posthospitalization treatment centers and facilities).

"Grants could be made only with respect to facilities which were affiliated with community mental health centers. If no such center had yet been established in the area, the facility, to be eligible, would have to be included as part of a program making appropriate utilization of existing community resources needed for an adequate program of prevention and treatment of alcoholism and narcotic addiction.

"Grants for the development, construction, operation, staffing, or maintenance of treatment facilities would be made only upon an application which contained a showing of approval of the project by the State agency primarily responsible for the treatment of alcoholics and narcotic addicts, as well as by the State agency under the existing community mental health centers construction program and the State mental health authority.

"Under this new section, payments could be made in advance or as reimbursement and could be made on such terms and conditions and installments, as the Secretary determined to be necessary to carry out the purpose of this title. The Secretary would be authorized to issue appropriate rules and regulations to carry out the provisions of parts C and D of this title.

"PROTECTION OF PERSONAL RIGHTS OF ALCOHOLICS

"The new section 242, which would be added to the Community Mental Health Centers Act, would direct the Secretary to take necessary steps in carrying out the new provisions on alcoholics and narcotic addicts to assure that no one will be made the subject of research assisted under the new part unless he explicitly agrees to do so."

Mr. JAVITS. Alcoholism is a costly affliction, measured not alone in terms of its estimated annual cost of $2 billion to business and industry or to the cost to taxpayers of the 2 million arrests each year for public drunkenness—but it is costly also measured in terms of the five to six million of our fellow citizens who are afflicted with alcoholism and their families and friends who bear the burdens of this affliction with them. We are privileged in this Congress to have the opportunity to act to deal with this health problem of alcoholism in an effective way and to enact pioneer legislation to meet its challenge.

HOSPITAL MODERNIZATION

I should now like to direct my remarks to Title IV, Part C, Loan Guarantees for Modernization of Hospitals and Other Health Facilities. This provision, of which I was the sponsor, is aimed at correcting the condition of intolerable obsolescence which afflicts at least one third of the nation's hospital capacity, a situation which according to health authorities is reaching crisis proportions in many metropolitan areas.

This provision would authorize federally insured mortgages in the amount of $200 million in each of the three years, FY 1969 through FY 1971, for the modernization of hospitals and other medical care facilities. The Federal Government would pay interest above 3%.

This Part is similar to Section 401 of the Higher Education Amendments of 1968, which provides for guaranteed loans for academic facilities, Section 1705 of the Housing and Urban Development Act of 1968, which provides for guaranteed loans for college housing. Both also provide similar interest subventions.

I include at this point in the RECORD that portion of the section-by-section analysis of HR 15758 in the committee report covering Part C of title IV:

"Part C would be entitled—Loan Guarantees for Modernization of Hospitals and Other Health Facilities.

"AUTHORIZATION OF LOAN GUARANTEES

"The new section 631 of the Public Health Service Act would authorize the Secretary to guarantee the payment of principal and interest to non-Federal lenders who made loans to public and other nonprofit agencies for projects for the modernization of medical facilities. The amount of a loan guarantee with respect to any modernization project under this part, when added to a grant or a loan under part A or B, could not exceed 90 percent of the cost of such modernization project.

"ALLOCATION AMONG THE STATES

"The new section 632 would authorize the Secretary, after consultation with the Federal Hospital Advisory Council, to allot the amount available for loans which might be guaranteed under this part among the States in a fair and equitable manner after considering relative population, financial need, and need for modernization of facilities. Any amounts allotted for the guarantee of loans, but unobligated by a State at the end of the fiscal year would remain available for the next fiscal year.

"APPLICATIONS AND CONDITIONS

"Under the new section 633, loans would be guaranteed only upon an application submitted to the Secretary through the State agency designated under section 604 as the sole agency responsible for the administration of the State plan. An application would have to meet certain specified requirements. First, the application would have to meet the requirements under clauses (1) through (5) of section 605(a). These requirements relate to the inclusion in the application of a description of the site for the project, plans and specifications for the project, assurance that the applicant has proper title, assurance of adequate financial support to complete and operate the project, and assurance as to compliance with the prevailing wage provision in the Davis-Bacon Act.

"The application would also have to contain a certification by the State agency of what it determines the cost of the modernization project will be.

"In order for an application to receive approval, the Secretary would have to find that four requirements were met. First, a sufficient amount to cover the cost of the project would have to remain in the State's allotment under new section 622. Second, the Secretary must make the findings required under clauses (1) through (4) of section 605(a). These required findings are that the application contains assurance as to title, financial support, and payment of prevailing wages, that the plans and specifications are in accord with regulations, that the application is in conformity with the State plan approved under section 604, and that the application has been approved and recommended by the State agency and has priority over other projects. (Under this part, the finding by the State agency that an application has priority over others would be based on appropriately modified regulations.) Third, the Secretary must obtain assurances that the applicant will keep records and make reports which the Secretary reasonably requires. Finally, the Secretary must determine that the terms and conditions of the loan are reasonable and in accord with regulations.

"The Secretary could not disapprove an application without affording the State agency an opportunity for a hearing. Amendments to an approved application would be subject to approval just as if they were original applications.

"The United States would be entitled to recover from the applicant the amount of any payments made under a guarantee under this part. (The Secretary for good cause could waive this right of recovery.) The United States would be subrogated to the rights of the applicant upon its recovery of payments from the applicant. The Secretary would be authorized to subject guarantees under this part to the terms and conditions that he might determine to be necessary to carry out the purposes of this part. In order to protect the financial interest of the United States, the Secretary would be authorized to modify any of the terms and conditions of the guarantee.

"Neither the applicant on whose behalf a

loan guarantee is made nor any other person who made a loan to the applicant could contest any guarantee made by the Secretary, with one exception. Fraud or misrepresentation could make the guarantee contestable.

"PAYMENT OF INTEREST ON GUARANTEED LOANS

"The new section 634 would create a contractual right to each holder of a loan guaranteed under this part to receive from the United States any interest above 3 percent which becomes due and payable. Such amounts as might be necessary to carry out this section would be authorized. Contracts to meet the payments provided for in this section could not amount to an aggregate greater than the amount provided for in appropriation acts.

"LIMITATION ON AMOUNT OF LOANS GUARANTEED

"The new section 635 would establish a limit on the cumulative total of loan guarantees under this part that could be outstanding at any one time. For fiscal year 1969, the maximum allowable limit of outstanding loans guaranteed would be $200 million; for fiscal year 1970, $400 million; and for fiscal year 1971, $600 million. These limits would apply unless appropriation acts specified a lower limit.

"LOAN GUARANTEE FUND

"Under the new section 637, a separate loan guarantee fund for loan guarantees for the modernization of hospital and medical facilities would be established within the Treasury. The fund would be available without fiscal year limitation. Such amounts as might be necessary to provide capital for the fund would be authorized to be appropriated.

"The Secretary would be authorized to borrow funds to discharge his responsibilities under guarantees issued under this part. In order to borrow funds, the Secretary would be authorized to issue notes and other forms of obligations bearing interest at a rate determined by the Secretary of the Treasury. The Secretary of the Treasury would be authorized to purchase these obligations issued by the Secretary. The amounts borrowed under this part would be deposited in the fund. The Secretary would also redeem, from the fund, the notes and obligations issued under this section.

"SECTION 403

"This section of the bill would amend section 302(c)(2)(B) of the Federal National Mortgage Association Charter Act (added by the Participation Sales Act of 1966—Public Law 89-429), which authorizes FNMA to establish trusts for HEW with respect to certain loans by the Commissioner of Education, so as to authorize such trusts also with respect to loans under these new provisions of the PHS Act."

Mr. JAVITS. American communities are meeting only 59% of the country's modern hospital needs. In New York State, for example, outside New York City, more than $287 million in hospital modernization is required, 52% of the area's capacity. And New York City, according to the most recent estimates, needs an estimated $1.25 billion in modernization funds.

The Hospital Review and Planning Council of Southern New York has observed that while on the one hand modern developments have made possible new patterns of diagnosis and treatment, these advances have placed such heavy demands on existing hospital facilities that virtually every hospital plant in New York City requires costly alterations or complete replacement. Among the 130 general care hospitals in the city, 72% of the surgical suites are inadequate, 90% of the X-ray suites are inadequate, 71% of the emergency departments are inadequate, 72% of the outpatient facilities are inadequate and only 17% would pass Public Health Service fire standards.

Twentieth century medical care cannot be given in 19th century hospitals. It is necessary that we proceed with a hospital modernization program without delay, not only in the interests of providing urgently needed health care but also in the interest of economy. Hospital construction costs are increasing an estimated 7% annually. Thus, postponing for one year the $1 billion needed for hospital modernization annually would add another $70 million to hospital construction costs, an increase which is passed on to local taxpayers and local users of hospital services.

Hospital modernization will also serve to hold down costs to patients. Hospital fees are the fastest increasing item in the cost of living—last year, the index rose 16.5% and some authorities anticipate further increases ranging up to 30% for the current year.

Obsolete and outmoded hospitals can be wasteful of the most expensive element in hospital operation—key hospital personnel. Personnel costs now exceed 70% of hospital operation costs and are becoming an increasingly important consideration.

Part C, providing for guaranteed loans, complements the other two parts of Title IV, which provide extension of the Hill-Burton program and provide direct modernization loans.

Since its inception twenty-one years ago, the Hill-Burton program has provided $2.9 billion in support of modernization and construction of hospital and other health care facilities. It is indeed fitting that this bill, one of the last of the many major health bills he has shepherded through this body, should contain an extension of the program bearing Sen. Hill's name. This provision is yet another affirmation of the high regard in which our committee's chairman is held by his colleagues and by the nation. Although he will not be with us in this chamber next year, his monumental efforts on behalf of our Nation's health will be long carried on.

Mr. President, in conclusion I urge the enactment of H.R. 15758, known as the Health Services Amendments, with the hope that it may soon be signed into law.

Mr. MANSFIELD. Mr. President, the distinguished Senator from Utah [Mr. Moss] is necessarily absent today. On his behalf, I ask unanimous consent to have printed in the RECORD a statement prepared by him on the bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY MR. MOSS

I am most gratified that the Senate has before it—at long last—a bill which provides a comprehensive program for the rehabilitation of our more than 5 million alcoholics. This is recognition of the fact that the Federal government does have a responsibility in dealing with a problem which is national in scope, which affects about one out of every five families in this country, and which the states and localities have not been able to deal with alone. I sincerely hope there will be no question about the worth of the alcoholism amendments contained in Title III, or the desirability of putting them into operation as quickly as possible.

As Senators may remember, I introduced the first bill in the Senate which provided for a locus of responsibility in the Federal government. It was S. 2657 of the 89th Congress, and it called for the establishment of an alcohol control administration within the Department of Health, Education, and Welfare, and for grants in aid to the States for the establishment or expansion of State study and rehabilitation facilities. The bill had 18 cosponsors from both sides of the aisle.

Then at the beginning of this session, I joined with the distinguished Senator from New York (Mr. Javits) in working out the provisions of S. 1508, which again provided for a strong public health approach to the growing problem of alcoholism. However, I see no objection in going the route provided in the bill before us today—that is, to amend the Community Mental Health Centers Act to expand the existing program with grants for the construction and operation of facilities for both alcoholics and narcotic addicts. Our objective, after all, is to provide good treatment and rehabilitation facilities to alcoholics, and to improve techniques and find effective ways of preventing the disease of alcoholism. I am not wedded to any particular administrative machinery. Since the House of Representatives and now the Senate Committee has agreed upon the method provided in Title III of H.R. 15758. I am glad to lend my support.

It was evident to me long before I came to Congress that a comprehensive national program to help States and communities deal with the alcoholic and his problems was one of our most urgent needs. I sat as a city judge in Salt Lake City, and one of my jurisdictions was the criminal court, the court before which anyone charged with drunkenness is brought for sentencing. During those years, alcoholism, from a legal standpoint, was treated like any other antisocial behavior problem. Although many of us realized then that it was an illness, we had no machinery for treating it. All we could do was sentence anyone picked up on a charge of drunkenness to a jail sentence—or as an alternative, we could give him a floater sentence—which meant he had to get out of town within 24 hours. This merely passed most of them on to another court in another city where they would be brought up again on another drunk charge and put in another jail to dry out.

It was a heart-breaking, baffling experience, a losing game every day in the week. The same drunks came up before me day after day. I would give them a sentence long enough for them to "dry out" but they would be back in a few days. I had excruciating experiences, such as having to sentence some of my best friends—men I had grown up with. They needed treatment, not jail sentences, but there was no machinery to provide such treatment.

When I came to the Senate I resolved that as soon as I could do so I would begin to work on legislation which would give the states and communities the help they needed to meet this tragic social problem, and it has been one of my major fields of endeavor.

As the Senate knows, two famous court decisions gave us the impetus we needed. The decisions in Driver vs. Hinnant and Easter vs. the District of Columbia established the principle that an alcoholic is a person suffering from a disease which should be treated medically. He is not a criminal but a sick man who properly should be the responsibility of health officials, not law enforcement officials.

The President's Commission on Law Enforcement and the Administration of Justice took cognizance of these decisions in the report it issued wherein it endorsed the principle that alcoholics should be handled medically and socially.

Some people may feel that these decisions were somewhat undermined by the recent Supreme Court decision in Powell vs. Texas. By a narrow 5-4 decision in Powell vs. Texas, that a chronic alcoholic with a wife, family, and home in which "to stay off the streets while drunk" could be convicted under a State law against public drunkenness. However, some constitutional experts have already stated that this decision only confirms the rationale of the Easter and Driver decisions, which ruled that a 'homeless' alcoholic cannot be jailed for public drunkenness.

Mr. Justice White, who broke a 4-4 deadlock in Powell vs. Texas said in his opinion that in the case of a homeless alcoholic, a criminal conviction for public intoxication would be unconstitutional.

So I think it may be said in all fairness that the United States Supreme Court has now joined with Congress, the Justice Department, the American Medical Association, the American Bar Association, and the many public spirited men and women who have been working in the alcoholism field for many years in indicating that something more should be done of a substantiative nature at the Federal level to combat alcoholism. We have an opportunity to take that long step today in passing the bill before us.

The PRESIDING OFFICER. The question is on the engrossment of the amendment in the nature of a substitute, as amended, and third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 15758) was read a third time, and passed.

Mr. HILL. Mr. President, I move to reconsider the vote by which H.R. 15758 was passed.

Mr. MANSFIELD. I move to lay that motion on the table.

The PRESIDING OFFICER. The motion to lay on the table was agreed to.

BILL INDEFINITELY POSTPONED

Mr. MANSFIELD. Mr. President, I ask unanimous consent that Calendar No. 1427, S. 3201, to protect the public health by extending for 1 year the provisions on research and assistance for State and interstate planning for solid waste disposal, and for other purposes, be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

A COMMENTARY ON HISTORY

Mr. HICKENLOOPER. Mr. President, in the June 1968—vol. 3, No. 9—issue of the Washingtonian, a magazine published in Washington, D.C., appears a lengthy article about columnist Drew Pearson. I do not intend to read the entire article, but three or four paragraphs in it are very significant from the historical standpoint, and I ask unanimous consent that these paragraphs be printed at this point in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

[From the Washingtonian Magazine, June 1968]

Few Congressmen can afford to ignore Pearson's jabs, for they can start talk back home, mobilize letter writers, snowball into major political problems. One prominent Senator who was driven to near distraction by Pearson's pinpricks in the 1950's was Lyndon B. Johnson. In those days, Pearson felt Johnson was too cozy with the oil lobby and had been soft on McCarthy, and he liked to call him "Landslide Lyndon" and "Lyin'-Down Johnson."

But in 1959 Pearson decided he wanted to block Eisenhower's nomination of Lewis Strauss as Secretary of Commerce, and he knew that his only hope of doing so was to "make a deal with Lyndon." Jack Anderson was therefore dispatched to the Majority Leader's office.

"How would you like to get Drew off your back?" he asked Johnson.

"Who do I have to kill?" Johnson replied.

Lewis Strauss, Anderson replied, and explained what Pearson wanted. It was impossible, Johnson said. Okay, Anderson said, and started for the door. Wait, Johnson called, maybe it was not impossible. Terms were negotiated, agreement was reached, Strauss was defeated, and Pearson, for a time, was off Johnson's back.

Mr. HICKENLOOPER. This commentary on history indicates what things will be done to sacrifice great American servants for political purposes.

ESTABLISHMENT OF A COMMISSION ON ORGANIZATION, OPERATION, AND MANAGEMENT OF THE EXECUTIVE BRANCH OF THE GOVERNMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1433, S. 3640.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 3640) to establish a commission to study the organization, operation, and management of the executive branch of the Government, and to recommend changes necessary or desirable in the interest of governmental efficiency and economy.

Mr. RIBICOFF. Mr. President, S. 3640 would establish a new Hoover-type Commission to streamline and modernize the Federal Government.

This bill has the support of 61 Senators, including 33 Democrats and 28 Republicans. Senator PEARSON of Kansas joined me in introducing S. 3640 as a "clean" bill following 7 days of hearings by the Subcommittee on Executive Reorganization on several bills designed to improve the organization and the management of the Federal Government.

The Commission would undertake a comprehensive and in-depth analysis of the machinery of Government in order to make recommendations in the following areas:

First, the organization and operation of the executive branch as a whole, as well as its individual departments, agencies and bureaus.

Second, the coordination and cooperation among the various Federal departments, agencies, and bureaus.

Third, the elimination or consolidation of Federal programs; and

Fourth, the establishment of priorities among Federal programs.

The Commission would be composed of eight members. Four would be appointed by the President of the United States. Of these, two would be from the executive branch and two from private life. Four would be appointed by the Congress. The President of the Senate would appoint two Senators. The Speaker of the House would appoint two Representatives. The two major political parties would be equally represented on the Commission.

The need for an independent Commission to conduct a total review and examination of the entire executive branch is one of the most obvious facts of our national life.

In the 13 years since the second Hoover Commission made its final report, the United States has undergone some of the most rapid and profound changes in our history. Yet throughout this time, we have operated and managed the executive branch as if time had stood still.

Some reforms have been achieved. We have three new agencies of Government—the Department of Housing and Urban Development, the Office of Economic Opportunity, and the Department of Transportation. Other agencies have experienced reorganization on a lesser scale as the Subcommittee on Executive Reorganization has acted on 18 reorganization plans during the past 4 years. And we have had numerous studies, commissions, and task forces on individual agencies and special problems. The last 3 years alone have seen more than 100 Presidential commissions, boards, and advisory groups.

But looking at the parts—no matter how large—is no substitute for looking at the whole.

And that is what we have failed to do in the past—and why we must approve S. 3640 today.

We must begin immediately to pay serious attention to the growth, development and operation of the Federal Government.

The facts demand no less.

For example:

The Federal budget has doubled in the past 13 years, and domestic expenditures have increased by 170 percent.

The new Federal budget of $186 billion means that the United States will spend $5,515 every second and $20 million every hour.

In California alone, there are 50 percent more Federal employees than in all of Washington, D.C.

In Connecticut, there are 256 Federal agencies listed in the Hartford telephone book—and 92 State agencies.

At last count, there were 150 separate Federal departments, agencies, bureaus, and boards in Washington—plus over 400 regional and area field offices—administering Federal programs to States, cities, and individuals through 459 separate channels.

Eight Cabinet departments and 12 agencies are involved in health.

Eighteen separate agencies are conducting programs to improve the natural environment.

Eight departments and four agencies are operating major credit programs and thereby affecting monetary policy.

Ten Cabinet departments and more than 15 other agencies are involved in education.

Ten agencies in three departments are managing manpower programs.

All this suggests we may be trying to force the future into the framework of the past. And that is bound to be wasteful and inefficient—both in terms of the money that we spend and the results that we achieve.

Clearly, a major examination of the executive branch of Government—its organization, its operation, and its management—is in order.

With the single exception of the Bureau of the Budget, all the 17 witnesses who testified at our hearings enthusiastically supported the establishment of this Commission.

While the witnesses were concerned about the importance of streamlining

government to correct past mistakes and shortcomings, they felt this would be only half of the job that needed to be done.

The other half of the job is the future.

In the past decade, America has found herself on the frontier of some of the most profound revolutions and transformations in the history of the world: space technology, automation, urbanization, and, most important of all, human aspirations.

Although we have only explored and experienced the beginnings of these profound changes, it is already clear that they will touch every city, town and farm in America, as well as each man, woman and child.

Clearly, then, we have a deep responsibility to organize for the future if America is to fulfill her promise. And the first step in such an effort is to reassess our highest institutions of government with a view toward organizing them into a modern and effective system for achieving our national goals and purposes.

Unfortunately, Americans are rarely interested in questions of organization until they decide it is too expensive not to be interested.

But while all of us share this fiscal concern, we must also bear in mind that in the last analysis the Federal Government will be judged in terms of its success in dealing with the crucial problems of our age.

Thus, the machinery of government—how it works and how well it works—will be the primary concern of the Commission.

It is not the job of this Commission to define national goals. As Luthur Gulick, a member of President Roosevelt's 1937 Committee on Administrative Management has written:

> I think this kind of goal-making must be handled chiefly through the President and the Congress. The Commission should therefore start with the decisions which have been made by the President and the Congress and should then consider how adequate is the organism and the functioning of our governmental system to perform this important and changing workload. And the major test would be not the bits and pieces, but the broad system, the comprehensive managerial system, under which we are operating.

Within this framework, it is contemplated that the Commission will foster both long-range planning, as is customary in American business, and the much needed and much neglected evaluation of current programs.

In response to the growing awareness that the more than 400 Federal Government programs require a thorough examination, the committee has specifically charged the Commission with the duty of recommending "criteria, systems, and procedures" for establishing priorities among these programs. The Commission will not actually perform the evaluation or establish priorities, but will recommend ways and means of doing so to the Executive and the Congress.

The success of the Commission will be measured in terms of the improved performance of the executive branch from top to bottom. The Commission will not be able to provide an answer to every problem of so large an organization and bureaucracy. But by focusing on a limited number of matters of cardinal importance, it can point the way to a more modern executive branch sensitive to the people and the times.

Finally, Mr. President, let me speak to what may be the most basic issue that this Commission can help resolve: the trust and confidence that must exist between the government and the governed.

James Madison warned us early in our history that government must be able to control itself. It is just as true that when government cannot control itself, it may lose what it can never afford to lose: the consent of the governed.

There is no reason—and no need—for this to occur in the United States. Our people must have confidence in their National Government and its ability to manage its own—as well as some of their own—affairs.

It is the responsibility of government to build and to maintain this confidence. It is the fundamental premise of this Commission that government must always be accountable—and responsible—to those whom it serves: the people of the United States.

Mr. PEARSON. Mr. President, will the Senator yield?

Mr. RIBICOFF. I yield.

Mr. PEARSON. Mr. President, first I wish to commend the distinguished Senator from Connecticut for his leadership in this particular matter, and for putting the final touches on this piece of legislation which I first introduced in the 89th Congress, then in the 90th Congress, and it was only when the Senator from Connecticut [Mr. RIBICOFF] became interested in this matter that it began to move in spite of a presidential recommendation in this field.

I think the need is greater than ever before, not only because of the great proliferation of programs, but also because as a result of H.R. 15414 we are under great pressure to reduce Federal expenditures and provide better and more efficient services to the people of this country.

EXECUTIVE REFORM: THE NEED FOR A NEW HOOVER COMMISSION

Mr. President, today the cost of operating the Federal Government is enormous. Based on the fiscal 1968 budget the Federal bureaucracy is spending $334,094 per minute, which equals over $20 million per hour, or more than $3.3 billion per week. The Archivist of the United States has been quoted as saying that paper work alone costs roughly 7 percent of the Federal administrative budget, or a total of $9.5 billion last year. The average cost of a letter in the executive branch has reached $2.44, while one page of a directive costs $300. Former General Services Administrator Lawson Knott testified that over the past 8 years "we have had to accommodate 6,000 additional employees in the Washington area every year. That is the equivalent of about a 900,000 or 1 million square foot building every year." It is important to remember that Mr. Knott was speaking only about the Washington area.

Some of these rising costs may be attributable to growth alone, others are the result of shoddy organization and poor management. The increase in the number, scope, and variety of Federal operations in recent years has certainly been nothing short of phenomenal. In the past 13 years more than 500,000 civilians have been added to the Federal payroll, the Federal budget has doubled, and domestic spending alone has soared 170 percent.

Until recently, Mr. President, there was no way of even estimating the number of new agencies, departments, and bureaus that have been spawned since the last thoroughgoing review of executive operations was finished by the second Hoover Commission in 1955. A few months ago I asked the Legislative Reference Service to undertake such a survey and while the results are not complete due to the many serious obstacles the researchers faced, the tentative results are nonetheless startling. For example, when the Office of Economic Opportunity was created it had a staff of 428 on January 1, 1965. In 2 years this personnel figure had more than quintupled to 2,393. In the same period the agency budget rose from approximately $200 million to $1.8 billion—a ninefold increase.

In addition, the Administration on Aging nearly doubled the size of its work force from 47 to 86 during the first 2 years of its existence from 1965 to 1967, while its budget increased eight times from $2.1 million to $16.7 million.

These and other similar examples show that since 1955, a total of at least $19.1 billion and 142,000 employees have been invested in new programs alone. The subsequent rate of increase of these new projects is even more surprising. Since these new programs were begun in many instances just 1 or 2 years ago, roughly 52,190 employees and $12.5 billion have fueled their expansion. And this rate of growth is still increasing.

Increases in payroll salaries or jumps in the number of personnel or new programs are not necessarily undesirable or even unavoidable developments. But the rate of government growth we have been experiencing has been so rapid as to outstrip the ability of the executive branch to organize the bureaucracy efficiently to achieve our national goals.

Mr. President, the administration of Federal grant-in-aid programs is a prime example of what can happen when project growth is poorly controlled. In April, 1964, there were approximately 239 such programs. Today there are over 400. These programs now cost over $17 billion a year. By 1973 it has been estimated that this figure may increase to over $60 billion.

Experienced figures such as former HEW Secretary John Gardner have commented on the increasingly serious problem of program proliferation. Testifying before the Senate Subcommittee on Intergovernmental Relations in the fall of 1966 he said:

> In almost every domestic program we are encountering crises of organization. Coordination among Federal agencies leaves much to be desired. Communications between the various levels of government—Federal, State, local—is casual and ineffective.

There is little doubt that duplication, waste and overlapping have reached enormous proportions. For example, at

present there are approximately 33 Federal agencies engaged in 296 consumer protection activities. And, as the Secretary of Labor testified before Congress:

> There are 15 to 30 separate manpower programs administered by public and private agencies, all supported by Federal funds, in each major U.S. metropolitan area."

A special study by the Library of Congress in the fall of 1966 showed that over 1,000 projects in the field of research and development on environmental pollution were being conducted in 192 installations involving at least nine agencies and departments.

Mr. President, many other illustrations could be given. For example, three separate programs are attending to the treatment of deaf children, while 30 are involved in teacher-training efforts. Fifteen different Federal departments and agencies administer 79 different training and education programs. And nine separate programs deal with job recruitment, while at least five subsidize on-the-job training projects.

The list of overlapping programs goes on and on and on. These illustrations are merely scattered straws in the wind, however. They represent just the tip of the iceberg. The great bulk of waste and duplication goes unreported.

If the windows of the Federal bureaucracy are to be thrown open to fresh thinking and new management techniques, a complete review of administrative practices and organizational structure is urgently required.

Mr. President, while the Bureau of the Budget, the General Accounting Office, and the Congress are continually attempting to upgrade the quality of Federal operations, the fact remains that each is subject to certain limitations and biases which make its work only partially effective.

It is my feeling that an outside review, similar to the two previous Hoover Commissions, is a much better way to meet today's critical need for efficient, responsive government. Such a study would have the advantage of objectivity and nonpartisanship. By virtue of the prestige of its membership, the Commission's activities and findings would attract special attention from the press, the public, the President, and the Congress. The involvement of Members of Congress in its deliberations would help to insure a fuller appreciation of the need for Executive reform when the Commission's recommendations were translated into legislative proposals.

Moreover, the Commission would have at its disposal a large and capable staff as well as the services of special consultants when necessary.

The value of such a review is sure to be considerable, not only because of the budgetary savings which would be achieved, but also because of the many revisions in organizational structure which would significantly improve our ability to meet today's serious challenges.

For example, the first Hoover Commission made approximately 273 recommendations. Seventy-two percent of these were subsequently adopted. The second Commission proposed roughly 314 changes, of which 77 percent were accepted in whole or part.

The costs of these two studies were quite low. The first Hoover Commission was financed by an appropriation of $1,983,600. The second received appropriations totaling $2,848,534, of which $83,527 was later returned to the Treasury.

When one stops to consider the monetary gains made by these studies, the performance of the Commissions appears even more remarkable. For example, it has been estimated that the recommendations of the first Hoover Commission alone resulted in savings of more than $7 billion. And who can accurately estimate the value of higher quality Government programs of a bureaucracy more responsive to the citizens it serves, and of faster social progress?

Mr. President, in January 1967 I introduced legislation (S. 47) which would establish a blue-ribbon commission on the executive branch to undertake a 2-year study of the organization and operations of the Federal bureaucracy similar to the investigations of the first two Hoover Commissions. This legislation was subsequently cosponsored by 41 other Senators and formed the basis, along with several other similar measures, for hearings by the Senate Subcommittee on Executive Reorganization.

When the hearings were concluded, the subcommittee chairman, Senator ABRAHAM RIBICOFF, and I introduced a revised bill (S. 3640), which is now sponsored by a total of 61 Senators, including most Republicans, and which is now the pending business. This bill would create a commission similar to the one proposed initially in S. 47 composed of eight members, two chosen by the President of the Senate, two chosen by the Speaker of the House, and four chosen by the President. Thus, the group which would undertake this vital 2-year review would represent a balance between legislative, executive, and private views and would be completely bipartisan as well.

The need for such a study has never been more clear. The world has turned over many times in the past 13 years, and almost each turn has brought new problems for the American people and their Government. To deal with these urgent challenges, we must assess the need for such matters as improved budgeting systems, new management techniques, and better program coordination. The proper role of the Federal bureaucracy in furthering its assigned objectives and cooperating with other units of government must also be subject to searching scrutiny.

We have looked at bits and pieces for too long. We now need to examine the executive branch as an entity in order to improve the interrelationship of its many parts and to render better service to the American people. As the Senate Committee on Expenditures in the Executive Departments said 21 years ago as it helped launch the first Hoover Commission:

> The time is ripe for a general overhauling, for going through the government with a fine-tooth comb and for casting some light into all the many dark places.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and the third reading of the bill.

The bill (S. 3640) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Executive Reorganization and Management Act of 1968".

FINDINGS OF FACT AND DECLARATION OF POLICY

SEC. 2. (a) The Congress declares that it is the responsibility of the President, in conformance with policy set forth by Congress, to administer the executive branch effectively and economically, and that it is the joint responsibility of the President and the Congress to provide an executive organization structure which will permit the efficient and economical discharge of the duties imposed upon the President by the Constitution.

(b) The Congress finds that there are more than one hundred and fifty departments, agencies, boards, commissions, bureaus, and other organizations in the executive branch engaged in performing the functions of government; that such a proliferation of governmental units tends to produce a lack of coordination between them and overlapping, conflict, and duplication of effort among them; that the Congress and the President do not have adequate information and techniques to determine the best means of improving the conduct of the public business in so many governmental establishments.

(c) The Congress further finds and declares that in order to promote the efficient management and improved coordination essential to the economical administration of governmental services and to assure that program expenditures and performance are consistent with the policies established by the Congress, a commission to review the organization, operation, and management of the executive branch should be established.

COMMISSION ESTABLISHED

SEC. 3. (a) For the purpose of carrying out the policy set forth in section 2 of this Act, there is hereby established a commission to be known as the Commission on the Reorganization and Management of the Executive Branch (referred to hereinafter as the "Commission"). The Commission shall be composed of eight members; four appointed by the President of the United States, two from the executive branch of the Government and two from private life; two appointed by the President of the Senate from the membership of the Senate; two appointed by the Speaker of the House of Representatives from the membership of the House. The Commission shall elect a Chairman and a Vice Chairman from among its members.

(b) Five members of the Commission shall constitute a quorum. A vacancy in the membership of the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

(c) Members of the Commission appointed from private life shall represent equally the majority and minority parties; with respect to members of the Commission appointed from the House of Representatives and the Senate, there shall be a Representative and a Senator from the majority party and one each from the minority party.

(d) Members of the Commission appointed from private life shall receive compensation at the rate of $100 per diem when engaged in the actual performance of duties of the Commission. Members of the Commission who are Members of Congress or officers of the executive branch of the Government shall serve without compensation in addition to that received for their services as Members of Congress or officers of the executive branch. All members of the Commission shall be reimbursed for travel, sub-

sistence, and other necessary expenses actually incurred by them in the performance of the duties of the Commission.

(e) For the purposes of chapter 11, title 18, United States Code, a member of the Commission appointed from private life shall be deemed to be a special Government employee.

(f) Members of the Commission appointed pursuant to this section may continue to serve during the existence of the Commission. Any member of the Commission appointed pursuant to section 3(a) of this Act who, at the time of his appointment is serving as a Member of Congress, may continue to serve as a member of the Commission without regard to whether he continues to hold office as a Member of Congress.

DUTIES OF THE COMMISSION

SEC. 4. (a) It shall be the function of the Commission to—

(1) Analyze and assess the current organization, coordination, and management of the executive branch and recommend appropriate actions, modifications, innovations, and reorganizations to achieve the purposes of this Act;

(2) Consider, evaluate, and make recommendations regarding criteria, systems, and procedures for improved coordination and cooperation among Federal agencies to insure the maximum degree of consistency in governmental actions;

(3) Appraise the current status of administrative management in the executive branch and its individual departments, agencies, bureaus, boards, commissions, independent establishments, and other organizations with a view to proposing reforms and new procedures, techniques, and facilities which will improve the conduct of Government service; and

(4) Consider, evaluate, and make recommendations regarding criteria, systems, and procedures for the: (a) establishment of priorities among Federal programs; (b) consolidation and redirection of those programs; and (c) reduction or elimination of those which are of marginal utility or which are unnecessary.

(b) The Commission shall submit an interim report to the Congress one year after the date of its appointment and at such other times as the Commission may feel necessary or desirable and shall complete its study and investigation no later than two years after the date of its appointment. Within sixty days after the completion of such study and investigation the Commission shall transmit to the Congress a report of its findings and recommendations. Upon the transmission of such report, the Commission shall cease to exist.

POWERS OF THE COMMISSION

SEC. 5. (a) The Commission shall have power to appoint and fix the compensation of the Executive Director and other personnel as it deems advisable, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(b) The Commission may procure temporary and intermittent services of experts and consultants to the same extent as is authorized for the departments by section 3109 of title 5, United States Code, but at rates not to exceed $75 per diem for individuals.

(c) To carry out the provisions of this Act, the Commission, or any duly authorized subcommittee or member thereof, may hold such hearings; act at such times and places; administer such oaths; and require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents, as the Commission or such subcommittee or member may deem advisable. Subpenas may be issued under the signature of the Chairman of the Commission, the chairman of any such subcommittee, or any duly designated member, and may be served by any person designated by such Chairman, or member. The provisions of sections 102 to 104, inclusive, of the Revised Statute (U.S.C., title 2, secs. 192–194), shall apply in the case of any failure of any witness to comply with any subpena or to testify when summoned under authority of this section.

(d) To enter into contracts or other agreements with Federal agencies, private firms, institutions, and individuals for the conduct of research or surveys.

(e) The Commission is authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality, information, suggestion, estimates, and statistics for the purpose of this Act; and each such department, bureau, agency, board, commission, office, independent establishment, or instrumentality is authorized and directed to furnish on a nonreimbursable basis such information, suggestions, estimates, and statistics directly to the Commission, upon request made by the Chairman or Vice Chairman.

APPROPRIATIONS

SEC. 6. There are hereby authorized to be appropriated to the Commission such sums as may be required to carry out the provisions of this Act.

Mr. RIBICOFF. Mr. President, I move to reconsider the vote by which S. 3640 was passed.

Mr. PEARSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the legislative calendar be called in sequence beginning with Calendar No. 1441.

The PRESIDING OFFICER. Without objection, it is so ordered.

CERTAIN CASES IN WHICH THE ATTORNEY GENERAL HAS SUSPENDED DEPORTATION

The concurrent resolution (S. Con. Res. 78) forgoing the suspension of deportation of certain aliens was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien thereinafter named, in which case the Attorney General has suspended deportation pursuant to the provisions of section 244(a)(2) of the Immigration and Nationality Act, as amended (66 Stat. 204; 8 U.S.C. 1251):

A–1472909, Baglieri, George.
A–6816735, Funk, Thomas Fredrik.
A–6563286, Nebelsky, Manfred Robert.
A–8106820, Eha, Elmar.
A–10681050, Salinas-Villata, Jorge Alberto.
A–1473222, Asencio-Placencio, Pedro.
A–7216780, Kowal, John.
A–4679692, Quong, Wong.
A–17140325, Chin, Kay Ming.
A–2691116, Hagglund, Nils Ture.
A–5633712, Valencia-Sanchez, Enrique.
A–3253579, Riccioli, Paoli.
A–6474478, Viveros, Nazario Geniz.
A–9702536, Ying, Ah Sing.
A–10491431, Wong, Yen Kwong.
A–9765182, Yim, Chee.
A–10476667, Lok, Wai Ching.
A–12644334, Gee, Yook Shiu.
A–5227719, Lee, High Suey.
A–13069928, Fong, Shue Kee.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1461), explaining the purposes of the resolution.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE CONCURRENT RESOLUTION

The purpose of the concurrent resolution is to record congressional approval of suspension of deportation in certain cases in which the Attorney General has suspended deportation pursuant to section 244(a)(2) of the Immigration and Nationality Act, as amended. Under the prescribed procedure affirmative approval by both the Senate and the House of Representatives is required before the status of the aliens may be adjusted to that of aliens lawfully admitted for permanent residence.

STATEMENT OF FACTS

The concurrent resolution relates to certain cases in which the Attorney General has suspended deportation under the provisions of section 244(a)(2) of the immigration and Nationality Act, as amended. These cases are submitted to the Congress under the provisions of that section subsequent to its amendment by section 4 of Public Law 87–885. The aliens are deportable as former subversives, criminals, immoral persons, violators of the narcotic laws, or violators of the alien registration laws. The discretionary relief may be granted to an alien within these categories upon a showing (1) of 10 years' continuous physical presence in the United States following the commission of an act or the assumption of a status constituting a ground for deportation; (2) that he has not been served with a final order of deportation up to the time of his application for suspension of deportation; (3) that he has been a person of good moral character during the required period of physical presence; and (4) that his deportation would result in exceptional and extremely unusual hardship to himself or to his spouse, parent, or child, who is a citizen or an alien lawfully admitted for permanent residence.

Included in the concurrent resolution are 20 cases which were referred to the Congress between February 1, 1967, and December 1, 1967. Eight cases referred during that period were not approved. In each case included in the concurrent resolution, a careful check has been made to determine whether or not the alien (*a*) has met the requirements of the law; (b) is of good moral character; and (*c*) warrants the granting of suspension of deportation.

The committee, after consideration of all the facts in each case referred to in the concurrent resolution, is of the opinion that the concurrent resolution (S. Con. Res. 78) should be agreed to.

NEW HAMPSHIRE-VERMONT INTERSTATE SCHOOL COMPACT

The Senate proceeded to consider the bill (S. 3269) to consent to the New Hampshire-Vermont Interstate School Compact.

Mr. KUCHEL. Mr. President, in behalf of the Senator from Vermont [Mr. PROUTY], I ask unanimous consent to have printed in the RECORD a statement he had prepared for delivery on this subject.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR PROUTY

Today is an important milestone in the history of the States of Vermont and New Hampshire. It is also an important day for education in these two States, as well as in all of the United States.

The pending bill, S. 3269, gives Congressional Consent to an interstate compact between the States of Vermont and New Hampshire for the formation of interstate school districts. Thus, through cooperative effort of the citizens of both States on both sides of the Connecticut River, the schoolchildren will now be able to have the advantages of superior educational opportunity. The combined resources of two communities separated only by the Connecticut River can, in many cases, produce a very fine school system which would not otherwise be possible.

The Judiciary Committee has reported this bill without dissent. There is certainly no objection to the legislation which I have been able to discover, and it does not entail expenditure of a single dime by the Federal Government.

This bill, S. 329, was introduced on April 2nd of this year by me and my colleagues from both Vermont and New Hampshire, Senator Aiken from Vermont and Senators Cotton and McIntyre of New Hampshire. Each of us has worked with the Judiciary Committee in a sincere effort to have this bill passed and signed into law during the present session of the Congress. We are hopeful, with prompt passage by the Senate, that the House might also be able to act quickly in order that the President might sign the bill into law.

The Committee Report accompanying this bill contains within it ample justification for the pending legislation. Naturally, the bill has the endorsement of the State governments of both New Hampshire and Vermont, since it embodies the law enacted by the legislature of each of the States. My files and I think the files of my colleagues contain ample testimony to the need of our two States for this legislation. And, I am not aware of a single negative vote on the subject.

Although preliminary work was done prior to that time, the significant history of this legislation begins with the adoption in the spring of 1963 of legislation very similar in nature to the pending bill.

That year, the same four sponsors were successful in having enacted into law a bill giving consent to the establishment of an interstate school district in our two States. In that year, the Dresden Interstate School District was formed for the two towns of Norwich, Vermont and Hanover, New Hampshire.

That experiment, Mr. President, has worked admirably, and it has been watched very closely by nearby communities in both Vermont and New Hampshire.

The pending bill extends the interstate School District idea to include other communities on both sides of the Connecticut River. Towns such as Bradford, Newbury, Fairlee, Corinth and Canaan, Vermont and Orford, Piermont and Lyme, New Hampshire, have expressed interest in the legislation. I am certain that others are equally interested in the interstate school district concept.

With the passage of the pending bill, Mr. President, these communities can investigate the possibilities of a cooperative effort with others in the neighboring State in order to provide their children with the best possible school system.

We know, from the Dresden School District example, that the idea works and that it works very well. Others want the opportunity and this bill will surely give it to them.

Of course, there is nothing mandatory about the interstate school district idea. It simply permits neighboring towns across State lines to act if they decide for themselves that the idea best fits their individual needs.

It is my hope that the Senate will pass S. 3269 forthwith.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1460), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the bill is to authorize a compact to encourage the formation of interstate school districts between New Hampshire and Vermont, each composed of a natural social and economic region with adequate financial resources and a number of pupils sufficient to permit the efficient use of school facilities within the interstate district and to provide improved instruction. The formation of any such interstate school district and the adoption of its articles of agreement would be subject to the approval of the State boards of education of both States.

STATEMENT

The Department of Health, Education, and Welfare has no objection to the enactment of this legislation.

The Legislatures of Vermont and New Hampshire have enacted an interstate school compact to enable adjoining communities in both States to form a cooperative school system on an educationally and economically sound basis. The interstate school compact is patterned after the similar legislation enacted by both States authorizing the establishment of the Dresden Interstate School District composed of the towns of Hanover, N.H., and Norwich, Vt. The Congress gave its consent to the establishment of this interstate school district in 1963 and the supreme court in each State found the legislation entirely proper.

The prototype interstate school district between Norwich and Hanover has proved so successful that other towns want to have the opportunity to use this method of providing quality educational programs for their children. The town of Lyme, N.H. has indicated an interest in being included in the present Dresden Interstate School District. Following passage of the interstate compact in New Hampshire in 1957, other towns, including Fairlee, Canaan, and Bradford in Vermont and Orford and Lyme in New Hampshire have begun exploratory discussions to establish an interstate school district. Passage of the act in Vermont has accelerated these studies. The towns of Barnet, Vt., and Monroe, N.H. are prepared to establish an interstate district as soon as the legislation is finally approved. There are strong economic and social ties between many other towns also. However, the political barrier of the Connecticut River has in the past prevented these communities from planning for their educational needs along these natural avenues. Generally, the towns are without sufficient financial resources to provide a comprehensive educational program by themselves. The natural economic and community ties which span the Connecticut River have prevented school district consolidation with towns east and west of the river. Accordingly, this legislation would be of immense assistance to these towns in evolving a community educational system.

The legislation reflects the traditions of both New Hampshire and Vermont by requiring a local referendum on the formation of consolidated school districts. The interstate school compact is primarily designed to insure fair apportioning of school board representation, financial support, and sharing in State assistance to the school districts involved. The legislation provides that communities wishing to join in an interstate school district must first reach an agreement on all the vital matters relating to the government of such a district. There is flexibility in allowing these communities to reach their own solutions to problems that might arise, although such solutions would have to be approved by the Commissioner of Education in each State.

The primary effect of the legislation is to permit the towns involved to solve their educational problems along congenial community lines without hinderance by the State boundary line.

Copies of the legislative enactments approving this legislation by the States of New Hampshire and Vermont are contained in the files of the committee.

After a review of all of the foregoing, the committee believes that the bill is meritorious and recommends it be considered favorably.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress consents to the New Hampshire-Vermont Interstate School Compact which is substantially as follows:

"NEW HAMPSHIRE-VERMONT INTERSTATE SCHOOL COMPACT

"ARTICLE I

"GENERAL PROVISIONS

"A. STATEMENT OF POLICY.—It is the purpose of this compact to increase the educational opportunities within the states of New Hampshire and Vermont by encouraging the formation of interstate school districts which will be a natural social and economic region with adequate financial resources and a number of pupils sufficient to permit the efficient use of school facilities within the interstate district and to provide improved instruction. The state boards of education of New Hampshire and Vermont may formulate and adopt additional standards consistent with this purpose and with these standards; and the formation of any interstate school district and the adoption of its articles of agreement shall be subject to the approval of both state boards as hereinafter set forth.

"B. REQUIREMENT OF CONGRESSIONAL APPROVAL.—This compact shall not become effective until approved by the United States Congress.

"C. DEFINITIONS.—The terms used in this compact shall be construed as follows, unless a different meaning is clearly apparent from the language or context:

"a. 'Interstate school district' and 'interstate district' shall mean a school district composed of one or more school districts located in the state of New Hampshire associated under this compact with one or more school districts located in the state of Vermont, and may include either the elementary schools, the secondary schools, or both.

"b. 'Member school district' and 'member district' shall mean a school district located either in New Hampshire or Vermont which is included within the boundaries of a proposed or established interstate school district. In the case of districts located in Vermont, it shall include city school districts, town school districts, union school districts and incorporated school districts. Where appropriate, the term 'member district clerk' shall refer to the clerk of the city in which a Vermont school district is located, the clerk of the town in which a Vermont town school district is located, or the clerk of an incorporated school district.

"c. 'Elementary school' shall mean a school

which includes all grades from kindergarten or grade one through not less than grade six nor more than grade eight.

"d. 'Secondary school' shall mean a school which includes all grades beginning no lower than grade seven and no higher than grade twelve.

"e. 'Interstate board' shall refer to the board serving an interstate school district.

"f. 'New Hampshire board' shall refer to the New Hampshire state board of education.

"g. 'Vermont board' shall refer to the Vermont state board of education.

"h. 'Commissioner' shall refer to Commissioner of education.

"i. Where joint action by both state boards is required, each state board shall deliberate and vote by its own majority, but shall separately reach the same result or take the same action as the other state board.

"j. The terms 'professional staff personnel' and 'instructional staff personnel' shall include superintendents, assistant superintendents, administrative assistants, principals, guidance counselors, special education personnel, school nurses, therapists, teachers, and other certified personnel.

"k. The term 'warrant' or 'warning' to mean the same for both states.

"ARTICLE II

"PROCEDURE FOR FORMATION ON AN INTERSTATE SCHOOL DISTRICT

"A. CREATION OF PLANNING COMMITTEE.—The New Hampshire and Vermont commissioners of education shall have the power, acting jointly to constitute and discharge one or more interstate school district planning committees. Each such planning committee shall consist of at least two voters from each of a group of two or more neighboring member districts. One of the representatives from each member district shall be a member of its school board, whose term on the planning committee shall be concurrent with his term as a school board member. The term of each member of a planning committee who is not also a school board member shall expire on June thirtieth of the third year following his appointment. The existence of any planning committee may be terminated either by vote of a majority of its members or by joint action of the commissioners. In forming and appointing members to an interstate school district planning board, the commissioners shall consider and take into account recommendations and nominations made by school boards of member districts. No member of a planning committee shall be disqualified because he is at the same time a member of another planning board or committee created under the provisions of this compact or under any other provisions of law. Any existing informal interstate school planning committee may be reconstituted as a formal planning committee in accordance with the provisions hereof, and its previous deliberations adopted and ratified by the reorganized formal planning committee. Vacancies on a planning committee shall be filled by the commissioners acting jointly.

"B. OPERATING PROCEDURES OF PLANNING COMMITTEE.—Each interstate school district planning committee shall meet in the first instance at the call of any member, and shall organize by the election of a chairman and clerk-treasurer, each of whom shall be a resident of a different state. Subsequent meetings may be called by either officer of the committee. The members of the committee shall serve without pay. The member districts shall appropriate money on an equal basis at each annual meeting to meet the expenses of the committee, including the cost of publication and distribution of reports and advertising. From time to time the commissioners may add additional members and additional member districts to the committee, and may remove members and member districts from the committee. An interstate school district planning committee shall act by majority vote of its membership present and voting.

"C. DUTIES OF INTERSTATE SCHOOL DISTRICT PLANNING COMMITTEE.—It shall be the duty of an interstate school district planning committee, in consultation with the commissioners and the state departments of education: to study the advisability of establishing an interstate school district in accordance with the standards set forth in paragraph A of Article I of this compact, its organization, operation and control, and the advisability of constructing, maintaining and operating a school or schools to serve the needs of such interstate district; to estimate the construction and operating costs thereof; to investigate the methods of financing such school or schools, and any other matters pertaining to the organization and operation of an interstate school district; and to submit a report or reports of its findings and recommendations to the several member districts.

"D. RECOMMENDATIONS AND PREPARATION OF ARTICLES OF AGREEMENT.—An interstate school district planning committee may recommend that an interstate school district composed of all the member districts represented by its membership, or any specified combination of such member districts, be established. If the planning committee does recommend the establishment of an interstate school district, it shall include in its report such recommendation, and shall also prepare and include in its report proposed articles of agreement for the proposed interstate school district, which shall be signed by at least a majority of the membership of the planning committee, which set forth the following:

"a. The name of the interstate school district.

"b. The member districts which shall be combined to form the proposed interstate school district.

"c. The number, composition, method of selection and terms of office of the interstate school board, provided that:

"(1) The interstate school board shall consist of an odd number of members, not less than five nor more than fifteen;

"(2) The terms of office shall not exceed three years;

"(3) Each member district shall be entitled to elect at least one member of the interstate school board. Each member district shall either vote separately at the interstate school district meeting by the use of a distinctive ballot, or shall choose its member or members at any other election at which school officials may be chosen;

"(4) The method of election shall provide for the filing of candidacies in advance of election and for the use of a printed nonpartisan ballot;

"(5) Subject to the foregoing, provision may be made for the election of one or more members at large.

"d. The grades for which the interstate school district shall be responsible.

"e. The specific properties of member districts to be acquired initially by the interstate school district and the general location of any proposed new schools to be initially established or constructed by the interstate school district.

"f. The method of apportioning the operating expenses of the interstate school district among the several member districts, and the time and manner of payments of such shares.

"g. The indebtedness of any member district which the interstate district is to assume.

"h. The method of apportioning the capital expenses of the interstate school district among the several member districts, which need not be the same as the method of apportioning operating expenses, and the time and manner of payment of such shares. Capital expenses shall include the cost of acquiring land and buildings for school purposes; the construction, furnishing and equipping of school buildings and facilities; and the payment of the principal and interest of any indebtedness which is incurred to pay for the same.

"i. The manner in which state aid, available under the laws of either New Hampshire or Vermont, shall be allocated, unless otherwise expressly provided in this compact or by the laws making such aid available.

"j. The method by which the articles of agreement may be amended, which amendments may include the annexation of territory, or an increase or decrease in the number of grades for which the interstate district shall be responsible, provided that no amendment shall be effective until approved by both state boards in the same manner as required for approval of the original articles of agreement.

"k. The date of operating responsibility of the proposed interstate school district and a proposed program for the assumption of operating responsibility for education by the proposed interstate school district, and any school construction; which the interstate school district shall have the power to vary by vote as circumstances may require.

"l. Any other matters, not incompatible with law, which the interstate school district planning committee may consider appropriate to include in the articles of agreement, including, without limitation:

"(1) The method of allocating the cost of transportation between the interstate district and member districts;

"(2) The nomination of individual school directors to serve until the first annual meeting of the interstate school district.

"E. HEARINGS.—If the planning committee recommends the formation of an interstate school district, it shall hold at least one public hearing on its report and the proposed articles of agreement within the proposed interstate school district in New Hampshire, and at least one public hearing thereon within the proposed interstate school district in Vermont. The planning committee shall give such notice thereof as it may determine to be reasonable, provided that such notice shall include at least one publication in a newspaper of general circulation within the proposed interstate school district not less than fifteen days (not counting the date of publication and not counting the date of the hearing) before the date of the first hearing. Such hearings may be adjourned from time to time and from place to place. The planning committee may revise the proposed articles of agreement after the date of the hearings. It shall not be required to hold further hearings on the revised articles of agreement but may hold one or more further hearings after notice similar to that required for the first hearings if the planning committee in its sole discretion determines that the revisions are so substantial in nature as to require further presentation to the public before submission to the state boards of education.

"F. APPROVAL BY STATE BOARDS.—After the hearings a copy of the proposed articles of agreement, as revised, signed by a majority of the planning committee, shall be submitted by it to each state board. The state boards may (a) if they find that the articles of agreement are in accord with the standards set forth in this compact and in accordance with sound educational policy, approve the same as submitted, or (b) refer them back to the planning committee for further study. The planning committee may make additional revisions to the proposed articles of agreement to conform to the recommendations of the state boards. Further hearings on the proposed articles of agreement shall not be required unless ordered by the state boards in their discretion. In exercising such discretion, the state boards shall take into account whether or not the additional revisions are so substantial in nature as to require further presentation to the public. If both state boards find that the articles of agreement as further revised are in accord

with the standards set forth in this compact and in accordance with sound educational policy, they shall approve the same. After approval by both state boards, each state board shall cause the articles of agreement to be submitted to the school boards of the several member districts in each state for acceptance by the member districts as provided in the following paragraph. At the same time, each state board shall designate the form of warrant, date, time, place, and period of voting for the special meeting of the member district to be held in accordance with the following paragraph.

"G. ADOPTION BY MEMBER DISTRICTS.—Upon receipt of written notice from the state board in its state of the approval of the articles of agreement by both state boards, the school board of each member district shall cause the articles of agreement to be filed with the member district clerk. Within ten days after receipt of such notice, the school board shall issue its warrant for a special meeting of the member district, the warrant to be in the form, and the meeting to be held at the time and place and in the manner prescribed by the state board. No approval of the superior court shall be required for such special school district meeting in New Hampshire. Voting shall be with the use of the check list by a ballot substantially in the following form:

" 'Shall the school district accept the provisions of the New Hampshire-Vermont Interstate School Compact providing for the establishment of an interstate school district, together with the school districts of ——— and ———, etc., in accordance with the provisions of the proposed articles of agreement filed with the school district (town, city or incorporated school district) clerk?

" 'Yes (☐) No (☐)'

"If the articles of agreement included the nomination of individual school directors, those nominated from each member district shall be included in the ballot and voted upon, such election to become effective upon the formation of an interstate school district.

"If a majority of the voters present and voting in a member district vote in the affirmative, the clerk for such member district shall forthwith send to the state board in its state a certified copy of the warrant, certificate of posting, and minutes of the meeting of the district. If the state boards of both states find that a majority of the voters present and voting in each member district have voted in favor of the establishment of the interstate school district, they shall issue a joint certificate to that effect; and such certificate shall be conclusive evidence of the lawful organization and formation of the interstate school district as of its date of issuance.

"H. RESUBMISSION.—If the proposed articles of agreement are adopted by one or more of the member districts but rejected by one or more of the member districts, the state boards may resubmit them, in the same form as previously submitted, to the rejecting member districts, in which case the school boards thereof shall resubmit them to the voters in accordance with paragraph G of this article. An affirmative vote in accordance therewith shall have the same effect as though the articles of agreement had been adopted in the first instance. In the alternative, the state boards may either (a) discharge the planning committee, or (b) refer the articles of agreement back for further consideration to the same or a reconstituted planning committee, which shall have all of the powers and duties as the planning committee as originally constituted.

"ARTICLE III

"POWERS OF INTERSTATE SCHOOL DISTRICTS

"A. POWERS.—Each interstate school district shall be a body corporate and politic, with power to:

"a. To acquire, construct, extend, improve, staff, operate, manage and govern public schools within its boundaries;

"b. To sue and be sued, subject to the limitations of liability hereinafter set forth;

"c. To have a seal and alter the same at pleasure;

"d. To adopt, maintain and amend bylaws not inconsistent with this compact, and the laws of the two states;

"e. To acquire by purchase, condemnation, lease or otherwise, real and personal property for the use of its schools;

"f. To enter into contracts and incur debts;

"g. To borrow money for the purposes hereinafter set forth, and to issue its bonds or notes therefor;

"h. To make contracts with and accept grants and aid from the United States, the state of New Hampshire, the state of Vermont, any agency or municipality thereof, and private corporations and individuals for the construction, maintenance, reconstruction, operation and financing of its schools; and to do any and all things necessary in order to avail itself of such aid and cooperation;

"i. To employ such assistants, agents, servants, and independent contractors as it shall deem necessary or desirable for its purposes; and

"j. To take any other action which is necessary or appropriate in order to exercise any of the foregoing powers.

"ARTICLE IV

"DISTRICT MEETINGS

"A. GENERAL.—Votes of the district shall be taken at a duly warned meeting held at any place in the district, at which all of the eligible legal voters of the member districts shall be entitled to vote, except as otherwise provided with respect to the election of directors.

"B. ELIGIBILITY OF VOTERS.—Any resident who would be eligible to vote at a meeting of a member district being held at the same time, shall be eligible to vote at a meeting of the interstate district. The board of civil authority in each Vermont member district and the supervisors of the check list of each New Hampshire district shall respectively prepare a check list of eligible voters for each meeting of the interstate district in the same manner, and they shall have all the same powers and duties with respect to eligibility of voters in their districts as for a meeting of a member district.

"C. WARNING OF MEETINGS.—A meeting shall be warned by a warrant addressed to the residents of the interstate school district qualified to vote in district affairs, stating the time and place of the meeting and the subject matter of the business to be acted upon. The warrant shall be signed by the clerk and by a majority of the directors. Upon written application of ten or more voters in the district, presented to the directors or to one of them, at least twenty-five days before the day prescribed for an annual meeting, the directors shall insert in their warrant for such meeting any subject matter specified in such application.

"D. POSTING AND PUBLICATION OF WARRANT.—The directors shall cause an attested copy of the warrant to be posted at the place of meeting, and a like copy at a public place in each member district at least twenty days (not counting the date of posting and the date of meeting) before the date of the meeting. In addition, the directors shall cause the warrant to be advertised in a newspaper of general circulation on at least one occasion, such publication to occur at least ten days (not counting the date of publication and not counting the date of the meeting) before the date of the meeting. Although no further notice shall be required, the directors may give such further notice of the meeting as they in their discretion deem appropriate under the circumstances.

"E. RETURN OF WARRANT.—The warrant with a certificate thereon, certified by oath, stating the time and place when and where copies of the warrant were posted and published, shall be given to the clerk of the interstate school district at or before the time of the meeting, and shall be recorded by him in the records of the interstate school district.

"F. ORGANIZATION MEETING.—The commissioners, acting jointly, shall fix a time and place for a special meeting of the qualified voters within the interstate school district for the purpose of organization, and shall prepare and issue the warrant for the meeting after consultation with the interstate school district planning board and the members-elect, if any, of the interstate school board of directors. Such meeting shall be held within sixty days after the date of issuance of the certificate of formation, unless the time is further extended by the joint action of the state boards. At the organization meeting the commissioner of education of the state where the meeting is held, or his designate, shall preside in the first instance, and the following business shall be transacted:

"a. A temporary moderator and a temporary clerk shall be elected from among the qualified voters who shall serve until a moderator and clerk respectively have been elected and qualified.

"b. A moderator, a clerk, a treasurer, and three auditors shall be elected to serve until the next annual meeting and thereafter until their successors are elected and qualified. Unless previously elected, a board of school directors shall be elected to serve until their successors are elected and qualified.

"c. The date for the annual meeting shall be established.

"d. Provision shall be made for the payment of any organizational or other expense incurred on behalf of the district before the organization meeting, including the cost of architects, surveyors, contractors, attorneys, and educational or other consultants or experts.

"e. Any other business, the subject matter of which has been included in the warrant, and which the voters would have had power to transact at an annual meeting.

"G. ANNUAL MEETINGS.—An annual meeting of the district shall be held between January fifteenth and June first of each year at such time as the interstate district may by vote determine. Once determined, the date of the annual meeting shall remain fixed until changed by vote of the interstate district at a subsequent annual or special meeting. At each annual meeting the following business shall be transacted:

"a. Necessary officers shall be elected.

"b. Money shall be appropriated for the support of the interest district schools for the fiscal year beginning the following July first.

"c. Such other business as may properly come before the meeting.

"H. SPECIAL MEETINGS.—A special meeting of the district shall be held whenever, in the opinion of the directors, there is occasion therefor, or whenever written application shall have been made by five per cent or more of the voters (based on the check lists as prepared for the last preceeding meeting) setting forth the subject matter upon which such action is desired. A special meeting may appropriate money without compliance with RSA 33:8 or RSA 197:3 which would otherwise require the approval of the New Hampshire superior court.

"I. CERTIFICATION OF RECORDS.—The clerk of an interstate school district shall have the power to certify the record of the votes adopted at an interstate school district meeting to the respective commissioners and state boards and (where required) for filing with a secretary of state.

"J. METHOD OF VOTING AT SCHOOL DISTRICT MEETINGS.—Voting at meetings of interstate school districts shall take place as follows:

"a. SCHOOL DIRECTORS.—A separate ballot shall be prepared for each member district, listing the candidates for interstate school director to represent such member district; and any candidates for interstate school director at large; and the voters of each member district shall register on a separate ballot their choice for the office of school director or directors. In the alternative, the articles of agreement may provide for the election of school directors by one or more of the member districts at an election otherwise held for the choice of school or other municipal officers.

"b. OTHER VOTES.—Except as otherwise provided in the articles of agreement or this compact, with respect to all other votes (1) the voters of the interstate school district shall vote as one body irrespective of the member districts in which they are resident, and (2) a simple majority of those present and voting at any duly warned meeting shall carry the vote. Voting for officers to be elected at any meeting, other than school directors, shall be by ballot or voice, as the interstate district may determine, either in its articles or agreement or by a vote of the meeting.

"ARTICLE V

"OFFICERS

"A. OFFICERS: GENERAL.—The officers of an interstate school district shall be a board of school directors, a chairman of the board, a vice-chairman of the board, a secretary of the board, a moderator, a clerk, a treasurer and three auditors. Except as otherwise specifically provided, they shall be eligible to take office immediately following their election; they shall serve until the next annual meeting of the interstate district and until their successors are elected and qualified. Each shall take oath for the faithful performance of his duties before the moderator, or a notary public or a justice of the peace of the state in which the oath is administered. Their compensation shall be fixed by vote of the district. No person shall be eligible to any district office unless he is a voter in the district. A custodian, school teacher, principal, superintendent or other employee of an interstate district acting as such shall not be eligible to hold office as a school director.

"B. BOARD OF DIRECTORS.—

"a. HOW CHOSEN.—Each member district shall be represented by at least one resident on the board of school directors of an interstate school district. A member district shall be entitled to such further representation on the interstate board of school directors as provided in the articles of agreement as amended from time to time. The articles of agreement as amended from time to time may provide for school directors at large, as above set forth. No person shall be disqualified to serve as a member of an interstate board because he is at the same time a member of the school board of a member district.

"b. TERM.—Interstate school directors shall be elected for terms in accordance with the articles of agreement.

"c. DUTIES OF BOARD OF DIRECTORS.—The board of school directors of an interstate school district shall have and exercise all of the powers of the district not reserved herein to the voters of the district.

"d. ORGANIZATION.—The clerk of the district shall warn a meeting of the board of school directors to be held within ten days following the date of the annual meeting, for the purpose of organizing the board, including the election of its officers.

"C. CHAIRMAN OF THE BOARD.—The chairman of the board of interstate school directors shall be elected by the interstate board from among its members at its first meeting following the annual meeting. The chairman shall preside at the meetings of the board and shall perform such other duties as the board may assign to him.

"D. VICE-CHAIRMAN OF THE BOARD OF DIRECTORS.—The vice chairman of the interstate board shall be elected in the same manner as the chairman. He shall represent a member district in a state other than that represented by the chairman. He shall preside in the absence of the chairman and shall perform such other duties as may be assigned to him by the interstate board.

"E. SECRETARY OF THE BOARD.—The Secretary of the interstate board shall be elected in the same manner as the chairman. Instead of electing one of its members, the interstate board may appoint the interstate district clerk to serve as secretary of the board in addition to his other duties. The secretary of the interstate board (or the interstate district clerk, if so appointed) shall keep the minutes of its meetings, shall certify its records, and perform such other duties as may be assigned to him by the board.

"F. MODERATOR.—The moderator shall preside at the district meetings, regulate the business thereof, decide questions of order, and make a public declaration of every vote passed. He may prescribe rules of procedure; but such rules may be altered by the district. He may administer oaths to district officers in either state.

"G. CLERK.—The clerk shall keep a true record of all proceedings at each district meeting, shall certify its records, shall make an attested copy of any records of the district for any person upon request and tender of reasonable fees therefor, if so appointed, shall serve as secretary of the board of school directors, and shall perform such other duties as may be required by custom or law.

"H. TREASURER.—The treasurer shall have custody of all of the monies belonging to the district and shall pay out the same only upon the order of the interstate board. He shall keep a fair and accurate account of all sums received into and paid from the interstate district treasury, and at the close of each fiscal year he shall make a report to the interstate district, giving a particular account of all receipts and payments during the year. He shall furnish to the interstate directors, statements from his books and submit his books and vouchers to them and to the district auditors for examination whenever so requested. He shall make all returns called for by laws relating to school districts. Before entering on his duties, the treasurer shall give a bond with sufficient sureties and in such sum as the directors may require. The treasurer's term of office is from July 1 to the following June 30.

"I. AUDITORS.—At the organization meeting of the district, three auditors shall be chosen, one to serve for a term of one year, one to serve for a term of two years, and one to serve for a term of three years. After the expiration of each original term, the successor shall be chosen for a three year term. At least one auditor shall be a resident of New Hampshire, and one auditor shall be a resident of Vermont. An interstate district may vote to employ a certified public accountant to assist the auditors in the performance of their duties. The auditors shall carefully examine the accounts of the treasurer and the directors at the close of each fiscal year, and at such other times whenever necessary, and report to the district whether the same are correctly cast and properly vouched.

"J. SUPERINTENDENT.—The superintendent of schools shall be selected by a majority vote of the board of school directors of the interstate district with the approval of both commissioners.

"K. VACANCIES.—Any vacancy among the elected officers of the district shall be filled by the interstate board until the next annual meeting of the district or other election, when a successor shall be elected to serve out the remainder of the unexpired term, if any. Until all vacancies on the interstate board are filled, the remaining members shall have full power to act.

"ARTICLE VI

"APPROPRIATION AND APPORTIONMENT OF FUNDS

"A. BUDGET.—Before each annual meeting, the interstate board shall prepare a report of expenditures for the preceding fiscal year, an estimate of expenditures for the current fiscal year, and a budget for the succeeding fiscal year.

"B. APPROPRIATION.—The interstate board of directors shall present the budget report of the annual meeting. The interstate district shall appropriate a sum of money for the support of its schools and for the discharge of its obligations for the ensuing fiscal year.

"C. APPORTIONMENT OF APPROPRIATION.—Subject to the provisions of article VII hereof, the interstate board shall first apply against such appropriation any income to which the interstate district is entitled, and shall then apportion the balance among the member districts in accordance with one of the following formulas as determined by the articles of agreement as amended from time to time:

"a. All of such balance to be apportioned on the basis of the ratio that the fair market value of the taxable property in each member district bears to that of the entire interstate district; or

"b. All of such balance to be apportioned on the basis that the average daily resident membership for the preceding fiscal year of each member district bears to that of the average daily resident membership of the entire interstate school district; or

"c. A formula based on any combination of the foregoing factors. The term 'fair market value of taxable property' shall mean the last locally assessed valuation of a member district in New Hampshire, as last equalized by the New Hampshire state tax commission.

"The term 'fair market value of taxable property' shall mean the equalized grand list of a Vermont member district, as determined by the Vermont department of taxes.

"Such assessed valuation and grand list may be further adjusted (by elimination of certain types of taxable property from one or the other or otherwise) in accordance with the articles of agreement, in order that the fair market value of taxable property in each state shall be comparable.

"'Average daily resident membership' of the interstate district in the first instance shall be the sum of the average daily resident membership of the member districts in the grades involved for the preceding fiscal year where no students were enrolled in the interstate district schools for such preceding fiscal year.

"D. SHARE OF NEW HAMPSHIRE MEMBER DISTRICT.—The interstate board shall certify the share of a New Hampshire member district of the total appropriation to the school board of each member district which shall add such sum to the amount appropriated by the member district itself for the ensuing year and raise such sum in the same manner as though the appropriation had been voted at a school district meeting of the member district. The interstate district shall not set up its own capital reserve funds; but a New Hampshire member district may set up a capital reserve fund in accordance with RSA 35, to be turned over to the interstate district in payment of the New Hampshire member district's share of any anticipated obligations.

"E. SHARE OF VERMONT MEMBER DISTRICT.—The interstate board shall certify the share of a Vermont member district of the total appropriation to the school board of each member district which shall add sum to the amount appropriated by the member district itself for the ensuing year and raise such sum in the same manner as though the appropriation had been voted at a school district meeting of the member district.

"ARTICLE VIII

"BORROWING

"A. INTERSTATE DISTRICT INDEBTEDNESS.—Indebtedness of an interstate district shall be a general obligation of the district and shall also be a joint and several general obligation of each member district, except that such obligations of the district and its member districts shall not be deemed indebtedness of any member district for the purposes of determining its borrowing capacity under New Hampshire or Vermont law. A member district which withdraws from an interstate district shall remain liable for indebtedness of the interstate district which is outstanding at the time of withdrawal and shall be responsible for paying its share of such indebtedness to the same extent as though it had not been withdrawn.

"B. TEMPORARY BORROWING.—The interstate board may authorize the borrowing of money by the interstate district (1) in anticipation of payments of operating and capital expenses by the member districts to the interstate districts and (2) in anticipation of the issue of bonds or notes of the interstate district which have been authorized for the purpose of financing capital projects. Such temporary borrowing shall be evidenced by interest bearing or discounted notes of the interstate district. The amount of notes issued in any fiscal year in anticipation of expense payments shall not exceed the amount of such payments received by the interstate district in the preceding fiscal year. Notes issued under this paragraph shall be payable within one year in the case of notes under clause (1) and three years in the case of notes under clause (2) from their respective dates, but the principal of and interest on notes issued for a shorter period may be renewed or paid from time to time by the issue of other notes, provided that the period from the date of an original note to the maturity of any note issued to renew or pay the same debt shall not exceed the maximum period permitted for the original loan.

"C. BORROWING FOR CAPITAL PROJECTS.—An interstate district may incur debt and issue its bonds or notes to finance capital projects. Such projects may consist of the acquisition or improvement of land and buildings for school purposes, the construction, reconstruction, alteration, or enlargement of school buildings and related school facilities, the acquisition of equipment of a lasting character and the payment of judgments. No interstate district may authorize indebtedness in excess of ten percent of the total fair market value of taxable property in its member districts as defined in article VI of this compact. The primary obligation of the interstate district to pay indebtedness of member districts shall not be considered indebtedness of the interstate district for the purpose of determining its borrowing capacity under this paragraph. Bonds or notes issued under this paragraph shall mature in equal or diminishing installments of principal payable at least annually commencing no later than two years and ending not later than thirty years after their dates.

"D. AUTHORIZATION PROCEEDINGS.—An interstate district shall authorize the incurring of debts to finance capital projects by a majority vote of the district passed at an annual or special district meeting. Such vote shall be taken by secret ballot after full opportunity for debate, and any such vote shall be subject to reconsideration and further action by the district at the same meeting or at an adjourned session thereof.

"E. SALE OF BONDS AND NOTES.—Bonds and notes which have been authorized under this article may be issued from time to time and shall be sold at not less than par and accrued interest at public or private sale by the chairman of the school board and by the treasurer. Interstate district bonds and notes shall be signed by the said officers, except that either one of the two required signatures may be a facsimile. Subject to this compact and the authorizing vote, they shall be in such form, bear such rates of interest and mature at such times as the said officers may determine. Bonds shall, but notes need not, bear the seal of the interstate district, or a facsimile of such seal. Any bonds or notes of the interstate district which are properly executed by the said officers shall be valid and binding according to their terms notwithstanding that before the delivery thereof such officers may have ceased to be officers of the interstate district.

"F. PROCEEDS OF BONDS.—Any accrued interest received upon delivery of bonds or notes of an interstate district shall be applied to the payment of the first interest which becomes due thereon. The other proceeds of the sale of such bonds or notes, other than temporary notes, including any premiums, may be temporarily invested by the interstate district pending their expenditure; and such proceeds, including any income derived from the temporary investment of such proceeds, shall be used to pay the costs of issuing and marketing the bonds or notes and to meet the operating expenses or capital expenses in accordance with the purposes for which the bonds or notes were issued or, by proceedings taken in the manner required for the authorization of such debt, for other purposes for which such debt could be incurred. No purchaser of any bonds or notes of an interstate district shall be responsible in any way to see to the application of the proceeds thereof.

"G. STATE AID PROGRAMS.—As used in this paragraph the term 'initial aid' shall include New Hampshire and Vermont financial assistance with respect to a capital project or the means of financing a capital project, which is available in connection with construction costs of a capital project or which is available at the time indebtedness is incurred to finance the project. Without limiting the generality of the foregoing definition, initial aid shall specifically include a New Hampshire state guarantee under RSA 195–B with respect to bonds or notes and Vermont construction aid under chapter 123 of 16 V.S.A. As used in this paragraph the term 'long-term aid' shall include New Hampshire and Vermont financial assistance which is payable periodically in relation to capital costs incurred by an interstate district. Without limiting the generality of the foregoing definition, long-term aid shall specifically include New Hampshire school building aid under RSA 198 and Vermont school building aid under chapter 123 of Title 16 V.S.A. For the purpose of applying for, receiving and expending initial aid and long-term aid an interstate district shall be deemed a native school district by each state, subject to the following provisions. When an interstate district has appropriated money for a capital project, the amount appropriated shall be divided into a New Hampshire share and a Vermont share in accordance with the capital expense apportionment formula in the articles of agreement as though the total amount appropriated for the project was a capital expense requiring apportionment in the year the appropriation is made. New Hampshire initial aid shall be available with respect to the amount of the New Hampshire share as though it were authorized indebtedness of a New Hampshire cooperative school district. In the case of a state guarantee of interstate districts bonds or notes under RSA 195–B, the interstate district shall be eligible to apply for and receive an unconditional state guarantee with respect to an amount of its bonds or notes which does not exceed fifty per cent of the amount of the New Hampshire share as determined above. Vermont initial aid shall be available with respect to the amount of the Vermont share as though it were funds voted by a Vermont school district. Payments of Vermont initial aid shall be made to the interstate district, and the amount of any borrowing authorized to meet the appropriation for the capital project shall be reduced accordingly. New Hampshire and Vermont long-term aid shall be payable to the interstate district. The amounts of long-term aid in each year shall be based on the New Hampshire and Vermont shares of the amount of indebtedness of the interstate district which is payable in that year and which has been apportioned in accordance with the capital expense apportionment formula in the articles of agreement. The New Hampshire aid shall be payable at the rate of forty-five per cent, if there are three or less New Hampshire members in the interstate district, and otherwise it shall be payable as though the New Hampshire members were a New Hampshire cooperative school district. New Hampshire and Vermont long-term aid shall be deducted from the total capital expenses for the fiscal year in which the long-term aid is payable, and the balance of such expenses shall be apportioned among the member districts. Notwithstanding the foregoing provisions, New Hampshire and Vermont may at any time change their state school aid programs that are in existence when this compact takes effect and may establish new programs, and any legislation for these purposes may specify how such programs shall be applied with respect to interstate districts.

"H. TAX EXEMPTION.—Bonds and notes of an interstate school district shall be exempt from local property taxes in both states, and the interest or discount thereon and any profit derived from the disposition thereof shall be exempt from personal income taxes in both states.

"ARTICLE VIII

"TAKING OVER OF EXISTING PROPERTY

"A. POWER TO ACQUIRE PROPERTY OF MEMBER DISTRICT.—The articles of agreement, or an amendment thereof, may provide for the acquisition by an interstate district from a member district of all or a part of its existing plant equipment.

"B. VALUATION.—The articles of agreement, or the amendment, shall provide for the determination of the value of the property to be acquired in one or more of the following ways:

"a. A valuation set forth in the articles of agreement or the amendment.

"b. By appraisal, in which case, one appraiser shall be appointed by each commissioner, and a third appraiser appointed by the first two appraisers.

"C. REIMBURSEMENT TO MEMBER DISTRICT.—The articles of agreement shall specify the method by which the member district shall be reimbursed by the interstate district for the property taken over, in one or more of the following ways:

"a. By one lump sum, appropriated, allocated, and raised by the interstate district in the same manner as an appropriation for operating expenses.

"b. In installments over a period of not more than twenty years, each of which is appropriated, allocated, and raised by the interstate district in the same manner as an appropriation for operating expenses.

"c. By an agreement to assume or reimburse the member district for all principal and interest on any outstanding indebtedness originally incurred by the member district to finance the acquisition and improvement of the property, each such installment to be appropriated, allocated, and raised by the interstate district in the same manner as an appropriation for operating expenses.

"The member district transferring the property shall have the same obligation to pay to the interstate district its share of the cost of such acquisition, but may offset its right to reimbursement.

"ARTICLE IX

"AMENDMENTS TO ARTICLES OF AGREEMENT

"A. Amendments to the articles of agreement may be adopted in the same manner provided for the adoption of the original articles of agreement, except that:

"a. Unless the amendment calls for the addition of a new member district, the functions of the planning committee shall be carried out by the interstate district board of directors.

"b. If the amendment proposes the addition of a new member district, the planning committee shall consist of all of the members of the interstate board and all of the members of the school board of the proposed new member district or districts. In such case the amendment shall be submitted to the voters at an interstate district meeting, at which an affirmative vote of two-thirds of those present and voting shall be required. The articles of agreement together with the proposed amendment shall be submitted to the voters of the proposed new member district at a meeting thereof, at which a simple majority of those present and voting shall be required.

"c. In all cases an amendment may be adopted on the part of an interstate district upon the affirmative vote of voters thereof at a meeting voting as one body. Except where the amendment proposes the admission of a new member district, a simple majority of those present and voting shall be required for adoption.

"d. No amendment to the articles of agreement may impair the rights of bond or note holders or the power of the interstate district to procure the means for their payment.

"ARTICLE X

"APPLICABILITY OF NEW HAMPSHIRE LAWS

"A. GENERAL SCHOOL LAWS.—With respect to the operation and maintenance of any school of the district located in New Hampshire, the provisions of New Hampshire law shall apply except as otherwise provided in this compact and except that the powers and duties of the school board shall be exercised and discharged by the interstate board and the powers and duties of the union superintendent shall be exercised and discharged by the interstate district superintendent.

"B. NEW HAMPSHIRE STATE AID.—A New Hampshire school district shall be entitled to receive an amount of state aid for operating expenditures as though its share of the interstate district's expenses were the expenses of the New Hampshire member district, and as though the New Hampshire member district pupils attending the interstate school were attending a New Hampshire cooperative school district's school. The state aid shall be paid to the New Hampshire member school district to reduce the sums which would otherwise be required to be raised by taxation within the member district.

"C. CONTINUED EXISTENCE OF THE NEW HAMPSHIRE MEMBER SCHOOL DISTRICT.—A New Hampshire member school district shall continue in existence, and shall have all of the powers and be subject to all of the obligations imposed by law and not herein delegated to the interstate district. If the interstate district incorporates only a part of the schools in the member school district, then the school board of the member school district shall continue in existence and it shall have all of the powers and be subject to all of the obligations imposed by law on it and not herein delegated to the district. However, if all of the schools in the member school district are incorporated into the interstate school district, then the member or members of the interstate board representing the member district shall have all of the powers and be subject to all of the obligations imposed by law on the members of a school board for the member district and not herein delegated to the interstate district. The New Hampshire member school district shall remain liable on its existing indebtedness; and the interstate school district shall not become liable therefor, unless the indebtedness is specifically assumed in accordance with the articles of agreement. Any trust funds or capital reserve funds and any property not taken over by the interstate district shall be retained by the New Hampshire member district and held or disposed of according to law. If all of the schools in a member district are incorporated into an interstate district, then no annual meeting of the member district shall be required unless the members of the interstate board from the member district shall determine that there is occasion for such an annual meeting.

"D. SUIT AND SERVICE OF PROCESS IN NEW HAMPSHIRE.—The courts of New Hampshire shall have the same jurisdiction over the district as though a New Hampshire member district were a party instead of the interstate district. The service necessary to institute suit in New Hampshire shall be made on the district by leaving a copy of the writ or other proceedings in hand or at the last and usual place of abode of one of the directors who reside in New Hampshire, and by mailing a like copy to the clerk and to one other director by certified mail with return receipt requested.

"E. EMPLOYMENT.—Each employee of an interstate district assigned to a school located in New Hampshire shall be considered an employee of a New Hampshire school district for the purpose of the New Hampshire teachers' retirement system, the New Hampshire State employees' retirement system, the New Hampshire workmen's compensation law and any other law relating to the regulation of employment or the provision of benefits for employees of New Hampshire school districts except as follows:

"1. A teacher in a New Hampshire member district may elect to remain a member of the New Hampshire teachers' retirement system, even though assigned to teach in an interstate school in Vermont.

"2. Employees of interstate districts designated as professional or instructional staff members, as defined in article I hereof, may elect to participate in the teachers' retirement system of either the state of New Hampshire or the state of Vermont, but in no case will they participate in both retirement systems simultaneously.

"3. It shall be the duty of the superintendent in an interstate district to: (a) advise teachers and other professional staff employees contracted for the district about the terms of the contract and the policies and procedure of the retirement systems; (b) see that each teacher or professional staff employee selects the retirement system of his choice at the time his contract is signed; (c) provide the commissioners of education in New Hampshire and in Vermont with the names and other pertinent information regarding each staff member under his jurisdiction so that each may be enrolled in the retirement system of his preference.

"ARTICLE XI

"APPLICABILITY OF VERMONT LAWS

"A. GENERAL SCHOOL LAWS.—With respect to the operation and maintenance of any school of the district located in Vermont, the provisions of Vermont law shall apply except as otherwise provided in this compact and except that the powers and duties of the school board shall be exercised and discharged by the interstate board and the powers and duties of the union superintendent shall be exercised and discharged by the interstate district superintendent.

"B. VERMONT STATE AID.—A Vermont school district shall be entitled to receive such amount of state aid for operating expenditures as though its share of the interstate district's expenses were the expenses of the Vermont member district, and as though the Vermont member district pupils attending the interstate schools were attending a Vermont union school district's schools. Such state aid shall be paid to the Vermont member school district to reduce the sums which would otherwise be required to be raised by taxation within the member district.

"C. CONTINUED EXISTENCE OF VERMONT MEMBER SCHOOL DISTRICT.—A Vermont member school district shall continue in existence, and shall have all of the powers and be subject to all of the obligations imposed by law and not herein delegated to the interstate district. If the interstate district incorporates only a part of the schools in the member school district, then the school board of the member school district shall continue in existence and it shall have all of the powers and be subject to all of the obligations imposed by law on it and not herein delegated to the district. However, if all of the schools in the member school district are incorporated into the interstate school district, then the member or members of the interstate board representing the member district shall have all of the powers and be subject to all of the obligations imposed by law on the members of a school board for the member district and not herein delegated to the interstate district. The Vermont member school district shall remain liable on its existing indebtedness; and the interstate school district shall not become liable therefor. Any trust funds and any property not taken over shall be retained by the Vermont member school district and held or disposed of according to law.

"D. SUIT AND SERVICE OF PROCESS IN VERMONT.—The courts of Vermont shall have the same jurisdiction over the districts as though a Vermont member district were a party instead of the interstate district. The service necessary to institute suit in Vermont shall be made on the district by leaving a copy of the writ or other proceedings in hand or at the last and usual place of abode of one of the directors who resides in Vermont, and by mailing a like copy to the clerk and to one other director by certified mail with return receipt requested.

"E. EMPLOYMENT.—Each employee of an interstate district assigned to a school located in Vermont shall be considered an employee of a Vermont school district for the purpose of the state teachers' retirement system of Vermont, the state employees' retirement system, the Vermont workmen's compensation law, and any other law relating to the regulation of employment or the provision of benefits for employees of Vermont school districts except as follows:

"1. A teacher in a Vermont member district may elect to remain a member of the state teachers' retirement system of Vermont, even though assigned to teach in an interstate school in New Hampshire.

"2. Employees of interstate districts designated as professional or instructional staff members, as defined in article I hereof, may elect to participate in the teachers' retirement system of either the state of Vermont or the state of New Hampshire but in no case will they participate in both retirement systems simultaneously.

"3. It shall be the duty of the superintendent in an interstate district to: (a) advise teachers and other professional staff employees contracted for the district about the terms of the contract and the policies and procedures of the retirement system; (b) see that each teacher or professional staff employee selects the retirement system of his choice at the time his contract is signed; (c) provide the commissioners of education in New Hampshire and in Vermont with the names and other pertinent information regarding each staff member under his jurisdiction so that each may be enrolled in the retirement system of his preference.

"ARTICLE XIII

"ADOPTION OF COMPACT BY DRESDEN SCHOOL DISTRICT

"The Dresden School District, otherwise known as the Hanover-Norwich Interstate School District, authorized by New Hampshire laws of 1961, chapter 116, and by the laws of Vermont, is hereby authorized to adopt the provisions of this compact and

to become an interstate school district within the meaning hereof, upon the following conditions and subject to the following limitations:

"a. Articles of agreement shall be prepared and signed by a majority of the directors of the interstate school district.

"b. The articles of agreement shall be submitted to an annual or special meeting of the Dresden district for adoption.

"c. An affirmative vote of two-thirds of those present and voting shall be required for adoption.

"d. Nothing contained therein, or in this compact, as it affects the Dresden School District shall affect adversely the rights of the holders of any bonds or other evidences of indebtedness then outstanding, or the rights of the district to procure the means for payment thereof previously authorized.

"e. The corporate existence of the Dresden School District shall not be terminated by such adoption of articles of amendment, but shall be deemed to be so amended that it shall thereafter be governed by the terms of this compact.

"ARTICLE XIII

"MISCELLANEOUS PROVISIONS

"A. STUDIES.—Insofar as practicable, the studies required by the laws of both states shall be offered in an interstate school district.

"B. TEXTBOOKS.—Textbooks and scholar's supplies shall be provided at the expense of the interstate district for pupils attending its schools.

"C. TRANSPORTATION.—The allocation of the cost of transportation in an interstate school district, as between the interstate district and the member districts, shall be determined by the articles of agreement.

"D. LOCATION OF SCHOOLHOUSES.—In any case where a new schoolhouse or other school facility is to be constructed or acquired, the interstate board shall first determine whether it shall be located in New Hampshire or in Vermont. If it is to be located in New Hampshire, RSA 199, relating to schoolhouses, shall apply. If it is to be located in Vermont, the Vermont law relating to schoolhouses shall apply.

"E. FISCAL YEAR.—The fiscal year of each interstate district shall begin on July first of each year and end on June thirtieth of the following year.

"F. IMMUNITY FROM TORT LIABILITY.—Notwithstanding the fact that an interstate district may derive income from operating profit, fees, rentals, and other services, it shall be immune from suit and from liability for injury to persons or property and for other torts caused by it or its agents, servants or independent contractors, except insofar as it may have undertaken such liability under RSA 281:7 relating to workmen's compensation, or RSA 412:3 relating to the procurement of liability insurance by a governmental agency and except insofar as it may have undertaken such liability under 21 V.S.A. Section 621 relating to workmen's compensation or 29 V.S.A. Section 1403 relating to the procurement of liability insurance by a governmental agency.

"G. ADMINISTRATIVE AGREEMENT BETWEEN COMMISIONERS OF EDUCATION.—The commissioners of education of New Hampshire and Vermont may enter into one or more administrative agreements prescribing the relationship between the interstate districts, member districts, and each of the two state departments of education, in which any conflicts between the two states in procedure, regulations, and administrative practices may be resolved.

"H. AMENDMENT.—Neither state shall amend its legislation or any agreement authorized thereby without the consent of the other in such manner as to substantially adversely affect the rights of the other state or its people hereunder, or as to substantially impair the rights of the holders of any bonds or notes or other evidences of indebtedness then outstanding or the rights of an interstate school district to procure the means for payment thereof. Subject to the foregoing, any reference herein to other statutes of either state shall refer to such statute as it may be amended or revised from time to time.

"I. SEPARABILITY.—If any of the provisions of this compact, or legislation enabling the same, shall be held invalid or unconstitutional in relation to any of the applications thereof, such invalidity or unconstitutionality shall not affect other applications thereof or other provisions thereof; and to this end the provisions of this compact are declared to be severable.

"J. INCONSISTENCY OF LANGUAGE.—The validity of this compact shall not be affected by any insubstantial differences in its form or language as adopted by the two states.

"ARTICLE XIV

"EFFECTIVE DATE

"This compact shall become effective when agreed to by the States of New Hampshire and Vermont and approved by the United States Congress."

SEC. 2. The right to alter, amend, or repeal this Act is expressly reserved.

ADEL LESSERT BELLMARD ET AL.

The bill (H.R. 8391) for the relief of Adel Lessert Bellmard, Clement Lessert, Josephine Gonvil Pappan, Julie Gonvil Pappan, Pelagie Gonvil Franceour de Aubri, Victore Gonvil Pappan, Marie Gonvil, Lafleche Gonvil, Louis Laventure, Elizabeth Carbonau Vertifelle, Pierre Carbonau, Louis Joncas, Basil Joncas, James Joncas, Elizabeth Datcherute, Joseph Butler, William Rodger, Joseph Cote, four children of Cicili Compare and Joseph James, or the heirs of any who may be deceased was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1462), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the proposed legislation is to pay to the heirs of the persons named in the bill their proportionate share of the amounts set opposite the name of their respective ancestors in full settlement of the claims of the individuals for the detriment suffered by reason of the loss of those lands due to the failure of the United States to protect the rights of the original allottees.

The determinations made by the Secretary of the Interior as provided in this bill are to be final and conclusive. The bill further provides that the money paid shall not be subject to State or Federal taxes.

STATEMENT

The facts surrounding the claims of the individuals named in the bill are stated in the House report on H.R. 8391, as follows:

"The events upon which the claims embodied in H.R. 10596 began on June 3, 1825, when the United States entered into a treaty with the Kansas or Kaw Nation of Indians. Under that treaty, the Indians ceded certain lands in the State of Missouri and Kansas territory to the United States. Article 6 of that treaty (7. Stat. 244) reserved from those lands twenty-three 1-square-mile tracts for certain identified halfbreeds of the Kansas Nation. In the years prior to 1860, the Indian agent charged with responsibility for protecting the interests of the Indians indicated that intruders had settled on the lands and driven the allottees away. As a result of these reports, on May 26, 1860, the Congress passed a law to remedy the situation. Section 1 of that act vested in each of the allottees then living all of the title, interest, and state of the United States in his allotment. In the event that the original allottee was dead, the Secretary of the Interior was directed to determine the heirs and the title of the United States was vested and confirmed by the act in such heirs. Section 1 also provided that nothing in the act would give any binding effect to any prior sale of the land by an allottee or heir.

"Section 2 of the act of May 26, 1860, authorized the Secretary of the Interior to sell an allotment on request of the allottee or heir, and to sell the allotment of deceased allottees who left no heirs. Section 3 of the act authorized the Secretary to apply the proceeds of the sale in the manner that would be most advantageous to the persons entitled thereto.

"As is outlined in the Department of the Interior report, to facilitate carrying out the 1960 act, the Secretary of the Interior appointed W. H. Walsh and William H. Coombs to prepare reports in accordance with the purposes of the act. These reports were prepared in 1861–62. In transmitting the Walsh-Coombs reports to the Senate in June 1862, the Secretary noted that the reports disclosed that many settlers were on the land (some of whom had made improvements), and that the settlers claimed they had a right to purchase the lands. The reports also set forth the difficulties encountered in properly determining the descendants of the deceased reserves.

"The whole process was changed by Congress in the act of July 17, 1862 (12 Stat. 628). This act repealed section 2 and 3 of the 1860 act and that part of section 1 which authorized the Secretary to determine the heirs of the allottees. The Department of the Interior states that the effect of the 1862 act was to remove any Federal interest in the lands and to terminate any trust responsibilities the Government may have had on the basis of earlier legislation. The departmental report goes on to state in connection with this termination that 'In retrospect, the wisdom of termination of the Federal interest in 1862 in view of the known situation which existed at that time may be questioned. Nevertheless, that action represented a deliberate policy decision by the Congress.' The committee feels that the foregoing statement does not foreclose a present-day attempt to remedy this longstanding inequity.

"The bill in the 89th Congress, H.R. 10596, was the subject of a hearing on August 18, 1966. The current bill, H.R. 8391, was the subject of a hearing in the 90th Congress on October 5, 1967. The members of the subcommittee in the 89th Congress were concerned over the issues raised in the departmental report concerning the difficulties which might be encountered in determining the identity of the heirs of the original allottees. At the hearing, detailed charts were displayed to the subcommittee indicating the heirship of the individuals involved. Under the terms of the bill, the actual determination of heirship would be the responsibility of the Secretary of the Interior. Therefore, the committee merely observes that there appears to be information available which will be accessible to the Secretary and will therefore be available for his consideration.

"In recommending this legislation, the committee has fixed the land value of the allotment on the basis of a valuation of $5 an acre. The valuation of this land is based upon the fact that an appraisal was made of the property in 1862, and that each allotment was given a valuation on the basis of its value per acre. Averaging the values made at that time approximates $5 an acre,

so that this is the value adopted by the committee in fixing the amounts set forth in the amended bill. The material submitted to the committee in this connection is as follows:

"Abstract of the report of William H. Coombs, special commissioner, to investigate the titles to certain Kansas halfbreed lands, 1862

"Survey:	*"Valuation per acre*
1	$6.00
2	19.00
3	8.00
4	6.00
5	5.00
6	5.00
7	1.25
8	5.00
9	5.00
10	6.00
11	5.00
12	5.00
13	5.00
14	5.00
15	3.00
16	2.00
17	3.00
18	4.00
19	6.00
20	6.00
21	6.00
22	6.00
23	4.00

"The above figures were taken from the Kansas halfbreed Indian files in the Archives of the United States, Washington, D.C.

"The committee after a full consideration of the material submitted in connection with the hearing and as set forth in the departmental report concluded that this is a proper subject for legislative relief.

"The change in the bill, H.R. 8391, which would be added by the committee amendment would be to provide that the determination by the Secretary of the Interior under the authority of this act concerning heirship and entitlement are to be final and conclusive. This is because the committee feels that this matter should be settled once and for all under the authority of this bill and that therefore complete finality should attach to the determinations by the Secretary of the Interior. The amended bill provides the means for an equitable adjustment of the matter and it is recommended that the bill with the amendments suggested by the committee be considered favorably."

After a study of the foregoing the committee concurs in the action of the House Judiciary Committee and recommends that the bill, H.R. 8391, be considered favorably.

MRS. CLAUDETTE C. DONAHUE

The bill (H.R. 10321) for the relief of Mrs. Claudette C. Donahue was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1463), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the bill is to authorize and direct the Administrator of Veterans' Affairs to pay Mrs. Claudette C. Donahue of Bristol, Conn., $5,000 out of funds available for the payment of policies of national service life insurance reduced by the aggregate of any amounts repaid her because of the increased premium paid by her late husband for national service life insurance. The payment would be in full settlement of all her claims against the United States for the difference between the $5,000 she was paid and the $10,000 of insurance on the life of the late Sgt. Daniel F. Donahue for which premiums were paid during the life of the serviceman.

STATEMENT

The facts of the case are contained in the House report on this bill, and are as follows:

"The Department of the Air Force in its report to the committee deferred to the Veterans' Administration and the Veterans' Administration questions relief in this instance. Mrs. Claudette C. Donahue is the widow of Daniel F. Donahue who served in the U.S. Air Force from March 17, 1949, until June 21, 1963, when he lost his life in the crash of a military aircraft. On March 25, 1949, shortly after he entered the service Daniel F. Donahue applied for $5,000 insurance under the 5-year level premium term plan then in effect designating his mother and sister as principal and contingent beneficiaries. On July 22, 1952, he executed a change of beneficiary, naming his wife, Claudette C. Donahue, as the principal beneficiary and his mother as contingent beneficiary. When he originally applied for insurance he authorized an allotment from his service pay of $3.20 a month, which is the premium for a $5,000 policy. When the law was changed to authorize a serviceman's indemnity of $10,000 without cost to service personnel less any Government insurance in force, the law provided for the waiver of payment of premiums on existing insurance contracts and also provided that effective April 25, 1951, no new Government insurance could be purchased by persons in the Armed Forces.

"As is outlined in the Department of the Air Force report on January 1, 1957, the serviceman's indemnity coverage was terminated by Public Law 84-881. At that time, servicemen who had policies of national service life insurance were required to resume payment of insurance premiums to continue their coverage. In January of 1957, Sergeant Donahue established an allotment for national service life insurance premiums in the amount of $6.60. As is noted in the Air Force report, he apparently assumed that he was authorized $10,000 of national service life insurance, which would equal the $10,000 of coverage he possessed from 1951 to 1957 under the serviceman's indemnity law. Both the Air Force and the Veterans' Administration have indicated that this was not the fact. The Veterans' Administration subsequently informed the Air Force that the allotment was in error and refunded the premiums to Sergeant Donahue. However, the Air Force continued to deduct $6.60 from this pay through May of 1963, the month prior to that in which he met his death. Following Sergeant Donahue's death, the Veterans' Administration authorized the settlement of $5,000 national service life insurance to Mrs. Donahue commencing as of June 21, 1963, in monthly installments of $144.95. Final payment was made in May 1966. The excess amount withheld from Sergeant Donahue's pay was certified for payment to Mrs. Donahue on April 30, 1964, but she returned the check indicating that she felt she was entitled to settlement for the full $10,000 of insurance. Her claim for additional insurance was rejected by the Veterans' Administration.

"The committee has determined that the widow is equitably entitled to payment equal to a full coverage of $10,000 and the bill would provide for such a settlement less any amounts refunded as excess premiums. The Veterans' Administration has stated that the serviceman's death was traceable to the extra hazards of military service and recommended that if the bill is favorably considered, payment should be made payable from the national service life insurance appropriation. The committee is aware that the Veterans' Administration opposed relief in this instance but feels that the equities support relief to this widow under these particular circumstances. Accordingly, it is recommended that the bill, amended as recommended by the Veterans' Administration regarding payment from the national service life insurance appropriation, be considered favorably."

After a review of the circumstances surrounding this claim, the committee feels that relief should be accorded the claimant, and concurs in the action of the House in recommending that the bill, H.R. 10321, be considered favorably.

AMENDMENT OF SECTION 376(a), TITLE 28, UNITED STATES CODE

The bill (H.R. 9391) to amend section 376(a) of title 28, United States Code, was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1464), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the proposed legislation is to amend the Judicial Survivors Annuity Act (28 U.S.C. 376) to allow entry into the survivorship plan of a judge who is unmarried at the time he takes office and who does not marry until after expiration of the 6-month period in which he must now elect to participate in the judicial survivors annuity system.

STATEMENT

Under existing law a Federal judge has only one opportunity to bring himself within the judicial survivors annuity system. A Federal judge must elect to participate or remain outside the system within 6 months after he takes office and his decision is irrevocable. A judge who has no wife or dependent children at the time of his election can gain no advantage by joining the system. However, if he fails to join within the 6-month period and subsequently marries he is unable to join the judicial survivors annuity system and thereby provide the protection for his wife and children. The proposed legislation would correct this undesirable situation.

The proposed legislation would give all judges who have not elected to participate in the system 6 months in which to do so. Judges who are appointed in the future, who are single at the time of their appointment, but who subsequently marry would be given an opportunity within 6 months after their marriage to participate in the system.

The proposed legislation would not affect any feature of the existing annuity system except the time in which a judge must elect to bring himself within the system. If a judge who is single at the time of appointment elects to come under the system within 6 months after his marriage or in the case of judges already on the bench, within 6 months of the enactment of the amendment, that judge must make a contribution to the system for all the time in which he has held office. Thereafter he will have 3 percent of his salary withheld each month for contribution to the judicial survivors annuity system.

As of June 1, 1968, there were 490 judges participating in the annuity system, 40 judges not participating, and one recent appointee who has the matter under consideration. Of the 40 nonparticipating judges, seven were unmarried at the time of declination, and two have since married. These two who have since married have both expressed a desire to participate under the system if this amendment is enacted.

BILL PASSED OVER

The bill (S. 1704) to amend title 28, United States Code, section 1491, to authorize the Court of Claims to implement its judgments for compensation, was announced as next in order.

Mr. MANSFIELD. Over.

The PRESIDING OFFICER. The bill will be passed over.

WILLIAM D. PENDER

The Senate proceeded to consider the bill (S. 908) for the relief of William D. Pender which had been reported from the Committee on the Judiciary with an amendment on page 1, line 6, after the word "of" where it appears the second time, strike out "$6,292.40," and insert "$3,602.69,"; so as to make the bill read:

S. 908

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to William D. Pender, an employee of the Department of the Army, the sum of $3,602.69, in full satisfaction of all claims of the said William D. Pender against the United States for compensation for the loss of household goods and personal effects which he had to abandon in Fairbanks, Alaska, after he was incorrectly informed by the Department of the Army personnel that such goods and effects could not be stored or shipped at Government expense incident to his transfer from Fort Greely, Alaska, to Fort Belvoir, Virginia, and which could not otherwise be disposed of by the said William D. Pender because of prohibitively high commercial storage rates and the shortage of time between the issuance of transfer orders and the reporting date at his new duty station: *Provided,* That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1466), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the bill, as amended, is to pay to William D. Pender the sum of $3,602.69 for the loss of his household goods and personal effects.

STATEMENT

The Department of the Army has advised the committee that it would have no objection to the enactment of the bill if it is amended to the figure suggested by the Department of the Army.

The sponsor of the legislation, Hon. E. L. Bartlett, has advised the committee that he has no objection to the amendment.

In its report on the bill, the Department of the Army sets forth the facts in the case and its recommendations as follows:

This bill would authorize and direct the Secretary of the Treasury to pay $6,292.40 to Mr. Pender for his claims against the United States for the loss of his household goods and personal effects which he abandoned in Fairbanks, Alaska, after being incorrectly informed by Army personnel that such property could not be stored or shipped at the expense of the United States pursuant to his transfer from Fort Greely, Alaska, to Fort Belvoir, Va.

The Department of the Army has no objection to the bill if amended as suggested in this report.

"Official records disclose that on September 5, 1962, Mr. William D. Pender, a resident of Alaska, received notification that he had been selected for an appointment as a nuclear powerplant operator at the Fort Greely Nuclear Powerplant. He reported to duty on the next day and worked at Fort Greely until September 20, 1962, when he began preparing for his departure to Fort Belvoir, Va., for a 48-week course pertaining to the operation of nuclear powerplants. He states that he was told by administrative personnel on Friday, September 21, 1962, that his goods could not be stored at Government expense over 90 days or shipped to Fort Belvoir. It is not clear when Mr. Pender was finally told that he could not store or ship his goods at Government expense but his travel orders, dated September 6, 1962, limited him and his wife to 400 pounds of hold baggage. He and his wife left by plane to the Fort Belvoir area on September 22, 1962, after disposing of most of their household goods to the Salvation Army because of prohibitive rates of commercial storage in Alaska. The only property not disposed of consisted of four boxes of clothes stored commercially, a box of tools stored with a neighbor, and a table and a record player stored with Mr. Pender's sister. The travel orders, dated September 6, 1962, were erroneous and were amended on November 6, 1962, to include shipment of Mr. Pender's household goods, but no administrative means were available to compensate him for his loss. Mr. Pender returned to Alaska following completion of the course at Fort Belvoir.

"The Department of the Army does not oppose a bill of this nature when a civilian employee has sustained financial loss resulting from an erroneous administrative determination as to travel allowances. The travel orders, dated September 6, 1962, were clearly erroneous in restricting Mr. and Mrs. Pender to 400 pounds of hold baggage pursuant to a permanent change of station. The amount provided for in the bill represents replacement value as indicated by prices in the Sears and Roebuck catalog of all of the property disposed of by Mr. Pender when he departed Alaska for Fort Belvoir. A more reasonable means of reimbursement, however, would appear to be the estimated depreciated value of the disposed of property which is the method of reimbursement normally used when a claim is filed against the United States for loss of property pursuant to a permanent change of station. In an interview held in Alaska with Mr. Pender on April 18, 1966, Army personnel attempted to make an estimate of the depreciated value of Mr. Pender's property. Mr. Pender, however, could not recall with any precision the acquisition dates of many of the items. As some items were accumulated over a 12-year period, the most reasonable evaluation of all of the property would appear to be on the basis of a mean period of 6 years for depreciation, an estimated value of $4,527.69.

"This figure, however, should be further reduced to $3,602.69 because of Mr. Pender's action upon his departure for Fort Belvoir in entrusting to his neighbor a box of tools which were never returned and in carelessly disposing of other small items of substantial value, such as a rifle, a shotgun, and a tape recorder, which could have been stored commercially or entrusted to his sister.

"In a letter, dated March 28, 1966, to the Department of the Army, Mr. Pender stated that his financial situation was marginal and his living costs were extremely high because he lives in an isolated area of Alaska. In an earlier letter to a Member of Congress, Mr. Pender stated that he was $5,000 in debt and that the financial hardship of replacing his household goods had caused that indebtedness. In view of these equitable considerations, the Department of the Army has no objection to the bill if amended as suggested in this report.

"The cost of this bill, if enacted as introduced, will be $6,292.40. If enacted as suggested in this report, the cost will be $3,602.69."

The committee believes that the bill, as amended, is meritorious and recommends it favorably.

MARTINA ZUBIRI GARCIA

The bill (H.R. 1648) for the relief of Martina Zubiri Garcia was considered, ordered to a third reading, read the third time, and passed.

DWAYNE C. COX AND WILLIAM D. MARTIN

The bill (H.R. 2281) for the relief of Dwayne C. Cox and William D. Martin was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1468), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the proposed bill is to relieve Dwayne C. Cox and William D. Martin, employees of the Umatilla Army Depot, Department of the Army, Hermiston, Oreg., of all liability for repayment to the United States of the sum of $1,216.80 and $1,810.40 representing salary overpayments to the said Dwayne C. Cox and William D. Martin, respectively, for the respective periods October 21, 1962 through June 11, 1966, and October 21, 1961 through July 9, 1966, as a result of administrative errors without fault or knowledge on their parts, in adjusting their salary rates under section 504 of the Federal Salary Reform Act of 1962 (76 Stat. 842, 5 U.S.C. 1173, 1964 ed.). The bill would authorize the refund of any amount repaid or withheld by reason of the liability.

STATEMENT

The Department of the Army is not opposed to enactment of the bill.

The facts of the legislation are contained in the report of the House of Representatives, as follows:

"Mr. Cox was employed as a mechanical engineer on April 6, 1961, and Mr. Martin was employed as a mechanical engineer and supervisory mechanical engineer on April 21, 1958, at the Umatilla Army Depot, Hermiston, Oreg.

"The Federal Salary Reform Act of 1962 (supra) authorized the President or such agency as he might designate to establish higher minimum rates of basic compensation for certain employees when the salary rates of private enterprise exceeded the statutory salary rates for the position concerned to such a point as to handicap the Government's recruitment or retention of well-qualified persons. The President, by Executive Order 11056 dated October 11, 1962, designated the Civil Service Commission as the agency responsible for administering this provision of law as it relates to employees subject to civil service laws and regulations.

"Under authority granted to it by the President, the Civil Service Commission issued instructions (Federal Personnel Manual Letter 531–16, dated October 11, 1962) for the adjustment of salaries under the new law, that is, to fix the hiring rates to conform with former section 803 of the Classification Act of 1949, as amended (68 Stat. 1106) by adjusting increased salaries of employees occupying positions to the lowest per annum rates (by changes in step level or rate range) to equal or exceed their salaries as increased by the new law (Federal Salary Reform Act of 1962, supra). Paragraph 5(b) of Federal Personnel Manual Letter 531–16 provides:

"Employees occupying positions covered by increased minimum rates under former section 803 of the act immediately prior to the effective date of compensation schedule I of section 603(b) of the Classification Act shall, after their salaries are initially fixed under compensation schedule I in accordance with the provisions of section 602(b) of the Federal Salary Reform Act of 1962, then be placed at the lowest salary rate in the increased rate range established under paragraph (a) of this section which equals or exceeds their salaries as initially fixed under compensation schedule I.

"The overpayments referred to in H.R. 2281 resulted from errors made in attempting to adjust the salaries of Mr. Cox and Mr. Martin under this law. Their salaries were adjusted to the increased rate in accordance with compensation schedule I of the Federal Salary Reform Act of 1962 on October 21, 1962. Mr. Cox's salary was properly fixed at that for GS–9, step 5, $7,575 per annum. His step then should have been adjusted to step 3 (of GS–9) with a per annum salary of $7,575 under the provisions of Federal Personnel Manual Letter 531–16. He was erroneously left in step 5 at $8,025 per annum by the Umatilla Army Depot administrative personnel. Mr. Martin's salary rate was properly fixed at that for GS–11, step 7, $9,635 per annum. His step then should have been adjusted to step 5 (of GS–11) with a per annum salary of $9,635 as specified in the Federal Personnel Manual Letter 531–16. The depot erroneously left him in step 7 at $10,165 per annum. The mistakes made in conversion of the two employee's salaries caused future errors in statutory pay adjustments and within-grade step increases in their salaries.

"It was not until an audit of the General Accounting Office of the civilian payroll at the Umatilla Army Depot in January and February of 1966 that it was ascertained that an error had been made in fixing the salary rates of Mr. Cox and Mr. Martin. Mr. Cox was overpaid $1,138.03 for the period October 21, 1962, through June 11, 1966, as the result of an administrative error in adjustment of his salary on October 21, 1962. The cumulative retirement adjustment of $78.77 for his erroneous pay brings his total indebtedness to the United States to $1,216.80. Similarly, Mr. Martin was overpaid $1,676.53 for the period October 21, 1962, through July 9, 1966. Adjustments in his cumulative retirement of $117.87 and Federal employees' group life insurance of $16 result in a total indebtedness for Mr. Martin of $1,810.40."

In indicating that it had no objection to relief under these circumstances, the Department of the Army stated its reasons for not opposing relief as follows:

"The Department of the Army generally does not oppose a bill of this nature when civilian employees have received in good faith and for services rendered an erroneous payment in salary. These overpayments resulted from the failure of administrative personnel of the Department to make proper step adjustments for Mr. Cox and Mr. Martin under the Federal Personnel Manual letter (supra). The overpayments were received in good faith and through no fault of Mr. Cox or Mr. Martin. In financial statements submitted to this Department, Mr. Cox and Mr. Martin indicate that repayment of the debts will impose a severe hardship on them and their families. In view of these equitable considerations, the Department of the Army has no objection to the bill."

The committee, after reviewing the facts of the case, concurs in the action of the House of Representatives, and recommends that the bill, H.R. 2281, be favorably considered.

PETER BALINAS AND LEE BALINAS

The bill (H.R. 6195) for the relief of Peter Balinas and Lee Balinas was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1469), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the proposed legislation is to provide that, notwithstanding section 3010 of title 38, United States Code, or any statute of limitations, the application filed on or about November 7, 1966, in behalf of Peter Balinas and Lee Balinas for benefits or compensation under the veterans' benefits provisions of title 38 of the United States Code as the surviving children of the late Peter T. "Pedro" Balinas (XC–3–345–947) who died October 1, 1965, shall be held and considered to have been filed with the Veterans' Administration within 1 year of his death.

STATEMENT

The House of Representatives, in its favorable report on the bill, relates the following:

"The Veterans' Administration in its report to the committee on the bill recommended the favorable consideration of the bill.

"The beneficiaries named in the bill, Peter Balinas and Lee Balinas, are the surviving children of the late Peter T. 'Pedra' Balinas. Peter T. Balinas had served honorably in the U.S. Army from January 17, 1941, to September 3, 1943, and from July 9, 1948, to April 8, 1952. At his death in London, England, on October 1, 1965, he was survived by a widow, Mrs. Beryl Hardy Balinas, and twin sons, Peter and Lee Balinas, under 18 years of age, who were subsequently ascertained to be in the custody of the veteran's divorced wife, Verby L. Balinas.

"The widow, Mrs. Beryl Hardy Balinas, filed a claim for Veterans' Administration death benefits for herself on October 8, 1965. When her claim was being developed the veteran's records revealed that there were children, and she was specifically requested to furnish information as to their existence and whereabouts. She replied that she had no information of them whatsoever.

"A letter soliciting a claim was sent to the children's custodian, Mrs. Verby L. Balinas, at her last address of record, which was in New Orleans, La. The letter was returned as unknown at that address. Then a letter was mailed to the children's custodian, directed to the veteran's last known U.S. address of record, which was in Pasadena, Tex. This letter was also returned as not at that address.

"The widow, in establishing her marriage, had submitted a copy of the decree of divorce granted to the children's custodian from the veteran. A letter was sent to the clerk of the court of domestic relations which had issued the decree, requesting the last addresses of record of the children's custodian and her attorney, or any information as to the location of the children. The clerk replied that the address of the custodian was unknown, but he supplied the name and address of her attorney. Upon request, the attorney furnished the current address of the children's custodian, and a letter soliciting a claim was sent to her on October 27, 1966. As a result of this letter a claim on behalf of the two children was received November 7, 1966, more than 1 year after the veteran's death.

"Chapter 13 of title 38, United States Code, authorizes payment of monthly dependency and indemnity compensation to a widow of a veteran whose death was service connected. Section 411(a) of that chapter provides a formula for payment of a particular amount to each widow irrespective of whether there are children. Under section 411(b) an additional amount is payable to the widow in certain cases wherein two or more children survive the veteran. No amount is provided by the dependency and indemnity compensation law for direct payment to children under 18 years of age.

"Section 3107 of title 38 provides, however, that where any of the children of a deceased veteran are not in the custody of the veteran's widow, the dependency and indemnity compensation otherwise payable to the widow may be apportioned for the benefit of the children as prescribed by the Administrator of Veterans' Affairs Pursuant to that statutory authority, VA Regulation 1461(B) provides for payment of specified shares, out of the dependency and indemnity compensation otherwise payable to the widow, for each child of a veteran under 18 years of age not in the custody of the widow (38 CFR 3.461(B)).

"The veteran's death was determined to be service connected and an award of dependency and indemnity compensation was made to the widow, under title 38, United States Code, section 411(a), in the amount of $150 monthly effective October 1, 1965, and raised to $151 monthly effective July 1, 1966, pursuant to Public Law 89–501. There was withheld from each monthly benefit otherwise due the widow the amount of $70 for a possible retroactive apportionment for the two children. If a claim on account of the children had been received within 1 year from the veteran's death, the consequent apportionment of $70 from the widow's section 411(a) benefit would have been made effective the same date as the widow's award, October 1, 1965, in accordance with title 38, United States Code, section 3010(d).

"Upon expiration of 1 year from the veteran's death, without a claim on behalf of the children having been received, the amounts withheld at the rate of $70 per month were released to the veteran's widow. When the claim for the children was subsequently received, on November 7, 1966, an apportioned award for them of $70 per month, from the dependency and indemnity amount otherwise due the widow under title 38, United States Code, section 411(a), was made effective the date of receipt of said claim, to continue until the children's 18th birthday. This action accorded with title 38, United States Code, section 2010(a), which provides, in effect, that where a claim is not filed within 1 year of the veteran's death, an award shall become effective not earlier than the date of claim.

In addition to the apportionment of $70 per month for the children since November 7, 1966—from the widow's section 411(a) benefit—payments of $14 per month are being made to their mother for them, also effective November 7, 1966, based on the aforementioned section 411(b) of title 38, United States Code.

The Veterans Administration in its report to the committee notes that the bill provides that the application of November 7, 1966, is to have been considered as if it was

filed within 1 year of the veteran's death. The Veterans' Administration states that it interprets the intent of the bill to be that the Veterans' Administration will be required to pay the surviving children amounts they would have been entitled to under applicable law for the period October 1, 1965, through November 7, 1966. These amounts are $70 per month, representing the amount payable under section 411(a) of title 38 which would have been apportioned for the children if there had been a timely application, and an additional amount of $14 a month which was not previously paid to anyone for the specified period under section 411(b) of the same title. The bill makes no provision for a recoupment for amounts heretofore paid and the cost of the measure, if enacted, would be $1,108,80.

"This committee has determined that it is only just that legislative relief be extended to these children of the veteran as provided in the bill. The history of the matter outlined in detail in his report demonstrates that the children were prejudiced by events beyond their control and there appears to be no way in which they could be notified of their rights except as was done in this case. The Veterans' Administration has made it clear that under existing law, the Veterans' Administration had no choice but to follow the course of action taken in this case which had the effect of denying the benefits to the children. As has been noted, a concerted effort was made to locate the custodian of the children in order to advise the custodian their rights to secure the necessary application for benefits, but this was not possible until after the 12 months' period fixed in the law had expired. The Veterans' Administration recognizes the equities of this case and in recommending favorable consideration of the bill stated that current law is too rigid in cases such as this. The Veterans' Administration in this connection stated as follows:

" 'We feel that the current law is too rigid in cases such as this. We plan to study the desirability of legislation that would allow more equitable determinations under these and similar circumstances. Favorable consideration of this bill is accordingly recommended.'

"In view of the equities outlined in this report, the favorable recommendation of the Veterans' Administration, and the fact that this bill merely makes it possible to pay the children the amounts they would have been entitled to under applicable law, it is recommended that the bill be considered favorably."

The committee, after consideration of all of the foregoing concurs in the action of the House of Representatives and recommends that the bill (H.R. 6195) be considered favorably.

MARY JANE ORLOSKI

The bill (H.R. 6655) for the relief of Mary Jane Orloski was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1470), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the proposed legislation is to relieve Mary Jane Orloski, of Rockville, Md., of liability to the United States in the amount of $1,847.20 for overpayments as an employee of the National Bureau of Standards from June 21, 1964, through July 30, 1966, which resulted from administrative error.

STATEMENT

The facts of the case as contained in House Report No. 1355 are as follows:

"The Department of Commerce, in its report to the committee on the bill, indicated that it had no objection to its enactment. The General Accounting Office, in its report on the bill, indicated a policy question but concluded that the determination of relief in this instance is a matter for determination by the Congress.

"The difficulty which gave rise to the overpayment referred to in the bill occurred because on June 21, 1964, Miss Orloski came to the National Bureau of Standards from Walter Reed Army Medical Center on a transfer-career conditional. At the time Miss Orloski left Walter Reed she held the position of mechanical engineer, GS–7, step 2, on the shortage category pay schedule as provided for in section 504 of the Federal Salary Reform Act of 1962 (Public Law 87–793, dated Oct. 11, 1962; 76 Stat. 842; 5 U.S.C. 5303).

"The position to which Miss Orloski was appointed at the National Bureau of Standards was technical publication editor (Physical Sciences and Engineering) GS–7. Through administrative error her salary was set at the same annual rate she received at Walter Reed. There was no legal basis for this action inasmuch as positions of technical publications editor are not a shortage category for pay purposes and are paid in accordance with the general schedule. In fact, such action is specifically prohibited in supplement 990–1 of the Federal Personnel Manual (Laws, Executive Orders, Rules, and Regulations), section 531–203(d)(2) which states in pertinent part, 'The highest previous rate may not be based on * * * (ii) a rate of compensation established under section 504 of the Federal Salary Reform Act of 1962.'

"Thus, because of the error, Miss Orloski was initially paid at the rate of $6,965 (the seventh step of GS–7 on the general schedule) rather than the correct rate of $5,795 (the first step of GS–7 on the general schedule). The error remained unnoticed throughout a series of personnel actions affecting her during the 2-year period which followed. Details of the pay period by pay period computations, which show the amount Miss Orloski was actually paid and the amount she should have been paid, are attached.

"The mistake was ultimately discovered in late July 1966 when Miss Orloski's official personnel folder was being reviewed in connection with a proposed reassignment to a position of mechanical engineer in another division of the National Bureau of Standards. It was corrected at the start of the pay period commencing on July 31, 1966.

"The report of the Department of Commerce states that Miss Orloski is blameless in connection with the overpayment. At the time she accepted the position at the National Bureau of Standards she believed she would be paid the same salary as received previously. There is little likelihood that she would have accepted the transfer to the National Bureau of Standards had she known that her new salary was to be $1,170 per annum less than her salary at Walter Reed. Moreover, until the overpayment was discovered, Miss Orloski was unaware that she had been overpaid. Repayment of the money involved would cause an economic hardship to Miss Orloski.

"The committee has carefully considered the facts outlined above and feel that this is clearly a case for legislative relief. It is obvious that the employee would have had no notice of the invalidity of the amounts paid her for she was being compensated at the same rate as she had received in her former position with the Government at the Walter Reed Army Medical Center. As was noted above and in the report of the Department of Commerce, she accepted this transfer with the understanding that she would be paid the same salary. It has also been noted that overpayment in this instance would create an economic hardship on the employee. Under these circumstances it has been concluded that justice and equity require that the relief provided for in this bill, amended to provide for the technical correction of the date as to the period involved, be considered favorably."

In agreement with the favorable views of the House of Representatives and the Department of Commerce, the committee recommends that the bill do pass.

LOUIS J. FALARDEAU ET AL.

The bill (H.R. 10327) for the relief of Louis J. Falardeau, Irva G. Franger, Betty Klemcke, Wineta L. Welburn, and Emma L. McNeil, all individuals employed by the Department of the Army at Fort Sam Houston, Tex., was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1471), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the proposed legislation is to relieve five named employees of the Department of the Army at Fort Sam Houston, Tex., of the obligation to repay the amount set opposite their names which they received due to administrative errors in the determination of salary adjustments at the end of a salary retention period following reductions in grade and in the case of one employee due to errors in adjustment of pay incident to a promotion. The bill authorizes the refund of any amounts paid or withheld by reason of the obligations referred to in the bill.

STATEMENT

The Department of the Army is not opposed to the bill.

The facts in the case are contained in the House report on H.R. 10327 and are as follows:

"The four persons named in section 3 of the bill were overpaid as a result of administrative errors in the adjustment of salaries following a period of salary retention or 'saved pay' after a reduction in grade. These errors were disclosed in an audit conducted by the General Accounting Office in January of 1966. The employees were reduced in grade during the period November 22, 1960, and July 30, 1961. As is authorized in section 507 of the Classification Act of 1949, as amended (5 U.S.C. 1107 (1958 ed.)), they received the salary of their higher grade for a period of 2 years after the date of reduction. Each of the four employees named in section 3 was placed in a step within the lower grade which prior to the Classification Act Amendments of 1962 (76 Stat. 843, 5 U.S.C. 1113(b)), was a longevity step. This action was subsequently determined to be incorrect by the Comptroller General (43 Comp. Gen. 169, Aug. 20, 1963). The report of the Department of the Army detailed the specific manner in which the errors occurred in each of these four cases. The Army stated:

"On December 31, 1962, Louis J. Falardeau was erroneously placed in step 9 of grade GS–7. He should have been placed in step 7 of grade GS–7. On April 12, 1964, he was promoted to grade GS–9, step 5. He should have been placed in step 4 of grade GS–9. These errors resulted in gross overpayments for the period December 31, 1962, through January 15, 1966, of $919.82. A retirement adjustment of $60.12 reduced the overpayment to $859.70. The amount of $30 was deducted from his

salary before suspension of collection action by the General Accounting Office effective March 27, 1966. Information received from Mr. Falardeau indicates 3 years are necessary for repayment of his debt, that he is 62 years of age, and it is necessary to postpone his retirement in order to satisfy the debt.

"On July 30, 1963, Irva G. Franger was erroneously placed in step 10 of grade GS–4. She should have been placed in step 8 of grade GS–4. Due to this error, gross overpayments for the period of July 30, 1963, through January 15, 1966, were $713.67. A retirement adjustment of $44.77 reduced the overpayment to $668.90. The amount of $10 was deducted from her salary prior to suspension of collection action on March 27, 1966. Mrs. Franger informed this Department that the cost of her son's special grade school education consumes all of the family earnings and that repayment imposes a hardship.

"On January 1, 1963, Betty Klemcke was erroneously placed in step 10 of grade GS–4. She should have been placed in step 8 of grade GS–4. On January 6, 1963, she was promoted to grade GS–5, step 8. She should have been placed in step 7 of grade GS–5. On January 10, 1965, she was demoted from grade GS–5 to grade GS–4 with saved pay at a per annum salary of $6,155. This salary was also in error as it was based on step 8 of grade GS–5 and should have been at a per annum rate of $5,990, the rate for step 7 of grade GS–5. These errors resulted in gross overpayments for the period January 1, 1963, through January 15, 1966, of $525.32. A retirement adjustment of $33.22 reduced the overpayment to $492.10. Mrs. Klemcke refunded $20 of this amount prior to suspension of collection action on March 27, 1966. Information received by this Department indicates repayment of the debt will result in the postponement of Mrs. Klemcke's retirement indefinitely. She is now 63 years old.

"On November 22, 1962, Wineta L. Welburn was erroneously placed in step 10 of grade GS–4. She should have been placed in step 8 of grade GS–4. This error resulted in gross overpayments for the period November 22, 1962, through January 15, 1966, of $598.99. A retirement adjustment of $33.72 reduced the overpayment to $560.72. Mrs. Welburn refunded $10 prior to suspension of collection action on her debt by the General Accounting Office effective March 27, 1966.

"The employee named in the fourth section of the bill, Mrs. Emma L. McNeil, received gross overpayments of $422.74 in her salary for the period August 28, 1955, through August 20, 1960. On August 28, 1955, she was promoted to GS–3 with a salary of $3,770 per annum. An administrative error was made in adjusting her pay in the new position. Under pertinent regulations her salary should have been fixed at $3,685 per annum, the maximum step of the grade, instead of $3,770 per annum, the first longevity step of the grade (CPR N1.6–4b(1)). Under regulations in effect at the time of her promotion she did not meet the length-of-service requirement for the longevity step increase (CPR P8.3–3). The administrative error was discovered on September 20, 1960, and appropriate adjustments were made which reduced the debt to $304.25. Mrs. McNeil paid this amount by check on October 14, 1960."

The Department of the Army, in its report to the House Committee on the Judiciary, states its investigation disclosed that the employees named in the bill received the overpayments in good faith and for services performed; and further observed that the overpayments were caused by administrative error on the part of personnel of the Department of the Army.

The committee concurs in the action of the House of Representatives and is in accord that repayment of the obligations would cause hardship to the employees concerned. Accordingly, it is recommended that favorable consideration be given to H.R. 10327 without amendment.

E. L. TOWNLEY ET AL.

The bill (H.R. 11381) for the relief of E. L. Townley, Otis T. Hawkins, and Leo T. Matous was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1472), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the bill is to authorize and direct the Secretary of the Treasury to pay out of any money in the Treasury not otherwise appropriated, to each individual named in section 2 of the bill an amount representing overpayment of compensation while an employee of the Department of the Navy at the U.S. Naval Air Station, Dallas, Tex.

STATEMENT

The Department of the Navy is not opposed to enactment of the bill, and in its report to the House Committee on the Judiciary states in part:

"The records of this Department show that a recent GAO payroll audit at Corpus Christi, Tex., revealed that three employees of the U.S. Naval Air Station, Dallas, Tex., were overpaid as a result of an administrative error. Mr. Ernest L. Townley (identified in H.R. 11381) and Mr. Otis T. Hawkins received salary overpayments resulting from an administrative error in determining their salary on the termination of saved pay benefits. Both employees were changed to lower grades effective January 1, 1961, with 2-year salary retention benefits. Both employees were erroneously paid at a higher step rate than that to which they were entitled upon termination of the salary retention period on January 1, 1963. Mr. Townley received an overpayment of $1,658.40 from January 1, 1963, to March 25, 1967. Mr. Hawkins received an overpayment of $1,598.72 from January 1, 1963, to March 25, 1967. The third employee at NAS, Dallas, Tex., who received an overpayment was Mr. Leo T. Matous. Mr. Matous was given a within-grade increase effective May 10, 1964, prior to the completion of the required waiting period. He had been changed to a lower grade with salary retention benefits effective September 2, 1962, and was repromoted to the former grade on July 21, 1963. In accordance with Comptroller General decision, dated April 23, 1964 (43 Comp. Gen. 701), a new waiting period for a within-grade increase would begin at the date of repromotion on July 21, 1963, and the next within-grade increase would not be due until July 17, 1966. As a result, Mr. Matous was overpaid $487.20 during the period May 10, 1964, to July 16, 1966.

"The Department of the Navy would have no objection to the enactment of H.R. 11381 if it is amended to relieve all employees identified by the GAO audit."

The committee, after reviewing the facts set forth in the report of the Department of the Navy, concurs in the action of the House of Represenatives. The committee notes that the overpayments to the named employees were due to administrative error, and that repayment would in all cases be a hardship upon each individual involved. Accordingly, it is recommended that favorable consideration be given to H.R. 11381, without amendment.

JOSEPH M. HEPWORTH

The bill (H.R. 12119) for the relief of Joseph M. Hepworth was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1473), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purposes of the proposed legislation is to relieve Joseph M. Hepworth, chief personnelman, U.S. Navy (retired), of La Mesa, Calif., of liability to the United States in the amount of $1,823.45, representing overpayments of disability retired pay made to him by the United States through administrative error from February 1, 1954, through June 30, 1964. The bill would authorize the repayment of any amounts repaid or withheld by reason of this liability.

STATEMENT

The facts of the case as contained in House Report No. 863 are as follows:

"The Department of the Navy in its report to the committee on this bill indicates that it would not oppose favorable consideration of the bill.

"Joseph M. Hepworth, a retired chief personnelman of the N.S. Navy, was serving in the Philippines at the time of the outbreak of hostilities in that area during World War II. He subsequently was decorated for extraordinary heroism during the period he was serving in the beach defenses on Fort Hughes, a fortified island in Manila Bay. In April of 1942, he volunteered to join a party of men to dig out two men reported buried alive on the top of the fort after an air bombardment, in the midst of a second enemy bombardment. This is the citation referred to in the Navy report. As is indicated in that report, Chief Hepworth was transferred to the Fleet Reserve on August 13, 1953, but retained on active duty until February 1, 1954. Prior to this latter date, he was determined to be eligible for temporary disability retirement. This finding gave him the election, under then existing policy, of being released to inactive duty as a fleet reservist under the source law now contained in 10 U.S.C. 6330, or being placed on the temporary disability retired list under law now codified in 10 U.S.C. 1401 et seq. In either case, his pay—retainer or retired—would have been the same: 2½ percent times 20 (years) times $275.18 (existing base pay) or $137.59, except that under the provisions of law which have become 10 U.S.C. 6330(c) he was eligible to receive an additional 10 percent of retainer pay for having been decorated for extraordinary heroism in the line of duty. This additional pay was not, and is not, authorized for personnel retired for physical disability.

"The Navy investigation of this matter disclosed that Chief Hepworth was misinformed concerning his right to an additional 10 percent in pay to which he would be entitled in connection with disability retirement. He was advised that if he elected to be placed on the temporary disability retired list, he would receive the same compensation that he was entitled to as a fleet reservist, including the additional 10-percent payment for his heroism. He acted on the information that he received and elected to be placed on the temporary disability retired list on February 1, 1954, and he was transferred to the permanent disability retired list on July 1, 1957. As a result, he was paid the additional 10 percent continuously from February 1, 1954, until July 1, 1964.

"On June 18, 1964, the Comptroller General ruled that there was an administrative error in the determination in Chief Hepworth's case and the payment he had received for extraordinary heroism had been improper. As a result, the payment was stopped and steps were taken to recoup the $1,823.45 paid to the retired Navy man.

"The committee finds that the facts of this

case cearly demonstrate that this is a proper subject for legislative relief. The Navy has found that there is no evidence of wrongdoing on Chief Hepworth's part. His indebtedness has resulted from the action of governmental employees in giving him erroneous advice in processing his retirement. The Navy has pointed out that the erroneous interpretation is understandable, when it is considered that two men with 20 years of service could take part in the same act of extraordinary heroism and receive the same recognition for their acts. If one of those servicemen escaped injury and subsequently transferred to the Fleet Reserve, he would be eligible for the 10-percent additional retired pay. On the other hand, if the other serviceman were wounded and placed on the disability retired list (even on the same date and with the same service as the other), the second individual could not lawfully receive additional retirement pay.

"In view of the particular circumstances of this case and the equities it involves, the committee recommends that the bill, as amended, be considered favorably."

In agreement with the favorable views of the House of Representatives and the Department of the Navy, the committee recommends that the bill do pass.

LYDIA M. PARSLEY

The bill (H.R. 14167) for the relief of Lydia M. Parsley was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1474), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the proposed legislation is to relieve Lydia M. Parsley, of Brownsdale, Minn., of liability in the amount of $3,927.09 claimed by the Post Office Department resulting from a miscalculation of postage in 78 mailings of third-class mail in the period from May 24, 1961, through November 14, 1962. The bill would authorize the refund of any amounts repaid or withheld by reason of the indebtedness.

STATEMENT

The facts of the case as contained in House Report 1445 are as follows:

"The Post Office Department in its report to the committee on the bill stated that it would have no objection to its enactment.

"The indebtedness which gave rise to the introduction of H.R. 14167 was caused by the fact that there was a miscalculation of the postage required on 78 mailings of third-class mail and Miss Parsley as the postmaster was held responsible for the deficiencies. As is noted in the Post Office Department report, the mailings occurred between May 24, 1961, and November 14, 1962.

"Miss Parsley is postmaster of the Brownsdale Post Office, a small post office, which at the time of this incident was a third-class office. She had only one permit imprint mailer, and she had accepted mailings from this mailer who is identified as the publisher, The Bargain Counter, Brownsdale, Minn., consisting of about 500 pieces for a long time at the 2½-cent minimum charge per piece which was correct. In 1961, this mailer began mailing approximately 2,500 pieces each week, and according to the postal regulations at that time, Miss Parsley could have collected 2½ cents minimum charge per piece. She interpreted the somewhat confusing regulations to mean that when the mailer had more than 20 pounds that she should collect the pound rate rather than the minimum per-piece rate. The committee has learned that Miss Parsley did not have anyone in the office to consult on this and she followed the regulations as she interpreted them and collected the postage which she understood to be correct. The committee feels that it is pertinent to note that Miss Parsley's office was not inspected from July 1, 1961, to July 1, 1962. Miss Parsley was adversely affected by this delay since, had inspections been more frequent, and had a year not passed before the inspector noticed the erroneous charge of a smaller rate of postage, the loss to the Post Office Department would not have been as large. Of course, Miss Parsley did not benefit in any way from the mistake. Although the Post Office Department made at least two attempts to collect sufficient postage from the mailer, he refused to remit on the basis that he was able to reduce advertising rates because of the lesser amount of postage.

"The committee has concluded that it is unfair that Miss Parsley should be held financially responsible. Had she collected the correct amount of postage from the mailer, her salary would have been increased due to the increase in the gross receipts of her office. The Post Office report further states that the records of the Post Office Department indicate that there was no misappropriation of funds or wrong-doing on the part of Miss Parsley. After its examination of the matter, the Post Office in its report stated that it would have no objection to the bill in view of the particular circumstances of the case.

"It was not possible for Miss Parsley to raise the entire amount of the deficiency; and as a consequence, it was necessary for her to borrow the money to make the required periodic payments which reduced her indebtedness to a balance of $1,127.09. Miss Parsley has only a few years left before she is to be retired from her position. This indebtedness is therefore a difficult burden at this time.

"In view of the position adopted by the Post Office Department and in view of the equitable considerations involved in the case, the committee recommends that the bill be considered favorably."

In agreement with the favorable views of the House of Representatives and the Post Office Department, the committee recommends that the bill do pass.

Mr. MANSFIELD. Mr. President, that concludes the call of the calendar.

BADLANDS NATIONAL MONUMENT

Mr. JACKSON. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 9098.

The PRESIDING OFFICER laid before the Senate H.R. 9098, to revise the boundaries of the Badlands National Monument in the State of South Dakota, to authorize exchanges of land mutually beneficial to the Oglala Sioux Tribe and the United States, and for other purposes.

Mr. JACKSON. Mr. President, on July 3, the Senate passed with an amendment H.R. 9098, a bill to revise the boundaries of the Badlands National Monument in the State of South Dakota, to authorize exchanges of land mutually beneficial to the Oglala Sioux Tribe and the United States, and for other purposes.

The Senate's amendment was to delete the word "Indian" thereby placing all of the former owners of lands acquired for the Badlands Gunnery Range—both Indian and non-Indian—in the same relative position to repurchase their former holdings, or substitute lands if their previous holdings were not available for acquisition.

On July 16, the House of Representatives disagreed with the Senate amendment and adopted House Concurrent Resolution 798 directing the clerk of the House, in the enrollment of H.R. 9098, to change the language on page 4, lines 9 through 21, of the House engrossed bill by inserting the following:

(b) Any former Indian or non-Indian owner of a tract of such land, whether title was held in trust or fee, may purchase such tract from the Secretary of the Interior under the following terms and conditions:

(1) The purchase price to a former Indian owner shall be the total amount paid by the United States to acquire such tract and all interests therein, plus interest thereon from the date of acquisition at a rate determined by the Secretary of the Treasury taking into consideration the average market yield of all outstanding marketable obligations of the United States at the time the tract was acquired by the United States, adjusted to the nearest one-eighth of 1 per centum. The purchase price to a former non-Indian owner shall be the present fair market value of the tract as determined by the Secretary of the Interior.

The effect of this most recent change in the bill is to specify the terms and conditions under which either a former Indian owner or a former non-Indian owner may purchase lands. The purchase price to a former Indian owner will be the total amount paid by the United States to acquire the property plus interest from the date of acquisition. The purchase price to a former non-Indian owner will be the present fair market value as determined by the Secretary of the Interior.

I wish to make it very clear that this provision permitting former non-Indian owners of Federal lands to repurchase those lands should not be considered a precedent. Under ordinary circumstances this property would be disposed of through regulations of the General Services Administration. However, this is an unusual situation, the former owners having been assured they would be able to repurchase their land following the end of World War II. In any event, the Federal Government will be receiving today's fair market value for the lands former non-Indian owners may reacquire.

On July 17, the Senator from West Virginia [Mr. BYRD] requested that the Chair lay before the Senate, House Concurrent Resolution 798, and the resolution was agreed to. Subsequently, on July 18, at the request of the Committee on Interior and Insular Affairs, the Senator from West Virginia entered a motion for the reconsideration of the vote by which House Concurrent Resolution 798 was agreed to on July 17. The purpose in requesting reconsideration was to permit the chairman to consult with the Senators from South Dakota to make certain that the language adopted by the House in House Concurrent Resolution 798 was satisfactory to them and their constituents.

I am in receipt of communications from persons who represent the former owners of the lands in question, giving assurance that the House language is agreeable to them, and I ask unanimous consent that a telegram from Mr. J. M. Doyle, of Rapid City, S. Dak., a telegram from Robert E. Updike, and a statement by Mrs. Ellen Janis be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

RAPID CITY, S. DAK.,
July 22, 1968.

Senator GEORGE MCGOVERN,
Chairman, Senate Indian Affairs Subcommittee, Senate Office Building, Washington, D.C.:

I am attorney for, and represent the interests of, Mr. Paul Guiser, Ward and Pearl Ellis, and Mr. Whitty, and appeared in their behalf before the subcommittee when testimony was taken regarding H.R. 9098. My clients are agreeable with the House provision providing that they can repurchase subject property at fair market value.

J. M. DOYLE, *Attorney.*

DENVER, COLO.,
July 24, 1968.

Senator GEORGE MCGOVERN,
U.S. Senate, Washington, D.C.:

Received call from Congressman Berry this morning. Bill seems to be okay with others involved. Will go along with them. Disregard my last letter.

ROBERT E. UPDIKE.

To Whom It May Concern:

I, Ellen Janis, am a Yankton Sioux Indian, but my husband is an Oglala Sioux, enrolled on the Pine Ridge Indian Reservation. We had a very fine farm and ranch headquarters prior to the time that our land was taken for an aerial gunnery range during World War II.

I have represented the Indian and non-Indian former owners for the past 15 years. First, in a successful effort to obtain passage of legislation to pay each family $3500.00 to compensate them for their loss and physical damage in being excluded from their homes on the aerial gunnery range area.

I have represented both the Indians and non-Indians for an equal length of time in an effort to obtain legislation permitting the former owners to repurchase their lands after they had been declared surplus to the needs of the Department of Defense. My family and I lived among these people. I knew them well prior to the time we were excluded from the gunnery range area. Both the Indians and non-Indians were our friends.

I have held many, many meetings down through the years, explaining the legislative progress to these people, the last meeting which was held in Rapid City, South Dakota on February 16, 1968, was attended by both the Indians and the non-Indians interested in redeeming their land. At that time Congressman E. Y. Berry explained to all of us that the difficulties had been ironed out so far as the former Indian owners were concerned and that there was little question but what they would be able to redeem their land at the price the government paid them, plus a reasonable interest rate. But he pointed out there was opposition in the House Interior Committee to the non-Indians obtaining the same advantage. At that time he obtained an agreement of the non-Indians to an amendment he proposed to offer which would permit them to repurchase their land, either at public auction, or at an appraised price to be determined by the Secretary of Interior. All of the non-Indian former owners present agreed that while they would much prefer obtaining the same deal that the former Indian owners were getting, they would be satisfied with either an appraised price, or public auction. Nearly all of the former non-Indian owners were present at that meeting.

After the House amendment providing that the former non-Indian owners could repurchase this land at an appraised price, I again contacted all of them and all of them again expressed their feeing that whie they would, of course, like to be able to redeem as cheaply as possible, they would be satisfied with the provisions of the House amendment permitting them to redeem at an appraised price, to be determined by the Secretary of Interior.

Dated this 23rd day of Juy, 1968.

ELLEN JANIS.

Witness:

MAVIS G. DALY,
SUZAN WILSON.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. JACKSON. I yield.

Mr. HOLLAND. Why should former Indian owners be treated less generously than the non-Indian former owners? It seems to me they are entitled to equal treatment.

Mr. JACKSON. This is why the junior Senator from Washington, the chairman of the committee, asked that this matter be brought back.

I now yield to the Senator from South Dakota who is familiar with this matter.

Mr. MUNDT. Mr. President, I appreciate the courtesy of the Senator from Washington in bringing this matter up today to dispose of it because this is something which has been doing an injustice to the people of South Dakota for over 20 years. The situation started at the time of World War II when the Government came into an area called the Bad Lands Gunnery Range, occupied by Indians and whites, because they had to take the land over for military purposes, and it brought disruption to many farmers and ranchers, both Indian and non-Indian.

We have been trying for two decades to get the matter worked out so the land could go back to the rightful owners. Most of the Indian owners are still there and also some of the former white landowners remain in the area. Finally an equitable arrangement has been worked out with the white owners in conjunction with the Indian owners. So as much of the land as former owners desire to regain can be procured from the Government on equitable and mutually satisfactory terms.

On the House side for many years they refused to make any concessions to the white owners in the gunnery range bill. This year they passed a bill to make restoration to former Indian owners but leaving undecided what to do about the former white owners.

This bill now before us is an illustration of fine and fair racial relationships in South Dakota.

The statement from Ellen Janis, which the Senator from Washington has had printed in the RECORD, is a statement from a genteel, conscientious, and considerate Sioux Indian lady in South Dakota seeking equitable treatment for all concerned. This Indian lady is a great worker both for her people and the entire community in Rapid City, especially those on and near the Pine Ridge Indian Reservation, and she also works for justice throughout the entire Indian country.

She testified before the committee—even after the House had approved the gunnery range bill setting the claims insofar as her people were concerned. She stated that the white people also were her neighbors and they had lived together happily all these years, that the whites had employed many Indian youths, and she wanted to work out some arrangement that would likewise be equitable to former white landowners in the same area. In other words, she came down virtually lobbying for her white neighbors and fellow ranchers. Thus, a formula has been worked out which is a just and equitable approach to both Indians and the white people, all of whom were dispossessed of their lands. They have all signed statements, waivers, and letters, asking that it be handled in the way set out in this bill as amended by the Senate and the House. Let me say to my good friend from Florida that handling this equitably is a complicated business, in this checkerboard area where some of it is Indian land and some of it is white land and where different forms and degrees of ownership entitlements prevail. So this has been worked out and the bill before us deals with the situation equitably. I desire to congratulate the committee of the Senate and the House for finally evolving this solution satisfactory to all claimants.

Mr. HOLLAND. Do I understand the Senator from South Dakota correctly to be now advising the Senate that the former white owners, or the former American citizen owners of the land affected by the bill, filed written statements to the effect that they will accept the same basis of settlement for their claims?

Mr. MUNDT. That is correct, except because of the curious and cumbersome bureaucratic methods by which Indian affairs are handled, it has to be a different arrangement for each group, but the white former owners have provided us with documents, which the Senator from Washington is placing in the RECORD, showing that this is fair and equitable and, speaking for themselves, they are satisfied. The Indians are likewise gratified and satisfied that long delayed justice is finally prevailing. After 20 years, they are happy that we have worked out a formula agreeable both to the whites and the Indians, and both sets of former landowners have so advised the committee and Congress.

Mr. HOLLAND. Do I understand correctly, then—and I should like to have this in the RECORD—that the white owners of the land formerly owned by them, as to which they will have the right of repurchase under the waiver, will have exactly the same right, and no more, as that accorded to the Indian owners?

Mr. MUNDT. Yes; although I do not know how we would define the words "exactly the same right and no more." All concerned have complete, equitable treatment, each working one with the other, and they have worked out a for-

mula satisfactory to both, and to the advantage of neither. It is a perfectly equitable arrangement. I can assure the Senator the former white owners are receiving no preferential treatment as compared with our Indian citizens.

Mr. HOLLAND. I thank the Senator.

Mr. JACKSON. Mr. President, let me make this clear: The junior Senator from Washington was concerned with this provision because the amount paid to the Indians will be more than the amount paid to the non-Indians.

I took the position that if this was the case, the waivers, or acquiescence to the arrangements made by the House, should be received from the non-Indian owners. That has been done. In view of the fact that non-Indian owners have agreed to this, it is on that basis I agreed to concur in the language adopted by the House.

Therefore, Mr. President, I move that the Senate recede from its amendment to the bill, H.R. 9098.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Washington.

The motion was agreed to.

Mr. JACKSON. Mr. President, with the concurrence of the junior Senator from West Virginia [Mr. BYRD], I ask unanimous consent that the motion to reconsider, entered by the Senator from West Virginia on July 18 in connection with House Concurrent Resolution 798, be withdrawn.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROVISION FOR THE OPERATION OF THE WILLIAM LANGER JEWEL BEARING PLANT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1458, H.R. 15864.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 15864) to provide for the operation of the William Langer jewel bearing plant at Rolla, N. Dak., and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report on S. 2886 (No. 1475), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

This bill would authorize the Administrator of General Services to provide for the operation of the William Langer Jewel Bearing Plant, by contract or otherwise, to produce jewel bearings and related items for Government use or for sale. Prices fixed for the sale of jewel bearings would be sufficient to recover the operating costs, including depreciation on buildings, machinery, and equipment.

It would authorize the establishment on the books of the Treasury a separate revolving fund to be used by the Administrator of General Services, without fiscal year limitation, for defraying the cost of operating the plant. Provision is also made for transferring the plant and all of the assets to the revolving fund upon termination of the existing lease.

The continued operation of the William Langer Jewel Bearing Plant is considered by the Office of Emergency Planning to be essential to the national security.

BACKGROUND

The proposed legislation is part of the legislative program of the General Services Administration for the 90th Congress and its enactment would make possible more efficient operation and production of the jewel plant.

This bill would remove several limitations that now hamper the effective operation of the William Langer Jewel Bearing Plant. The present fiscal year basis of funding seriously impedes the implementation of the most economically efficient operational procedures at the plant. Funding without fiscal year limitations would permit necessary raw materials, supplies, and services to be provided for through the most effective and economically competitive business management methods.

The plant is currently leased to the Bulova Watch Co. for the production of jewel bearings and related items for sale to the national stockpile, to Government contractors and subcontractors, and to other industrial consumers. The lease will expire June 30, 1968.

Funds for operating the plant are limited to two sources: (1) sales by Bulova to Government contractors and subcontractors and other industrial users, and (2) sales to the national stockpile under a purchase contract between GSA and Bulova. Sales to the stockpile are made at actual cost. Sales to others are made at fixed prices approved by the Government, based on estimated production costs.

Any excess of total sales income over actual costs on nonstockpile sales is required by the terms of the lease to be placed in a direct order rental account. This account may be used only to meet any losses, including uncollectible accounts, resulting from nonstockpiled sales.

As a result, there is no means of financing the costs of raw materials, work in process, operating supplies, and other operating expenses in advance. The facility is therefore operated as "job shop," and except for bearings required under the stockpile contract, is unable to plan its production schedule on a rational basis.

Because of the absence of working capital funds, the plant is unable to maintain appropriate inventories of finished bearings. This not only limits unduly the ability of the plant to fill orders requiring immediate delivery, but also results in high unit costs due to small production runs.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that Calendar No. 1456, S. 2886, the Senate counterpart bill, be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations in the U.S. Marine Corps, and the nominations placed on the Secretary's desk only.

The PRESIDING OFFICER. Without objection, it is so ordered.

U.S. MARINE CORPS

The bill clerk read the nomination of Lt. Col. Haywood R. Smith, U.S. Marine Corps, for temporary appointment to the grade of colonel, to hold such grade while serving as Armed Forces aide to the President.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

IN THE ARMY

The bill clerk proceeded to read sundry nominations in the Army, which had been placed on the Secretary's desk.

The PRESIDING OFFICER. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

MOST RECENT OUTRAGE PERPETRATED BY SOUTH VIETNAM DICTATORS

Mr. YOUNG of Ohio. Mr. President, the conviction of Truong Dinh Dzu by a military court in Saigon is an insult to every American family whose sons have been compelled to fight—and many, unfortunately, to die—to maintain the corrupt regime ruling in Saigon. Indeed, this latest action by the ruling clique in Saigon is an affront to humanity.

Truong Dinh Dzu is a leading Saigon lawyer. He had never held public office. He is not a member of the National Liberation Front. He did not fight on the side of the French when they sought to restore their oppressive Indochinese colonial empire from 1946 to 1954. He was never in his life accused of any crime. Last September he was a candidate for President of South Vietnam in the election under the supervision of Ky and Thieu. He was the most outspoken peace candidate of those who campaigned under severe restrictions and limitations enforced by the police authority of the Saigon regime with a white dove of peace displayed as his ballot symbol. He startled the ruling junta in South Vietnam and administration officials in this country when he received 17 percent of the total vote. This, despite the fact that Communists, Buddhists, members of the National Liberation Front, and men and women termed neutralists by Ky and Thieu were arbitrarily barred from voting or participating in that so-called election. McGeorge Bundy and other administration leaders in statements on that South Vietnam election even prated about "one man, one vote." The facts are, in thousands of instances, members of the South Vietnam—ARVN—Army had two votes—one cast by them at their army posts under supervision of their commanding officers and then also another vote in their hamlets, cities, or villages where they lived. Even with all

that, Thieu and Ky were elected President and Vice President by only 34 percent of the total vote. They had very cleverly barred from the ballot Duong Van Minh—Big Minh—who was the popular former President of South Vietnam ousted by them and nine other generals in their coup of June 1965 and exiled to Thailand. They thought they had it made by an overwhelming majority. All opposition candidates favored peace and the most outspoken was Dzu. The election proved clearly that the South Vietnamese people by an overwhelming margin lacked confidence in the Saigon military junta and demonstrated a strong demand for peace. That Dzu piled up half as many votes as they did was a shocker to them.

The military court took about 40 minutes to find Dzu guilty of having "acted against the anti-Communist spirit of the people and the armed forces." This kangaroo court then proceeded to sentence Dzu to 5 years at labor.

What was the crime? He stated in an interview and on the radio:

> The South Vietnamese Government officials could talk peace with some of the nationalists in the National Liberation Front.

That was his "crime." He is sentenced to serve 5 years in prison at hard labor for what he said. He is in jail. The Johnson administration leaders support a corrupt military regime so dictatorial that a political opponent—the runner-up—lands in prison for statements he made offensive to Thieu and Ky. We should feel shocked and humiliated that Ambassador Bunker remains silent. Liberty loving Americans and decent people the world over when they learn of this disgraceful tyrannical action must share a feeling of outrage that President Johnson and his leaders appear to approve this most recent act of brutality. The President and our Ambassador should either speak out and free this man or they are aiding and abetting a vengeful brutal military junta. Mankind and human decency are affronted and violated.

What is more shocking and unbelieveable is the fact that, according to United Press International news reports, the American mission in Saigon had no comment on the Dzu case. American officials in Saigon should be exerting every effort and applying all possible pressure to reverse this latest outrage perpetrated by the Saigon junta. Furthermore, it should be repudiated at the highest level. This blatant injustice should be denounced in the strongest terms by President Johnson himself. If necessary the President in an address to the Nation should repudiate the Saigon dictators for this outrageous action and thereby help remove the stain of this gross injustice from our national conscience.

It is a disgrace and an outrage that President Johnson should continue his warlike policies in South Vietnam in support of the cruel military junta that represents but a very small minority of the people of South Vietnam.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. YOUNG of Ohio. I ask unanimous consent to proceed for 5 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. YOUNG of Ohio. Mr. President, the alleged crime for which Dzu was convicted was the fact that he was quoted in the Saigon press and on the radio as saying:

> The South Vietnamese government officials could talk peace with some of the nationalists in the National Liberation Front, the political arm of the VC.

If that is a crime, Mr. President, then a good many Members of the U.S. Senate could be convicted of it under South Vietnamese law. Furthermore, only a month ago Prime Minister Tran Van Huong stated before the South Vietnamese House of Representatives that the National Liberation Front had included nationalist elements when it was originally formed. After being booed and shouted down, he recanted and stated that there were no more nationalists in the National Liberation Front. He escaped arrest. It is obvious this trumped-up charge against Dzu was a drastic act to silence and imprison the most popular and outspoken South Vietnamese opponent of the war and of the ruling generals of the Saigon regime. Also, as a warning to others who might voice their opposition to the war and the official party line.

Mr. President, rather than standing by silently and witnessing the imprisonment of an innocent man who stated publicly what he felt was best for his people, our administration leaders should be encouraging Dzu and others who agree with him in South Vietnam to establish a viable coalition government there—a government representing all elements of South Vietnam including representatives of the National Liberation Front—a government elected in a free election and able to make meaningful steps toward ending the civil war in Vietnam and bringing about peace to that troubled land.

If there remains any doubt as to the nature of the regime we are supporting in South Vietnam, the conviction and imprisonment of Dzu should dispel them. By standing by silently we will further this travesty and give it the appearance of respectability. Whom are we trying to fool by claiming the regime we are defending is "free" and "democratic"? What can the Vietnamese peasant expect from Western democracy when it is presented to him through kangaroo courts and Nazi-style justice by our collaborators in Vietnam—the tories, Thieu and Ky and their cohorts. This man following a short trial before a military court in Saigon was found guilty and sentenced to 5 years of hard labor.

Mr. President, this latest outrage points out once again the fact that the so-called Constitution of South Vietnam is nothing more than a scrap of worthless paper that makes a mockery of freedom, democracy, justice, and all of the other principles which we Americans cherish. It points out again that 600,000 Americans are fighting in Vietnam to maintain in power a corrupt-ridden, dictatorial regime of militarists who have no interest whatever in the welfare of their people, but only in fattening their bank accounts in Swiss and Hong Kong banks. The United States is the most powerful nation that ever existed. We are a proud nation as well as a powerful nation. We must not permit a few rag-tag Fascist generals in Saigon—generals who fought against their own countrymen in their war for independence—to sully and besmirch our honor. We must disavow them immediately and proceed to disengage from this ugly civil war in which we have permitted them to involve us for more than 5 years.

If real and honest elections were to be held and if men such as Dzu were permitted to campaign freely, as they were not, the civil war now raging in South Vietnam might shortly be brought to an end. If the real voice of South Vietnam could be heard, it would be asking for peace.

Mr. MANSFIELD. Mr. President, I am delighted that the distinguished Senator from Ohio has called to the attention of the Senate the fact that Truong Dinh Dzu, a presidential candidate in last September's election in South Vietnam, a man who finished second in it, ran on a peace platform, and polled 800,000 votes, has been tried by a military court-martial and has been sentenced to 5 years of hard labor. His crime was to suggest the possibility of the National Liberation Front and the Saigon government getting together. He discussed that openly during the course of the campaign last September.

I would point to the fact that not only did a great number of South Vietnamese record their support of this peace candidate, but, that on the basis of percentages, he came pretty close to the number of votes received by the present President of South Vietnam, President Thieu.

It is a deplorable state of affairs when, under a so-called democratic constitution, a situation like this can develop, when a government can try a leading candidate for expressing his views on how to achieve peace in Vietnam. This candidate was not only entitled to speak out, he was expressing a view which, I believe, was not at variance with the expressed views of our own Government on achieving peace. He was expressing a view which might give some meaning to what has been transpiring in Paris.

We are coming to a very sad state of affairs when a man of Mr. Dzu's stature and following is sentenced by a military court for proposals he made during the course of a regularly conducted presidential campaign.

It is my belief that what the South Vietnamese military have done is not only to inflict an injustice but also to create a distinct embarrassment for this Government. Whether we like it or not, we cannot escape some measure of at least indirect responsibility for this deplorable action.

When you tie this strange name "justice" in the name of freedom to the fact that some days ago 10 South Vietnamese were sentenced, in absentia, to death because they advocated somewhat the same proposal that Mr. Dzu did, I think it is time for us to take a very close look at the relationship which exists between our two countries. In this relationship the great burden is on the United States

as far as men, material, and money are concerned. To that may well be added still another burden of explaining the inconsistencies of its acts with its outward professions of freedom.

It is also interesting to note that Prince Souvanna Phouma the Prime Minister of Laos, yesterday in Paris stated that in his opinion one way to get peace negotiations going would be to stop the bombing of North Vietnam and to consider the possibility of a broadened Saigon government, meeting with the NLF, the political arm of the Vietcong.

In any event, these factors are part of a pattern which I think calls for more understanding, more comprehension, and perhaps more discrimination in our relationship with the Saigon government on the part of our country.

ORDER FOR ADJOURNMENT UNTIL 11 A.M. MONDAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 11 o'clock on Monday morning next.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 222) to insure that public buildings financed with Federal funds are so designed and constructed as to be accessible to the physically handicapped.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1166) to authorize the Secretary of Transportation to prescribe safety standards for the transportation of natural and other gas by pipeline, and for other purposes.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3418) to authorize appropriations for the fiscal years 1970 and 1971 for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 15189) to authorize appropriations for certain maritime programs of the Department of Commerce.

The message further announced that the House had passed a bill (H.R. 18706) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1969, and for other purposes, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the following concurrent resolutions, in which it requested the concurrence of the Senate:

H. Con. Res. 213. Concurrent resolution authorizing the printing as a House document of the letters of Vice Adm. Hyman G. Rickover relating to the distinguished Americans in whose honor the U.S. Navy Polaris nuclear submarines were named;

H. Con. Res. 781. Concurrent resolution authorizing the printing as a House document the publication "The Present-Day Ku Klux Klan Movement," and providing for the printing of additional copies; and

H. Con. Res. 784. Concurrent resolution to authorize the printing of the pamphlet "The American's Creed" as a House document.

HOUSE BILL REFERRED

The bill (H.R. 18706) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year year ending June 30, 1969, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

HOUSE CONCURRENT RESOLUTIONS REFERRED

The following concurrent resolutions of the House were severally referred to the Committee on Rules and Administration:

H. Con. Res. 213. Concurrent resolution authorizing the printing as a House document of the letters of Vice Adm. Hyman G. Rickover relating to the distinguished Americans in whose honor the U.S. Navy Polaris nuclear submarines were named;

H. Con. Res. 781. Concurrent resolution authorizing the printing as a House document the publication "The Present-Day Klu Klux Klan Movement," and providing for the printing of additional copies; and

H. Con. Res. 784. Concurrent resolution to authorize the printing of the pamphlet "The American's Creed" as a House document.

SENATE RESOLUTION 382—RESOLUTION TO ESTABLISH THE COMMISSION ON ART AND ANTIQUITIES OF THE U.S. SENATE

Mr. MANSFIELD (for himself and Mr. DIRKSEN) submitted the following resolution (S. Res. 382), which was referred to the Committee on Rules and Administration:

S. RES. 382

Resolved, by the Senate of the United States of America: That (a) there is hereby established a Commission on Art and Antiquities of the United States Senate (hereinafter referred to as "the Commission") consisting of the President Pro Tempore of the Senate, the chairman and ranking minority member of the Committee on Rules and Administration of the Senate, and the majority and minority leaders of the Senate.

(b) The Commission shall elect a Chairman and a Vice Chairman at the beginning of each Congress. Three members of the Commission shall constitute a quorum for the transaction of business, except that the Commission may fix a lesser number which shall constitute a quorum for the taking of testimony.

(c) The Commission shall select a Curator of Art and Antiquities of the Senate who shall be an employee of the Office of the Secretary of the Senate. The Curator shall serve at the pleasure of the Commission, shall perform such duties as it may prescribe, and shall receive compensation at a gross rate, not to exceed $22,000 per annum to be fixed by the Commission. At the request of the Commission the Secretary of the Senate shall detail to the Commission such additional professional, clerical, and other assistants as, from time to time, it deems necessary.

(d) The Commission shall be empowered to hold hearings, summon witnesses, administer oaths, employ reporters, request the production of papers and records, take such testimony, and adopt such rules for the conduct of its hearings and meetings, as it deems necessary.

SEC. 2. (a) The Commission is hereby authorized and directed to supervise, hold, place, and protect all works of art, historical objects, and exhibits within the Senate wing of the Capitol, and in all rooms, spaces, and corridors thereof, which are the property of the United States, and in its judgment to accept any works of art, historical objects, or exhibits which may hereafter be offered, given, or devised to the Senate, its committees, and its officers for placement and exhibition in the Senate wing of the Capitol, the Senate Office Buildings, or in rooms, spaces, or corridors thereof.

(b) The Commission shall prescribe such regulations as it deems necessary for the care, protection, and placement of such works of art, exhibits, and historical objects in the Senate wing of the Capitol and the Senate Office Buildings, and for their acceptance on behalf of the Senate, its committees, and officers. Such regulations shall be published in the Congressional Record at such time or times as the Commission may deem necessary for the information of the Members of the Senate and the public.

(c) Regulations authorized by the provisions of section 1820 of the Revised Statutes (40 U.S.C. 193) to be issued by the Sergeant at Arms of the Senate for the protection of the Capitol, and any regulations issued, or activities undertaken, by the Committee on Rules and Administration of the Senate, or the Architect of the Capitol, in carrying out duties relating to the care, preservation, and protection of the Senate wing of the Capitol and the Senate Office Buildings, shall be consistent with such rules and regulations as the Commission may issue pursuant to subsection (b).

(d) The Committee on Rules and Administration of the Senate in consultation with the Architect of the Capitol and consistent with regulations prescribed by the Commission under subsection (b), shall have responsibility for the supervision, protection, and placement of all works of art, historical objects, and exhibits which shall have been accepted on behalf of the Senate by the Commission or acknowledged as United States property by inventory of the Commission, and which may be lodged in the Senate wing of the Capitol or the Senate Office Buildings by the Commission.

SEC. 3. The Commission shall have responsibility for the supervision and maintenance of the Old Senate Chamber on the principal floor of the Senate wing of the Capitol insofar as it is to be preserved as a patriotic shrine in the Capitol for the benefit of the people of the United States.

SEC. 4. The Commission shall, from time to time, but at least once every ten years, publish as a Senate document a list of all works of art, historical objects, and exhibits currently within the Senate wing of the Capitol and the Senate Office Buildings, together with their description, location, and with such notes as may be pertinent to their history.

SEC. 5. There is hereby authorized to be appropriated out of the contingent fund of the Senate for the expenses of the Commission the sum of $15,000 each fiscal year, to be disbursed by the Secretary of the Senate on vouchers signed by the Chairman or Vice Chairman of the Commission. Payment on such vouchers shall be deemed and are hereby declared to be conclusive upon all departments and officers of the Government, and these vouchers shall be reported in the annual report of the Secretary of the Senate: *Provided*, That no payment shall be made from such appropriation as salary.

ADDITIONAL COSPONSOR OF JOINT RESOLUTION

Mr. KUCHEL. Mr. President, on behalf of the distinguished junior Senator from Texas [Mr. TOWER], I ask unanimous consent that at its next printing, the name of the Senator from New Mexico [Mr. MONTOYA] be added as a cosponsor of Senate Joint Resolution 184, to authorize the President to issue annually a proclamation designating the 7-day period beginning September 10 and ending September 16 of each year as "National Hispanic Heritage Week."

The PRESIDING OFFICER. Without objection, it is so ordered.

WHOLESOME POULTRY PRODUCTS ACT—AMENDMENTS

AMENDMENTS NOS. 909 AND 910

Mr. MONTOYA (for himself, Mr. MONDALE, Mr. MCGOVERN, Mr. HATFIELD, and Mr. CLARK) submitted two amendments, intended to be proposed by them, jointly, to the bill (S. 2932) to clarify and otherwise amend the Poultry Products Inspection Act, to provide for cooperation with appropriate State agencies with respect to State poultry products inspection programs, and for other purposes, which were ordered to lie on the table and to be printed.

(See reference to the above amendments when submitted by Mr. MONTOYA, which appears under a separate heading.)

AMENDMENT NO. 911

Mr. MONTOYA (for himself, Mr. MONDALE, Mr. MCGOVERN, Mr. HATFIELD, Mr. CLARK, and Mr. FONG) proposed amendments to Senate bill 2932, supra, which were ordered to be printed.

(See reference to the above amendments when proposed by Mr. MONTOYA, which appears under a separate heading.)

DEATH OF CAPT. KENNETH D. KREHBIEL IN VIETNAM

Mr. PEARSON. Mr. President, Capt. Kenneth D. Krehbiel died in Vietnam on October 17, 1967.

How often in the Senate we speak of the war in terms of budget deficit, inflation, and more taxes. But the real story of the war is actually told in the many short newspaper notices where remembrance is made of those who have died for the American commitment in Vietnam.

According to such a recent news account, the Distinguished Flying Cross was awarded this noble young Kansan. In the same ceremony, he was also awarded the Air Medal with five oak leaf clusters, the Bronze Star, and the Vietnam Medal of the Vietnamese Republic.

I ask unanimous consent that the article be printed in the RECORD so that Senators may review the proud record of a fine young man from Kansas.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DISTINGUISHED FLYING CROSS AWARDED TO CAPTAIN KREHBIEL

The Distinguished Flying Cross was awarded posthumously yesterday to Capt. Kenneth D. Krehbiel at Forbes AFB, Topeka. The award was presented to this widow, Mrs. Kenneth D. Krehbiel, by Col. Gordon Duncan, commander of the 838th Air Division of the Tactical Air Command at Forbes. His parents are Mr. and Mrs. Kenneth R. Krehbiel of McPherson.

During the same ceremony, Colonel Duncan also awarded Capt. Krehbiel the Air Medal with five oak leaf clusters, the Bronze Star and the Vietnam Medal of the Vietnamese Republic.

During the four months he was in Vietnam, Capt. Krehbiel flew more than 120 combat missions as Forward Air Controller and worked from 16 to 18 hours a day. In addition to his duties as Forward Air Controller, he also served for weeks at a time as Air Liaison Officer, coordinating infantry and artillery strikes with air strikes. He was on another mission when his aircraft crashed on Oct. 17, 1967.

The official citations for the awards follow:

DISTINGUISHED FLYING CROSS

Captain Kenneth D. Krehbiel distinguished himself by extraordinary achievement while participating in aerial flight as a Forward Air Controller in Vietnam on Aug. 9, 1967. On that date, Captain Krehbiel took control of the Tactical Air Support and virtually directed the counter-attack in support of U.S. Army troops that had, unknowingly, been helicopter-landed directly on to a very heavily defended and fortified hostile command post. At the time Captain Krehbiel took command of the air support battle, the assaulting U.S. troops could not move because of the intense hostile fire.

The only aircraft available for coordination of ground fire, artillery fire, and tactical air support was the undefended and unprotected O–1 aircraft piloted by Captain Krehbiel. He virtually directed the counter-attack for two hours and 15 minutes. In the process he directed three flights of fighter aircraft delivering ordnance on the hostile positions. After expending his rockets, Captain Krehbiel was forced to fly directly over the sources of hostile fire in order to mark them with smoke grenades. Throughout this period he was subject to the pressures of dense hostile fire, decreasing visibility and the responsibility of coordinating US infantry and artillery fire and fighter strikes upon the hostile positions. His actions contributed largely to the destruction of the heavily fortified enemy positions, a very significant reduction in US casualties and the safe evacuation of American casualties by medical helicopter. The professional competence, aerial skill and devotion to duty displayed by Captain Krehbiel reflect great credit upon himself and the United States Air Force.

AIR MEDAL

The Air Medal with five oak leaf clusters was awarded to Captain Krehbiel in recognition of 120 combat flights and 400 hours in the air over hostile territory during the four months he served in Vietnam from June 15, to Oct. 18, 1967. During this period, outstanding airmanship and courage were exhibited in the successful accomplishment of important missions under extremely hazardous conditions including the continuous possibility of hostile ground fire. His highly professional efforts contributed materially to the mission of the United States Air Force in Southeast Asia. The professional ability and outstanding aerial accomplishments of Captain Krehbiel reflect great credit upon himself and the United States Air Force.

BRONZE STAR

Captain Kenneth D. Krehbiel distinguished himself by mertiorious service as a United States Air Force Forward Air Controller with the 1st Air Cavalry Division in Vietnam, from June 25, 1967, to Oct. 17, 1967. During this period, Captain Krehbiel organized and brought to bear hundreds of tactical air support missions in support of military operations. For weeks at a time Captain Krehbiel acted as Air Liaison Officer. In this capacity, working seven days a week and 16 to 18 hours a day under constant hostile harassment in primitive field conditions, Captain Krehbiel significantly improved US Army planning for the offensive use of Tactical Air Support sorties flown in support of the 1st Air Cavalry Division. Captain Krehbiel's advice came to be frequently sought and highly regarded, and his penetrating and professional analysis of these problems earned the respect and admiration as well as the enthusiastic cooperation of all with whom he came in contact. The exemplary leadership, personal endeavor and devotion to duty displayed by Captain Krehbiel in this responsible position reflect great credit upon himself and the United States Air Force.

TWENTY-THREE YEARS AGO WE RATIFIED THE U.N. CHARTER

Mr. PROXMIRE. Mr. President, 23 years ago tomorrow the U.S. Senate ratified the Charter of the United Nations. In doing so, the United States pledged itself "to reaffirm faith in fundamental human rights, in the dignity and worth of the human person, in the equal rights of men and women and of nations large and small, and to establish conditions under which justice and respect for the obligations arising from treaties and other sources of international law can be maintained, and to promote social progress and better standards of life in larger freedom."

Mr. President, I ask the Senate today whether we have kept our word on that pledge of ours. I ask whether we have supported the U.N., the "last best hope of mankind." Have we done what should be expected of the leader of the world whose commitment to world peace led to the creation of the United Nations in San Francisco over 20 years ago?

The answer to that question, as far as human rights are concerned, is a resounding "No." The U.S. Senate has failed in this area. We have failed because some Senators listen to certain legal hairsplitters rather than their own consciences. We have failed because the message these international prophets of doom spread forbids any interference in the internal affairs of other sovereign nations. What they mean by "interference" apparently means any kind of moral, political, or economic suasion aimed at protecting the most basic rights of the citizenry of these nations.

We have before us the horrors of starvation and mass exploitation in Nigeria-Biafra. We have before us the stirrings in Eastern Europe of a nationalism that portends greater freedom for millions heretofore living under the control of totalitarianism. Yet the U.S. Senate still

fails to ratify those United Nations' human rights conventions, ratification which would permit the United States to speak credibly on these issues.

Mr. President, the time is far past due when the Senate should have ratified the human rights conventions now pending. The time for ratification is now. The responsibility for ratification is now. The responsibility for ratification, should we fail to act, will haunt us in the future as it will haunt those innocent human beings we will have failed to protect.

LEGISLATIVE HISTORY OF SPACE NUCLEAR PROPULSION FOR FISCAL YEAR 1969

Mr. ANDERSON. Mr. President, I ask unanimous consent that a "Legislative History of Space Nuclear Propulsion for Fiscal Year 1969" be printed in the RECORD.

There being no objection, the history was ordered to be printed in the RECORD, as follows:

LEGISLATIVE HISTORY OF SPACE NUCLEAR PROPULSION FOR FISCAL YEAR 1969

Space nuclear propulsion is a joint program between the National Aeronautics and Space Administration and the Atomic Energy Commission carried out under the management of the Joint AEC–NASA Space Nuclear Propulsion Office. The NASA portion of the program is the Nuclear Rockets Program; AEC calls its portion of the program Reactor Development: Space Propulsion Systems.

The legislative history of the 90th Congress, 2nd Session, on space nuclear propulsion confirms the continued vigorous support of the Congress for this space research and development activity and provides that the appropriate agencies should proceed with the development of the NERVA–I nuclear rocket engine.

AUTHORIZATION

Final action by the Congress on both the AEC and NASA fiscal year 1969 authorization bills strongly supports the continued development of space nuclear propulsion and urges that development of the NERVA nuclear rocket engine proceed during fiscal year 1969.

NASA AUTHORIZATION FOR FISCAL YEAR 1969

The House Committee on Science and Astronautics recommended that NASA's Nuclear Rockets Program request of $60 million be cut to $11.7 million and that recommendation was accepted by the House. However, the House later reversed itself and accepted the Senate's position so that $55 million has been authorized for the NASA Nuclear Rockets Program.

The Senate Committee on Aeronautical and Space Sciences recommended $55 million for the NASA Nuclear Rockets Program and strongly urged in its report to the Senate that NASA move forward as planned during fiscal year 1969 in space nuclear propulsion and specifically with the development of the NERVA–I nuclear rocket engine. The language of the report (Senate Report No. 1136, pp. 57–59) follows:

"COMMITTEE COMMENT

"A special effort was directed to thoroughly review the Nuclear Rockets Program. Three days of hearings were devoted to this program during which eight expert witnesses testfied. As a result of this careful consideration your committee recommends a reduction of $5 million in the Nuclear Rockets program, but strongly recommends against the crippling reduction of $48.3 million suggested by the House.

"The Nuclear Rockets program to date has been directed to the development of the technology necessary to build a nuclear rocket engine. This technology program has been extremely successful in producing propulsion efficiencies and operating times much greater than expected. Because of this success, the United States is now in a position to move forward with the development of a flyable engine which would provide the United States with a major advancement in space propulsion capability.

"Due to the high efficiency of nuclear rocket engines compared with the efficiencies achievable with chemical rocket engines, the nuclear rocket engine, NERVA I, will provide a vastly increased performance capability for space exploration by the last half of the 1970's; moreover, it is the only major space propulsion development underway in the United States which can give an increased propulsion capability by that time as lead times for the development of advanced space propulsion systems are long—between 5 and 10 years.

"The NERVA I engine, when used in a nuclear third stage on the Saturn V launch vehicle, would increase the payload capability of the Saturn V from 65 to 100 percent and enhance its operational characteristics for a variety of missions. Some of the missions for which a NERVA I power stage would provide operational and payload advantages are: large payloads to synchronous craft; earth orbital plant transport missions; heavy manned or unmanned lunar missions; and, eventually heavy payload missions beyond the moon. However, the size of the NERVA I engine makes it undesirable for heavy planetary missions and therefore very unattractive for manned planetary missions.

"Since the Nuclear Rockets program is a joint program of the AEC and NASA, and since the authorization for the AEC portion of the program ($69 million) has already been approved by the Congress, it would be inconsistent to reduce the NASA portion by the $48.3 million suggested by the House.

"The House committee's report said:

" 'This action was taken in recognition of the severe funding requirements of the Nation and with the full understanding of the progress that has been made in this program. In no way should this action be construed as a lack of confidence in the program but purely as a desire to defer the actual NERVA I development and reduce the level of effort in the nuclear rockets program.'

"Many of the activities of the Nuclear Rockets program are in midstream and the $11.7 million left in the program by the House would not permit testing of experimental engine systems already built and might not even cover all termination costs. In spite of the language in the House report, then, it seems unavoidable that the Nuclear Rockets program would have to be terminated if funding is reduced to the level recommended by the House.

"Through fiscal year 1968 about $1.1 billion will have been invested in it by both NASA and AEC. To terminate it now would be to waste the knowledge already paid for and to lose the many highly skilled people on the program to other pursuits. The experts agree the technology is available to proceed now with the development of the NERVA I nuclear rocket engine and that nothing would be gained, and indeed much would be lost, if the development of the nuclear rocket engine was not undertaken at this time. Nearly everyone agrees that nuclear rocket propulsion will be required for space exploration, and attempts to reinstate the program at some future time would be extremely costly both in time and money.

"The program presented by NASA would provide a flexible nuclear rocket engine that can be adapted to many kinds of missions. It is, therefore, the committee's recommendation that this country move forward now with the development of a nuclear rocket engine. At the level recommended by your committee for the Nuclear Rockets program, $55 million, NASA can move forward with that development during fiscal year 1969. This level will protect the $1.1 billion already invested and avoid the costly and inefficient reinstatement that would necessarily follow if the program were terminated this year."

The Senate accepted this recommendation. Moreover, during the Senate debate on the authorization bill an amendment was offered to cut several of the line items (NASA programs) in the bill back to the lower House figure; the amendment was agreed to. Among the cuts included in the original amendment was a cut in the Nuclear Rockets Program to take it back to the House amount of $11.7 million. However, an amendment to the amendment striking the cut in the Nuclear Rockets Program so as to bring the program back to the amount recommended by the Senate Space Committee was offered before passage; the amendment to the amendment was agreed to firmly establishing the support of the Senate for the NASA Nuclear Rockets Program. The House accepted the Senate-passed bill without a conference, and thereby adopted the Senate's position on the Nuclear Rockets Program as the House position. Therefore, very strong congressional support for the NASA Nuclear Rockets Program is expressed by the fiscal year 1969 NASA authorization bill.

AEC AUTHORIZATION FOR FISCAL YEAR 1969

The Joint Committee on Atomic Energy recommended $69 million for the AEC Nuclear Space Propulsion Systems and strongly recommended that the program proceed during fiscal year 1969. This position was adopted by both the House and the Senate. The language of the Joint Committee on Atomic Energy report to the Congress (Senate Report No. 1074, House Report No. 1266, pp. 26–28) follows:

"SPACE PROPULSION SYSTEMS

"A. AEC request

"The AEC has requested $72,000,000 for fiscal year 1969 operating costs for the space propulsion systems (Project ROVER) program. This is $1,500,000 more than the estimated costs for fiscal year 1968, and $6,591,794 less than actual costs in fiscal year 1967. Of the total, $39,000,000 is for development of the NERVA I rocket engine technology and the definition and design of the NERVA I reactor subsystem; $23,000,000 is for advanced reactor technology; and $10,000,000 is for operations at the Nuclear Rocket Development Station (NRDS), Nevada.

"B. Committee action

"The committee recommends approval of $69,000,000 of the amount requested. The cut of $3,000,000 is recommended reluctantly and only as a result of extreme budgetary pressure. The decrease should be applied in those areas calculated to have the least effect on the current program schedule.

"In last year's authorization report, when the executive branch wanted to stop further work on NERVA I and initiate a new NERVA II program, the committee recommended that further intensive analysis should be initiated immediately to verify the true growth potential of the NERVA I nuclear rocket engine, with particular emphasis on clarifying the question of versatility of such an uprated engine in terms of meeting earlier unmanned mission requirements as well as possible subsequent manned missions. The committee notes that in complying with that recommendation, the Commission has reached a decision to initiate the development of an approximately 1,500 megawatts (MW), 75,000 pound thrust engine, NERVA I, for use in a variety of space missions. The reevaluation of NERVA I revealed that application of this system is equal or superior to the NERVA–II (the 200,000 pound thrust engine, the development of which the Commission proposed in

the fiscal year 1968 budget) in missions of interest with the exception of the difficult manned mission to Mars.

"The latter mission, however, is not an authorized objective at this time. It should be noted that even as to this mission, NERVA I still has the capability, but with some weight penalties when compared with the larger engine. The savings achieved by the decision to forego development of NERVA–II and to concentrate on uprating NERVA–I are on the order of half a billion dollars.

"The progress in this technology program has been steady and very impressive. In the most recent of a long series of successful reactor and engine tests, the NRX–A6 reactor was run on December 15, 1967 at full power (1100 megawatts, 3500° F. exhaust) for 60 minutes. This duration signifies a tremendous step forward, and is representative of a reactor capability to achieve the kinds of missions now being planned. The NRX–A6 test, as in the previous reactor tests, was operated at fuel temperatures equivalent to 800 seconds of specific impulse (440 seconds is characteristic of advanced chemical rockets).

"The committee is disturbed by the recent signs indicating that support for this program may be faltering, and that development of the NERVA nuclear rocket engine may be curtailed. They are the more surprising in view of the rapid technological advances being made in the program. Lack of support for the NERVA engine in fiscal year 1969 could seriously impair the country's ability to make use of the tremendous technical capability developed in this program over the past 12 years. Worse yet, without the development of a nuclear rocket engine, it is not possible to project a viable space program based on a significant step-wise advancement in propulsion capability. Deferral is not possible without incurring certain *irreversible* penalties which will be very costly to this Nation in the long run. The flight engine program is a logical continuation of an existing capability, not a build-up of a new one. Moreover, the recommended pace has been determined in the light of current budgetary pressures. Only because of intense competition for funds, largely to meet commitments in the defense area, has the committee seen fit to recommend a cut of $3 million in this year's program.

"In the post-Apollo period, requirements for payload and velocity increments will be much higher than those with which we are now dealing. In this connection, there are many ways to cite the superiority of the NERVA I engine. For the moon mission it represents a 65-percent greater payload capacity, a capability which would permit direct landing at any point on the moon. In deep space it provides not only extra payload capacity, but increased reliability and maneuverability, higher power for measurements and communications, and flexibility in trading payload for shortened mission times. There are also attractive applications in connection with earth-orbiting missions.

"In view of the progress to date and the importance of the nuclear rocket to our future space program, the committee believes the program is deserving of continued vigorous support, and that the present schedule should be maintained. Scheduled for fiscal year 1969 is a Phoebus 2–A test (5,000 megawatt, large reactor initially picked to mate with the large NERVA–II engine). This test, for which the hardware was in existence when the decision to go to NERVA I was made, will be useful as a test of fuel with a very high power density. Also scheduled for fiscal year 1969 are tests of two engines, XE–1 and XE–2. Their purpose is to obtain additional operating data of a nuclear rocket engine as a system, under startup, steady state, and transient conditions and at partial and full power. These engines will contain the 1,100 megawatt NERVA type reactor, similar to NRX–A6.

"The bulk of the engine technology effort, then, is expected to be completed in fiscal year 1969. Development will be continued in fiscal year 1969 on a flight type engine, thrust level of 75,000 pounds, and a reactor power of about 1400 megawatts. The goal is 825 seconds of specific impulse and a 4,000° F. temperature, entailing a propellant flow of about 90 pounds per second.

"Work on improved fuels will be continued in a reactor test bed called Peewee. It represents about one quarter of a NERVA I type reactor core, and hence minimizes fuel and testing costs.

"The committee will be following with great interest this program's progress in fiscal year 1969, including the post mortem examination of NRX–A6. In noting the projected date of 1976 for availability of NERVA I for flight test, the committee would expect the Commission's fiscal year 197C budget proposal to contain details of the actual steps to be taken toward the flight test program. It is recommended that the program for fiscal year 1970 be separated into two parts, the first to be directed toward an unmanned flight program making use of the NERVA I reactor, the second devoted to a continuing technology effort to upgrade the NERVA I reactor for longer range application in association with the manned planetary missions. This approach is certainly supported by the impressive success of the NERVA I reactor, and by the recent studies which show the utility of the NERVA I reactor for achieving a spectrum of useful space missions. In establishing a program plan which is divided into flight test and advanced technology segments, every possible reduction in expenditures should be invoked in the interest of economy.

"The committee notes with interest the range of applicability cited by the Commission for electric propulsion. The useful functions attributed to even small electric propulsion engines (of a few electrical watts) would seem to indicate early and widespread application. Large amounts have been funded for suitable power sources for electric propulsion. To date, however, the committee has not received a quantitative assessment of any class of actual requirements. It would be helpful to receive in the fiscal year 1970 Commission budget proposal a documented statement of such a requirement, along with a provision for an organizational entity which would provide for liaison with the using agencies at the technical competence level as well as at the policy or administrative level."

APPROPRIATIONS

Final action of both the House and the Senate Appropriations Committees on both the Independent Offices bill and the AEC Appropriations bill also support space nuclear propulsion and NERVA–I nuclear rocket engine development during fiscal year 1969.

HOUSE INDEPENDENT OFFICES APPROPRIATION FOR FISCAL YEAR 1969

The House Appropriations Committee in its Independent Offices and Department of Housing and Urban Development Appropriations bill for fiscal year 1969, recommended that $3,383,250,000 be appropriated for NASA research and development programs. The Committee report language (House Report No. 1348, pp. 11–12) follows:

"NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

"The Committee considered budget estimates totaling $4,370,400,000 for the National Aeronautics and Space Administration and recommends a total of $4,008,223,000 for 1969. This is a reduction of $362,177,000 below the budget request and is $580,677,000 less than appropriations for similar purposes in fiscal year 1968. It is $959,777,000 below the appropriations provided in fiscal year 1967.

"Our national space program has come a long way during the first decade of the space age. We have launched more vehicles, have traveled more miles, and have achieved more time in space than any other nation in the world.

"The Nation's achievements in space are outstanding and the Administrator, the astronauts and the team of the National space program are to be commended. The Nation is proud of our national effort in space exploration.

"The Committee recognizes the current budgetary situation with increased costs of the Vietnam conflict and domestic demands, and accordingly, of necessity, has reduced the program levels in all new appropriations for 1969. The funding provided will afford a balanced space program to carry out national policy goals and objectives while considering other financial requirements of the country. It should be pointed out that overall space expenditures for NASA have been reduced from about a $6,000,000,000 level in recent years, to a $4,000,000,000 obligational level in the current fiscal year as herein recommended.

Research and Development.—The budget proposes $3,677,200,000 for research and development activities in 1969. The Committee recommends $3,383,250,000, which is a reduction of $293,950,000 below the budget and $541,750,000 less than the amount provided in fiscal year 1968. The Committee takes cognizance of the fact that the momentum of the Apollo program has been reestablished following a number of delays and setbacks. The Committee recommends that only the most important and highest priority programs be funded at this time."

The House passed the fiscal year 1969 Independent Offices appropriation bill containing the NASA appropriation before the NASA fiscal year 1969 authorization bill was enacted by the Congress and the NASA research and development appropriation in the House bill exceeds the total amount provided for research and development in the authorization bill. In its report the House Appropriation Committee states that only the most important and highest priority programs be funded during fiscal year 1969; no individual program discussion is included. Therefore, one must look elsewhere to find out which programs the Congress considers important and of high priority. As pointed out above, the NASA fiscal year 1969 authorization bill authorizes $55 million for the Nuclear Rockets Program and the Congress is clearly on record because of its action on the authorization bill that it supports the NASA Nuclear Rockets Program for fiscal year 1969. It is, therefore, clear that by its final actions the view of the Congress is that the Nuclear Rockets Program is one of the most important and highest priority programs in NASA and should move forward as planned during fiscal year 1969.

SENATE INDEPENDENT OFFICES APPROPRIATIONS FOR FISCAL YEAR 1969

The Senate Appropriations Committee recommended to the Senate that $3,370,300,000 be appropriated for NASA research and development programs and the Committee specifically noted in its report that it was convinced that a viable space program required the development of a nuclear rocket engine and that deferral of such development would be very costly to the Nation. The recommendation of the Committee was accepted by the Senate. The language of the Senate Appropriations Committee report (Senate Report No. 1375, pp. 9–10) follows:

"RESEARCH AND DEVELOPMENT

1968 appropriation	$3,925,000,000
Estimate, 1969	3,677,200,000
Authorization, 1969	3,370,300,000
House allowance	3,383,250,000
Committee recommendation	3,370,300,000

"A reduction of $12,950,000 is recommended by the committee, to provide a total amount for the programs authorized for 'Research and development' of $3,370,300,000, which is $306,900,000 below the budget estimate.

"The committee concurs in the House recommendation that only the most important and highest priority programs be funded at this time. It is essential to continue the momentum of the Apollo program that has been reestablished. Also, the committee is convinced that without the development of a nuclear rocket engine it is not possible to project a viable space program based on advancement in propulsion capability, and deferral of such development will be very costly to the Nation in the long run.

"For the NERVA program, being developed jointly by NASA and AEC, the NASA authorization is $55 million and the AEC authorization is $69 million. The committee recommends that an adequate funding level be provided to assure that a balanced program is maintained between the two agencies."

The amount finally appropriated for NASA research and development for fiscal year 1969 will not be less than $3,370,300,000, which equals the total amount for the individual research and development programs in the fiscal year 1969 NASA authorization bill including $55 million for the Nuclear Rockets Program.

AEC APPROPRIATION FOR FISCAL YEAR 1969

The House Appropriations Committee considered its Public Works for Water and Power Resources Development and Atomic Energy Commission Appropriations Bill for fiscal year 1969 immediately after the NASA authorization bill passed the House. The House Appropriations Committee consequently disallowed $41 million of the AEC budget request providing only $31 million for continuing the space propulsion systems work in the AEC. This action was taken by the House Appropriations Committee because of the House action on the NASA authorization bill and the Committee felt it had no alternative but to take comparable action in connection with AEC. However, the House Appropriations Committee in its report specifically made note of the fact that it had supported up to this time an adequate funding level for the NERVA program because of its importance to our future space program and specifically states that it would reconsider its action in the future to assure a balanced program between NASA and the AEC. The language of the House Appropriations Report (Report No. 1549, p. 83) follows:

"Space Propulsion Systems (Rover).—Because of the action by the House on the NASA authorization bill curtailing the portion of the NERVA nuclear rocket engine development program being conducted by NASA, the Committee has had no alternative but to take comparable action in connection with related funding level for the work programmed by AEC. The Committee has therefore disallowed $41,000,000 of the budget request, including $3,000,000 deleted in the 1969 Authorization Act. The Committee has allowed $31,000,000, $2,000,000 less than the budget estimate, for continuing the advanced rocket reactor technology program and the nuclear rocket development station operations.

"The Committee has supported to date an adequate funding level for the NERVA Program because of its importance to our future space program and will reconsider its action as appropriate in the future to assure that a balanced program is maintained between the two agencies."

The Senate Appropriations Committee restored $37 million of the House cut and recommended to the Senate that $68 million be appropriated to the AEC for Reactor Development—Space Propulsion Systems. The Committee in its report said it is convinced that the development of the NERVA–I engine should proceed under an AEC/NASA balanced program without costly setbacks in order to assure a strong space propulsion capability so essential for future missions. The Senate accepted this position. The language of the Senate Appropriations Committee Report (Report No. 1405, p. 39) follows:

"REACTOR DEVELOPMENT—SPACE PROPULSION SYSTEMS

"Restoration of $36,000,000 is recommended by the committee for reactor propulsion (Rover) NERVA, the full amount of the authorization by the Joint Committee on Atomic Energy.

"Restoration of $1 million is also recommended by the committee for advanced rocket reactor technology, to provide $21,500,000, which is $1 million below the authorization by the Joint Committee.

"For the total on space propulsion systems, the restorations of $37 million will provide appropriations of $68 million, a reduction of $4 million from the budget estimate and a reduction of $1 million from the authorization.

"The restorations recommended are necessary in order to balance the funding of the NERVA program, being developed jointly by AEC and NASA, for which the NASA authorization is $55 million, a reduction of $5 million below the budget estimate.

"The committee is convinced that development of the NERVA–I engine with 75,000-pound thrust should proceed under a balanced program, without costly setbacks, in order to assure a strong space propulsion capability which is so essential for future missions."

The conference committee on the AEC appropriations for fiscal year 1969 agreed to $53 million on the AEC's program in Reactor Development—Space Propulsion Systems, a figure more than halfway between the House lower figure and the Senate higher figure.

CONCEPTS OF GOOD CITIZENSHIP

Mr. PEARSON. Mr. President, I received a letter from the Omega Youth of the Jewell Christian Church of Jewell, Kans., in which they resolved and affirmed certain concepts which they believe to represent good citizenship within our republican form of government which must be guided by christian principles.

The statement, which is both simple and eloquent, speaks for itself. Because of my pride in these young Kansas citizens and my concurrence with their views, I ask unanimous consent that the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OMEGA YOUTH,
JEWELL CHRISTIAN CHURCH,
Jewell, Kans., July 25, 1968.

Hon. Mr. PEARSON,
The Senate,
Washington, D.C.

DEAR SENATOR PEARSON: We, the Omega Youth of Jewell Christian Church, Jewell, Kansas, do hereby affirm and resolve that:

1. We will seek to know and to obey the laws of our land and seek to follow the constitution of the United States of America that was drawn up by our fathers and our forefathers.

2. We will endeavor to influence our friends to join us in our determination to be good citizens.

3. We will oppose all forms of lawlessness and violence, though recognizing and cherishing the right of free speech.

4. We are in favor of upholding our constitutional right to bear arms. We feel that anyone who wants to violate a law will not turn in his gun or will steal one that is legally registered to an innocent citizen.

5. We oppose the many inconsistencies in the laws of our states and our nation with regard to the rights of the 18–21 year old citizens. These inconsistencies should be dealt with in such way as to provide for these youth to properly develop their citizenship in all matters.

6. We, though believing war to be against God's will for mankind, notwithstanding this, are trying to be good citizens and so back our President and his policies with regard to Vietnam in the belief that he is trying to do his best for our country.

7. We will support our church, believing "In God we trust" to be the most significant statement of our nation's character and purpose.

The foregoing resolutions were affirmed by:

Sheila Hoel, Cheryl Fenner, Darrell Bohnert, Jim C. Dooley, Melinda Headrick, Steve Butts, Nick Butts, Kerma Headrick, Teresa Fenner, Calvin Bohnert, Scott Fenner, Rex Miller, Juanita Abram, Deborah McMillan, John McDaniel, Steven Green, June Butts, Rex Flin.

ADDRESS BY CHIEF JUSTICE JOHN C. BELL, JR., OF THE SUPREME COURT OF PENNSYLVANIA

Mr. ERVIN. Mr. President, on July 8, 1968, Chief Justice John C. Bell, Jr., delivered a forthright address to the District Attorneys' Association of Pennsylvania on the decline of law and order in our country. Judge Bell singles out recent Supreme Court decisions which he feels are contributing to the lawlessness in our country and, as he stated, are "literally jeopardizing the future welfare of our country."

In these days, when so many feel that the decisions of the Supreme Court are sacrosanct, it is indeed refreshing to hear someone of Judge Bell's stature look closely at recent Court decisions and their effect on our country.

In his speech Judge Bell states:

The recent decisions of (a majority of) the Supreme Court of the United States which shackle the police and the Courts and make it terrifically difficult (as you well know) to protect Society from crime and criminals, are, I repeat, among the principal reasons for the turmoil and the near-revolutionary conditions which prevail in our Country, and especially in Washington.

Mr. President, I hope that all Senators will have a chance to read Judge Bell's remarks. I ask unanimous consent that they be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY JOHN C. BELL, JR., CHIEF JUSTICE, TO THE DISTRICT ATTORNEYS' ASSOCIATION OF PENNSYLVANIA ON JULY 8, 1968

One of the few things I remember from my college days is the definition of "a familiar essay." A familiar essay is "A ramble around a subject in pleasant company." So, tonight, I'm not going to make a speech; it's going to be a familiar essay!

The Land of Law and Order—the Land which all of us have loved in prose and poetry and in our hearts—has become a Land of unrest, lawlessness, violence and disorder—a Land of turmoil, of riotings, lootings, shootings, confusion and Babel. And you who remember your Genesis remember what happened to Babel.

Respect for Law and Order—indeed, respect for *any* public or private authority—is rapidly vanishing. Why? There isn't just

one reason—there are a multitude and a combination of reasons. Many political leaders are stirring up unrest, discontent and greed by promising every voting group Heaven on earth, no matter what the cost. Many racial leaders demand—not next year, or in the foreseeable future, but right *now*, a blue moon for everyone with a gold ring around it. Moreover, many racial leaders, many church leaders and many college leaders advocate mass civil disobedience and intentional violation of any and every Law which a person dislikes. We all know, and we all agree, that there is a need for many reforms, and that the poor and the unemployed must be helped. However, this does not justify the breaking of any of our Laws or the resort to violence or burnings and lootings of property or sit-ins, lie-ins, sleep-in students, or mass lie-downs in the public streets, or the blockading of buildings, or rioting mobs. Television shows which feature gun battles (of course, unintentionally) add their bit to stimulating widespread violence. Furthermore, the blackmailing demands of those who advocate a defiance of Law and Order under the cloak of worthy objectives and commit all kinds of illegal actions which they *miscall* civil rights, are harming, not helping, their cause.

Let's face it—a dozen recent revolutionary decisions by (a majority of) the Supreme Court of the United States in favor of murderers, robbers, rapists and other dangerous criminals, which astonish and dismay countless law-abiding citizens who look to our Courts for protection and help, and the *mollycoddling* of law-breakers and dangerous criminals by many Judges—each and all of these are worrying and frightening millions of law-abiding citizens and are literally jeopardizing the future welfare of our Country.

Is this still America? Or are we following in the footsteps of ancient Rome, or are we becoming another revolutionary France?

Let's consider some of these problems one by one. In the first place, we cannot think or talk about crime and criminals, without thinking about the newspapers and other news media. Our Constitution, as we all remember, guarantees the "freedom of the press," (First Amendment to the Constitution of the United States, and Article I, section 7 of the Constitution of Pennsylvania) and this freedom of the press means an *awful* lot to our Country, even though it isn't absolute and unlimited. (*Matson* v. *Margiotti*, 371 Pa. 188; see, also, *New York Times Co.* v. Sullivan, 376 U.S. 254.)

We all know that newspapers are written, edited and published by human beings and therefore it is impossible for a newspaper to be always accurate or always fair or always right. Nevertheless, the newspapers and other news media are *terrifically important* in our lives, and particularly in showing up incompetent or crooked public officials and *dangerous* criminals. Indeed, it is not an exaggeration to say, that they are absolutely *vital and indispensable* for the protection of the public against crime and criminals. No matter what unrealistic people may say, the only way it is possible for law-abiding persons to *adequately* protect themselves against criminals is to be informed of a crime as soon as it happens, and all relevant details about when and where and how the crime occurred, together with pertinent data about the suspected criminal or criminals. I repeat, this is the quickest and surest way, although of course not the only way our people can be alerted and protect themselves. For these reasons, it is imperative that we must resist constantly and with all our power, every attempt to "muzzle" the press by well-meaning and unrealistic persons who mistakenly believe that this press coverage with its protective shield for the public will prevent a fair trial. I need hardly add that if the press publicity so prejudices a community that a fair trial for the accused cannot be held therein, the Courts process, and whenever necessary exercise the power to transfer the trial of such a case to another County in Pennsylvania.

Let's stop kidding the American people! It is too often forgotten that crime is increasing over six times more rapidly than our population. This deluge of violence, this flouting and defiance of the Law and this crime wave cannot be stopped, and crime cannot be eliminated by pius platitudes and by Governmental promises of millions and billions of dollars. We have to stop worshipping mammon and return to worshipping God, and we next have to change, if humanly possible, the coddling of criminals by our Courts.

The recent decisions of (a majority of) the Supreme Court of the United States which shackle the police and the Courts and make it terrifically difficult (as you well know) to protect Society from crime and criminals, are, I repeat, among the principal reasons for the turmoil and the near-revolutionary conditions which prevail in our Country, and especially in Washington.

No matter how atrocious the crime or how clear the guilt, the Supreme Court never discuss in their Opinions or even mention the fact that the murderer, robber, or dangerous criminal or rapist, who has appealed to their Court for Justice is undoubtedly guilty, and they rarely ever discuss the rights and the protection of the law-abiding people in our Country. Instead, they upset and reverse convictions of criminals who pleaded guilty and were found guilty recently or many years ago, on newly created technical and unrealistic standards made of straw. Although I do not doubt their sincerity, most Judges, most lawyers and most of the law-abiding public believe that they have invented these far-fetched interpretations of our Constitution with a Jules Verne imagination and a Procrustean stretch which out-Procrustes Procrustes; and either legally or Constitutionally they must be changed!

Now, here is where *you* come in. The people of Pennsylvania need, as never before in our history, District Attorneys who will without fear or favor act promptly, vigorously, and of course fairly, to prosecute and convict the lawless, the violent and the felonious criminals who are alarming and terrifying our Society. How can you do this? There are several ways which occur to me, and I am sure numerous additional ones will occur to you.

The *first* is: You must prosecute as quicky as possible all persons who violate any law, no matter how or under what cloak of sheep's clothing they may attempt to justify their criminal actions.

Secondly: Study—and you will have to study as never before—all of the many United States Supreme Court decisions handed down in the last few years concerning crime and criminals, their confessions and their newly created rights. These are so numerous that I will not have time to analyze and discuss them. However, I will capsulize my feelings with respect thereto by the following quotations from the dissenting Opinions in *Wesberry* v. *Sanders*, 376 U.S. 1, 20–21, 42, which said, inter alia: ". . . The Constitutional right which the Court creates is manufactured out of whole cloth;" and in the dissenting Opinion in *Lucas* v. *Colorado General Assembly*, 370 U.S. 713, where one of the dissenting Opinions said (page 751): " 'To put the matter plainly, there is nothing in all the history of this Court's decisions which supports this constitutional rule. The Court's draconian pronouncement, which makes unconstitutional the legislatures of most of the 50 States, finds no support in the words of the Constitution, in any prior decision of this Court, or in the 175-year political history of our Federal Union. . . .' "

In the very recent case of *Witherspoon* v. *Illinois*, which was decided on June 3rd of this year, the dissenting Justices went even further and said that the majority Opinion was completely without support in the record and was "very ambiguous." With these conclusions I strongly agree. However, what is more important is the question of what *Witherspoon* really holds. The majority Opinion thus summarizes it: *Specifically*,[1] we hold that *a sentence of death* cannot be carried out if the jury that imposed or recommended it was chosen *by excluding veniremen for cause* simply because they voiced general objections to the death penalty or expressed conscientious or religious scruples against its infliction. . . . *Nor does the decision in this case affect the validity of any sentence other*[2] *than one of death.* Nor, finally, does today's holding render invalid the *conviction*[2] as opposed to the *sentence*,[2] in this or any other case. . . . [W]e have concluded that neither the reliance of law enforcement officials, cf. Tehan v. Shott, 382 U.S. 406, 417; Johnson v. New Jersey, 384 U.S. 719, 731, nor the impact of a retroactive holding on the administration of justice, cf. Stovall v. Denno, 388 U.S. 293, 300, warrants a decision against the fully retroactive application of the holding we announce today."

Thirdly: You will have to more carefully and more thoroughly prepare your cases than ever before, especially on the question of the voluntariness and admissibility of confessions, in order to avoid new trials, now or 25 years from now.

Fourth: You will have to personally make sure that a complete detailed record is kept of all the trial and pre-trial and post-conviction proceedings in every case, in order to adequately answer and refute, immediately or many years after the trial, a convict's contentions that he was deprived of a number of his Constitutional rights. These allegations of unconstitutionality may include a contention that his confession or guilty plea was coerced or involuntary; or that he did not have a lawyer at the taxpayers' expense at the time of his confession or any time to adequately prepare his case; or that he was not advised or did not understand all his rights at every critical stage of the trial and pre-trial proceedings, including his right to remain silent; and all his other required Constitutional warnings; or that he was not competent to stand trial; or that he was insane; or that his lawyer was incompetent; or that he was not advised of his right to appeal and to have a tax-paid lawyer represent him in his appeal; and also every imaginable lie which he can invent; as well as every technical defense which an astute criminal lawyer can, after the trial or after many post-conviction proceedings, conceive.

Fifth: You will have to aid (of course, diplomatically) every trial Judge, in order that his rulings and his charge to the jury and his statement of the law and the facts are accurate, adequate, fair and comply with all the recently created technical standards.

Sixth: And this is very, very, very important—I strongly recommend:

First, that your Association state courteously and publicly the position of the District Attorneys' Association of Pennsylvania with respect to every decision of the Supreme Court of the United States and of an appellate Court of Pennsylvania which the Association is convinced is unfair to our law-abiding people and is unjustified by the Constitution or by any statutory law, together with the reasons and the legal authorities which support your position; and that you simultaneously send a copy of all of the Association's recommendations, resolutions and criticisms to the Supreme Court of the

[1] Italics, ours.

[2] Emphasis in original Opinion.

United States, and to the appellate Courts of Pennsylvania;

Secondly, that each of you write, and likewise be sure to see the members of the State Legislature from your district and your Congressman and your two United States Senators about the Association's recommendations and resolutions and criticisms, and the reasons for the Association's opinions and convictions.

Finally, you must fight with all your might and power and as never before for all the law-abiding people of our wonderful State who are consciously or unconsciously relying upon you (and the Courts) to protect them from felonious criminals and from all law-breakers.

DEATH OF MARGARET BAYNE PRICE

Mr. PELL. Mr. President, I mourn with intense regret the loss of Mrs. Margaret Price who left us on the 23d of this month.

When a good friend leaves us, we are all saddened. But, Margaret Price was much more than that, for during much of her life she was dedicated to trying to shape history for the betterment of her country.

Arduous tasks and thankless jobs were frequently her lot. She did them well, with flair and imagination. She sought not glory, but achievement

Modesty and effectiveness were her attributes.

Operation Support, Four for '64, Flying Caravans, Tell-a-Friend, were the products of her drive and leadership.

Millions of women across the Nation respected and admired "Mrs. Democrat" for her leadership and sincerity of purpose.

In essence, she was a lady of vision, verve, and vitality.

From a personal viewpoint, she was a good and valued friend.

The passing of Margaret Price will prove to be a great loss to her country and her party; we all miss her deeply.

BALTIMORE SPEAKS OUT ON SUPREME COURT NOMINATIONS

Mr. GRIFFIN. Mr. President, an aroused American public is beginning to make its voice heard concerning the President's nominations to the Supreme Court. Letters and telegrams are pouring into our office from all parts of the Nation, and the tide is running overwhelmingly in favor of the position I have taken.

I wish to call attention to another indication of the public's view of this matter. On July 10, television station WMAR–TV in Baltimore, Md., conducted a poll.

The station asked its viewers to respond by telephone to this question: "Should the U.S. Senate delay confirmation of L. B. J.'s Supreme Court nominations so these could be made by the new President next January?"

The poll was conducted during prime viewing time—between the hours of 7:30 and 11 p.m. During that 3½-hour period, the station reported that 1,459 persons called to register their opinion.

Sixty-four percent of those voting supported the view that the Senate should not confirm the pending nominations. That is a margin of nearly 2 to 1 in an area where the President would be expected to have strong political support.

A Gallup poll taken in June, before the current controversy erupted, indicated that public confidence in the Supreme Court has fallen to an all-time low. It is not unreasonable to suggest that public confidence in the Court will not be enhanced if the Senate should rubberstamp the pending nominations.

The residents of Baltimore have registered their opinion. I am confident that other cities and States will follow their lead.

I ask unanimous consent that a newspaper article containing the Gallup poll be printed in the RECORD.

There being no objection, the poll was ordered to be printed in the RECORD, as follows:

[From the Washington Post, July 10, 1968]

THE GALLUP POLL: HIGH COURT GETS A LOW RATING

(By George Gallup)

PRINCETON, N.J., July 9.—Favorable attitudes toward the U.S. Supreme Court have declined during the last year, as judged by a nationwide Gallup survey just completed.

Today, unfavorable feelings toward the High Court outweigh favorable sentiment by a 3–2 ratio. In a survey reported in July, 1967, Americans showed feelings toward the Court—with about as many giving it "excellent" or "good" marks as gave it "fair" or "poor" rating.

Over the past 30 years the Gallup Poll has regularly checked on the public's attitudes toward the Supreme Court as a branch of government. This survey was not designed to gauge public reaction to the recent Administration appointments of Abe Fortas and Homer Thornberry to the Court.

This is a question put to a representative national sample of 1534 adults the last weekend in June:

"In general, what kind of rating would you give the Supreme Court—excellent, good, fair or poor?"

[In percent]

	Latest	July 1967
Excellent	8	15
Good	28	30
Total favorable	36	45
Fair	32	29
Poor	21	17
Total unfavorable	53	46
No opinion	11	9

A person's opinion of the Supreme Court is closely related to how he identifies himself politically. Rank-and-file Republicans are most critical of the Court (60 per cent give the Court an unfavorable rating) while Democrats are about evenly divided between favorable and unfavorable ratings.

Persons with college training are more inclined to give the Court a favorable rating than those with less formal education. Still, college-trained persons are evenly divided in their evaluation of the Court.

Southerners are more critical of the Court than are residents of other regions. About half of young adults, those in their twenties, give the Court either an "excellent" or "good" rating, while older persons tend to be less favorably disposed toward the Court.

Following are the results by major groups in the population:

[In percent]

	Excellent	Good	Fair	Poor	No opinion
National	8	28	32	21	11
Republicans	7	21	35	25	12
Democrats	10	32	30	17	11
Independents	7	29	32	24	8
College	14	34	27	21	4
High school	6	29	35	20	10
Grammar school	6	21	31	23	19
East	11	32	31	16	10
Midwest	8	31	29	17	15
South	5	18	35	31	11
West	9	31	33	19	8
21 to 29 years	11	37	32	12	8
30 to 49 years	9	31	31	18	11
50 and older	6	19	32	29	14

The public favors certain changes in the way Supreme Court Justices are selected. Sixty-one per cent support the proposal that the American Bar Association draw up a list of candidates it prefers and then let the President make a choice from the list.

In addition, three out of every four people in this country favor President Eisenhower's proposal that Justices of the Supreme Court and other Federal judges be required to retire at the age of 72.

VOCATIONAL EDUCATION

Mr. PEARSON. Mr. President, vocational education has become one of the fundamental individual achievements of our national economic strength. Recognition of this fact was most recently stated in a statement on KLEO radio station in Wichita, Kans., on July 22 and 23 of this year. It is a strong plea for Senate action.

Because I share this view, I ask unanimous consent that this statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

[An editorial comment broadcast on KLEO, July 22–23, 1968]

OBSERVATION 148

The House in Washington has passed the vocational educational amendments and sent them to the Senate. These represent an important step forward in making more occupational education available to the youth of our Nation. We can only hope that the bill will not get lost, watered down or killed in the rush of the final days of congressional meetings before the political conventions. Here in Kansas we have made great movements forward in having excellent Vo-Tec schools, but if approved, the Federal provisions would be given assist in broadening these opportunities here and throughout the Nation.

EVANS AND NOVAK ON THE JOHNSON-FORTAS RELATIONSHIP

Mr. GRIFFIN. Mr. President, in considering the nominations pending for the Supreme Court, questions have arisen as a result of a past and continuing relationship between Mr. Fortas and President Johnson.

A carefully researched book, written by the respected columnists, Rowland Evans and Robert Novak, throws considerable light upon that relationship.

I ask unanimous consent that a number of excerpts from the book "Lyndon B. Johnson: The Exercise of Power," along with my introductory remarks be printed in the RECORD.

There being no objection, the introductory remarks and excerpts were ordered to be printed in the RECORD, as follows:

Mr. GRIFFIN. On page 9 of the book, the authors refer to the beginning of the relationship in the late thirties with these words:

"THE ROAD TO THE SENATE

"But most important, the doors were opened to the great and near-great—to the Princes of the New Deal who usually didn't come within miles of a freshman Congressman. In separate conversations, Roosevelt remarked to those two feuding chieftains of the New Deal, Harold Ickes and Harry Hopkins, that here was a young man Franklin Roosevelt might have been—if he hadn't been saddled with a Harvard education! Further, the President added, young Johnson could well become the first President from the South since the Civil War. Ickes and Hopkins got the message and began introducing Johnson around and doing him little favors.

"Slowly, Johnson began to assemble a stable of non-Texas advisers—some to last a generation, some to be shucked off quickly. Hopkins introduced him to a shrewd Wall Street lawyer named Edwin Weisl, who was deeply impressed by Johnson, Secretary of the Interior Ickes put him in touch with two brilliant men in their late twenties—a young lawyer from Memphis named Abe Fortas, then working his way up the ladder in the Interior Department, and Eliot Janeway, then business editor of Time and an unofficial economic adviser to Ickes. Weisl, Fortas, Janeway—all were called upon by the young Congressman for advice, as were FDR's Young Guard from the White House and the new Securities and Exchange Commission (through Johnson's interlocking relationships with both Rayburn and Roosevelt).

"Apart from the fact that Sam Johnson had served with Sam Rayburn in the Texas legislature and backed Rayburn for Speaker in 1909, Lyndon Johnson had been attentive to Rayburn during his stint as Kleberg's secretary in the House. As chairman of the House Commerce Committee during Roosevelt's Hundred Days of 1933, Rayburn was midwife at the birth of the SEC. Thus the Rayburn link, together with Roosevelt's own sponsorship, put Johnson in close touch with SEC Chairman William O. Douglas and the young White House aides of the later New Deal—Ben Cohen, Thomas (Tommy the Cork) Corcoran, James Rowe."

In 1948, candidate Lyndon Johnson won nomination for Senator by a contested 87 votes. The circumstances and the role played by Mr. Fortas, are described in the book, beginning on page 24, as follows:

". . ., the campaign of 1948 bore little resemblance to 1941. This time Johnson was not bound by the handicaps of a pro-administration candidate. Swooping down on voters in his helicopter, Johnson was prepared to say whatever he had to say to win. While never having joined the segregationist bloc in Congress, he now opened fire on Truman's whole civil rights program, and while privately telling friends that he really favored federal control of tidelands oil, he campaigned for a bill to place the tidelands in Texan hands. But nowhere did Johnson display his ability—and willingness—to work both sides of the political fence in order to get into the Senate as he did on the Taft-Hartley issue.

"Johnson's vote for Taft-Hartley helped nail down the kind of money support that shunned him seven years earlier—led by the newly oil-rich Brown brothers. Old Wall Street friend Ed Weisl (whose clients included the Hearst Corporation) obtained an endorsement for Johnson from the Hearst newspapers in Texas—an endorsement out of the question if Johnson had voted against Taft-Hartley. That single vote panicked the Texas State AFL into an absurd endorsement of Johnson's right-wing Tory Democratic foe, Governor Coke Stevenson, playing directly into Johnson's hands. Fearful of taking a stand on Taft-Hartley because of the AFL endorsement, Stevenson was a sitting target for Johnson's political arrows aimed at his labor support. Labor-baiting fit snugly into the prevailing anti-labor mood in the Southwest. Challenging Stevenson to repudiate his AFL support, Johnson asked rhetorically: 'Does he place his greed for votes above the welfare of his native land?' A major issue of the day, said Johnson, was 'whether we should bow our necks to labor dictatorship through the repeal or softening of the anti-Communist Taft-Hartley Bill.'

"But while the AFL went for Stevenson, a wiser labor official was on the other side. Robert Oliver, a Texas staff member for Walter Reuther's CIO Auto Workers, persuaded state CIO officials not to follow the AFL into the Stevenson camp. In return, Johnson led Oliver to believe that he would take a generally pro-labor stance in the campaign. While Oliver quietly recruited CIO locals behind Johnson (without formally endorsing him), Johnson gradually stepped up his campaign in favor of Taft-Hartley. But Oliver was trapped, because by then it was too late to reverse the CIO, which voted for Johnson. But most important of all, in the August 28, 1948, Democratic primary, Johnson remembered Roosevelt's advice about sitting on the ballot boxes.

"Counted out by O'Daniel's ballot-counters in 1941, Johnson was counted in this time by 87 votes out of 988,295 cast, thanks to a late, late count on September 3, giving him 202 additional votes from the ballot box in Precinct No. 13 in the hamlet of Alice in Duval County on the Mexican border. After a long and bitter debate, the State Democratic Executive Committee, meeting in Fort Worth on September 14, certified Johnson as the nominee of the party to be placed on the general election ballot—as good as election in the Texas of 1948. Stevenson immediately appealed to the federal courts with charges of fraud, and on September 15, U.S. District Judge T. Whitfield Davidson, a Southern conservative from rural east Texas, issued an injunction denying Johnson a place on the ballot. At a hearing before Davidson in Fort Worth on September 21, *Stevenson's lawyers produced evidence to show that "voters" from the graveyard and from across the border in Mexico had been recorded for Johnson in Precinct No. 13.* Davidson, clearly intending to rule against Johnson, sent a lawyer into Duval County to take evidence as a master of chancery for his court.

"The full weight of the Truman Administration and the entire liberal wing of the Democratic party now was thrown behind Johnson. For all of his conservative transgressions during the 80th Congress, Lyndon Johnson was infinitely preferable to Dixiecrat Coke Stevenson in the Senate. The President told Johnson precisely that on September 25, when his transcontinental whistlestop tour passed through Texas with Representative Johnson as the honored guest, Johnson's old friends gathered about him as his political career teetered in the balance. John Connally was in overall command. In Texas, Alvin Wirtz headed his defense. In Washington, Abe Fortas, now in private practice, was his principal attorney. Joining them on a volunteer basis were prominent liberal lawyers, including Joseph Rauh, a national leader of the liberal Americans for Democratic Action, who in years to come was to be one of Johnson's principal antagonists.

"Judge Davidson's hearing in Fort Worth reopened on September 28, but it was short-lived. Johnson's lawyers had appealed Davidson's injunction to the U.S. Court of Appeals in New Orleans. Unable to get a quick decision there, they went to the Supreme Court in Washington. On September 29, Justice Hugo Black issued an order staying the Davidson injunction and putting Johnson's name back on the election ballot. Davidson's hearing came to an abrupt end, and further appeals were moot. Stevenson was beaten—by the disputed 87 votes. The November election was a formality."

In 1949, President Truman nominated Leland Olds for a third term as a member of the Federal Power Commission. Freshman Senator Lyndon Johnson was a leading opponent, and the Senate finally voted to reject the nomination.

In their book, beginning on page 35, Evans and Novak relate the circumstances and point up the interesting role played by Mr. Fortas in this matter:

"Leland Olds, a native of Rochester, New York, graduated from Amherst College in 1912, served in the Army in 1918, and then spent nine years as an economic consultant and writer for *Labor Letter*, published by Federated Press. (His economic orientation was considerably left of center.) In the following eight years he headed the New York State Power Authority, until President Roosevelt appointed him to the Federal Power Commission in 1939. As a member, then vice-chairman and chairman of the FPC, he was the commission's most militant advocate of tough government regulation of private utility rate-making.

"Thomas L. Stokes, the liberal columnist, referred to Olds as a 'mild-mannered, tough-minded, zealous old New Dealer.' His zeal got him into trouble, and not just with the private utilities. Like all the New Dealers, he loved nothing better than a roaring bureaucratic battle. Unfortunately for Olds, his foes included one of the New Deal's expert infighters: Secretary of the Interior Harold Ickes. Ickes believed that Olds had poisoned President Roosevelt's mind against him thereby ruining Ickes' chances to become chairman of a new federal Water-Power Commission. The Old Curmudgeon never forgot, nor did his close friends.

"By 1949, Olds had served ten years on the FPC and was hoping for still another term. But, in fact, his day was done in Washington. Olds had run afoul of the postwar natural gas boom. Once a relatively unimportant by-product of the oil industry, natural gas had become big business. Interstate pipelines brought gas from the Southwest and revolutionized the home-heating business across the nation. The rise of the oil and gas industry brought a new political power, not just to Texas, but to Washington also. With Bob Kerr leading the way in the Senate, the industry refused to tolerate an FPC dedicated to tough regulation of natural gas prices. The reappointment of Leland Olds for another term on the FPC would have ensured an anti-industry majority on the commission. Olds was a marked man.

"Majority Leader Scott Lucas, increasingly harassed in his unhappy role of attempting to chaperone the Fair Deal through a hostile Senate, warned Truman in the fall of 1949 that the Senate would never confirm Olds for another term. He pleaded with the President not to make the nomination, but Truman had become impervious to defeat in Congress. Furthermore, he was increasingly concerned with international affairs. He not only ignored Lucas' advice but, as with so much Fair Deal legislation, just about forgot the Olds nomination once it reached Capitol Hill. Scarcely a telephone call on Olds' behalf was made by the White House. Lucas, who had his own doubts about Olds, went through the motions for the presidential nominee. But it was a hopeless cause. With the indefatigable Kerr beating the drums against Olds and oligarchs Russell and Taft both opposed to him, he had no chance.

"What makes the inevitable senatorial lynching of Leland Olds noteworthy was the aggressive part played by the freshman Senator in charge of the special Senate Com-

merce Subcommittee set up to study the Olds nomination. Lyndon Johnson sought the job—but only when Olds was already clearly marked for extinction.

"There seems little doubt that Ickes, nursing his old grudge against Olds, was egging on his protégé, Johnson. Abe Fortas, who had been Ickes' Under Secretary of Interior and was still close to him, although now in private law practice, was the behind-the-scenes counsel for Johnson, supplying him with material and arguments against Olds."

Mr. Fortas has come under criticism because, while serving as a Justice of the Supreme Court, he has engaged in certain extra-judicial activities. In light of that criticism, the following excerpt, taken from page 337 of the book, should be noted:

"There was first the question of the assassination itself. Inevitably, irresponsible demagogues of the left and right spread the notion that not one assassin but a conspiracy had killed John Kennedy. That it occurred in Johnson's own state on a political mission urgently requested and promoted by Johnson only embellished rancid conspiratorial theories. If he were to gain the confidence of the people, the ghost of Dallas must be shrugged off.

"In his earliest hours as President, then, Johnson, *assisted by Abe Fortas* and other counselors, *conceived his plan for a blue-ribbon commission composed of the nation's most eminent citizens* to make a painstaking investigation of the tragic events of November 22 and exorcise the demons of conspiracy. Moreover, it had to be a commission of consensus, skillfully drawn from contrasting segments of the population. He made the choices and telephoned them himself: from the Eastern Establishment, John McCloy, an esteemed banker and diplomat; from the liberal Republicans, Senator John Sherman Cooper of Kentucky, Kennedy's close friend; from the orthodox Republicans, Representative Gerald Ford, Jr., of Michigan; from the Democratic party House leadership, Representative Hale Boggs of Louisiana; from the top echelon in the world of international intelligence, Allan W. Dulles, the former director of the Central Intelligence Agency.

"The two most important members of the commission were the hardest to get. To symbolize his hope for national reconciliation, binding together the distraught nation, Johnson wanted opposites: Chief Justice Earl Warren (who would head the commission and give it its name) and Senator Richard Russell. It was the Supreme Court under Warren's vigorous leadership that, through its civil rights decisions, brought about the Negro Revolution that whittled down the political power of Russell's South. In hour upon hour of Senate oratory, Russell had denounced the judicial usurpation of the "Warren Court." Now, Johnson wanted these two antagonists side by side in a moment of national peril.

"Warren protested. He knew that past members of the Supreme Court had been subject to heavy criticism when they accepted nonjudicial assignments. He told Johnson that neither he nor any member of the federal judiciary should serve on the commission."

The following is found on page 346 of the Evans and Novak book:

"Fortas had remained on intimate terms with Johnson all during the vice-presidency. When White House lawyers prepared the fair housing order to be enforced by Vice-President Johnson's Committee on Equal Employment Opportunity, Johnson asked them to let Abe Fortas have a look at it, even though he had no official government position. Now with Johnson as President, Fortas—still without official status—was constantly on the scene after November 22: writing speeches, giving advice, keeping Johnson company. [Fortas had been retained by Bobby Baker as his counsel in the multiple legal complications that began late in the summer of 1963, but Fortas dropped Baker as a client when Johnson became President.]"

The following excerpt is from page 348:

"On Saturday, November 23, (1963), Johnson asked Sorensen to write this first major speech—the same task he had performed so well for Kennedy. Later that day, Johnson by accident ran into Galbraith in an elevator in the Executive Office Building. Worried about the speech to Congress four days later, Johnson asked Galbraith whether he worked well with Sorensen. When the answer was yes, Johnson asked him to collaborate on the address. That night, Sorensen and Galbraith got together in the handsome Georgetown house of Katherine Graham, widow of Philip Graham and now publisher of the *Washington Post*. Galbraith hatched ideas and Sorensen put them in writing.

"When Sorensen prepared his speeches for Kennedy, the draft was circulated, amendments were made, and it was then returned to Sorensen for final polishing. With Johnson, it was different. After the Sorensen-Galbraith draft was submitted to Johnson, they never saw it again. Johnson gave it to Abe Fortas, who did a top-to-bottom rewrite. 'I corned it up a little,' Fortas said later. The result was an amalgam that was neither pure Kennedy nor pure Johnson. It was a transition address."

And on page 358, the following:

"Christmas week at the ranch was the beginning of the end of Johnson's transition as President. There remained only the President's address to the opening of the second session of the 88th Congress on January 8, 1964. Returning to Washington, the President called in his chief advisers on foreign policy for a final session in the Cabinet Room on the State of the Union Message, already in draft form.

"There, gathered in the Cabinet Room, were three layers of advisers, each separate from the other, each with its uncommon tradition but all now joined together. The first layer was the Kennedy-holdover layer: Rusk and McNamara, the CIA's John McCone, McGeorge Bundy, Arthur Schlesinger, Walt Rostow of the State Department Policy Planning staff, Don Wilson of the USIA; the second layer was the core of Johnson's new, inside advisers: Moyers, Valenti, and, of course, Walter Jenkins; finally, the third layer—the triumvirate of Fortas, Clifford, and Rowe."

Beginning on page 412 of the book:

"This strict demarcation line between the Private and Public Person began to crumble during Johnson's freewheeling overseas trips as Vice-President. But the problem was magnified beyond control in his early presidency when he tried to deal with fifty or more White House correspondents in the same style that he had dealt with a dozen Senate regulars. Stories inevitably were published that concentrated on the Private Person and displayed the new President as a whiskey-drinking Texas primitive, who told dirty jokes and mistreated his Secret Service bodyguard.

"Johnson's aides knew all too well that such exposé in the press fitted neatly with the image of the President as a Texas wheeler-dealer that began to emerge in early 1964 quite apart from his treatment in the press. Two long, meticulously researched articles in the *Wall Street Journal* on March 23 and 24 by Louis M. Kohlmeier described how Lyndon and Lady Bird Johnson had made their fortune in the government-regulated communications industry. The Kohlmeier articles, which won him a Pulitzer Prize, set off a year-long discussion of Johnson's personal fortune—a subject related to the Private Person, not the Public Person.

"Furthermore, the Bobby Baker case was warming up. On January 17, 1964, the Senate Rules Committee published incendiary testimony in its Baker investigation from Don B. Reynolds, a garrulous insurance salesman from the Washington suburb of Silver Spring, Maryland, who said he had taken Baker into his insurance firm as a vice-president in the late 1950s to exploit his invaluable political contacts. Baker suggested in 1957, Reynolds testified, that Reynolds sell a life insurance policy to Senator Johnson, two years after his severe heart attack. Johnson was obviously a high risk, but Reynolds placed $100,000 in life insurance with an underwriter. Shortly thereafter, Reynolds testified, Walter Jenkins suggested that he purchase advertising time from KTBC, the Johnsons' television station in Austin. The clear implication was that Reynolds owed Johnson a favor for the commissions he would receive as broker for the $100,000 of life insurance. Reynolds bought the television advertising at a cost of $1,208. Two years later, in 1959, according to Reynolds' testimony, Baker suggested that he give Johnson a high-fidelity stereophonic phonograph of a particular type desired by Mrs. Johnson. Reynolds said he sent such a set, costing him $584.75 for purchase and installation, to Johnson's home in Washington accompanied by invoices that indicated Reynolds was the buyer. In 1961, after he became Vice-President, Johnson bought another $100,000 life insurance policy from Reynolds.

"As he often did when trouble loomed, Johnson turned to those two canny Washington lawyers, Abe Fortas and Clark Clifford. Their advice boiled down to this: Jenkins should not testify before the Rules Committee and risk a cross-examination that might escalate Reynolds' testimony into a full-fledged crisis. But, Fortas and Clifford went on, the President must reply to Reynolds' charges and innuendo. That's precisely what Johnson did. At an impromptu press conference on January 23, the President gave a brief history of the life insurance policies purchased from Reynolds but said nothing at all about the advertising bought by Reynolds from KTBC. As for the stereo set, Johnson described it first as 'a gift . . . that an employee of mine [Baker] made to me and Mrs. Johnson' and then as a gift of 'the Baker family.'

"Democratic politicians generally disagreed with the *Fortas*-Clifford advice. Anything the President said, they believed, would elevate the whole matter and build it up as a political issue. Nor were these politicians happy when, at another presidential press conference on January 25, Johnson clumsily tried to equate the Reynolds-Baker stereo set with a miniature television set received from his office staff by Senator Barry Goldwater, then campaigning in the New Hampshire primary for the presidential nomination. 'I am a little amused when you talk about the stereo and the miniature television,' said Johnson with deep irony. 'I don't know what the difference is, but I guess there is some difference.'"

In 1964, considerable pressure was building up to get President Johnson to accept Senator Robert F. Kennedy as a running mate. How President Johnson responded and the role of Mr. Fortas, are described in the following passages, beginning at page 444.

"John Kenneth Galbraith had resigned as Ambassador to India and, since his part in drafting Johnson's first speech to Congress on November 27, 1963, had become a frequent visitor to the White House and adviser to the President. On July 21, 1964, the eve of his departure for a lengthy trip to Europe, Galbraith is known to have written President Johnson along the following lines: recalling a converstion he had with Johnson several days earlier on the subject of the vice-presidency, he praised Bobby Kennedy as a calm, competent person of great ability. The Kennedys, wrote Galbraith, had made one special contribution to the country: they had involved the new

generation in politics on the grand scale, just as Franklin Roosevelt had done in those days when Galbraith had first met Johnson in Washington. The enthusiasm of youth, wrote Galbraith, is a vital campaign asset. Moreover, youth and the involvement of youth would be even more important to the Johnson Administration in the forthcoming four-year period. In fact, concluded Galbraith, whether youth were enthusiastic for the Johnson ticket or disappointed in it could determine the result of the election.

"In his letter to the President, Galbraith was lobbying for Bobby Kennedy, and Galbraith had one of those eloquent liberal voices that, if sounded out loud, could attract much attention and make much trouble for Lyndon Johnson. Here it was, some five weeks before the Atlantic City convention. The Bobby Problem remained unsolved, and one of the most skilled publicists in the Democratic party was writing a letter as if there really were a possibility that Johnson would give second place on the ticket to Kennedy.

"Such continued persistence by Kennedy men made it clear to Johnson that the last feeble beating of Bobby-for-Vice-President hopes could not be permitted to continue into the National Convention itself, when the confusion and grief for John Kennedy among the delegates might somehow produce a climate of revolt at Atlantic City.

"Thus, during the week of July 27, one week after receiving Galbraith's letter and four weeks before the convention opened, Johnson quietly moved to prevent an emotionally supercharged atmosphere from developing at the big Convention Hall on the boardwalk. The Arrangements Committee for the convention had scheduled an opening day documentary film in memory of John F. Kennedy. It would, no doubt, be a deeply moving, tearful review for the three thousand delegates and alternates and would be carried across the country over television. Fearful it might start a vice-presidential bandwagon for Bobby Kennedy, Johnson ordered the memorial film postponed from the first to the last day of the convention—the night *after* the candidate for Vice-President had been nominated. Then, all the emotion in the world would avail for nothing.

"But changing the date of a movie by no means removed The Bobby Problem. For weeks, the President had quietly discussed various alternatives for removing Kennedy from all consideration for the vice-presidential nomination. Now he was ready to act. The best of all possible worlds from Johnson's point of view would have been for Kennedy to voluntarily disqualify himself from vice-presidential consideration, but that plainly was not going to happen. Johnson, still insecure in wielding the full political power of the presidency, did not want to risk alienating the Kennedy wing of the party by ruling out Bobby Kennedy in a simple statement. Thus it was that Johnson in secret consultation with his triumvirate of senior political advisers—Abe Fortas, Clark Clifford, and James Rowe—hit upon the final solution to The Bobby Problem.

"On Monday, July 27, the President telephoned the Attorney General and arranged for a meeting at the White House on Wednesday, July 29.

"When Bobby Kennedy walked into the President's Oval Office at 1 p.m. on Wednesday, Johnson came at once to the point. Kennedy, said the President, would probably run the country on his own someday but Johnson wanted him to know that he did not plan to put him on the ticket in 1964. The reason, Johnson said, was that he had decided Kennedy was not the Democrat who as Vice-President could contribute the most to the party, to the country, or to the President. Johnson offered Kennedy any foreign diplomatic post he wanted, and any Cabinet post, if and when incumbent Cabinet members resigned.

"Kennedy accepted this verdict quietly and told Johnson he would do everything he could to help in the election. Johnson then asked him to become the campaign manager, as he had done for his brother.

"Kennedy replied he would have to resign as Attorney General to do that, and he wouldn't resign unless Johnson named Nicholas Katzenbach, then Deputy Attorney General, to succeed him. [Kennedy did resign as Attorney General on September 3, 1964, to run for the Senate in New York. After five months of soul-searching, Johnson finally named Katzenbach to take his place.]

"Kennedy now had been informed, but the larger problem—chewed over in such great detail with the Fortas-Clifford-Rowe triumvirate—of informing the world remained for Johnson. At that Wednesday afternoon confrontation with Kennedy in the White House, there was some discussion of how the President's decision would be announced, but nothing was decided. Johnson still hoped to solve The Bobby Problem in the most expeditious way: a voluntary withdrawal by Kennedy himself.

"After the Wednesday meeting, he sought the help of Kenny O'Donnell to urge Kennedy to make such a statement. But O'Donnell, in an anomalous position through all of 1964 as presidential assistant with far closer ties to the Attorney General than to the President, declined. He told Johnson that Kennedy felt it was the President's repsonsibility to make whatever announcement he wanted, not Kennedy's. The President next enlisted his chief National Security aide, McGeorge Bundy, a nominal Republican who had never been ordered to engage in party politics before. On behalf of the President, Bundy asked Kennedy to announce he was not a candidate. Kennedy was both hurt and angry by Bundy's intervention and refused.

"With Kennedy refusing to jump overboard, *Johnson now moved the alternative strategy he had devised with Fortas-Clifford-Rowe to push Bobby over with a minimum political risk.* On Thursday evening, July 30, the President unexpectedly went before television cameras at the White House and read an announcement without precedent in American history: *"I have reached the conclusion that it would be inadvisable for me to recommend to the convention any member of my Cabinet or any of those who meet regularly with the Cabinet."* [Humphrey had not been informed of the Cabinet's wholesale elimination in advance, did not tune in his television set to watch the President on July 30, and was first informed of Johnson's startling announcement by a telephone call from a reporter. After hanging up the phone, Humphrey remarked to an aide that the reporter who had called him was invariably reliable but must be having hallucinations now. Humphrey could not believe the story.]

"Politicians who had tuned in on the President could scarcely believe their own ears. In shooting down Bobby Kennedy, the President had performed a mass execution of his entire Cabinet as well as two vice-presidential dark horses 'who meet regularly with the Cabinet,' Adlai Stevenson and Sargent Shriver.

"All of Washington guffawed at the clumsiness and transparency of the ploy. Yet, it was not without political logic. A case could be made that the Cabinet caper did muffle the blow against the Kennedys and thereby minimized the reaction of Kennedy forces in the party. Although every politician and newsman in the country knew Johnson was aiming only at Bobby Kennedy, the President had a plausible argument to the contrary. He claimed that his decision grew out of the larger consideration of good government. He couldn't spare any of his valued Cabinet aides, and that was as true of the other nine as it was of Bobby Kennedy. [Johnson was so eager to prove that the exclusion was aimed at Cabinet members other than Bobby Kennedy that he told White House reporters in a background session on July 31 that covert vice-presidential campaign were under way for Dean Rusk and Orville Freeman in their respective home states of Georgia and Minnesota. This marked the first—and last—report of any such efforts.]"

Of interest also is the following, beginning on page 478 of the Evans and Novak book:

"From the beginning, the realistic among Barry Goldwater's campaign advisers felt that the one slim hope for a monumental political upset lay in what became known as the morality issue. A vague, unfavorable image of the President—based partly on emotion, partly on his reputation as a Texas wheeler-dealer not unwilling to cut a corner here and there—had taken hold throughout the country. Like all such moods, this one was based on innuendo, coupled with the hard fact of Johnson's fortune, built up while he held public office, and his earlier relationship with Bobby Baker in the Senate years. The polls showed that this mood was prevalent even among some voters who definitely planned to vote for Johnson anyway.

"But how to exploit it? A tough, skillfully prepared documentary movie called 'Choice' made a subtle effort to connect Johnson with a decline in public morality. But a sharp difference of opinion inside the Goldwater high command kept it off the television screens. There was surreptitious Republican help in some areas in distributing anti-Johnson smear literature, most disreputable of which was *A Texan Looks at Lyndon* by J. Evetts Haley, a Texas right-wing Democrat. As the campaign grew more bitter, the speeches of Goldwater and lesser Republicans became more explicit in challenging Johnson's character.

"But to elevate these fragments into an important campaign issue required a genuine scandal. The Bobby Baker affair happened to be the only scandal at hand, and Republicans hoped and prayed that somehow the revelations of Baker's extracurricular financial deals would implicate the President. The Baker case had been glossed over by the Senate Rules Committee, but Republicans got new hope on September 10 when the Senate, by a vote of 75 to 3, reopened the matter because of new evidence and assigned it for full investigation to the Rules Committee. For a moment, it appeared that the escapades of the bright young man from Pickens, South Carolina, whom Johnson had not seen or spoken to since he became President, might suddenly spring into the headlines again, just on the eve of the presidential election.

"Certainly that was the intent of Senator John J. Williams of Delaware, whose persistent sleuthing had uncovered the new evidence sufficient to convince the Senate to reopen the case. [Johnson made an unscheduled, last-minute campaign stop in Delaware in a futile effort to beat Williams, who was running for a fourth term in the Senate.] Certainly that was the hope expressed by the Republican minority on the Rules Committee. *But the President was in close touch with the Senate on the Baker case through the discreet efforts of Abe Fortas.* Thus, having reopened the case of September 10, the Senate on October 13 postponed the investigation until *after* the election. The last question during the campaign asked the President on this subject came on September 9. He answered that he favored 'a thorough investigation and study of every indication that any federal law may have been violated.' What he meant but didn't say was that it not come during the campaign.

"Against this backdrop of Republican frustration, the tragic events revealed on October 14 came like a ray of hope to the Republican National Committee. Here was a bona fide scandal in being, perhaps striking at the heart of personal conduct that was Johnson's weakness. It was the first and only crisis of the campaign for Johnson.

"On October 7, *Walter Jenkins was arrested*—along with an inmate of an old soldiers'

home—in the men's room at the YMCA, one block west of the White House on G Street, for 'disorderly conduct,' *a euphemism for inexplicable departure from accepted sexual conduct.* Rumors flooded Washington, and the Republican National Committee, quickly notified, helped spread them. *Abe Fortas and Clark Clifford vainly tried to kill publication of the news by personally visiting each of the three daily Washington newspapers.* But the news could not be suppressed and was transmitted across the country by United Press International on October 14.

"Walter Jenkins was no mere employee of the President. For twenty-five years, he had labored faithfully, effective, and energetically as Johnson's confidential assistant. Alone among all of Johnson's aides, he had stayed and lasted, the faceless, anonymous servant to the end, serving Johnson without question and without ambition. His daughter Beth was Luci Johnson's best friend. Lady Bird Johnson and Marge Jenkins were warm friends. Jenkins had been privy to every Johnson hope and aspiration not only during the long years in the Senate but in the White House as well. He had, in fact, brought on his own destruction by driving himself in the service of Lyndon Johnson eighteen hours a day, seven days a week, until, his body exhausted and his mind stretched taut by overwork, he had simply fallen apart.

"On October 15, Mrs. Johnson, heartsick over the tragedy, issued a statement from the White House filled with sympathy for Jenkins and his family. Johnson was campaigning in New York. He said nothing for well over twenty-four hours, despite the strongest advice from both his staff and from Mrs. Johnson herself that he say something to ease the anguish of his friend. But Johnson was torn between two conflicting forces: friendship and the fact the election was less than three weeks away.

"For, in those dark hours the evening of October 14, a wave of fear swept through the White House that this could be the happening that would change the course of history. Jenkins had been privy to every piece of classified intelligence in the White House. Was it possible that he had been subjected to blackmail, that the incident of October 7, or perhaps previous incidents, had been exploited by enemies of the United States? Within hours of the disclosure, Republicans were suggesting just that. Goldwater began talking about Johnson's 'curious crew' to the roar of approval from the Republican faithful.

"Johnson resolved the conflict between friendship and the election by coming down on the side of the election.

"He said nothing at all about Jenkins. He did not speak to Jenkins. He did what he had to do as President, instructing Abe Fortas to get Jenkins' resignation. He ordered an immediate investigation by the FBI (resulting in a report by J. Edgar Hoover on October 22 that there was no evidence of any kind that Jenkins had compromised the security of the United States).

"Simultaneously, the President commissioned Ollie Quayle to take an emergency public-opinion poll. It indicated the Jenkins case would have no perceptible effect on the election. Only then, late at night on October 15, the day after the story had broken, did the President finally issue a statement praising Jenkins' twenty-five years of 'personal dedication, devotion, and tireless labor' and expressing 'deepest compassion' for both him and his family."

CONCLUSION OF MORNING BUSINESS

Mr. MANSFIELD. Mr. President, is there further morning business?

The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded.

WHOLESOME POULTRY PRODUCTS ACT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the unfinished business.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The BILL CLERK. A bill (S. 2932) to clarify and otherwise amend the Poultry Products Inspection Act, to provide for cooperation with appropriate State agencies with respect to State poultry products inspection programs, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. HOLLAND. Mr. President, I wish to give notice that the quorum call which I am about to request will be a live quorum.

Mr. President, if there are any other matters that can be transacted shortly, I shall be happy to yield for them.

I am not trying to hold up the business of the Senate, but in considering a measure as important as this, first, I wish to discover whether we have a quorum present, and, second, I think every Senator ought to have a chance to pass upon a certain matter that will come up for consideration, which is unanimously supported by the commissioners of agriculture of the 50 States, and which has been supported heretofore in writing by the Secretary of Agriculture, in testimony by his Assistant Secretary, Dr. Mehren, and in writing by the Administrator of the Meat Inspection and Poultry Inspection Division of the Department of Agriculture.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. HOLLAND. I am happy to yield.

Mr. MANSFIELD. Mr. President, the Senator from Florida has been most considerate to allow us to get a lot of business out of the way. I would suggest that he repeat his request for a quorum call, and assure him notice will be served to attachés that this will be a live quorum.

Mr. HOLLAND. I wonder how the majority leader would feel about this: after we have concluded our arguments today, as I understand, there will be only one amendment on which there will be any controversy. Could a vote on that amendment and final passage be had on Monday?

Mr. MANSFIELD. I would be delighted, if it meets with the approval of all concerned.

Mr. HOLLAND. I have not discussed this with the chairman of the committee, the distinguished Senator from Louisiana [Mr. ELLENDER], nor with the Senator from New Mexico [Mr. MONTOYA], but it would seem to me, if we complete the debate today, that no one involved would be likely to disagree, even if we have a bare quorum today, that as full a representation of the Senate as possible ought to be present to pass on this controversial matter.

Mr. MONTOYA. Mr. President, will the Senator yield?

from New Mexico.

Mr. HOLLAND. I yield to the Senator

Mr. MONTOYA. I agree with the Senator from Florida that this is a very vital amendment, on which most of Members of the Senate should have a chance to vote. It affects consumer interest throughout this country, and I personally am willing to put it over until Monday.

Mr. MANSFIELD. Not the discussion; the vote.

Mr. MONTOYA. The vote; yes. To put the vote over until Monday, so that we can have a more extensive representation of the Senate.

Mr. HOLLAND. I thank the Senator. I am not surprised that he takes the position he does, because I believe most Senators will wish to be recorded on this matter. I have no idea how they will want to be recorded, but I certainly would protect their right to be recorded on this matter.

Mr. MANSFIELD. Am I correct in my understanding that there is only one amendment the Senator knows of?

Mr. HOLLAND. There is another amendment, which I understand will not be opposed, but, as far as I know, only one controversial amendment is to come up. If the Senator from Louisiana or the Senator from New Mexico has any different information, I shall be happy to yield to them.

Mr. ELLENDER. Mr. President, there were four amendments added to the bill other than those recommended by the subcommittee that considered this measure. I do not foresee any lengthy debate on any amendment adopted by the committee itself, other than the one proposed by the distinguished Senator from Florida. I am very hopeful we can get a few Senators present to listen to this debate, because it is very important. My fear is if we now announce we will postpone the vote, we will be debating the matter with only two or three or four Senators in the Chamber.

Mr. MANSFIELD. No; because if any of the Senators have any ideas like that, I can assure them there will be live quorum calls this afternoon. We are not here just to put on a charade.

Mr. HOLLAND. Mr. President, as far as I am concerned, I do not propose to ask now for any postponement, and if there is a large attendance of Senators today, let us say 70 or more, I would not make that proposal.

Mr. MANSFIELD. There are not that many.

Mr. HOLLAND. I do feel, and I am glad that the Senator from New Mexico agrees with me, that the membership of the Senate generally should have the right to be recorded on this amendment.

Mr. ELLENDER. Mr. President, I wonder whether the distinguished majority leader would fix the hour for voting.

UNANIMOUS-CONSENT REQUEST

Mr. MANSFIELD. Mr. President ,I ask unanimous consent that when the Senate meets at 11 o'clock on Monday morning next, there be a time limitation of 1 hour, the time to be equally divided between the majority and minority leaders or whatever Senators they may designate, and that the vote

be taken on the Holland amendment not later than 12 o'clock.

Mr. HOLLAND. Mr. President, I shall agree to that request after we discover whether a quorum is present today, but I ask for a live quorum first. Assuming that a quorum is present, I shall support the request of the majority leader.

Mr. *President*, I suggest the absence of a quorum. It will be a live quorum call.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk called the roll, and the following Senators answered to their names:

[No. 245 Leg.]

Allott	Hatfield	Montoya
Anderson	Hickenlooper	Mundt
Baker	Hill	Nelson
Bible	Holland	Pearson
Boggs	Hollings	Pell
Byrd, W. Va.	Hruska	Proxmire
Case	Jackson	Randolph
Cotton	Jordan, N.C.	Ribicoff
Curtis	Jordan, Idaho	Russell
Ellender	Kuchel	Scott
Ervin	Mansfield	Smathers
Fong	McGee	Sparkman
Griffin	McIntyre	Stennis
Hansen	Metcalf	Williams, N.J.
Harris	Mondale	Young, Ohio

The PRESIDING OFFICER. A quorum is not present.

Mr. MANSFIELD. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After a little delay, the following Senators entered the Chamber and answered to their names:

Byrd, Va.	Fannin	Symington
Cooper	Hayden	Tydings
Dirksen	McClellan	
Dodd	Spong	

Mr. BYRD of West Virginia. I announce that the Senator from Hawaii [Mr. INOUYE] is absent on official business.

I also announce that the Senator from Alaska [Mr. BARTLETT], the Senator from Indiana [Mr. BAYH], the Senator from Maryland [Mr. BREWSTER], the Senator from North Dakota [Mr. BURDICK], the Senator from Nevada [Mr. CANNON], the Senator from Idaho [Mr. CHURCH], the Senator from Pennsylvania [Mr. CLARK], the Senator from Mississippi [Mr. EASTLAND], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Alaska [Mr. GRUENING], the Senator from Michigan [Mr. HART], the Senator from Indiana [Mr. HARTKE], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Ohio [Mr. LAUSCHE], the Senator from Missouri [Mr. LONG], the Senator from Louisiana [Mr. LONG], the Senator from Washington [Mr. MAGNUSON], the Senator from Minnesota [Mr. MCCARTHY], the Senator from South Dakota [Mr. MCGOVERN], the Senator from Oklahoma [Mr. MONRONEY], the Senator from Oregon [Mr. MORSE], the Senator from Utah [Mr. MOSS], the Senator from Maine [Mr. MUSKIE], the Senator from Rhode Island [Mr. PASTORE], the Senator from Georgia [Mr. TALMADGE], and the Senator from Texas [Mr. YARBOROUGH] are necessarily absent.

Mr. KUCHEL. I announce that the Senators from Vermont [Mr. AIKEN and Mr. PROUTY] are absent on official business.

The Senator from Utah [Mr. BENNETT], the Senator from Massachusetts [Mr. BROOKE], the Senator from Kansas [Mr. CARLSON], the Senator from Colorado [Mr. DOMINICK], the Senator from New York [Mr. JAVITS], the Senator from Kentucky [Mr. MORTON], the Senator from California [Mr. MURPHY], the Senator from Illinois [Mr. PERCY], the Senator from South Carolina [Mr. THURMOND], the Senator from Texas [Mr. TOWER], and the Senator from Delaware [Mr. WILLIAMS] are necessarily absent.

The Senator from Iowa [Mr. MILLER], the Senator from North Dakota [Mr. YOUNG], and the Senator from Maine [Mrs. SMITH] are detained on official business.

The PRESIDING OFFICER. A quorum is present.

UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. I should like again to propound the unanimous-consent request, that, at the conclusion of the disposition of the Journal on Monday morning next, July 29, 1968, at approximately 11:02 a.m. or 11:03 a.m. there be a time allocation, not to go beyond 12 o'clock, to be equally divided between the minority and majority leaders or whomever they may designate; and that the vote on all amendments take place at 12 o'clock.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

Mr. HOLLAND. Mr. President, of course, I have no objection, but when it takes an hour to get a bare quorum here this morning, 50 out of 99 Senators, it is obvious that Senators will not have an opportunity to express themselves on this very important matter today.

If we go ahead to a vote, I would suggest, however, that the time allowance, under what I have heard recently, be separate on each amendment, because my present understanding from the Senator from Louisiana is that there will probably be a discussion of at least one more amendment than the one I offered, which is a controversial amendment.

Mr. ELLENDER. Mr. President, I think that we should be able to discuss the amendments this afternoon. I am sure that many Senators will read the RECORD and probably have a better opportunity to learn what the bill is all about than by being present. I believe that we should debate from 11 o'clock until 12 o'clock and then start voting on the amendments one after the other; and, then on the bill itself.

Mr. HOLLAND. Mr. President, I have no objection to that approach. However, I would suggest that at least half an hour be allowed on any amendment. I understand that the distinguished Senator from Georgia is not here today and may have an amendment that he wants to modify and support. I do not want him to feel that we are not taking care of him as well as we are taking care of the Senator from Florida.

My suggestion would be that the unanimous-consent agreement be modified to provide at least 30 minutes of debate to be allowed on any amendment, after which there will be a roll call vote. That would make the unanimous-consent agreement quite acceptable to me.

Mr. MANSFIELD. Mr. President, with that modification, I renew my unanimous-consent request and also ask that the usual rules and regulations be followed in respect to it.

The PRESIDING OFFICER. Will the Senator from Montana please restate his unanimous-consent request.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that at the conclusion of the disposition of the Journal on Monday next, there be a time limitation of one-half hour on each amendment, the time to be equally divided between the sponsor of the amendment and the Senator in charge of the bill; and that, hopefully, the vote can take place beginning at 12 o'clock.

Mr. ELLENDER. Right.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

Mr. NELSON. At 12 o'clock?

Mr. MANSFIELD. We come in at 11 o'clock on Monday next.

Mr. NELSON. Mr. President, I object to that. I am here on Saturday. I canceled out my engagement in Wisconsin. Other Senators have also done so. I am now going to Wisconsin. I will get back here about noon on Monday, which will be just in time to miss the vote.

Mr. MANSFIELD. Just in time to make the vote.

Mr. NELSON. That will not give me enough time, because of my schedule, and so forth.

Mr. HOLLAND. Mr. President, if the Senator will yield, that will be acceptable to me.

Mr. MANSFIELD. Mr. President, I change the time to 12:30 o'clock.

Mr. SCOTT. Mr. President, reserving the right to object—and I shall not object—I merely wish to point out the fact that a number of us are here on Saturday, a number of us have changed our appointments and our engagements and, therefore, it operates a degree of harshness upon us, that those who are now here are penalized and those who stayed away are rewarded.

As a result of this procedure, some of us will have to be away to take part in a great American function, beginning on Monday next. For patriotic reasons—and I should like it to be noted—I shall ask for a leave of absence to be away during the sessions of the Senate next week, purely in the interests of furthering my patriotic motivations. But, Mr. President, I shall not object at this time, although I am sorely distressed.

Mr. MANSFIELD. When that request is made, will the Senator make it an official leave of absence?

Mr. SCOTT. Yes, I shall be delighted to be official about it.

Mr. HANSEN. Mr. President, reserving the right to object—and I shall not object—I, too, would like to note that those of us in the minority party do find ourselves somewhat at a disadvantage in this

instance, because those who serve on the platform committee are going to miss either the actions of the Senate or participation in some of the activities having to do with the formulation of a platform for party in Miami this coming week.

I would note that the same handicap will not befall our friends on the other side of the aisle.

Mr. MANSFIELD. We did not plan it that way, though.

Mr. HANSEN. I simply observe what the facts are. With great respect and admiration for the distinguished majority leader, I, too, want to point out that I am here today, that I have been rather diligent in trying to be on hand when the Senate has been in session. It is not pleasant to contemplate missing considerable activity and participation in discussion and the votes being taken during the coming first 3 days of this next week which will either witness my having missed the votes of being unable to participate in some activities important to my party in Miami.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none and the order is entered.

The unanimous-consent request as later reduced to writing, is as follows:

Ordered, That, effective after the approval of the Journal on Monday, July 29, 1968, during the further consideration of the bill (S. 2932) to clarify and otherwise amend the Poultry Products Inspection Act, to provide for cooperation with appropriate State agencies with respect to State poultry products inspection programs, and for other purposes, debate on any amendment, motion or appeal except a motion to lay on the table, shall be limited to one-half hour, to be equally divided and controlled by the mover of any such amendment or motion and the Senator from Louisiana [Mr. ELLENDER]: *Provided,* That in the event the Senator from Louisiana is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further,* That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That no vote shall occur on any amendment prior to 12:30 p.m. on Monday next.

Mr. MANSFIELD. I wish to thank the Senate and especially those Members who had to make a real sacrifice. There are many here today attending this session. May I say that while we have a quorum, we have gone beyond the number of Senators required to be present.

Furthermore, for the information of the Senate, it took just 35 minutes to achieve a quorum this morning. That is not too bad, considering the time, the day, and so forth.

May I express my appreciation to all those Members who canceled engagements to be here today and to assure them that I personally appreciate what they have done.

LEAVE OF ABSENCE

Mr. SCOTT. Mr. President, at the moment, my attendance record is something in the neighborhood of 95 percent.

Through no fault of my own, or of my side of the aisle, I shall be unable to be present during much of next week.

I therefore ask unanimous consent that I may have official leave of absence for next week.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SCOTT. Mr. President, may I make a plea for mercy, if not for justice, on the part of those who might be disposed to call for record votes next week, wherever a voice vote will do. I hope that mercy will prevail over the record.

Mr. ELLENDER. Mr. President, during the last few years, there have been many legislative proposals with respect to red meat inspection as well as poultry.

It will be recalled that in 1967 Congress revised the act of 1906 in reference to red meat inspection, and in 1957 we had a bill enacted which provided for inspection of poultry in interstate commerce.

Today we have before us a bill designed to provide for a cooperative effort between the Federal Government and the State governments in order to have poultry inspection that would affect all poultry, whether sold in interstate commerce or intrastate commerce.

The subcommittee headed by the Senator from North Carolina [Mr. JORDAN] held hearings on this bill. Last week the subcommittee made its report to the full committee. All of the recommendations, I think, made by the subcommittee were adopted by the full committee. The full committee adopted four additional amendments, which I shall discuss in a few moments.

Mr. President, I am very hopeful that we can have this bill enacted before Congress recesses. I think it is an important bill. It is a step in the right direction. The bill is patterned after the red meat inspection bill that Congress enacted in 1967.

The inspection will be done on a cooperative basis. The Federal Government will furnish the States funds in order to work out methods for inspection. At the end of 2 years it is expected that, if the States have inspection service equal to or better than Federal inspection, such poultry will be able to be shipped in interstate as well as intrastate commerce. If some of the States do not complete their programs of inspection within the first 2 years, then a third year will be given.

The pending bill provides almost the identical language that was provided in the red meat inspection bill, which gives the Federal Government the right to go into a State and take over the inspection of, let us say, a particular packing plant which is producing adulterated poultry products endangering the public health.

However, as I understand the proposed act we are now considering, under no conditions can the Federal Government take over unless, as I have said, the inspection shall not be equal to or better than the Federal inspection.

My good friend the Senator from New Mexico [Mr. MONTOYA], who was a member of the subcommittee that handled the hearings, will go into more detailed discussion of the bill as a whole than I hope to present this afternoon. What I expect to do is to give just a general statement of the overall effect of the bill.

The present Poultry Products Inspection Act became law about 11 years ago. Although it is a model as far as it goes, it does not provide complete assurance that all consumers will have access to wholesome poultry.

The 1957 act established a Federal inspection system for poultry and poultry products processed by plants shipping in interstate and foreign commerce. For the products covered, it has worked well because it assures that the birds or products bearing its mark are wholesome, unadulterated, and honestly labeled. For the poultry products not covered, inspection service, when provided, is often inadequate.

Instead of replacing the Poultry Products Inspection Act completely, S. 2932 amends it to authorize the establishment of a Federal-State cooperative inspection service for poultry products comparable to that provided under the Federal Meat Inspection Act, as amended in 1967. Through help in the development of trained staffs and the provision of funds by the Federal Government, the States are encouraged to enact and administer effective mandatory inspection programs under State administration or jointly with the Federal Government. Two years are allowed the States in which to implement such a system. If the Secretary has reason to believe a State will meet this requirement, an additional year will be given to complete the installation and employment of the system.

The bill extends Federal inspection and regulation to poultry processed for shipment within the States where the States do not enforce requirements at least equal to the Federal requirements after the specified times above.

Where poultry products processed solely for intrastate commerce endangered the public health, the Federal requirements could, under specified conditions, be applied at any time to those particular establishments.

Through such extension of the existing Poultry Products Inspection Act, the proposed Wholesome Poultry Products Act provides that the bulk of the 13 percent—some 1.6 billion pounds—of the poultry slaughtered each year in the United States without Federal inspection would soon be covered by requirements equal to the 87 percent now federally inspected.

In measures similar to those in title II of the Federal Meat Inspection Act, the bill would authorize surveillance of the activities where adulteration or misbranding could occur other than just the processing or slaughtering phases. The persons or firms subject to such supervision would include, among others in commerce, poultry products brokers, renderers, animal-food manufacturers, and dealers in dead, dying, disabled, or diseased poultry or parts of poultry that died other than by slaughter.

The Subcommittee on Agricultural Research and General Legislation held hearings on July 1 and 2, 1968, on all poultry bills before it.

All witnesses except one testified in favor of updating the act. However, a number of amendments were proposed.

Later the subcommittee met and, using H.R. 16363 as a base, decided to recommend five amendments to the full com-

mittee, which was to meet on Wednesday, July 17, 1968.

The full committee at its regular meeting approved all amendments proposed by its subcommittee. These were:

First, to strike the word "knowingly" from section 9(a), in order to conform that section to the corresponding section of the Meat Inspection Act. This change does not affect carriers, since section 12 (b) of the law absolves carriers "unless the carrier has knowledge, or is in possession of facts which would cause a reasonable person to believe" that the poultry was not eligible for transportation.

Second, to prohibit the Secretary from requiring any change in the official inspection legend. That legend is and would continue to be "inspected for wholesomeness". The Department has given some consideration to changing it to "inspected and passed for wholesomeness". Since the legend cannot be applied to products which are not passed, this change would not give the consumer any greater protection.

Third, to strike out requirements that labeling information be placed on both the carcass and the container in the case of nonconsumer packed carcasses. Poultry carcasses cannot be stamped like red meat. Metal or plastic tags have been tried, but these present some danger to the consumer, if they are inadvertently ingested.

The record shows, Mr. President, that in one or two instances, consumers of poultry marked with some kind of metal marker swallowed one of the markers and had to go to a doctor, and there was a suit for damages. But the Secretary, as I understand it, in this bill is given discretion for the use of markers if necessary. The evidence showed that it would be rather difficult for each bird to be marked. And even if this were possible it would provide little additional protection to the consumer, particularly when the bird comes to the retailer, is cut up, and the parts repackaged, so that the mark on the carcass never reaches the consumer. It would be burdensome but would not provide the consumer with any way to tell whether or not the bird was properly inspected. But the bill does make it necessary that all poultry shipped—that is, the container—be marked. Sometimes one may ship a dozen, two dozen, or three dozen chickens, but the bill provides that the package must be stamped.

I repeat, I think the evidence showed conclusively that it would be almost impossible for us to maintain identification in this manner from the place where the poultry was slaughtered to the purchaser. As I have stated, the Secretary of Agriculture is allowed wide discretion as to how best to maintain such identification, if it is at all possible, but this provision would not contribute to that objective.

Fourth. To provide interested parties with an opportunity to present their views orally with respect to proposed rulemaking under the Poultry Products Inspection Act. Title 5, United States Code, section 553(c), now provides them with the opportunity to present written views. Judicial review is provided for by chapter 7 of title 5 of the United States Code.

Fifth. To prohibit any State, territory, or the District of Columbia from imposing storage or handling regulations with respect to articles prepared at any official establishment which would act as trade barriers to interfere with the free flow of poultry products in interstate commerce, and extend the Secretary's authority to regulate storage and handling under section 13 of the bill to cover storage and handling at retail stores and other establishments which make purchases in commerce.

Individual Senators also proposed several amendments.

The Senator from Georgia [Mr. TALMADGE] offered and the committee accepted by voice vote an amendment to the declaration of policy which is contained in section 3 of the bill stating the intent of Congress that all poultry which is injurious for human consumption shall be condemned, and stating that the reason for condemnation must be supported by substantial scientific fact.

The committee accepted an amendment of the Senator from Florida [Mr. HOLLAND] by a record vote of 10 to 2, among the objectors being the distinguished Senator from Oregon [Mr. HATFIELD] and my good friend from New Mexico [Mr. MONTOYA], Senator MONTOYA reserving the right to offer on the floor an amendment striking from the bill the provisions of the amendments to which I have just referred; that is, the amendment of the Senator from Georgia [Mr. TALMADGE] and that of the Senator from Florida [Mr. HOLLAND]. The amendment of the Senator from Florida would permit poultry products and meat and meat products which have been processed under State inspection to move in interstate commerce, where the Secretary has determined that the State inspection system is equal to or better than the Federal system.

After the committee had acted upon the bill, there developed quite a lot of opposition from outside the committee to the amendment submitted by the Senator from Georgia as well as the amendment submitted by the Senator from Florida. The Senator from New Mexico [Mr. MONTOYA] came to see me before the bill was reported, with a view of trying to have the bill retained by the committee until the committee could go over these amendments again, and perhaps modify them, change them, or do something with them that might be acceptable to the committee as a whole.

I stated to Senator MONTOYA that if he could satisfy the Senator from Georgia and the Senator from Florida, I would have no objection to that, because they were the ones primarily interested in these two amendments. I also suggested that if we returned the bill to the committee, more time would be consumed; that probably someone would suggest the introduction of evidence, which would delay the passage of the bill, and for that reason, I suggested that the matter be discussed first with the Senator from Florida and the Senator from Georgia. I further suggested that they try to iron out their differences before the bill was presented to the Senate for debate.

Somehow, a meeting of the minds did not occur. The distinguished Senator from Florida and the distinguished Senator from Georgia suggested that it might be best for the bill to be reported as voted by the committee and that we would have the Senate, as a forum, in which to discuss the two amendments and let the Senators judge the measure by the facts developed in the debate. That is why the bill is pending today with those two amendments in it.

I do not wish to discuss in detail those amendments, but I point out that when I introduced the original bill on behalf of myself and quite a few other Senators, the amendment suggested by the distinguished Senator from Florida was in the bill.

That provision appears on page 19 of the bill. That bill was sent to us by the Department of Agriculture with a description, title by title, and a request that it be introduced and enacted by Congress.

The provision proposed by the distinguished Senator from Florida is the same as appears on pages 19 and 20 with the exception that he added a provision to cover red meat also.

Mr. President, I ask unanimous consent that that amendment be printed at this point in the RECORD as it appears on pages 19 and 20 of the bill.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

(5) Poultry products processed under State inspection at any establishment in any State, not designated under this paragraph (c), in accordance with requirements which the Secretary has determined are at least equal to those under sections 1–4, 6–10, and 12–22 of this Act, shall be eligible for distribution in commerce, upon the same basis as poultry products inspected under this Act, when they are marked under such supervision and other conditions as the Secretary may by regulation prescribe, with a combined State-Federal official inspection legend.

Mr. ELLENDER. Mr. President, the provision simply provides that if, as, and when the Federal Government certifies that State inspection is equal to, as good as, or better than that of the Federal Government, then through the inspection services in those States poultry can be shipped in interstate commerce just as though it were federally inspected.

Personally, I do not see any reason why the provision should be stricken from the bill. When the matter came before the committee, I sided with the distinguished Senator from Florida. I hope that during the debate the Senate will consider the proposal and act fairly about the matter. I cannot understand why there was this great, outside opposition to the amendment.

I am very hopeful the matter can be properly presented today and that on Monday we can vote on it. As far as I am concerned, I expect to vote for the inclusion in the bill of the Holland amendment.

I do not know whether the opposition stems from the fact that red meat was added to the Holland amendment. However, if that be the reason, it might be that we could strike out the red meat reference and let it apply to poultry within the confines of this act.

I assume that the Senator from New Mexico [Mr. MONTOYA] and the Senator

from Oregon [Mr. HATFIELD] will offer reasons why the amendment should not be agreed to.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield to the Senator from Florida.

Mr. HOLLAND. Mr. President, I am looking at the bill which the distinguished Senator from Louisiana graciously introduced on behalf of himself and others. It is my understanding that he introduced the measure on behalf of himself and the Senator from New Mexico [Mr. MONTOYA] only.

I ask if the Senator will look at the bill and see if that is not correct.

Mr. ELLENDER. The Senator is correct. The other names were added later.

Mr. HOLLAND. The original print of the bill shows that the Senator from Louisiana introduced the bill on behalf of himself and the Senator from New Mexico [Mr. MONTOYA].

Mr. ELLENDER. The Senator is correct. The provision is included, and the Senator from New Mexico and I proposed it.

Mr. MONTOYA. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. MONTOYA. Mr. President, I state to the distinguished Senator from Louisiana and to the distinguished Senator from Florida that I had been checking on the drafting of the pending bill. My office had access to a copy of a draft and this provision was not in the last draft of the bill that we had seen. It appeared in the final draft submitted to the Senator from Louisiana, in which draft I joined with him as a cosponsor.

I state also, since this has been made a point of contention, that the subcommittee which considered the bill recommended the deletion of the so-called Holland amendment to the full committee. That deletion took place.

The House committee, when it considered a similar bill, recommended that the so-called Holland provision be deleted from the House bill. The House bill came to us without the so-called Holland provision.

It was not until we met in full committee that the provision offered by the Senator from Florida was reinserted in the bill.

By way of further clarification of the RECORD, in my testimony before the subcommittee, I recommended in my statement to the subcommittee that it delete the so-called Holland provision and the subcommittee did in fact delete it. Since the committee added it, I have an amendment pending at the desk to delete it.

Mr. ELLENDER. Mr. President, I merely desired to state the facts. And as I have stated them a moment ago, the subcommittee which considered the bill offered five amendments and that was all. Later, the amendment of the Senator from Florida and the amendment of the Senator from Georgia were agreed to by the committee.

Mr. MONTOYA. I am not disputing the Sentor's statement of facts. However, I merely wanted to add a few facts of my own to put the whole matter in the proper context.

Mr. ELLENDER. The Senator will have ample opportunity to do that, I am sure.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. HOLLAND. Mr. President, I thought I understood the Senator to say that the bill was an administration bill prepared in the Department of Agriculture and introduced by the Senator from Louisiana for himself and the Senator from New Mexico.

Mr. ELLENDER. The Sentor is correct. Before the bill was put in the proper form, I went over it with the staff very carefully. I think we made a few minor changes. It was then that I presented the measure to the Senate.

Mr. HOLLAND. The Senator did not, however, put in this particular amendment?

Mr. ELLENDER. No.

Mr. HOLLAND. That amendment came in this particular form from the Department of Agriculture.

Mr. ELLENDER. The Senator is correct.

Mr. HOLLAND. I thank the Senator.

Mr. ELLENDER. There is no doubt about that.

As I said in my opening statement a while ago, the pending bill follows very closely the red meat inspection bill, almost on all counts. It more or less substituted poultry for red meat. That is about what it did.

The Senator from Vermont [Mr. AIKEN] proposed an amendment, also accepted by a voice vote, which would change the producer exemption provided by section 15(c)(1)(i) of the law as it would be amended by section 14 of the bill as passed by the House to provide for an exemption based on the number of birds processed, instead of the "wholesale dressed value" of the birds slaughtered.

In other words, it exempted poultry of not to exceed $15,000 in value. It was thought by the Senator from Vermont that if we could change this to make it apply to the number of birds, to wit, 4,000 turkeys or an equivalent number of other birds, it would be better. Four and a half other birds would be considered equal to each turkey.

As I have said, that amendment was merely to clarify exemptions and, instead of making it on a value basis, to put it on a number basis.

Finally, the committee accepted an amendment of the Senator from Iowa [Mr. MILLER] which amends the imported poultry products provision to correspond to the provisions adopted last year in the Federal Meat Inspection Act.

I do not believe anyone opposes the amendment. It was adopted unanimously. It is a provision, as I recall, that was included in the Red Meat Act in 1967.

Mr. President, the statement I have just made is a general one, and I believe it covers the main points in the bill. I presume that the distinguished Senator from New Mexico, who I understand will speak now, will give a little more detailed expression of what is in the bill.

Mr. MONTOYA. Mr. President, I have listened to the remarks of the distinguished Senator from Louisiana, and I believe he has done a splendid job in explaining the intricate provisions of the proposed legislation. I, too, have prepared a comprehensive statement and I will read it so that it will appear in the RECORD for the perusal of Senators who may not be present today.

Mr. President, the country has awakened in the last several years to an acute danger facing every citizen. There exists in some areas of American enterprise a tiny minority of unscrupulous persons who prey upon the American shopper. By ignoring elementary rules of ethical conduct, they endanger the health and well-being of millions of unsuspecting consumers.

Last year we were all collectively shocked to realize that millions of Americans were constantly exposed to unwholesome meat. Congress responded with vigorous action in the form of the new National Meat Inspection Act, which I was happy to sponsor in the Senate.

Now we must turn our attention to yet another menace confronting us—unwholesome poultry and poultry products. S. 2932, the wholesome poultry products bill, which the Senator from Louisiana [Mr. ELLENDER] and I have introduced, and in which we have been joined by other Senators, is aimed at correcting this insufferable situation.

The primary purpose of the wholesome poultry products bill is to assure all consumers that all poultry products produced commercially in the United States meet a minimum standard of wholesomeness, whether inspected under a State or a Federal system. Intent of S. 2932 is similar to provisions of the Wholesome Meat Act which I sponsored last year.

This bill would amend the Poultry Products Inspection Act to—

First. Authorize Federal assistance—including grants—to State poultry inspection programs, such assistance not to exceed 50 percent of the cost of the cooperative program;

Second. Extend Federal inspection to intrastate transactions in States which fail to develop adequate State systems in 2 years—or 3 years if at the end of 2 years it appears that the State will develop an adequate system;

Third. Provide immediate authority to extend Federal inspection to intrastate plants producing adulterated products which endanger the public where the State does not remove such danger;

Fourth. Prohibit commerce in poultry products not intended for human use, unless denatured;

Fifth. Extend the present recordkeeping provision to additional persons—including those dealing in dead, dying, disabled, or diseased poultry—and enlarge it to cover facility and inventory examination;

Sixth. Provide for registration of certain persons dealing in poultry—including those dealing in dead, dying, disabled, or diseased poultry;

Seventh. Provide for regulation of dealers in dead, dying, disabled, or diseased poultry;

Eighth. Authorize regulation of poultry product storage and handling;

Ninth. Modify exemptions;

Tenth. Provide for withdrawal of service, detention, seizure and condemnation, injunction, and investigation as new enforcement tools; and

Eleventh. Otherwise revise the Poultry Products Inspection Act.

The manner in which inspection of poultry is now handled by the Federal Government is excellent. USDA's Consumer and Marketing Service is doing a laudable job of protecting consumer interests. However, now we perceive the same condition that pertained in the meat crises of last year. They are able only to inspect that portion of production that moves interstate or in foreign commerce. In 1966, this amounted to 10 billion pounds, or 87 percent of poultry slaughtered in our Nation.

That 13 percent produced solely for sale within a State's boundaries has been left strictly to States as far as inspection is concerned. USDA's figures show that 12 States have a mandatory law requiring poultry inspection, five States have a voluntary inspection statute and 33 cover poultry inspection in general food legislation.

This multibillion-dollar-yearly industry depends upon the trust of our American consumers. Once she doubts the integrity of our poultry supply, that industry is in desperate trouble. Therefore, it is imperative that we plug these inspection loopholes swiftly. We can accomplish this by expanding our already excellent Poultry Products Inspection Act.

Nor is there any doubt that such action is necessary. A January 1968 survey by the Department of Agriculture of 97 non-federally-inspected poultry slaughtering and processing plants in 12 States revealed that over one third of them required major overhaul in order to meet Federal sanitary requirements.

When we realize there are some 26 different diseases common to poultry that may be passed on to human beings through consumption of unwholesome poultry, we have significant cause for concern.

In poultry processing plants that are federally inspected, there is a 4-percent rejection rate because of disease or contamination. This amounts to over 400 million pounds. When we apply the same percentage of rejection to poultry which is not federally inspected, we discover an added 64 million pounds which should be rejected. Further, this figure is on the conservative side, since there is a practice among some poultry producers to send inferior poultry which would face Federal rejection, to plants which are not federally inspected.

Total impact of these statistics? Each year every American is likely at least once to have placed before him a diseased, contaminated, or adulterated poultry product.

Poultry has become big business due to tremendous technological advances, automation and creation of giant poultry farms and processing plants.

A typical broiler plant now processes approximately 4,800 birds hourly, with an estimated output of 60 birds per man hour. Such factories have turned to palletized coop-handling, automatic killing and defeathering, chilling and wrapping systems. Approximately 75 percent of the output of these plants is sold more than 200 miles from point of slaughter, with birds being raised in areas of concentrated commercial production far removed from eventual markets.

Mr. President, this is a clearly set out problem. A tiny minority of unscrupulous businessmen are poisoning the minds of consumers by permitting a steady stream of unwholesome poultry to reach American tables. The peace of mind of the consumer is in as much danger as his digestion.

As long as American shoppers can enter a business establishment with a reasonable amount of confidence in what they are going to purchase, our marketplace is safe and our system with it.

But, as soon as the consumer feels his personal safety is in jeopardy, our entire system is as endangered as our marketplace.

It is imperative that public confidence in basic, everyday products and the progression producing them be restored.

I am not seeking to penalize an entire industry. It is an increasingly valuable and contributing segment of America's business life. All the more reason for us to perform as we must and eliminate this small but deadly amount of poison entering its bloodstream.

Consumer protection is business protection. By removing the unscrupulous operator, it makes our business life that much healthier and able to perform its functions.

Consumers are not the blind buyers of yesterday. Rather, they are more informed and aware than ever before. Not content with half measures, they look to business and to Congress for a clean house. This we can do with a minimum of aggravation and force.

Our poultry industry is progressive and desirous of aiding us in this task. Furthermore, this measure is a fair one. It allows States fair leeway to set up their own programs. We do not seek to have the National Government come in and trample upon State functions. Rather, we seek to have that National Government aid our States to set up their own programs in order to safeguard their own consumers. This is the main intent and thrust of this legislation.

But above all, we must keep in mind the fact that no matter what, the American shopper and consumer must be able to purchase her poultry and poultry products with complete confidence. We must and can remove this shadow from their minds. Each of us is affected and endangered.

Mr. President, in reporting out S. 2932, the committee adopted the language of the House-passed companion bill, H.R. 16363, and amended that language in several respects. One notable improvement over the House-passed language is the rejection of the proposal that a violation of the provisions of the act had to be done "knowingly" to constitute a violation. This provision which was adopted by the House, but which your committee rejected, would have made prosecution for violations of the act much more difficult if not impossible. The Poultry Products Inspection Act has thus been kept in conformity with other statutes for protection of the public health, such as the Federal Food, Drug, and Cosmetic Act and the Federal Meat Inspection Act. We, thus, also recognize the need for putting affirmative responsibility on persons engaged in producing or distributing products which are susceptible of endangering the public health or committing commercial fraud on the public, to exercise all necessary precautions to avoid these results. The Senate version in this respect is a substantial improvement over H.R. 16363 and will aid in effectuating the purpose of protecting the consumer.

Mr. President, it was the committee's intent in reporting S. 2932 to the Senate to afford as complete consumer protection against adulterated or misbranded poultry products, as was provided to consumers of red meat by enactment of the Wholesome Meat Act last year.

In general, the provisions of S. 2932 closely parallel and in many instances are identical to the provisions of the Wholesome Meat Act. I know that the consumers of this Nation have been waiting for us in Congress to deliver our promise of last year to insure them against adulterated poultry as we did for red meat. It was with this objective in mind that S. 2932 was submitted by the President to the Congress, and it was with this objective in mind that I—although I had been drafting a proposal of my own—readily joined Senator ELLENDER, chairman of the Committee on Agriculture and Forestry, in introducing the bill. And, it was with this in mind that the Subcommittee on Agricultural Research and General Legislation held hearings on the bill and reported it out to the full committee for its consideration.

However, Mr. President, because of certain amendments that were adopted at the last moment in committee, with very little time for discussion or deliberation, the committee has failed in its objective. As an individual Senator and member of the committee, it is incumbent upon me to bring to the attention of the Senate, provisions contained in the bill which I strongly feel not only detracts from, but which could very well destroy, the very intent which has followed this bill's progress to this point.

Mr. President, when this bill was reported out by the committee, I filed a minority report pointing to major weaknesses in this bill and proposing remedial alternatives. In this minority report, I was joined by the distinguished Senator from Minnesota [Mr. MONDALE], who fought so valiantly for the passage of the Wholesome Meat Act last year. I was also joined by my good friend the distinguished Senator from South Dakota [Mr. McGOVERN]. And I was joined by the distinguished and able Senator from Oregon [Mr. HATFIELD].

Mr. President, it is now my understanding that the Senator from Georgia [Mr. TALMADGE] will offer a substitute amendment to his committee amendment which I was going to move to strike out. I will, therefore, accommodate Senator TALMADGE and withhold my amendment to his amendment until he is here on Monday and I have had an opportunity to discuss this further with him. I would, however, like to direct some remarks to the Talmadge committee amendment so that Senators will have an opportunity to review this over the weekend.

Mr. President, as we pointed out in our minority views, the committee amended section 3 of the bill containing a statement of legislative policy by adding at the end thereof the following:

It is the intent of Congress that all poultry which is injurious for human consumption shall be condemned. The reason for condemnation must be supported by substantive scientific fact.

Mr. President, if Senator TALMADGE had been here, I would have called up an amendment on behalf of myself, Senator MONDALE, Senator MCGOVERN, and Senator CLARK, to strike out this provision from the bill.

This language may appear harmless, but it is not.

In the most simple terms, it says that Congress does not object to diseased poultry being offered to consumers if it is not injurious to human health.

It will subject the Department of Agriculture to pressures to allow diseased poultry to be approved as wholesome.

The Congress must be clear on this point, we must be explicit. Diseased poultry must be condemned. Diseased poultry is not wholesome, and it cannot be offered to consumers with even the implied consent of the Congress.

This amendment, first of all, is inconsistent with the substantive provisions of the bill which clearly indicate the concern of Congress in protecting the consumers from all adulterated products, not only those injurious to humans, as indicated by the provisions for condemnation of adulterated poultry products. Secondly, the last sentence of the amendment would indicate that it is the intention that "substantive scientific fact" would have to be established as a prerequisite to a valid condemnation of any poultry product.

Mr. President, I wish to say that when the Senator from Georgia [Mr. TALMADGE] offered the amendment in committee, he had a noble purpose, indeed. However, the ramifications of the amendment he proposed were not foreseen by the committee until they began to study it.

I am happy to say that the Senator from Georgia and his office have assured us they are trying to get a different version of the amendment so that it will be more palatable to the Senate but yet not dilute the consumer protection intent of the bill.

This amendment would raise serious problems in that there are a number of circumstances or conditions which under the act warrant condemnation of poultry products with respect to which they may not be available substantive scientific fact and in some cases such facts would necessarily not be involved. There are conditions warranting condemnation, but with respect to which there may not be positive "substantive scientific fact" to establish their potential injury to humans. The adulteration provisions of the bill dealing with commercial fraud, such as the substitution of inferior material to deceive the public, do not in any way involve "substantive scientific facts."

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a brief, discussing the many poultry diseases which may affect humans. Some of the diseases listed are detected on ante- or post-mortem inspection. Others are detected through the enforcement of sanitary requirements designed to minimize the contamination of edible products with disease-producing agents.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

POULTRY DISEASES WHICH MAY AFFECT HUMANS

Poultry inspection includes organoleptic ante- and post-mortem examinations of poultry in slaughtering and eviscerating plants. It also includes inspection for environmental sanitation and the application of sanitary processing procedures and inspection for the soundness of ingredients, in-process products, and finished products in slaughtering and eviscerating and further processing plants.

Some of the diseases listed on the following pages are detected on ante- or post-mortem inspection. Others are detected through the inspection of ingredients, in-process products, and finished products for soundness or they are controlled through the enforcement of sanitary requirements designed to minimize the contamination of edible products with disease-producing agents.

The following diseases have been found transmissible from poultry to man.

A. BACTERIAL DISEASES

1. Erysipelas
2. Tuberculosis
3. Airsacculitis
4. Salmonellosis
5. Diptheria
6. Brucellosis
7. Newcastle disease
8. Paracolon infections
9. Staphylococcosis
10. Streptococcosis
11. Tularemia

B. VIRAL DISEASES

1. Encephalomyelitis
2. Encephalitis
3. Newcastle disease
4. Ornithosis
5. Rabies
6. Leukosis (cancerous)

C. FUNGAL DISEASES

1. Aspergillosis
2. Favus
3. Thrush

D. TOXIC ILLNESSES

1. Tetanus
2. Botulism

E. PARASITIC ILLNESSES

1. Echinostomiasis
2. Schistosomiasis
3. Dermanyssus gallinae
4. Toxeplasmosis

The following diseases may be carried by poultry and can infect humans. Usually come about through insanitary processing and passed on to humans:

1. Typhoid fever
2. Bacillary dysentery
3. Enterobiasis
4. Lymphocytic choniomeningitis
5. Paratyphoid fever
6. Amebic dysentery
7. Infectious hepatitis
8. Chemical poisoning

ERYSIPELAS

Erysipelas among poultry is most prevalent in turkeys. It is however also found in both chickens and ducks. It is a bacterial infection, which in poultry causes general weakness, sometimes diarrhea and petechial, or diffuse hemorrhages in many internal organs, and most commonly a deep reddish purple caruncle. Humans usually contract this disease through skin scratches and sores when in contact with infected poultry and poultry products.

ORNITHOSIS

Ornithosis is caused by an intracellular parasite. All species of domesticated poultry are susceptible, although the disease is more prevalent in turkeys. The symptoms in poultry are inflammations in the conjunctivae, respiratory passages, pericardium, and intestinal tract. The disease is better known to humans under the name of *Psittacosis*, although that name should technically be reserved for a nearly identical disease transmitted to man from psittacine birds such as parrots. Infections in humans occur mostly as an occupational disease among handlers of live poultry. Cases have however also been reported where the infection has been traced to nonevisceratod poultry purchased by family households. Infection occurred in these cases through contamination with intestinal contents of the diseased birds.

SALMONELLOSIS

Salmonellosis is common to all species of domesticated poultry. There are numerous different serotypes of Salmonella bacteria, many of which are disease producing. Salmonella infections in humans are normally contracted through ingestion. Over the past several years, 3–500 Salmonella isolations from humans have been reported per week. The source of many of these isolations is never determined. Of those traced to source of origin, poultry and poultry products are frequently incriminated.

TUBERCULOSIS

Avian tuberculosis is a disease very similar to tuberculosis in mammals. It is in poultry usually contracted through the intestinal tract and lesions are thus prevalent in these organs with more infrequent lung lesions. Tuberculosis in fowl has a protracted course and it is usually not seen in young birds. It will eventually lead to emaciation and the death of the involved animal. Transmission to humans usually occurs through ingestion.

Mr. MONTOYA. Basic to meat and poultry inspection laws is the authority and requirement for the condemnation of adulterated livestock and poultry. The term "adulterated" encompasses inspection findings of conditions that can be injurious to human health—and of conditions not of themselves specifically harmful to human health, but nevertheless considered unfit for human food purposes.

Some examples of diseases which can infect humans either from contact with a carcass or portion of the carcass, from consumption, or contamination of other foods are: tuberculosis, salmonellosis, ererysipelas, encephalitis, psittacosis, ornithosois; newcastle disease, staphylcoccus, and streptococcus infections.

Diseases and conditions are also found for which no direct causal relationship with human health can be shown. In these situations the animal or a part is condemned on grounds that any diseased animal or part is not wholesome for human consumption. Here would be included conditions such as tumors, cancers, parasitic infections such as roundworms, liver flukes, sheep tapeworm cysts, specific infectious diseases such as hog cholera, caseous lymphadenitis in sheep and blackhead in turkeys and coccidiosis in poultry. This too is "adulteration."

The standard for meat, either livestock or poultry, that has been developed

through public policy, is that it must be clean and that it be derived from healthy animals which are free of disease, abnormalities and contamination with noxious substances and filth; that is, bruises, injuries, emaciation, dead before slaughter, parasites, healed lesions, and so forth.

This standard is not based on identifiable—scientifically established human health hazards, but on the basic premise that the consumer would not of free choice consume a diseased animal nor feed it to another person as it is unsound or otherwise unfit for human consumption.

Among the diseases which have been found transmissible from poultry to man, are some 11 bacterial diseases, six viral diseases, three fungal diseases, two toxic illnesses, and four parasitic illnesses. Eight other diseases may be carried by poultry and can infect humans.

Mr. President, unless the committee amendment is deleted or modified, the condemnation of poultry carrying these diseases would become impossible with resultant disastrous results. Mr. President, I will await the return of Senator TALMADGE on Monday before suggesting action on this bill. But I am sure the language should be changed in order to effectuate the purpose for which it was introduced but not have the ramifications that I am afraid would be inimical to the consumers' interest at the present time.

Mr. HATFIELD. Mr. President, will the Senator from New Mexico yield?

Mr. MONTOYA. I yield.

Mr. HATFIELD. I should like to ask a question or two of the distinguished Senator from New Mexico; but, before doing so, would like to comment that, as a member of the committee who has listened and made certain conclusions on this very important subject, I believe the Senator from Louisiana [Mr. ELLENDER], our chairman; the Senator from Florida [Mr. HOLLAND], who proposes one of the amendments; the Senator from Minnesota [Mr. MONDALE]—for that matter, everyone on the committee— are seeking the same basic goals; namely, to protect the consumer.

As I understand it, it is basically now a question of the best procedures to follow in order to accomplish those goals.

My question to the Senator is this: Whether it does not really come right down to the question of how we interpret the language of Federal and State requirements in relation to inspection, that State programs are at least equal to Federal inspection programs?

Mr. MONTOYA. Yes; that is the tenet and the purpose of the bill; namely, to encourage a State inspection system which will be equal to or excel the Federal system. That is the noble purpose of the bill. The Senator is right, that the point of inquiry here is: Does the bill accomplish that purpose in the consumers' interest, and if it does not, how can we improve upon the language in the bill?

Mr. HATFIELD. How would the Senator from New Mexico interpret the language "at least equal"? Is this in the wording of State statutes? Does it include the matter of inspection procedure? Does it include, as well, matters of enforcement? In other words, how do we interpret the words "at least equal" to Federal inspection?

Mr. MONTOYA. I believe that there is general agreement, so far as the committee is concerned, and so far as Congress is concerned—Congress having considered and enacted the Red Meat Inspection Act of 1967—that equality of inspection means that the States must have the kind of mandatory inspection that would be equal to the Federal laws, and coincident with such particular laws, there must be the same quality of enforcement. These two things must coincide and be parallel to the Federal structure before we can say that we have protected the consumer at the same level that Federal inspection laws do today, or will in the future.

Mr. HATFIELD. If the Senator will yield further, would the Senator say that this is a question, then, and a very comprehensive question, of interpreting what is equal not only in the language of the statute but also in matters of inspection, and in matters of enforcement and, therefore, that it will take time to be able appropriately to evaluate the State laws that we want to determine as being equal to the Federal laws?

Mr. MONTOYA. There is no question about that, because we have very little experience across the vast landscape with respect to intrastate inspection under State laws, because this is an entirely new field that has come up in the past few years. In fact, I tell the Senator here, and will read for the RECORD, that under the present state of conditions in this country, we have a few States with mandatory inspections, and a few other States with voluntary inspections, and we have States with no poultry inspection laws at all. Specifically, there are 33 States with no poultry inspection laws. The only inspection that is provided in the 33 States I am mentioning is by virtue of the food and drug laws which have been passed, and the general authority is there with respect to food. But, specifically, there are no poultry inspection laws in 33 States.

There are five States with voluntary inspections, and that is optional with the States, and the inspection is optional with the particular producer. Therefore, the inspection laws are not adequate in those States. For all intents and purposes, there are at least 38 States which do not have adequate inspection laws.

Mr. HATFIELD. A further question: Is it not only a question, then, of getting laws on the statute books but also a question of having personnel adequately trained and geared to the machinery of State inspection programs that we have this question that arises now as to the time factor?

Mr. MONTOYA. The Senator is absolutely correct. The State inspection service over poultry and meat is an entirely new approach. In fact, the committee report of the House of Representatives states that there are only four active inspection programs in this country today, even though we have mandatory laws in several other States. There are only four active inspection programs in this country.

Mr. HATFIELD. I understand, then, that the Senator's feeling is at this time that until the Federal law is truly in operation in every respect, until the States themselves are geared up, it is premature at this time to start amending the red meat inspection law which was enacted only recently, actually to weaken it as it relates to Federal inspection.

Mr. MONTOYA. Absolutely.

Mr. HATFIELD. Would the Senator agree, further, that there is today a great deal of confusion that oftentimes exists between Federal and State agencies in the same field of endeavor, and, many times we hear as a Senator from our State, as I do from mine, and when I was formerly Governor of Oregon I recognized it, that when a Federal regulation or a Federal law is put into effect, and before the States have time to get involved and get geared up, the Federal Government is accused—and I think there is substantial evidence that it is guilty on occasion—of changing that regulation or law, or amending it, thus creating a state of confusion which makes it more difficult for the States really to comply or move in to a common purpose and a common program.

Mr. MONTOYA. The Senator from Oregon is absolutely correct.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. MONTOYA. I yield.

Mr. HOLLAND. In connection with the same subject that has been discussed in the colloquy between the distinguished Senator from New Mexico and the distinguished Senator from Oregon, is it not true that the bill makes the Secretary of Agriculture the sole judge of whether the law of any particular State and its enforcement is equal to or better than the Federal law and its enforcement?

Mr. MONTOYA. That is correct. However, there is this misgiving about that provision: While the States, on paper, may have inspection laws equal to the Federal law, will they be so enforced and if not, what, if anything, can be done to protect the consumer from watered down enforcement once the Secretary of Agriculture has relinquished his control to make a positive finding that the method of enforcement or the method of inspection, across the vast American landscape, can be standardized, and thus properly certificate a particular State inspection system as contemplated by the amendment of the Senator from Florida. That is one of the main points of contention.

Further, the particular provision that is espoused by the Senator from Florida has a way of bringing the States into certification by the Secretary of Agriculture provided they have equality of standards and equality of inspection procedures and methods of enforcement thereof. But the Holland amendment contains no provision to the effect that the Secretary may later remove those certifications.

Mr. HOLLAND. The Senator has not read the bill carefully, because the bill provides that the Secretary has the complete right, and it shall be his duty, to remove recognition which he has previously given to a State system and its enforcement, in the event he finds that the standards do not remain up to or equal

to or better than equal to Federal standards.

Mr. MONTOYA. I am fully aware of that provision; but that provision requires the Secretary of Agriculture, under certain circumstances which are alien to this particular provision, to give the States 30 days' notice to change the conditions in a certain plan; otherwise, Federal inspection will step in. After that due notice, if the State fails, then there must be publication for an additional 30 days. Then there might be some kind of court procedure, in addition to that, if the State still refuses. In the meantime, there is at least a 60-day lapse during which meat is being moved in interstate commerce, affecting the consumers of this country. That lapse can be dangerous to the consumers.

Mr. MONDALE. Mr. President, will the Senator yield?

Mr. MONTOYA. I yield to the Senator from Minnesota.

Mr. MONDALE. Under the Wholesome Meat Act of 1967, if a plant now under a State system wishes to market its production interstate—that is, nationally—may it not do so by immediately rejoining the Federal system today?

Mr. MONTOYA. That is correct.

Mr. MONDALE. So that if there is a plant that wants a national market now, it has a full and complete remedy available to it?

Mr. MONTOYA. That is correct.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. MONTOYA. I yield to the Senator from Florida.

Mr. HOLLAND. Is it not true that a provision of the bill—and this is also true in the case of the Wholesome Meat Act—permits the Federal Government to pay portions of the inspection costs and enforcement costs up to 50 percent of the total in the event the Secretary has found the enforcement is at least equal to the Federal enforcement? And, does it not provide that when he finds that is not the case, he has the right to call off that Federal contribution to the expense of the enforcement?

Mr. MONTOYA. The Secretary may offer up to 50 percent to the States as a contribution for the enforcement of the State inspection system. That is basic in this law, and it is basic in the Red Meat Inspection Act. The additional provision to which the Senator from Florida refers, I do not at this time recall.

Mr. HOLLAND. Well, the Senator will find in the bill that the Secretary has a right to discontinue the contributions to the enforcement costs, just as he has the right to call off recognition.

Mr. MONTOYA. If there is failure of enforcement.

Mr. HOLLAND. Yes; if the enforcement is not equal to or better than Federal inspection, he has the right to call it off. So that additional weight is given to the Secretary's powers in this matter.

I happen to know, as chairman of the subcommittee handling agricultural appropriations, that already we have increased this year the Federal payment for this purpose in order that we can now help the States to reach this "at least equal to" performance. As a matter of fact, they are asking far more than we granted.

I just want the record to show we have imposed upon the Secretary the duty that if States at first meet the Federal standards and have a law and enforcement that are at least equal to Federal enforcement, he first can make the allotment of the Federal funds up to 50 percent of the cost; and then, if the State fails in its enforcement, he can call it off. That is exactly what he should do.

It looks to me like my distinguished friend has little confidence in the attitude of the Secretary of Agriculture or in his employees, who, by this law, are given the right to go into every plant, into any plant, and check any aspect of enforcement, check on enforcement in the field, where the consumers' interest is affected, which is not permitted State inspected products if the product goes beyond the State lines. And the Secretary has the power to cut off that contribution of up to 50 percent of the cost in the way of Federal funds, which is given only if the State law has been found by the Secretary to be equal to the Federal law and if the enforcement of the law has been found equal to Federal enforcement.

Mr. MONTOYA. May I say to my good friend from Florida that I do not think he and I disagree on what we are trying to accomplish. I want to say for the record here that I do not mean to impugn the motives of my good friend from Florida or of any member of the committee with respect to their individual stand on this particular provision which the Senator from Florida has offered in committee and which is now part of the bill. However, I have great concern, may I say to my friend from Florida, that, because of the experience we have had, the consumer is not going to be as fully protected as he would be under the Federal-State relationship which is threaded through the red meat inspection act which we adopted last year.

In my opinion, I think the amendment offered by the Senator from Florida dilutes the noble purpose that we have in mind, and I think it opens the back door for the opportunity for unscrupulous dealers in meat to invade the channels of interstate commerce with a State inspection level which is permissible under the amendment the Senator from Florida has offered as part of this bill.

That is one of my great concerns, and I intend to discuss the specifics of it in my discussion of the so-called Holland amendment.

Mr. President, I would like to discuss the specifics of the Holland amendment. I am sorry to take up so much time on this, but I think it is a very important element in our consideration of the bill.

AMENDMENT NO. 911

On behalf of myself, Senator MONDALE, Senator MCGOVERN, Senator HATFIELD, Senator CLARK, and Senator FONG, I have proposed an amendment, which is at the desk, dealing with the so-called Holland amendment. I ask that it be called up at this time.

The PRESIDING OFFICER. The Chair wishes to inquire of the Senator whether that is No. 1 or No. 2.

Mr. MONTOYA. It is No. 3.

The PRESIDING OFFICER. No. 3. The clerk will state the amendment.

The LEGISLATIVE CLERK. It is proposed, on page 63, beginning with line 7, strike out all down through line 17.

On page 91, beginning with line 13, strike out all down through line 13 on page 92.

On page 92, line 14, strike out "SEC. 21" and insert in lieu thereof "SEC. 20".

On page 92, line 20, strike out "SEC. 22" and insert in lieu thereof "SEC. 21".

The PRESIDING OFFICER. Are those amendments to be considered en bloc?

Mr. MONTOYA. The ones I have just called up I ask unanimous consent be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MONTOYA. Mr. President, I have two other amendments at the desk, applying to the so-called Talmadge provision and the so-called Aiken exemption provision in the present bill. I ask unanimous consent that they be ordered to be printed and lie at the desk.

The PRESIDING OFFICER. The amendments will be received and printed, and will lie at the desk.

Mr. MONTOYA. Mr. President, I ask unanimous consent that they be printed at this point in the RECORD.

The amendments referred to were ordered to be printed in the RECORD, as follows:

On page 46, after the period in line 15, strike out all down through the period in line 18.

On page 77, beginning with line 3, strike out all down through line 15 on page 79, and insert in lieu thereof the following:

"(c) (1) The Secretary shall, by regulation and under such conditions, including sanitary standards, practices, and procedures, as he may prescribe, exempt from specific provisions of this Act—

"(A) the slaughtering by any person of poultry of his own raising, and the processing by him and transportation in commerce of the poultry products exclusively for use by him and members of his household and his nonpaying guests and employees;

"(B) the custom slaughter by any person of poultry delivered by the owner thereof for such slaughter, and the processing by such slaughterer and transportation in commerce of the poultry products exclusively for use, in the household of such owner, by him and members of his household and his nonpaying guests and employees: *Provided*, That such custom slaughtered does not engage in the business of buying or selling any poultry products capable of use as human food;

"(C) the slaughtering and processing of poultry products in any State or Territory or the District of Columbia by any poultry producer on his own premises with respect to sound and healthy poultry raised on his premises and the distribution by any person solely within such jurisdiction of the poultry products derived from such operations, if, in lieu of other labeling requirements, such poultry products are identified with the name and address of such poultry producer, and if they are not otherwise misbranded, and are sound, clean, and fit for human food when so distributed; and

"(D) the slaughtering of sound and healthy poultry or the processing of poultry products of such poultry in any State or Territory or the District of Columbia by any poultry producer or other person for distribution by him solely within such jurisdiction directly to household consumers, restaurants, hotels, and boarding houses, for use in their own dining rooms or in the preparation of meals for sales direct to consumers, if, in lieu of other labeling requirements, such poultry

products are identified with the name and address of the processor, and if they are not otherwise misbranded and are sound, clean, and fit for human food when distributed by such processor.

The exemptions provided for in clauses (C) and (D) above shall not apply if the poultry producer or other person engages in the current calendar year in the business of buying or selling any poultry or poultry products other than as specified in such clauses, or if the number of head of poultry processed by him in the current calendar year exceeds such limits as the Secretary may by regulation prescribe, consistent with subparagraph (3), as appropriate to avoid a requirement of inspection of processing operations of such a size that the cost of furnishing inspection would be excessive in relation to the volume processed or the rendering of inspection would otherwise be impracticable.

"(2) In addition to the specific exemptions provided herein, the Secretary shall, when he determines that the protection of consumers from adulterated or misbranded poultry products will not be impaired by such action, provided by regulation, consistent with subparagraph (3), for the exemption of the operation and products of small enterprises (including poultry producers), not exempted under subparagraph (1), which are engaged in any State or Territory or the District of Columbia in slaughtering and/or cutting up poultry for distribution as carcasses or parts thereof solely for distribution within such jurisdiction, from such provisions of this Act as he deems appropriate, while still protecting the public from adulterated or misbranded products, under such conditions, including sanitary requirements, as he shall prescribe to effectuate the purposes of this Act.

"(3) No exemption under subparagraph (1) (A) or (B) or subparagraph (2) shall apply to any poultry producer or other person who slaughters or processes the products of more than 4,000 turkeys or an equivalent number of poultry of all species in the current calendar year (4.5 birds of other species being deemed the equivalent of one turkey).

"(d) The adulteration and misbranding provisions of this Act, other than the requirement of the inspection legend, shall apply to articles which are exempted from inspection under this section, except as otherwise specified under paragraphs (a) and (c)."

Mr. MONTOYA. Mr. President, the committee very unwisely adopted an amendment which not only undercuts the effectiveness of the new provisions to the Poultry Products Inspection Act which we are presently considering, but also undermines the existing Federal poultry inspection program, and would render meaningless all of the countless man-hours that went into the adoption of the Wholesome Meat Act of last year.

Mr. President, the bill we have before us contains provisions which would amend both the Poultry Products Inspection Act and the Wholesome Meat Act to permit the movement in interstate commerce of both meat and poultry products processed under State inspection at any establishment in a State under requirements which the Secretary determines are at least equal to those under the Federal act. In addition, such products may be brought into and used in a federally inspected establishment.

Subsection 5(c)(5) of S. 2932, provides in substance that poultry products processed under State inspection at any establishment in any State not made subject to Federal inspection under requirements at least equal to those provided for Federal inspection would be eligible for distribution in interstate commerce, the same as poultry products receiving Federal inspection.

The House considered a similar provision and wisely voted to delete it from the House-passed bill, H.R. 16363. Consumer group, industry organizations, and labor unions, all opposed this provision in testimony before the Livestock and Grains Subcommittee. They said it would endanger the present Federal inspection program and threaten the uniformity of inspection.

In testifying before the House Subcommittee on Livestock and Grains, Representative NEAL SMITH, who I understand was one of the authors and introducers of the bill, recommended deletion of this provision from H.R. 15146. I quote from his statement appearing in the House hearings on pages 2 and 3:

If left in the bill, this provision would permit nonfederally inspected poultry from plants in States which had qualified for Federal funds to be sold in interstate commerce. This provision is not in the Red Meat Act and I understand it was added to the poultry bill, as recommended by the Department, at the request of some State secretaries of agriculture.

When a State meets Federal standards and has an enforcement program at least equal to the Federal program they are removed from the list of States where intrastate plants will be federally inspected; however, they could become lax for several months before they can be placed back on the list. This is because section 5(c)(3) provides that reinstating Federal inspection shall only be after a 30-day notice and publication in the Federal register. By the time Federal inspection could be reinstated, millions of pounds of contaminated poultry products could have moved all over the United States or the world. The constant possibility that this would be occurring could hurt both our domestic and foreign markets for poultry.

If poultry from these plants were to move in interstate commerce, the very least that should be provided is a continuing review by Federal inspectors of the whole operations within the State and authority to reinstate Federal inspection instantly if the State fell below the Federal standards. That kind of provision, I think, would create such great friction when applied, and be so costly and disrupting, that it seems to me the added language should simply be eliminated.

Mr. President, I was heartened by the fact that the House had taken Representative SMITH'S advice. Congressman SMITH, one of the proponents of a strong and effective meat inspection act last year did much to contribute to the excellent piece of legislation which finally became law. So he is not without qualifications to speak on the subject.

While this measure was before the House, another strongly consumer-oriented Representative, who likewise contributed to the success of the Wholesome Meat Act last year, Representative TOM FOLEY, of Washington, opposed this provision. In the House committee report, Representative FOLEY had this to say about the House decision to delete this provision:

The provision would have given a blank check to State programs which are untried—in fact, to ones which do not even exist right now. While these programs are to be "at least equal" to the Federal one, according to the bill, there are bound to be variations in actual practice. In fact, one large industry trade association warned the committee that if this provision were to stay in the bill, then firms must have to decide whether each of their individual plants which ship across State lines should be under Federal or State inspection.

On this point, during the hearings before the Senate Subcommittee on Agricultural Research and General Legislation, Mr. Vic Pringle, representing the Institute of American Poultry Industries, appeared to testify on this point. I might state for the RECORD, Mr. President, that the institute is a 40-year-old nonprofit national association, representing all segments of the poultry and egg industries. Its members process and market the major share of the Nation's chickens, turkeys, ducks, and other poultry. In addition, their membership includes producers, breeders, hatcherymen, and allied interests.

Mr. Pringle testified as follows, as shown on page 243 of the Senate hearings:

Nevertheless, if the committee should adopt a program which would provide for multi-inspection programs as provided by S. 2032, including the provisions of section 5(c)5 which permits interstate shipment, we believe it necessary for the bill to make it clear that a plant presently under Federal inspection, but located in a State which establishes a State system as provided in this bill, will have the election of operating under the State system if it so desires.

Mr. President, what we would have, as this testimony clearly points out, would be competition between the Federal and the State programs and between the States themselves on which can attract more clients. Unscrupulous producers and processors would shop around for the States with the least rigid enforcement practices where they could establish plants free from the effective Federal inspection. The end result would be unwholesome and adulterated meat and poultry products flowing to every table in this country. This cannot be tolerated. If there is even one hint that this would be done, Congress would be remiss in even thinking about such a proposal as is now contained in S. 2932. The primary issue to which we must address ourselves to here today is consumer protection.

And, Mr. President, this would not be limited to poultry products. As I have already stated, the provision as contained in the bill adds section 20 to S. 2932 and would amend the Wholesome Meat Act to incorporate comparable provisions in that act.

Mr. President, in January of this year the U.S. Department of Agriculture did a survey of nonfederally inspected poultry plants. Reports were prepared jointly by the USDA and the States on conditions in nonfederally inspected plants. My staff prepared a summary of the kinds of situations these reports reflect. In addition, inspection personnel experienced in these matters were interviewed in order to be more precise as to the conditions actually found. I would like to relate to my colleagues some of the conditions which these reports revealed:

Only a few of the plants surveyed fully met minimum Federal sanitation requirements.

Approximately one-third need major changes, one-third minor changes, and one-third could be considered basically in compliance with the Poultry Products Inspection Act standards.

The sanitary conditions in many of the nonfederally inspected poultry plants were so bad that production of sanitary product was impossible.

Wood floors, cracked, leaking, and soaked with blood, meat juices, and water exuded a sour odor and could never be adequately cleaned. Many concrete floors were pitted, worn, and eroded so that pools of blood water were common in areas where food products were being processed. Many of the floor drains were untrapped with the result that sewer gas and other odors of decomposing meat and blood were present in the processing rooms.

In many instances, windows and doors were not screened or kept closed with the result that flies could move freely from the filthy and decomposing poultry carcasses, feathers, and manure into the processing room where product was being prepared for food.

Accumulations of rubbish, junk, manure, and rotting chicken parts around the outside of the plant were infested with rodents which also had free access to move over tables, other equipment, and product when the plant was not in operation. It is well known that rodents always contaminate with urine and feces wherever they have access.

Because of inadequate ventilation and the crowding of operations, feces, dust, and feathers from live birds were present in the processing rooms and contaminating the poultry meat. Rough ceilings and moisture condensation on ceilings and walls resulted in the growth of mold and accumulation of dust, dirt, scaling paint, and other filth which was a constant source of contamination of product.

In many instances, there were no facilities for producing hot water or steam and it was obvious that the plant facilities had never been adequately cleaned. Picking rooms and equipment were unbelievably filthy and stinking with accumulation from months of operations never being completely removed.

In many cases, there were no handwashing facilities so that employees who used the toilet facilities were unable to wash their hands before handling product. Also soiling of the hands from feathers, feces, or diseased conditions, including pus and infectious materials could not be adequately removed from the employee's hands.

Poultry carcasses and meat were being cut up and handled on the tables and other equipment made of wood which was water and blood soaked. Thick accumulations of fat and meat juices, sour and decomposing were often seen on this equipment.

Mr. President, I ask unanimous consent to have some materials printed at this point in the RECORD listing conditions in intrastate plants that have been designated to State officials as endangering health.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

INTRASTATE PLANTS THAT HAVE BEEN DESIGNATED TO STATE OFFICIALS AS ENDANGERING PUBLIC HEALTH, FROM JAN. 1, 1968, TO JULY 26, 1968

State and address of plant	Type of operation	Reason for action	Followup action
Arizona: Casa Grande (included in 1962 survey).	Slaughtering	Failure to control insects and vermins. Lack of environmental sanitation. Insanitary handling of meat and meat byproducts.	Corrective inspectional procedure instituted.
Arizona: Mesa	do	Failure to control insects. Insanitary procedures used in manufacturing products. Lack of environmental sanitation.	Do.
Arizona: Tucson	do	Failure to control inedible and condemned products. Lack of environmental sanitation. Insanitary procedures used in manufacturing product.	Do.
Connecticut: Plainfield	do	Failure to control condemned, diseased carcasses which had been marked inspected and passed. Spoiled meat byproducts present in cooler.	Immediately closed by State officials.
Delaware: Dover	Slaughtering and processing	Nonpotable water (contaminated) being used in producing products for human consumption.	Closed by State program director
Idaho: Coeur d'Alene	do	Failure to properly control inedible and condemned products.	Corrective inspection procedures instituted by the State officials.
Idaho: Kingston	Slaughtering and sausage processing	Improper control of condemned animals. Lack of proper environmental sanitation. Improper control of inedible and condemned products.	Corrective inspection procedures instituted by the State officials.
Idaho: Wallace	Wholesale slaughtering and processing.	Lack of proper environmental sanitation. Lack of control of inedible and condemned. Insanitary procedures used in manufacturing product	Do.
Idaho: Idaho Falls	Slaughtering and processing	Lack of proper environmental sanitation	Do.
Idaho: Rupert	do	do	Do.
Illinois: Alhambra	Slaughtering	do	A plant closed by State program director.
Michigan: Detroit	Processing	do	Corrective action taken by State officials. Subsequently the plant requested and was approved for Federal inspection.
Michigan: Richmond (included in 1967 survey).	Slaughtering and processing	Insanitary handling of product. Lack of proper environmental sanitation.	Closed by State officials.
Michigan: Iron River (included in 1967 survey).	do	Insanitary handling of product. Lack of environmental sanitation. Lack of control of inedible and condemned products.	State officials have instituted corrective inspectional procedures and have had the plant correct and change facilities and equipment to alleviate sanitary deficiencies.
New Hampshire: Goffstown	Slaughtering and retail store	Nonpotable water (contaminated) being used in producing products for human consumption.	Discontinued slaughter operations as a result of State corrective action. Source of water to retail operations converted to new source.
Nevada: Reno	Processing	Improper environmental sanitation	Plant closed temporarily to nitiate a cleanup.
Nevada: Elko	Slaughtering and processing	Failure to control condemned and inedible products. Insanitary procedures used in manufacturing products.	Corrective inspectional procedures instituted by the State officials.
Nevada: Gardnerville	do	do	Do.
Nevada: Las Vegas	Processing	Improper environmental sanitation. Lack of control of condemned and inedible products.	Do.
Pennsylvania: Dalton	Slaughtering	Failure to properly control condemned product	State program director instituted corrective inspection procedures as well as providing increased supervision.
Pennsylvania: Johnstown (included in 1962 survey).	do	Improper environmental sanitation	Do.
Utah: Lehi	Processing	Lack of control of insects and vermins. Improper environmental sanitation. Insanitary handling of product.	Immediate corrective action was taken by the State officials and have increased inspection coverage.
Utah: Salt Lake City	do	Improper environmental sanitation. Insanitary handling of product.	Do.
Utah: Vernal	Slaughtering and processing	Lack of proper environmental sanitation	Corrective inspection procedures instituted by State officials. Inspection coverage has been increased.
Nebraska: Omaha	do		
Puerto Rico: 8 plants			
Texas: Terrell	Slaughtering and processing		
Texas: Eagle Pass	do		

Mr. MONTOYA. Mr. President, these are not examples from a science fiction novel. Neither are they citations from Upton Sinclair's book, "The Jungle," which was quoted so widely during the discussion on the Wholesome Meat Act last year. These are not examples of the conditions which existed in the red meat industry prior to passage of the Wholesome Meat Act. They are examples of the very conditions which are prevalent today—right this minute—in the nonfederally inspected plants of this country.

Plants were surveyed in the States of

Alabama, California, Florida, Georgia, Louisiana, Mississippi, Missouri, North Carolina, Ohio, South Carolina, Texas, and Tennessee. Production in the surveyed plants ranged in volume from 50 to 500,000 birds per week.

Certainly poultry and poultry products prepared under these conditions are highly contaminated. They are so repulsive that should consumers of this Nation have any idea of the primitive conditions under which the product was prepared, they would never pick up another piece of poultry again except to chuck it out the back door for the vultures.

Mr. President, I cite these examples not as a condemnation of the poultry industry of this country for they have been very responsible in trying to enact a bill which would truly give the consumers of this Nation the protection from adulterated poultry products they deserve. The poultry industry of this country, in general, supports 100 percent the deletion of the provision which I seek to delete. I will cite specific endorsements on behalf of the industry in support of my efforts here today. However, I do cite these examples of the filthy conditions discovered within the nonfederally inspected plants to illustrate the crying need to not only strengthen the State programs but to do all we can to see that Federal inspection is not diluted. My amendment would insure that the consumer is fully protected.

I know it will be argued that the provisions of this bill would not become fully operative until the State programs meet requirements which the Secretary of Agriculture determines are at least equal to those of the Federal program. To this I would say, Mr. President, let us look at the record of State laws today: Only 13 States have mandatory inspection for wholesomeness and of these only four have active programs; five States have mandatory inspection laws for spot check, sanitation, or general food laws; five States have voluntary inspection programs; two States have Federal-State agreements; one State could not even refer the Department of Agriculture officials to any one in the State house who could even answer the questions asked; and 24 States have no law other than spot check, health control, or general food law.

I am further informed by the Department of Agriculture that none of these would even begin to meet the Federal standards. After all these years and the States have failed to move to perfect their poultry inspection systems.

Let us assume for the sake of argument that one State did qualify and met all the Federal requirements both on paper and in practice. How would we the consumers know that that State did not revert back to its original loose laws? We would not unless we required continued costly surveillance on the part of the Secretary of Agriculture to insure that they did not slack off on their enforcement. And what could be done if a State qualified for interstate shipment and then fell down in its enforcement or deleted its laws. Probably nothing.

Mr. President, I do not wish my remarks to be interpreted as a witch hunt against the State inspection systems. There is no one in this Chamber that has worked any harder then I to establish a truly Federal-State cooperative atmosphere. The Wholesome Meat Act of last year was in this vein. I struggled to preserve the Federal-State relationship by opposing complete federalization of the meat inspection program. And I might say I struggled successfully. The fruits of that struggle are now beginning to be felt. Again this year when we had before the committee legislation which would have completely federalized the poultry inspection system, I opposed them and insisted that we preserve our Federal-State system and give the States their due recognition.

However, by the same token, Mr. President, let us recognize where the true lines of division ought to be made. If we are to have a Federal-State system. Let us leave to the Federal Government that which is truly within their constitutional jurisdiction; namely, control over interstate commerce. And, let us leave to the States that which has been traditionally been left to their policing; namely, intrastate commerce.

This is a two-way street. If we are to protect against complete Federal infringement, then let us be as vigorous in our defense against State involvement in traditionally and constitutionally Federal domain.

Mr. President, I would like to read excerpts from a letter which was written by Mr. E. H. Flitton, vice president of one of our large meatpacking plants in this country, George A. Hormel & Co., to illustrate that what I say is not idle thinking. This is a letter dated July 12, 1968, and addressed to the Honorable Harold LeVander, Governor of Minnesota. It reads as follows:

JULY 12, 1968.

HON. HAROLD LEVANDER,
Governor of Minnesota,
St. Paul, Minn.

MY DEAR GOVERNOR: I read with considerable interest the story in last Tuesday's paper about discussions held at the Midwest Governors' Conference regarding the new Federal Meat Inspection Act.

At this time, I cannot speak for your entire Advisory Committee; but, as one member representing the Hormel Company, would like to respectfully advise you of our position regarding any efforts to have the Federal government allow state inspected meat to ship in interstate commerce even though the state Inspection Act, when it is hopefully passed, will meet with the approval of U.S.D.A. regulations for state meat inspection programs on a cooperative basis.

We think that this would be wrong in principle. Since Federal inspection is available upon application, we think that establishments desiring to ship interstate should be required to meet the higher Federal standards.

Our concern is that the state cooperative program will not be as stringent in regulating the smaller plants as the U.S.D.A. is in regulating plants who ship interstate. State inspection laws to be approved for implementation by the U.S.D.A. over all meat slaughtering and meat processing will require that Federal standards be met with respect to formulations but that Federal standards, with respect to facilities, will probably not have to be observed.

As we see it, the only reason that a plant wishing to ship on an interstate basis would not apply for Federal inspection would be to avoid spending the monies necessary to accommodate its facilities to the rigid standards required by the U.S.D.A. but not required by the state law.

If the state standards are adequate to protect the public health in interstate commerce, then it would seem that the higher Federal standards might be thought to be unnecessary. We believe that all of us who sell across state lines ought to play the game uniformly according to the same set of rules and regulations.

Since we now understand that your position and that of Commissioner Schwandt differ from ours on this issue, we wanted to respectfully express our views to you.

Cordially yours,

E. H. FLITTON.

Mr. President, I have gone on at length and I beg my colleagues indulgence for just a few more moments. However, I feel so strongly that our meat and poultry inspection systems will be eroded and consumer protection so adversely affected that I feel it incumbent to fight these particular provisions in the bill with every ounce of strength I can muster.

Mr. President, it has come to my attention that the major meat processors have underway major construction changes, including alteration, remodeling, and modernization in their existing intrastate processing plants. This as a result of the requirements of the Wholesome Meat Act. The result of such updating will be better consumer protection and will in the end be to the credit of the industry. However, should the provisions which I seek to delete be permitted to remain in the bill, the tendency of these plants will, I am informed, to forget about the modernization of their plants until they see what the States are going to do. If they feel they can operate within a State without updating their plants and still qualify for shipping in interstate commerce, then their modernizing plans, which is costing them money, will be disposed of in the wastebasket. The end result will be that the consumer will suffer the consequences.

It is important to note, too, that we are talking about a multibillion-dollar industry. The industry itself supports my position for they recognize that otherwise they would be exposed to sheer confusion. There would be variations in the provisions of the laws from State to State and between the State and the Federal programs. The eventual cost to the industry to operate under such a variation of laws would be crippling. This in turn would be crippling to our economy. I emphasize, Mr. President, this is no simple proposition with which we are toying here today.

Not only would the industry itself be confused, but think of the effect on the poor consumer. When the consumer went to purchase meat or poultry, she would not know whether that product was processed in the best of sanitary conditions or in the worst. She would be confused, hurt, and downright frustrated.

Mr. President, in closing, I would like to insert for the record a number of endorsements of my efforts as well as a number of other materials which I think should clarify for our colleagues as to what groups are supporting my position. I think it will become clear that appar-

ently only one group stands behind the attempts to keep these undesirable amendments in the bill.

As I have stated before, the poultry industry as a whole wishes me every success. I referred earlier to the Institute of American Poultry Industries, a 40-year-old, nonprofit national association, representing all segments of the poultry and egg industries, has testified in support of deleting the very section which I seek to delete. Their testimony before the Senate Committee may be found on pages 240–248 of the hearings. I quote from their testimony on page 243, when referring to the House action in deleting a similar provision from the House-passed bill:

We commend the House for leaving out that provision in its bill, H.R. 16363.

Their representatives have also been by to see me personally and express their support.

I have a telegram from the National Broiler Council, the national organization which represents the broiler producers of this Nation, which I read into the RECORD:

WASHINGTON, D.C.,
July 26, 1968.

Senator JOSEPH M. MONTOYA,
Senate Office Building,
Washington, D.C.:

Strongly urge you support passage of poultry inspection bill with Montoya amendments on exemptions and deleting section 5–C–5 so that only chicken from federally inspected plants could move in interstate commerce.

FRANK FRAZIER,
Executive Vice President, National Broiler Council.

I have a letter from Mr. Andrew J. Biemiller, director, Department of Legislation, American Federation of Labor and Congress of Industrial Organizations, urging Senators to back my position. Mr. President, I ask unanimous consent that this letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN FEDERATION OF LABOR AND CONGRESS OF INDUSTRIAL ORGANIZATIONS,
Washington, D.C.

DEAR SENATOR: The AFL–CIO strongly supports strong, effective poultry inspection legislation. As you know, the AFL–CIO wholeheartedly supported the meat inspection law enacted in the 1967 session of the 90th Congress.

Unfortunately, three changes made by the Senate Agriculture Committee in the House-passed poultry inspection bill, H.R. 16363, would seriously undermine and weaken vital consumer protection programs. They would even jeopardize the existing meat and poultry inspection program and they would make the proposed poultry inspection program worse than ineffective.

One change would require an impossible burden of proof for condemnation of unfit poultry products.

A second change—weakening both meat and poultry inspection programs—would undermine present federal inspection by permitting state-inspected plants to ship poultry products into interstate commerce.

A third change widens an unfortunate exemption in the House-passed bill to allow millions of pounds of poultry to go into intra-state and interstate commerce without any inspection for wholesomeness and sanitation.

We urge you to oppose these three provisions. Without these three amendments, the bill approved by the Senate Agriculture Committee will protect consumers effectively, but if these amendments are kept, the new poultry inspection bill would be a big step backward and would seriously harm consumers.

Sincerely yours,

ANDREW J. BIEMILLER,
Director, Department of Legislation.

Mr. MONTOYA. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a letter of support from Mr. Thomas J. Lloyd, international president, and Mr. Patrick E. Gorman, international secretary-treasurer, Amalgamated Meat Cutters & Butcher Workmen of North America. This, as you know, Mr. President, is the union representing those individuals employed in the industry which would be affected by this bill.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMALGAMATED MEAT CUTTERS & BUTCHER WORKMEN OF NORTH AMERICA,
Chicago, Ill., July 24, 1968.

Hon. EDMUND S. MUSKIE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MUSKIE: The federal meat and poultry inspection programs are now in great jeopardy because of some amendments which the Senate Agriculture Committee added to the House-passed poultry inspection bill. Instead of simply increasing consumer protection, H.R. 16363, as amended, would actually curtail the consumer-protective effectiveness of the present federal poultry and meat inspection programs.

One amendment would require that condemnation of unfit poultry "must be supported by substantial scientific fact" that the bird "is injurious for human consumption." As a result, an inspector would probably have to approve cancerous poultry because "substantial scientific fact" does not exist that the poultry cancer can be transmitted to humans. Or he could not condemn birds containing fecal matter or other filth because there is no "substantial scientific fact" that it "is injurious for human consumption."

Another amendment would permit poultry and meat which was inspected by a state program to be shipped into interstate commerce. As a result, the present federal meat and poultry inspection system would have to compete with the less rigorous state programs for plants to inspect. Eventually, the state and federal programs would have to bid on the basis of who would provide the more lenient inspection.

Congress has gone as far as it can in the legislation to provide that the state programs be "at least equal" to the federal one. But that hardly means that the state programs would provide equally effective regulations and enforcement in every aspect of inspection. There certainly will be variations from state to state and between states and the federal program depending upon the political situation in each state.

A third amendment increases an unfortunate exemption already contained in the House bill. Under this provision, plants shipping tens of millions of pounds of poultry annually into intra-state and inter-state commerce would be exempted not only from inspection for wholesomeness, but also from any sort of sanitation control.

We respectfully urge that you oppose these three provisions. If they are kept in the bill, then H.R. 16363 will be extremely harmful to consumers—instead of increasing protection for them. We repeat: these provisions would damage not only any new program, but would also hurt existing meat and poultry inspection.

Without these three amendments, the bill would be similar to the Wholesale Meat Act of 1967. It would be a strong, meaningful and effective addition to the consumer-protective legislation which the 90th Congress has written into law.

Very truly yours,

THOMAS J. LLOYD,
International President.
PATRICK E. GORMAN,
International Secretary-Treasurer

Mr. MONTOYA. Mr. Daniel S. Bedell, legislative representative, International Union, United Automobile, Aerospace & Agricultural Implement Workers of America, has expressed the support of his multimillion-member organization and I ask unanimous consent to have his letter made a part of the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

INTERNATIONAL UNION, UNITED AUTOMOBILE, AEROSPACE & AGRICULTURAL IMPLEMENT WORKERS OF AMERICA—UAW,
Washington, D.C., July 23, 1968.

Hon. JOSEPH M. MONTOYA,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MONTOYA: The Poultry Inspection bill, H.R. 16363, that has been under consideration by your Committee concerns a matter about which we are deeply concerned—that of giving the consumers complete confidence in the wholesomeness of *all* poultry and poultry products.

The areas of the bill which, in our opinion, would make this confidence less than valid would be the impossible requirement of proof for condemnation; allowing poultry products to be shipped in interstate commerce from inadequate inspected state plants, and the permitting of poultry to be shipped from plants that do not conform to the Federal Whole and Sanitary Inspection requirement.

Your consideration of the consumer's protection in these three areas is urgently requested.

Sincerely,

DANIEL S. BEDELL,
Legislative Representative.

Mr. MONTOYA. Mr. President, throughout my statement I made references to the widely acclaimed Wholesome Meat Act which we enacted last year. Probably no individuals had more to do with the successful passage of that measure than Congressman GRAHAM PURCELL of Texas, Congressman NEAL SMITH of Iowa, and Congressman THOMAS S. FOLEY of Washington. Again this year, they have combined forces in introducing the Wholesome Poultry Products Act. Their expertise in this field is second to none. They know the pitfalls, the strengths, the weaknesses of this measure. Because of their personal knowledge of conditions in the poultry industry and their own contributions, I was greatly pleased to learn of their support of position also. Again, Mr. President, I ask unanimous consent that a letter of support, bearing all three signatures which they have sent to my colleagues, be made a part of the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JULY 27, 1968.

DEAR SENATOR: We fear that an amendment added to the House-passed Poultry Inspection Bill by the Senate Agriculture Committee would seriously weaken the Wholesome Meat Act of 1967 and we would like to advance some reasons for your consideration. The amendment referred to would permit state-inspected meat and poultry to move in interstate commerce.

At present, only federally inspected meat and poultry may be sold in interstate commerce. Under the Wholesome Meat Act of 1967, as well as the new Poultry Inspection Bill, the States are given a minimum of at least two years to bring their inspection programs up to Federal standards; otherwise, the Federal inspection programs will apply to all plants in the State, including those which do not sell outside the State.

As a practical matter, these State programs may not always measure up in all respects to Federal standards, and when a state legislation fails to appropriate enough funds for inspectors or inspectors for any reason become less effective, it may take several months to correct the situation. These more politically vulnerable State inspectors also may not condemn labeling or the mixing of large portions of fillers. The Committee amendment would permit these plants under law inspections to ship all over the United States. This would be unfair to U.S. inspected plants which ship interstate to the same market. It could result in promises of accommodating inspections to meat plants which will relocate and provide more pressure upon State legislatures for under-funding of State inspection systems.

A consumer could not keep adequately informed as to which plants in certain States were really up to Federal standards and, since foreign meat must meet Federal Standards at all times, he may conclude that the only thing to do is buy only imported meat.

Any way one looks at it, we believe it would seriously undermine the Wholesome Meat Act we passed last year.

We understand the National Broiler Council is opposed to this amendment, and that many of the legitimate packers and processors oppose the amendment and fear that it would result in a lack of confidence in meat products and a loss of markets. We also understand that when S. 2932 comes to the Floor, Senator Montoya with bi-partisan co-sponsors will offer an amendment to strike the Committee amendment. As sponsors in the House of both the Wholesome Meat Act and the Poultry Bill, we sincerely hope you will consider the reasons we have set forth above and support Senator Montoya's motion.

Sincerely,

GRAHAM PURCELL,
Member of Congress from Texas.
NEAL SMITH,
Member of Congress from Iowa.
THOMAS S. FOLEY,
Member of Congress from Washington.

Mr. MONTOYA. Mr. President, I also ask unanimous consent to have inserted at this point in the RECORD, a news release, dated July 10, 1968, from the Office of the Special Assistant to the President for Consumer Affairs, voicing the support of that office of my position.

There being no objection, the news release was ordered to be printed in the RECORD, as follows:

BETTY FURNESS ATTACKS AMENDMENTS TO POULTRY BILL

Betty Furness today attacked several new Senate amendments to the poultry inspection bill as "very unfortunate provisions that can do nothing but harm to the consumer."

The Special Assistant to the President for Consumer Affairs said amendments attached by the Senate Agriculture Committee could "seriously impair the effectiveness of both the new poultry legislation and the Meat Inspection Act passed last year."

"American consumers need, deserve and demand strong and effective inspection procedures for the food they consume," Miss Furness said. "If the Senate amendments are written into law it will become very difficult to insure that such procedures will be applied to meat and poultry."

"If the new amendments are enacted," she said, "States with meat and poultry inspection programs that appear to equal the Federal poultry program and the Federal meat program will be able to ship their products anywhere in the country without the Federal stamp."

"States will be competing with each other to attract meat and poultry packers and a very ready form of competition could be the lowering of inspection standards. All poultry and meat that enter into interstate commerce should continue to be Federally inspected."

"There is danger," the President's consumer advisor said, "that the whole Federal food inspection program will be undermined if these amendments stand. I think that would be an error of the very first order."

Miss Furness also attacked other Senate-drafted amendments to the poultry bill. One, she said would "require that poultry inspectors be supported by 'substantial scientific fact' before they can condemn the birds they inspect. Such scientific fact is almost impossible to come by in many cases of defects that render birds unfit for human consumption. Inspectors have neither the time nor the facilities to furnish scientific data on every carcass that ought to be condemned."

"And, if the new amendments are enacted, the Secretary of Agriculture will no longer have the authority to require identifying labels on all nonconsumer packaged carcasses shipped in bulk in interstate commerce. The absence of those labels raises the strong possibility that birds not intended or fit for human consumption will find their way to family tables."

"Last year," Miss Furness said, "this very consumer-conscious Congress enacted one of the most effective food inspection laws in the history of consumer protection. The Wholesome Meat Act will go a very long way toward insuring the cleanliness and healthfulness of all the meat sold in America."

"I think the poultry inspection act should be patterned after that bill. If it is not, I think there is danger that the meat law will be seriously, even dangerously, undermined. If flying foodstuff doesn't have to undergo rigorous inspection, then why should walking foodstuff?"

"The public is under the impression," Miss Furness said, "that the poultry legislation now being fashioned in Congress is designed for their benefit, that it will provide them with the protection they need. It is labeled a consumer bill and widely touted as that."

"But pure poultry in the title of a bill is not quite as good as pure poultry on the table. The only way we can insure that all the fowl—like all meat—consumed in this country is clean and wholesome will be through strong inspection laws. I hope the Senate will restore that strength by deleting these new amendments."

Mr. MONTOYA. The news media, too, has not been remiss on this subject. Representative of the various news accounts of this endeavor and of the problems involved with these particular provisions in the bill, is an article appearing in the Des Moines, Iowa, Register on July 23, 1968, entitled, "Undercutting Meat Inspection." I ask unanimous consent that this be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Des Moines (Iowa) Register, July 23, 1968]

UNDERCUTTING MEAT INSPECTION

The Senate Agriculture Committee last week approved a desirable poultry inspection plan but, in the process, it okayed a proposal which could wring the strength from the existing federal meat inspection program.

The poultry bill, like last year's Wholesome Meat Act, would cover intrastate sales. States which don't meet federal standards in three years would receive federal inspections.

The hooker in the committee-approved version of the bill provides that when a state meets federal inspection requirements, state-inspected plants also could sell interstate. At present interstate shipments have to be federally inspected. Of even greater significance, the committee went back into the red meat act and there, too, would allow state-inspected plants to ship interstate.

On the surface, this might seem to make little difference as long as state inspectors meet federal standards.

Below the surface, however, this makes no sense and would seriously weaken the consumer protection sought in both the poultry proposal and the meat inspection law.

For 60 years there has been a federal meat inspection program, and for some 15 years there has been a poultry inspection system. Federal inspectors have checked the purity of 87 per cent of the poultry—that sold interstate—75 per cent of all slaughtered meat and 85 per cent of all processed meat.

The nation long has accepted the view that assuring the wholesomeness of meat shipped interstate is a federal responsibility. There are sound reasons for this.

The proposed change would present major meat processors with as many as 51 different inspection systems to choose from—50 state and the federal programs. States might compete for new meat plant locations with promises of accommodating inspections.

The change would be apt to create 50 continuing disputes over whether a state's inspections truly met federal standards. In the past, state agriculture departments have been appallingly lax in their inspection programs—which is why a federal remedy has been demanded by consumers. State legislatures consistently have under-funded state inspection operations.

These same handicaps are likely to persist. The outlook then would be one of marginal state inspection systems, struggling to comply with federal requirements, and bitter disagreements over whether they have succeeded. The consumer would be the loser, as some states and some processors would try to get by as cheaply as possible.

The change is supported by state secretaries of agriculture, who were aroused last year by stories showing they hadn't been doing their jobs, and by small independent meat packers who would rather take their chances with closer-to-home and more politically vulnerable state inspectors.

It is opposed by consumer spokesmen, including Representative Neal Smith (Dem., Ia.), a sponsor of the poultry bill. "It is horrifying to contemplate the possible dismantlement of the federal inspection system," writes Nick Kotz, Register reporter

who won this year's Pulitzer Prize for exposing unsanitary meat handling conditions and lax state inspections.

The House voted down an identical change before approving the poultry inspection bill. Before the measure is passed, either the full Senate or House-Senate conferees should insist on plucking this harmful change from the bill.

Mr. MONTOYA. The cattlemen of this country, also, have voiced their opinion, Mr. President. On yesterday evening, I received a personal call from Mr. C. W. McMillan, president of the National Cattlemen's Association, informing me that the cattlemen of this Nation want complete consumer protection and therefore support me in attempting to remove this damaging provision from the bill. He has authorized me to so state for the record.

Every segment of the industry has endorsed my efforts. These include those already mentioned as well as the National Turkey Federation and others. Last, Mr. President, much has been made over just where does the U.S. Department of Agriculture stand on this issue of allowing interstate shipment of State-inspected meat and poultry products. Part of the alleged confusion revolves around a letter of April 18, 1968, to Senator ELLENDER as chairman of the Committee on Agriculture and Forestry, from Mr. Rodney E. Leonard, Administrator, Consumer and Marketing Service, U.S. Department of Agriculture. I would like to read that letter for the RECORD and for the enlightenment of our colleagues.

It reads as follows:

U.S. DEPARTMENT OF AGRICULTURE,
CONSUMER AND MARKETING SERVICE,
Washington, D.C., April 18, 1968.

Hon. ALLEN J. ELLENDER,
Chairman, Committee on Agriculture and Forestry, U.S. Senate.

DEAR MR. CHAIRMAN: Mr. Harker Stanton asked us to express the Department's views on Senator Holland's proposed amendment to S. 2932—"To clarify and otherwise amend the Poultry Products Inspection Act to provide for cooperation with appropriate State agencies with respect to State poultry products inspection programs, and for other purposes."

Mr. Holland's proposal would amend the Federal Meat Inspection Act to provide the basis for State inspected meats to move in interstate commerce when the State inspection system is equal to the Federal program.

We believe this proposal is a reasonable and logical approach to meaningful Federal-State accomplishments of the responsibility to provide all consumers with a wholesome meat supply. However, it must be recognized that at this point in time, there exists a substantial "body" of negative confidence toward taking this direction.

We feel the first goal should involve demonstrating the development of meaningful programs under both the Meat and Poultry Products Inspection Acts before proceeding further. We intend to support such an amendment when we are in a position to demonstrate State programs are, in fact, functioning as provided for by the Wholesome Meat Act.

Sincerely yours,

RODNEY E. LEONARD,
Administrator.

Mr. President, to me, this letter was rather explicit. I will reread the last paragraph which reads as follows:

We (the Department) feel the first goal should involve demonstrating the development of meaningful programs under both the Meat and Poultry Products Inspection Acts before proceeding further. We intend to support such an amendment when we are in a position to demonstrate State programs are, in fact, functioning as provided for by the Wholesome Meat Act.

As I stated, to me, this was quite clear that Mr. Leonard was stating that the Department would not support such an amendment as was adopted by the committee at this time.

However, there apparently was justifiable confusion on the part of others as a result of this letter and other testimony presented and statements made by other Department witnesses. Things apparently were so confusing to some, that the committee report states on page 12:

The committee adopted Senator HOLLAND'S amendment, believing as does the Department that it is manifestly reasonable and logical.

This statement in the committee report could not have been more wrong.

I personally asked Secretary of Agriculture Freeman to relate to me on black and white just what the Department's position on the Holland amendment was. Yesterday, July 26, I received the following letter from the Secretary and I read it now for the RECORD:

DEPARTMENT OF AGRICULTURE,
Washington, D.C. July 26, 1968.

Hon. JOSEPH M. MONTOYA,
U.S. Senate.

DEAR SENATOR MONTOYA: The Holland amendments to the Wholesome Poultry Products Act now being considered by the Senate, would permit interstate shipment of State-inspected meat and poultry after that State's inspection program had been certified as being at least equal to Federal inspection standards.

No State inspection system has been so certified yet, and it does not appear likely that any will be in the immediate future.

The Congress in future sessions will have ample opportunity—and more information on which to base a decision—to consider fully the question of whether the States should perform inspection responsibilities now carried out by the Federal Government.

The immediate goal is to develop a legislative framework and the program structure to achieve uniformity of inspection, whether it is performed by the Federal Government or by the States. I am opposed to including the provisions which would allow meat and poultry inspected under State programs to move in interstate commerce as part of the Wholesome Poultry Products Act.

Sincerely yours,

ORVILLE L. FREEMAN.

If there was confusion as to the Department's position before, there should certainly be no confusion now. I will repeat the Secretary's last sentence:

I am opposed to including the provisions which would allow meat and poultry inspected under State programs to move in interstate commerce as part of the Wholesome Poultry Products Act.

How much more direct can a position be stated? The Department stands squarely against the Holland amendment and in support of the Montoya amendment.

In summary, Mr. President, the provisions of the Holland amendment would endanger the present Federal inspection programs with respect to both poultry and meat products and threaten the uniformity of inspection at a time when the records before the committees of Congress with respect to both of these areas indicate the need for substantial accomplishments under Federal and State cooperation before it can be expected that full protection of the consumer public with respect to all poultry and meat products can be achieved. Few States presently have any type of inspection program with respect to poultry and those few that do fall far short of being at least equal to the Federal program.

The cooperative program provided under the Wholesome Meat Act is in its infancy and it is too early to anticipate attainment of the end objective thereof which certainly is a prerequisite to any serious consideration of provisions such as those here referred to.

It is true that both the meat inspection law and the proposed poultry inspection legislation call for State programs which are at least equal to the Federal inspection. But these provisions will not mean that State programs will be as totally effective as the Federal one in every aspect. There will be variations in the provisions and in the enforcement from State to State and between the State and Federal programs. The result will be confusion in the industry and confusion of the part of the consumer.

Taking such congressional actions now, while many plants are making preparations to meet the new requirements and many States are changing their inspection programs, can only sow confusion and doubt about how rigorous and how meaningful a consumer-protection program Congress really wants.

Mr. President, I believe it is central to our discussion here, to note that any plant shipping into interstate commerce can get Federal inspection free of charge right now providing it meets the requirements. There is no reason to begin a competition between the Federal and the State programs on which can attract more clients. There is no need to encourage weak enforcement in order to entice plants into a State.

I wish only to add that this is not an effort on our part in offering this amendment here today, to seek to delete provisions we know nothing about. Not only am I a member of the Agriculture and Forestry Committee, but so are Senator MONDALE, Senator MCGOVERN, and Senator HATFIELD, who join me in this effort. I have heard concern expressed in this Chamber during recent days that Senators not even familiar with the subject matter take to the floor to propose amendments that effect the nature of the bill under consideration. This is not the case today. I am a committee member and I am joined by other committee members in trying to bring to your attention the damaging action which was so casually taken in committee.

Mr. President, on behalf of myself, Senator MONDALE, Senator MCGOVERN, and Senator CLARK, I will now discuss our amendment No. 910 which is at the desk.

The committee amended section 14 of S. 2932, which amends section 15 of the Poultry Products Inspection Act, by providing in subsection (c) thereof for substantial exemptions from all provisions

of the act to certain producers. Anyone raising their own poultry who does not slaughter or process more than 4,000 head of turkeys or equivalent number of birds of other species—on the ratio of 4½ to 1—would also be exempt from all provisions of the act. Also exempt would be any person engaged in the slaughter, processing, or selling of poultry the wholesale dressed value of which does not exceed $15,000 in the current year.

As in the House-passed bill, these exemptions are limited to intrastate commerce, except in the case of producers who would be authorized to move their product in interstate commerce, to a household consumer, restaurant, boardinghouses, and similar establishments.

These provisions in subsection 15(c)(1) will undermine the intent of the legislation to increase the protection afforded consumers of poultry. By reason of the broad exemptions from all provisions of the act, they would constitute an open invitation for such enterprises to expose the consumers to the very things which we are attempting to protect them from. These enterprises would not be subject to sanitary requirements or inspection with respect to such requirements, the keeping of records or the making of records available, or requirements for labeling or identification of poultry products. As a result effectuating the purposes of the act in protecting the consumers or enforcing the provisions of the exemptions would be, if not impossible, extremely difficult and costly.

While it is recognized that a definite need may exist to exempt certain small operations from costly, impracticable, continuous inspection, any such exemption should be subject to such conditions as are necessary to insure full protection of the consumer public from adulterated or deceptively labeled product. The Secretary of Agriculture, subject to a statutory maximum limitation, should be vested with the authority to determine and establish the level of production under which exemptions should apply and the safeguards which are necessary to protect the public and permit adequate enforcement of necessary conditions of the exemptions.

Mr. President, the substitute amendment which I have just sent to the desk is a logical approach to the problem of the small producer. This amendment proposed to do three things:

First. It gives the Secretary of Agriculture the authority to exempt intrastate operations from the provisions of the act if he determines that to do so is necessary and will not unduly expose the consumer to unwholesome poultry products.

Second. It places a maximum level of production over and above which the Secretary cannot exempt. This level of production would be 4,000 turkeys—or the equivalent number of birds of other species figured on the basis of 4.5 birds for every turkey. This follows the suggestions of Senator AIKEN to state the level of exemption in terms of number of birds rather than dollar value. Translated into dollar value, we would be talking of approximately $15,000 worth of birds—dressed value.

Third. It provides that even for those establishments which the Secretary exempts from the other provisions of the act, he must as a minimum require such sanitation requirements or other conditions as will protect the public from adulterated or misbranded products.

To summarize, then, Mr. President, my substitute amendment would grant the Secretary of Agriculture the authority to exempt those operations which process less than an equivalent of 4,000 turkeys in a calendar year. But these exemptions will be from only those provisions of the act which he feels will not subject the consumers of this Nation to adulterated poultry products. I believe this amendment is only fair and equitable. We have some operations which are too small to make it feasible and would be too costly to require them to meet all the conditions of the act. However, even these exempted establishments should be required to maintain a sanitary plant to protect our consumers. And, I think it is only logical that we limit the exemptions to small operations.

This amendment has been worked out with the concurrence of the Department of Agriculture. I have discussed it with the Senator from Vermont [Senator AIKEN] who had amended the language in committee, and he is agreeable to this approach to the extent that he had an interest in it. I have also discussed this with other members of the committee.

I urge its support by Senators.

Mr. President, I urge all my colleagues to join me in expressing our support of strong, effective consumer protection.

Mr. HOLLAND. I shall read one paragraph for emphasis. Mr. Leonard is speaking for the Department with respect to this proposal. Referring to the Holland amendment, or the State amendment, or the Department amendment—call it what we will—he writes:

> We believe this proposal is a reasonable and logical approach to meaningful Federal-State accomplishments of the responsibility to provide all consumers with a wholesome meat supply. However, it must be recognized that at this point in time, there exists a substantial "body"—

For some reason, Mr. Leonard encloses the word "body" in quotation marks. I do not know what that may mean, but Senators can make up their own minds. I continue:

> a substantial "body" of negative evidence toward taking this direction.

Then he concludes with a statement which shows the falling backward of the Department of Agriculture. Apparently the Department cannot withstand pressure from Miss Furness and Mr. Nader, and a few others. Mr. Leonard adds this final paragraph:

> We feel the first goal should involve demonstrating the development of meaningful programs under both the Meat and Poultry Products Inspection Acts before proceeding further. We intend to support such an amendment when we are in a position to demonstrate State programs are, in fact, functioning as provided for by the Wholesome Meat Act.

I commend Mr. Leonard for saying that this is a reasonable and logical thing to do, following upon the passage of the Federal-State cooperative program of last year.

I also commend those who are urging the adoption of my amendment, which was supported in committee by, I believe, a vote of 10 to 2, by calling attention to the fact that we know, or thought we knew, what the attitude of the Secretary of Agriculture who is now serving was with respect to the amendment. We thought we knew what his enforcement officer felt about it. We have written statements from both of them. We do not know who will be the Secretary of Agriculture after January 20 next year. We do not know what changes may be expected as a result of the pressure from folks like Miss Furness and Mr. Nader.

A distinguished Senator whom I see in the Chamber at this time remarked a while ago that he did not think Mr. Nader knew any more about this question than he would know about the use of certain automobile parts or the making of butter, or something of that kind.

Mr. MONDALE. Mr. President, I warmly congratulate the distinguished Senator from New Mexico for continuing his brilliant struggle to defend the consumers and the ethical business leaders in the meat and poultry industry of this country.

I believe his leadership in developing the Wholesome Meat Act of 1967, and today, on the Senate floor, in pushing ahead the consumer protection in the poultry field as well, to prevent any retrogression in the efforts to protect the American consumer against the production, processing, and sale of unwholesome meat and poultry products, already mark his Senate career as a remarkable and effective one for the people of this country.

Senator MONTOYA detailed fully and well, it seems to me, the situation that exists in terms of State inspection of meat and poultry products. It is not an encouraging picture. It is one which we hope will be corrected as time goes on, by the application of a Wholesome Meat Act of 1967. But the hope and the fulfillment of that hope are two separate matters. I believe these two matters are at the heart of the debate as we have heard it thus far, and as we will continue to hear it in the hours ahead.

The theory of the Wholesome Meat Act of 1967 is that States must establish inspection systems "at least equal" to the federal system or face the risk of having those systems taken over by the Federal inspection service and established according to the latter standards.

As Senator MONTOYA has properly pointed out, the present situation in both meat and poultry at the State level is not encouraging. Very few States have systems which are even theoretically adequate to the task. Thus, we might ask ourselves how long it will be and how difficult it will be to achieve the objectives of the act we passed in 1967. If we do not achieve those objectives quickly and in a revolutionary fashion; if we permit, as is proposed by the Holland

amendment, the interstate shipment of the production of meat or poultry products to consumers around this Nation, outside the Federal inspection system, the net effect may be to move us backward rather than ahead of where we were at the time the Wholesome Meat Act was passed. This Holland proposal would radically alter the system of Federal and State inspection in a way not contemplated by the Wholesome Meat Act by permitting access to interstate markets of the production of intrastate meat and poultry plants.

The Holland amendment has a fine theoretical ring to it. Access to interstate markets could not be permitted until the State systems were "at least equal" to the Federal system.

The problem is that practice may well be at wide variance with the theory. We do not know, and will not know for some time, what the effectiveness will be of the Wholesome Meat Act and the now-to-be-adopted Poultry Act. Until we have had actual experience, and until we know that the State inspection systems are in fact equal to the Federal system, we will risk the health and the purchasing power of the American consumer by the adoption of the Holland amendment.

U.S. statutes are replete with unachieved legislative objectives. We cannot be sure, however much we desire it, that we will achieve the Wholesome Meat Act objectives immediately, in light of the many obstacles that stand in their way, and questions we cannot now answer.

Will Congress appropriate sufficient funds for adequate supervision by the U.S. Department of Agriculture of over 50 separate inspection systems in this country and in the territories?

Will we have the funds to undertake the cost of such supervision?

Can we obtain the seasoned and trained inspectors to do the job?

It is a mammoth task, particularly in light of the present disarray and inadequacy of the State systems.

I would say that if the Wholesome Meat Act in 2 years achieves that revolution, it will probably be the most superbly successful act ever passed by Congress.

Representatives PURCELL, FOLEY, and SMITH, who have led the fight in the House of Representatives for wholesome meat, prepared an excellent letter, dated July 25, 1968, which they sent to the Members of the U.S. Senate. I believe one paragraph is particularly pertinent on the point I am trying to make. They state:

> As a practical matter, these States programs may not always measure up in all respects to Federal standards, and when a state legislature fails to appropriate funds for enough inspectors or inspectors for any reason become less effective, it may take several months to correct the situation. These more politically vulnerable State inspectors also may not condemn labeling or the mixing of large portions of fillers. The Committee amendment would permit these plants under lax inspections to ship all over the United States. This would be *unfair* to U.S. inspected plants which ship interstate to the same market. It could result in promises of accommodating inspections to meat plants which will relocate and provide more pressure upon State legislatures for under-funding of State inspection systems.

Mr. President, I ask unanimous consent that the letter from these three Members of the House of Representatives be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., July 25, 1968.

DEAR SENATOR: We fear that an amendment added to the House-passed Poultry Inspection Bill by the Senate Agriculture Committee would seriously weaken the Wholesome Meat Act of 1967 and we would like to advance some reasons for your consideration. The amendment referred to would permit state-inspected meat and poultry to move in interstate commerce.

At present, only federally inspected meat and poultry may be sold in interstate commerce. Under the Wholesome Meat Act of 1967, as well as the new Poultry Inspection Bill, the States are given a minimum of at least two years to bring their inspection programs up to Federal standards; otherwise, the Federal inspection programs will apply to all plants in the State, including those which do not sell outside the State.

As a practical matter, these State programs may not always measure up in all respects to Federal standards, and when a state legislature fails to appropriate funds for enough inspectors or inspectors for any reason become less effective, it may take several months to correct the situation. These more politically vulnerable State inspectors also may not condemn labeling or the mixing of large portions of fillers. The Committee amendment would permit these plants under lax inspections to ship all over the United States. This would be unfair to U.S. inspected plants which ship interstate to the same market. It could result in promises of accommodating inspections to meat plants which will relocate and provide more pressure upon State legislatures for under-funding of State inspection systems.

A consumer could not keep adequately informed as to which plants in certain States were really up to Federal standards and, since foreign meat must meet Federal standards at all times, he may conclude that the only thing to do is buy only imported meat.

Any way one looks at it, we believe it would seriously undermine the Wholesome Meat Act we passed last year.

We understand the National Broiler Council is opposed to this amendment, and that many of the legitimate packers and processors oppose the amendment and fear that it would result in a lack of confidence in meat products and a loss of markets. We also understand that when S. 2932 comes to the Floor, Senator Montoya with bi-partisan cosponsors will offer an amendment to strike the Committee amendment. As sponsors in the House of both the Wholesome Meat Act and the Poultry Bill, we sincerely hope you will consider the reasons we have set forth above and support Senator Montoya's motion.

Sincerely,

GRAHAM PURCELL,
NEAL SMITH,
THOMAS S. FOLEY,
Members of Congress.

Mr. MONDALE. Mr. President, in addition, we have the difficulty of the Department of Agriculture dealing with the sovereign States in the administration of their own inspection systems. It is obviously much more difficult and delicate than dealing with a particular plant. We do not yet know how difficult or how long it will be before we achieve the objectives of the Wholesome Meat Act.

Next, a plant having equal access to interstate markets under either system—that is, Federal or State—as proposed by the Holland amendment, could play one system off against the other. We have seen this practice before, and we have seen it abundantly under the present system. What are the possibilities for reducing inspection standards if the lure of national markets is available under either system?

In addition, when one asks why the Federal system has achieved what most would acknowledge to be the world's best inspection system, I believe one would have to conclude that it has been the department's power to exclude nonfederally inspected meat from interstate commerce that has been its chief asset.

In other words, in order to get access to a national market, a plant has had to subject itself to Federal inspection as a condition. This has been perhaps the chief contributing factor to the strength and vitality of this magnificent Federal inspection system. If we weaken the Federal inspection program, as proposed, we may find the net effect of the attempt of the 90th Congress to improve consumer protection in this field has been to worsen it.

Another feature of the proposed amendment should be considered. Bad as the State systems of inspection have been, the unwholesome products of those plants at least were limited to the consumers of the same State. Those products could not be marketed to States many thousands of miles away. At least it could be said that the consumers of that State had some hope of acquiring personal knowledge—however little it was—of which State plants were producing wholesome meat. Consumers had a small way of protecting themselves. Also, the consumers of that State could, as voters, resort to the political remedy of improved inspection methods. Under the proposed amendment, even this limited traditional consumer protection would disappear.

It is significant to note that under the Holland amendment, a new type, joint Federal-State inspection stamp is contemplated, one which would give to State production the Federal aura.

With this new Federal-State inspection stamp, the consumer in a foreign State buying a product of a State under an inadequate State inspection system may be buying unwholesome meat, but the consumers would know nothing, and the voters of the State could do nothing because the products were from another State.

Finally, consumers would be lulled into a sense of false security as a result of false labeling. Under the Holland amendment, a State-inspected plant in State A could market unwholesome meat and unwholesome poultry products to the unsuspecting person in a State thousands of miles away. They could not possibly protect themselves or remedy the situation through their political power and protect themselves from the inadequate inspection system of the other State.

If the Wholesome Meat Act of 1967 fails to achieve its objective of State systems at least equal to the Federal system, the net effect of the Holland amendment would be to permit an increase in the profits of a plant in State A at the expense of the health and the purchasing power of citizens and consumers in State B.

Let us think for a moment about the interests of the industry. Plants which have come under the Federal inspection system have come under that system at great expense to themselves. It is costly to qualify according to Federal inspection standards. Internal inspection facilities, and other efforts must be undertaken which cost a great deal of money in order for a plant to qualify under the Federal inspection program, and obtain the prestige of the Federal inspection stamp.

Is it fair to permit a State-inspected plant which has not undergone these expenses, which has not exercised high standards, which could benefit by a substandard system of inspection, to cut costs and compete in interstate markets with plants meeting higher Federal standards?

We cannot underestimate the cost advantage such a plant would have. First, they could purchase meat which is substandard, diseased, and unwholesome. Second, they could process the meat in a dirty plant and save a substantial amount of money by operating an unsanitary plant. Next, they could use large amounts of cheap fillers that would reduce the cost to the plant and increase the cost to the consumer. Finally, they could gain a competitive advantage by resorting to false labeling practices.

Ralph Nader testified 2 years ago before the Committee on Agriculture and Forestry that in this country bad meat had become good business; and like Gresham's law, bad meat was driving out good meat, and the profits went to those who could escape the cost and high standards of the Federal system.

By eliminating inadequate plants, by restricting markets and limiting them to a single State, we close another advantage to those who wish to escape the high standards of the Federal inspection system.

What about reducing the cost of inspection standards? Plants, desperate to be competitive, will jump from one inspection system to another, always seeking that system which reduces their cost and gives the competitive advantage.

The argument for the proposal to permit access to interstate market for intrastate plants hangs on a doubtful and slim reed, namely, that the Wholesale Meat Act will revolutionize the whole system of State inspections and that this revolution will quickly take place. This is something we all hope will happen. However, we must all doubt that it all will happen quickly.

If our fears are justified, the Holland amendment could leave not only State systems in disarray, but go far toward destroying the fine Federal inspection system as well. Further, it would visit the cost of this deterioration on the consumer in terms of health hazards and reduced purchasing power. It could also visit on the highly ethical members of the industry competition that is unfair from plants able to cut costs because they are in a system which does not have the same standards.

Finally, I would ask: What is the rush? We have just passed the Wholesome Meat Act. The ink is barely dry. Why can we not wait a few years to determine if the act will work as well as we hope it will? Why can we not give time to see if it can establish itself to the point where we will have a fine system which is equal and adequate to serve the interests of the consumers of this country?

If there are any plants today which are intrastate and wish interstate markets, they can get those interstate markets by joining the Federal system. We do not deny a single competitor the opportunity to participate in national markets if they choose to do so.

Therefore, I support the Montoya amendment. I congratulate the Senator from New Mexico for proposing the amendment to the pending poultry inspection bill.

I do not wish to be misunderstood. I have enormous respect for the leadership of the Senator from Florida. I have enjoyed working with him over the years in the Committee on Agriculture and Forestry. I realize that what divides us here is a good-faith, honest difference of opinion. However, I do feel that the Holland amendment would seriously impair the effectiveness of the Wholesome Meat Act and the Poultry Act, which I hope we adopt. Further, it could have serious consequences for the consumers of the country.

I also wish to state at this time my support for Senator MONTOYA's amendment to strike the condemnation section amendment suggested by the gentleman from Georgia.

Mr. MONTOYA. Mr. President, will the Senator yield?

Mr. MONDALE. I am delighted to yield to the Senator from New Mexico.

Mr. MONTOYA. Mr. President, I wish to commend the junior Senator from Minnesota for the avid interest he has shown in behalf of the consumers of this country. Last year he proved to be a very valuable ally to me in the presentation of the Red Meat Act which is now the law of the land. This year he has been most helpful in trying to articulate not only before this body, but also before other groups and with other individuals the need for consumer protection with respect to poultry.

I think his argument today has been most eloquent and very appropriate indeed, because he has brought out points which fortify the argument which I have made previously with respect to the need to delete the Holland amendment from the provisions of the bill. I wish to pay my greatest commendation to my good friend from Minnesota for the interest he has shown and the great contribution he has made with respect to this debate.

Mr. MONDALE. Mr. President, I am obviously very grateful to the Senator from New Mexico for those kind remarks. It seems to me he is unduly modest because he led the fight in the Senate for the Wholesome Meat Act, as he leads the fight today for strengthening the Poultry Inspection Act. I have great confidence that, as in the former case, he is going to be successful in the current matter. I think the issue in which we are now involved is important and significant, and I am most hopeful that the prediction I just made will be correct.

Mr. BYRD of Virginia. Mr. President, will the Senator yield?

Mr. MONTOYA. I yield.

Mr. BYRD of Virginia. Mr. President, I have listened with considerable interest to the lengthy debate this morning—I suppose I should add this afternoon as well, because it is now well into the afternoon—on the two subjects we have been discussing. One is the red meat inspection and the other deals with poultry.

In my brief comments, I should like to confine my remarks to the poultry proposal.

As I have listened to the debate, and as I understand the situation, the original proposal in regard to poultry was introduced by the distinguished Senator from Louisiana [Mr. ELLENDER] for himself and the distinguished Senator from New Mexico [Mr. MONTOYA].

As I gathered from the debate, and if I am in error about this I hope that I shall be corrected, the original proposal was submitted to the Congress and to the distinguished chairman of the committee by the Department of Agriculture.

Mr. HOLLAND. Mr. President, will the Senator from Virginia yield at that point?

Mr. BYRD of Virginia. I yield.

Mr. HOLLAND. I am glad the Senator has brought out that point. The proposal did come from the Department of Agriculture. The bill was introduced by the chairman of the committee, the Senator from Louisiana [Mr. ELLENDER]. He has already stated in debate that he carefully examined the bill before he introduced it and thought that its provisions were good and is still supporting them. It was introduced for himself and the Senator from New Mexico [Mr. MONTOYA]. This proposal, coming as a suggestion from the Department of Agriculture, was also transmitted to the House of Representatives, where it was introduced by Representative PURCELL, of Texas, for himself and others, and contained the same proposal, in substance—although I believe there was some change in wording—but there is no question about it, the proposal is the same and came from the Department of Agriculture.

All this is in accordance with the commitments made in writing by the Secretary of Agriculture himself, before the introduction of these bills which, I shall show, when I have the opportunity to debate this matter; in accordance with the position taken by the Assistant Secretary of Agriculture in the hearings before the House committee, who supported this measure there; and in accordance with the recommendations of the head of the division which enforces both the Red Meat Act and the Poultry Act, which recommendation he stated not only to the Congress but also to the Independent Meat Packers of the Nation in a convention before these bills were

introduced. I will be glad to bring these matters into the RECORD later. I thank the Senator for having brought this point into the RECORD at this time.

Mr. BYRD of Virginia. I am grateful to the distinguished Senator from Florida for bringing out in such detail a factual account of the introduction of this legislation.

It is an extremely important piece of legislation.

It is important to the consumers of the Nation and important to those involved in the poultry industry.

The more one learns about the proposal and the way it has been handled, the more confused he becomes.

I might say—well, I shall not say it exactly that way—I will say it a little differently—but before doing that, I want to read from the CONGRESSIONAL RECORD of July 22 part of the statement made by the distinguished Senator from Florida [Mr. HOLLAND] in which he points out that the Administrator of the Agriculture Department Consumer Marketing Service, Mr. Leonard, wrote the distinguished Senator from Louisiana [Mr. ELLENDER], chairman of the committee, that the Holland proposal is "a reasonable and logical approach to meanful Federal-State accomplishments of the responsibility to provide all consumers with a wholesome meat supply."

Mr. President, I understand that the Department of Agriculture, which prepared the bill, which had the essence of the Holland amendment in it as originally introduced, and which asked the chairman of the committee to introduce it, and other Senators became consponsors of it, is now complaining about the proposal and is in opposition to it.

Mr. MONTOYA. Mr. President, will the Senator from Virginia yield at that point?

Mr. BYRD of Virginia. I yield.

Mr. MONTOYA. If the Senator from Virginia will read the last paragraph of the letter from which he has been quoting, Mr. Leonard stated:

> We feel the first goal should involve demonstrating the development of meaningful programs under both the Meat and Poultry Products Inspection Acts before proceeding further. We intend to support such an amendment when we are in a position to demonstrate State programs are, in fact, functioning as provided for by the Wholesome Meat Act.

In addition to this, I would like to read a quotation from the latest letter which I have received, addressed to me by the Secretary of Agriculture, and which is already a part of the RECORD. I asked the Secretary to reply to me as to the Department's position on the Holland amendment.

Mr. BYRD of Virginia. If the Senator from New Mexico will yield briefly at that point, when we get into this business of the latest letters, it reminds me of the meat inspection bill we had before the committee when, every few days, we received a different letter from the Department of Agriculture saying what they wanted.

Mr. MONTOYA. The Senator is correct. In fact, I had a little quarrel with the different voices speaking on a particular bill.

Mr. BYRD of Virginia. I remember that the Senator from New Mexico did. He was correct, too.

Mr. MONTOYA. I would like to quote from the Secretary's letter, Mr. President.

Mr. BYRD of Virginia. How does the Senator know it is good today? When was it written?

Mr. MONTOYA. July 26, 1968. I hope it will convince the Senator from Virginia. It convinces me as to the Department's position.

I quote from the latest letter to me, dated July 26, 1968, as follows:

> The Holland amendments to the Wholesome Poultry Products Act now being considered by the Senate, would permit interstate shipment of State-inspected meat and poultry after that State's inspection program had been certified as being at least equal to Federal inspection standards.
>
> No State inspection system has been so certified yet, and it does not appear likely that any will be in the immediate future.
>
> The Congress in future sessions will have ample opportunity—and more information on which to base a decision—to consider fully the question of whether the States should perform inspection responsibilities now carried out by the Federal Government.
>
> The immediate goal is to develop a legislative framework and the program structure to achieve uniformity of inspection, whether it is performed by the Federal Government or by the States. I am opposed to including the provisions which would allow meat and poultry inspected under State programs to move in interstate commerce as part of the Wholesome Poultry Products Act.
>
> Sincerely yours,
>
> ORVILLE L. FREEMAN.

Mr. BYRD of Virginia. If I may comment at that point—and I shall be brief and then yield the floor—that letter which the distinguished Senator from New Mexico has just read further dramatizes the point I started out to make a moment ago and then concluded to phrase it a little differently.

The point I am greatly concerned about is that the legislation was submitted to the committee, submitted to the chairman of the committee, with the request that it be introduced.

It was drawn by the Department of Agriculture. It contained in essence the Holland amendment. So the Department of Agriculture was thoroughly in sympathy with it when it asked the Members of the Senate to introduce the legislation.

I was not a cosponsor of the piece of legislation involved. I am glad I am not, because we never know, from one day to the next, apparently, just what the people at the Department of Agriculture think or want the Members of the Senate to think.

The only thing I want to say, in concluding my remarks, is that it seems to me it is going to be very awkward for Members of the Senate to cooperate with the Department of Agriculture in getting through the Senate important legislation, when the Department submits one proposal, and then, when Senators are kind enough or cooperative enough, as the Senator from Louisiana [Mr. ELLENDER] was, and as the Senator from New Mexico [Mr. MONTOYA] was, to accept that proposal and introduce it in the Senate, the Department comes along and wants to kill it.

I feel that the Senator from Florida is on sound ground. His amendment does exactly what the Department of Agriculture said it wanted the Senate to do. So I am glad to stand side by side with the distinguished senior Senator from Florida in regard to this amendment.

Mr. HOLLAND. Mr. President, if the Senator will yield, first, I want to express my very great appreciation to the Senator from Virginia. I expected no less of him. Second, I want to make it clear that this doubletalk goes a good deal further than has been indicated in the colloquy. For example, Mr. Leonard, appearing as the Administrator of the wholesome meat program, in February of this year, before the Mid-Year Conference of the National Independent Meat Packers Association, was questioned on this very point as to the attitude of the Department of Agriculture with reference now to the Wholesome Meat Act and the amendment of it. I shall read from the printed copy of the proceedings at that time what the question put to him was and what his answer was. The question is found on page 2 of the printed transcript of those proceedings:

> Question: Is it the intention of the Administration to seek an amendment to the Wholesome Meat Act to allow State-inspected establishments operating under a State system which has met the requirements of "at least equal to" under title III of the Wholesome Meat Act to engage in interstate commerce?

That question is very clear, and here is the answer of Mr. Leonard, speaking for the Department of Agriculture and as the responsible head of the Enforcement Division of that unit:

> Answer: Yes, it is the intention of the Department of Agriculture to transmit a draft amendment to the Congress for passage this year.

That occurred in February of this year, on the occasion which I have mentioned.

Frankly, the Senator from Florida is even more puzzled than is the Senator from Virginia about the vacillation and the double talk—and I use the words "double talk" advisedly—which comes from the Department of Agriculture. The Senator from Florida has considerable responsibility in this field. He is the ranking majority member of the legislative Committee on Agriculture, on which he is honored to serve with the distinguished Senator from Virginia and the distinguished Senator from New Mexico, under the chairmanship of our able chairman, the distinguished Senator from Louisiana.

Besides that, the Senator from Florida is chairman of the Appropriations Subcommittee which handles all appropriations for the Department of Agriculture.

The Senator from Florida cannot understand the trend which has become so manifest in this matter—and this, I am sorry to say, is not the only matter in which it has become clear—the tendency and trend of the Department to speak out of one side of its mouth today and

out of the other side of its mouth tomorrow.

I am just serving notice now and here that the Senator from Florida is going to be much more cautious from here on out about accepting at face value the declarations of the Department of Agriculture, so long as it is operated as it is now.

I thank the Senator from Virginia for his able statement and for his support of my position.

Mr. BYRD of Virginia. Mr. President, the Senator from Florida has stated so ably the feeling of the Senator from Virginia. I want to cooperate with the Department of Agriculture.

I think the Senator from New Mexico and the Senator from Minnesota will agree that the Senator from Virginia cooperated fully in the hearings and the deliberations preceding the enactment of the Wholesome Meat Act.

At the request of the distinguished chairman of the committee, I chaired most of those hearings. I am very much interested in the subject of protecting the consumers. But what I find it very difficult to do is to deal with a department which submits one program and then, when that program is introduced for Senate consideration, comes down and attempts to cut the feet out from under those who have taken the responsibility for presenting such a program. I am not in that position, because I am not a copatron of this legislation, but other Senators are. I concur in the statement by the distinguished senior Senator from Florida that it is very difficult to cooperate with a department which acts in such a fashion.

Mr. President, I yield the floor.

Mr. HOLLAND and Mr. BYRD of West Virginia addressed the Chair.

Mr. HOLLAND. Mr. President, does the Chair recognize the Senator from Florida?

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. HOLLAND. I am glad to yield to the Senator from West Virginia.

Mr. BYRD of West Virginia. I thank the Senator.

HIGHER EDUCATION AMENDMENTS OF 1968

Mr. BYRD of West Virginia. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 3769.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 3769) to amend the Higher Education Act of 1965, the National Defense Education Act of 1958, the National Vocational Student Loan Insurance Act of 1965, the Higher Education Facilities Act of 1963, and related acts, which was, strike out all after the enacting clause, and insert:

That this Act may be cited as the "Higher Education Amendments of 1968".

TITLE I—AMENDMENTS TO COMMUNITY SERVICE PROGRAM PROVISIONS

EXTENSION OF GRANT PROGRAM

SEC. 101. (a) The first sentence of section 101 of the Higher Education Act of 1965 as amended (1) by striking out "and" after "1966," and (2) by inserting before the period at the end of such sentence the following: ", $10,000,000 for the fiscal year ending June 30, 1969, and $50,000,000 for the fiscal year ending June 30, 1970".

(b) The second sentence of such section is amended by striking out "1969 and the succeeding fiscal year" and inserting in lieu thereof "1971, and the two succeeding fiscal years".

(c) The second sentence of section 106(a) is amended by striking out "three succeeding fiscal years" and inserting in lieu thereof "six succeeding fiscal years".

MODIFICATION OF REQUIREMENT FOR COMPREHENSIVE COORDINATED AND STATEWIDE SYSTEM OF COMMUNITY SERVICE PROGRAMS

SEC. 102. Section 105(a)(2) of the Higher Education Act of 1965 is amended by inserting before the semicolon at the end thereof the following: "(except that if a comprehensive, coordinated, and statewide system of community service programs cannot be effectively carried out by reason of insufficient funds, the plan may set forth one or more proposals for community service programs in lieu of a comprehensive, coordinated, and statewide system of such programs)".

TITLE II—AMENDMENTS TO COLLEGE LIBRARY ASSISTANCE AND LIBRARY TRAINING AND RESEARCH PROGRAMS

PART A—COLLEGE LIBRARY RESOURCES

EXTENSION OF PROGRAM

SEC. 201. (a) The first sentence of section 201 of the Higher Education Act of 1965 is amended by inserting after "two succeeding fiscal years," the following: "$25,000,000 for the fiscal year ending June 30, 1969, and $35,000,000 for the fiscal year ending June 30. 1970,".

(b) The second sentence of such section is amended by striking out "1969, and the succeeding fiscal year" and inserting in lieu thereof "1971, and the two succeeding fiscal years".

ELIGIBILITY OF BRANCH INSTITUTIONS FOR SUPPLEMENTAL AND SPECIAL PURPOSE GRANTS

SEC. 202. (a)(1) The first sentence of section 203(a) of such Act is amended by inserting after "institutions of higher education," the following: "(and to each branch of such institution which is located in a community different from that in which its parent institution is located)".

(2) The second sentence of such section is amended by inserting "(or branch)" after "institution".

(b) Section 204(a)(2)(A) of such Act is amended by inserting after "institutions of higher education" the following: "(or to branches of such institutions which are located in a community different from that in which the parent institution is located)".

(c) Section 204(a)(2)(B) of such Act is amended by inserting after "institutions of higher education" the following: "(or to such branches)".

REVISION OF MAINTENANCE-OF-EFFORT REQUIREMENT FOR SPECIAL PURPOSE GRANTS

SEC. 203. (a) Section 204(b)(2) of the Higher Education Act of 1965 is amended by inserting after "June 30, 1965" the following: ", or during the two fiscal years preceding the fiscal year for which the grant is requested, whichever is less".

(b) The amendment made by subsection (a) shall be effective with respect to applications for grants payable on or after the date of the enactment of this Act.

SEC. 204. (a) The first sentence of section 202 of the Higher Education Act of 1965 is amended (1) by striking out "and" and inserting in lieu thereof a comma, and (2) inserting after "such institutions" the following: ", and, in accordance with criteria prescribed by regulation, new institutions of higher education in the fiscal year preceding the first year in which students are to be enrolled".

(b) The amendments made by subsection (a) shall be effective with respect to appropriations for grants under title II of the Higher Education Act of 1965 for fiscal years beginning after June 30, 1969.

PART B—LIBRARY TRAINING AND RESEARCH, AND LIBRARY SCHOOL DEVELOPMENT

EXTENSION OF PROGRAM

SEC. 221. (a) The first sentence of section 221 of the Higher Education Act of 1965 is amended by inserting after "two succeeding fiscal years," the following: "$11,800,000 for the fiscal year ending June 30, 1969, and $28,000,000 for the fiscal year ending June 30, 1970,".

(b) The second sentence of such section is amended by striking out "1969, and the succeeding fiscal year" and inserting in lieu thereof "1971, and the two succeeding fiscal years".

AMENDMENTS TO LIBRARIANSHIP TRAINING PROVISIONS

SEC. 222. The second sentence of section 223(a) of the Higher Education Act of 1965 is amended—

(1) by striking out "to assist in covering the cost of courses of training or study for such persons, and" and inserting in lieu thereof "(1) to assist in covering the cost of courses or training or study (including short term or regular session institutes) for such persons, (2)"; and

(2) by inserting before the period at the end thereof the following: ", and (3) for establishing, developing, or expanding programs of library and information science".

PART C—STRENGTHENING COLLEGE AND RESEARCH LIBRARY RESOURCES THROUGH LIBRARY OF CONGRESS

EXTENSION OF PROGRAM

SEC. 231. (a) Section 231 of such Act is amended by striking out "and" after "1967," and by inserting after "1968," the following: "$5,500,000 for the fiscal year ending June 30, 1969, and $11,100,000 for the fiscal year ending June 30, 1970,".

(b) The second sentence of such section is amended by striking out "1969, and the succeeding fiscal year" and inserting in lieu thereof "1971, and the two succeeding fiscal years".

CLARIFYING AUTHORITY TO PURCHASE COPIES; INCREASING AUTHORITY TO PREPARE CATALOG AND BIBLIOGRAPHIC MATERIALS; AUTHORIZING LIBRARIAN TO ACT AS ACQUISITIONS AGENCY

SEC. 232. Section 231 of the Higher Education Act of 1965, as amended by section 231 of this Act, is further amended—

(1) in paragraph (1), by inserting "copies of" before "all";

(2) in paragraph (2), by striking out "for these materials promptly after receipt, and distributing bibliographic information" and inserting in lieu thereof "promptly and distributing this and other bibliographic information about library materials", and by striking out the period at the end thereof and inserting in lieu thereof "; and"; and

(3) by adding after paragraph (2) the following new paragraph:

"(3) enabling the Librarian of Congress to pay administrative costs of cooperative arrangements for acquiring library materials published outside of the States and not readily obtainable outside of the country of origin, for institutions of higher education or combinations thereof for library purposes, or for other public or private nonprofit research libraries."

TITLE III—EXTENSION OF DEVELOPING INSTITUTIONS PROGRAM

EXTENSION OF DEVELOPING INSTITUTIONS PROGRAM

SEC. 301. (a) Section 301(b)(1) of the Higher Education Act of 1965 is amended by

striking out "and" after "1967," and by inserting after "1968," the following: "the sum of $35,000,000 for the fiscal year ending June 30, 1969, and the sum of $55,000,000 for the fiscal year ending June 30, 1970,".

(b) Such section is amended by adding at the end thereof the following new sentence: "For the fiscal year ending June 30, 1971, and the two succeeding fiscal years there may be appropriated to carry out the provisions of this title only such sums as the Congress may hereafter authorize by law."

TITLE IV—STUDENT ASSISTANCE

PART A—AMENDMENTS TO EDUCATIONAL OPPORTUNITY GRANT PROGRAM

EXTENSION OF EDUCATIONAL OPPORTUNITY GRANT PROGRAM

SEC. 401. Section 401(b) of the Higher Education Act of 1965 is amended—

(1) by striking out "two succeeding fiscal years" in the first sentence and inserting in lieu thereof "four succeeding fiscal years"; and

(2) by striking out "1969, and for the succeeding fiscal year" in the second sentence and inserting in lieu thereof "1971, and for the two succeeding fiscal years".

MAXIMUM AMOUNT OF EDUCATIONAL OPPORTUNITY GRANT; TREATMENT OF WORK-STUDY ASSISTANCE FOR MATCHING PURPOSES

SEC. 402. Effective July 1, 1968, the first sentence of section 402 of the Higher Education Act of 1965 is amended by striking out all that follows "which amount" and inserting in lieu thereof the following: "shall not exceed the lesser of $1,000 or one-half of the sum of the amount of student financial aid (including assistance under this title, and including compensation paid under a work-study program assisted under part C of this title) provided such student by such institution and any assistance provided such student under any scholarship program established by a State or a private institution or organization, as determined in accordance with regulations of the Commissioner."

ELIMINATION OF STATE ALLOTMENT FORMULA

SEC. 403. Effective for fiscal years ending on or after June 30, 1970—

(1) Section 406 of the Higher Education Act of 1965 is repealed.

(2) Section 405 of such Act is amended to read as follows:

"ALLOTMENT OF FUNDS TO INSTITUTIONS

"SEC. 405. The Commissioner shall allot funds appropriated to carry out this part to institutions of higher education with which he has an agreement under section 407, in accordance with section 463 of this Act."

ADMINISTRATIVE EXPENSES

SEC. 404. Effective for fiscal years ending on or after June 30, 1970, part A of title IV of the Higher Education Act of 1965 is amended by inserting after section 405 the following new section:

"EXPENSES OF ADMINISTRATION

"SEC. 406. An institution of higher education which has entered into an agreement with the Commissioner under this part shall be entitled payment for administrative expenses, in accordance with section 464 of this Act."

REVISION OF MAINTENANCE OF EFFORT PROVISION

SEC. 405. Effective for fiscal years ending on or after June 30, 1970, section 407(a)(4) of the Higher Education Act of 1965 is amended to read as follows:

"(4) provide that the institution will meet the requirements of section 465 of this Act (relating to maintenance of effort);".

AUTHORITY FOR INSTITUTION TO TRANSFER FUNDS TO WORK-STUDY PROGRAM

SEC. 406. Section 407 of the Higher Education Act of 1965 is amended by adding at the end thereof the following new subsection.

"(c) An institution which has in effect an agreement to carry out a work-study program under section 443 of this Act may use to carry out such work-study program any of the funds paid to it from sums appropriated under the first sentence of section 401(b) of this Act for the fiscal year ending June 30, 1969, and the succeeding fiscal years. The requirement in section 444(a)(6) of such Act shall apply to any funds used under the authority of this subsection for such purpose."

CONSOLIDATION AND REVISION OF TALENT SEARCH AND UPWARD BOUND PROGRAMS; SPECIAL SERVICES TO DISADVANTAGED STUDENTS IN INSTITUTIONS OF HIGHER EDUCATION

SEC. 407. (a) Section 408 of the Higher Education Act of 1965 is amended to read as follows:

"IDENTIFYING QUALIFIED LOW-INCOME STUDENTS, PREPARING THEM FOR POST-SECONDARY EDUCATION; SPECIAL SERVICES FOR SUCH STUDENTS IN INSTITUTIONS OF HIGHER EDUCATION

"SEC. 408. (a) To assist in achieving the objectives of this part the Commissioner is authorized (without regard to section 3709 of the Revised Statutes (41 U.S.C. 5)), to make grants to, or contracts with, institutions of higher education for the purposes of planning, developing, or carrying out one or more of the programs described in subsection (b).

"(b) The programs referred to in subsection (a) are—

"(1) programs designed to—

"(A) identify qualified youths of exceptional financial need and encourage them to complete secondary school and undertake post-secondary educational training,

"(B) publicize existing forms of student financial aid, including aid furnished under this title, and

"(C) encourage secondary-school or college dropouts of demonstrated aptitude to reenter educational programs, including post-secondary-school programs;

"(2) programs (A) which are designed to generate skills and motivation necessary for success in education beyond high school and (B) in which enrollees from low-income backgrounds and inadequate secondary-school preparation participate on a substantially full-time basis during all or part of the program; or

"(3) programs of remedial and other special services for students with academic potential who are enrolled or accepted for enrollment at the institution which is the beneficiary of the grant or contract, and who, by reason of deprived educational, cultural, or economic background, are in need of such services to assist them to initiate, continue, or resume their higher education.

"(c)(1) Programs under paragraph (2) of subsection (b) must include arrangements to assure cooperation among one or more institutions of higher education and one or more secondary schools. Such programs must include necessary health services. Enrollees in such programs may not receive stipends in excess of $30 per month. The cost of carrying out any such program may not exceed $150 per enrollee per month. Federal financial assistance by way of grant or contract for such a program may not be in excess of 80 per centum of the cost of carrying out such a program. Such programs shall be carried on within the States.

"(2) Programs carried on under paragraph (3) of subsection (b) may provide, among other things, for—

"(A) counseling, tutorial, or other educational services, including special summer programs, to remedy such students' academic deficiencies,

"(B) career guidance, placement, or other student personnel services to encourage or facilitate such students' continuance, or reentrance in higher education programs, or

"(C) identification, encouragement, and counseling of any such students with a view to their undertaking a program of graduate or professional education.

"(d) There are authorized to be appropriated to carry out this section $41,680,000 for the fiscal year ending June 30, 1969, and $56,680,000 for the fiscal year ending June 30, 1970. For the fiscal year ending June 30, 1971, and the two succeeding fiscal years, there may be appropriated to carry out this section only such sums as the Congress may hereafter authorize by law."

(b) Section 222(a) of the Economic Opportunity Act of 1964 is amended by striking out paragraph (5) and by redesignating paragraphs (6), (7), and (8) (and references thereto) as paragraphs (5), (6), and (7).

(c)(1) The amendments made by this section shall apply with respect to fiscal years ending after June 30, 1968, except that the Director of the Office of Economic Opportunity may carry out contracts, entered into prior to the date of enactment of his Act, which provide assistance for an Upward Bound program. After the date of enactment of this Act, the Director of the Office of Economic Opportunity may not enter into any contract to carry out a program comparable to any program carried out under section 408(b)(2) of the Higher Education Act of 1965.

(2) Any sums which are appropriated prior to the date of enactment of this Act for the purpose of carrying out Upward Bound programs, or which are allocated for such purpose from any appropriation made prior to such date, shall be available (to the extent not obligated on the date of enactment of this Act to carry out contracts described in paragraph (1)) to the Commissioner for carrying out section 408 of the Higher Education Act of 1965.

(3) For purposes of this subsection the term "Upward Bound program" means a program carried out under section 222(a)(5) of the Economic Opportunity Act of 1964 (as so designated prior to the amendment made by subsection (b) of this section) or a comparable program carried out under section 221 of such Act.

PART B—AMENDMENTS TO INSURED STUDENT LOAN PROGRAM

EXTENSION OF AUTHORITY FOR PAYMENTS TO REDUCE STUDENT INTEREST COSTS; ELIMINATION OF AUTHORITY TO MAKE SUCH PAYMENTS DURING REPAYMENT PERIOD

SEC. 411. (a) Paragraph (4) of section 428(a) of the Higher Education Act of 1965 is amended by striking out "1968" and inserting in lieu thereof "1970", and by striking out "1972" and inserting in lieu thereof "1974".

(b)(1)(A) The portion of the first sentence of section 428(a)(1) which follows subparagraph (C) is amended by striking out ", over the period of the loan,".

(B) The first sentence of section 428(a)(2) of such Act is amended by striking out ", and 3 per centum per annum of the principal amount of the loan (excluding interest which has been added to principal) thereafter".

(2) The amendments made by this subsection shall apply to loans made on or after the sixtieth day after the date of enactment of this Act, except that such amendments shall not apply so as to require violation of any commitment for insurance made to an eligible lender, or of any line of credit granted to a student, prior to such sixtieth day, or, except with the consent of the State or nonprofit private agency concerned, impair the obligation of any agreement made pursuant to section 428(b) of the Higher Education Act of 1965. An application for a certificate of insurance or of comprehensive insurance coverage pursuant to section 429 of such Act shall be issued or shall be effective on or after such sixtieth day with respect to loans

made prior to such sixtieth day without regard to such amendments.

EXTENSION OF FEDERAL LOAN INSURANCE PROGRAM

SEC. 412. Subsection (a) of section 424 of the Higher Education Act of 1965 is amended (1) in the first sentence by striking out "and" after "1967," and by inserting after "June 30, 1968" the following: ", and each of the two succeeding fiscal years"; and (2) in the second sentence by striking out "1972" and inserting in lieu thereof "1974".

FEDERAL GUARANTY OF STUDENT LOANS INSURED UNDER NON-FEDERAL PROGRAMS

SEC. 413. (a) Section 421(a) of the Higher Education Act of 1965 is amended by striking out "and" before "(3)", and by inserting before the period at the end of that subsection the following: ", and (4) to guarantee a portion of each loan insured under a program of a State or of a nonprofit private institution or organization which meets the requirements of section 428(a)(1)(C)".

(b) Section 428 of such Act is amended by adding after subsection (b) the following new subsection:

"(c)(1) The Commissioner may enter into a guaranty agreement with any State or any nonprofit private institution or organization with which he has an agreement pursuant to subsection (b), whereby the Commissioner shall undertake to reimburse it, under such terms and conditions as he may establish, in an amount equal to 80 per centum of the amount expended by it in discharge of its insurance obligation, incurred under its loan insurance program, with respect to losses (resulting from the default, death, or permanent and total disability of the student borrower) on the unpaid balance of the principal (other than interest added to principal) of any insured loan with respect to which a portion of the interest (A) is payable by the Commissioner under subsection (a), or (B) would be payable under such subsection but for the adjusted family income of the borrower.

"(2) The guaranty agreement—

"(A) shall set forth such administrative and fiscal procedures as may be necessary to protect the United States from the risk of unreasonable loss thereunder, to insure proper and efficient administration of the loan insurance program, and to assure that due diliegnce will be exercised in the collection of loans insured under the program;

"(B) shall provide for making such reports, in such form and containing such information, as the Commissioner may reasonably require to carry out his functions under this subsection, and for keeping such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports;

"(C) shall set forth adequate assurance that, with respect to so much of any loan insured under the loan insurance program as may be guaranteed by the Commissioner pursuant to this subsection, the undertaking of the Commissioner under the guaranty agreement is acceptable in full satisfaction of State law or regulation requiring the maintenance of a reserve;

"(D) shall provide that 80 per centum of such amounts as may be made as payments of principal on loans in default, and with respect to which the Commissioner has made payments under the guaranty agreement, shall be paid over to the Commissioner for deposit in the insurance fund established by section 431, but shall not otherwise provide for subrogation of the United States to the rights of any insurance beneficiary; and

"(E) may include such other provisions as may be necessary to promote the purposes of this part.

"(3) To the extent provided in regulations of the Commissioner, a guaranty agreement under this subsection may contain provisions which permit such forbearance for the benefit of the student borrower as may be agreed upon by the parties to an insured loan and approved by the insurer. Nothing in this subsection shall be construed to require collection of the amount of any loan by the insurance beneficiary or its insurer from the estate of a deceased borrower or from a borrower found by the insurance beneficiary or its insurer to have become permanently and totally disabled.

"(4) For purposes of this subsection—

"(A) the terms 'insurance beneficiary' and 'default' shall have the meanings assigned to them by section 430(e), and

"(B) permanent and total disability shall be determined in accordance with regulations of the Commissioner.

"(5) In the case of any guaranty agreement entered into prior to September 1, 1969, with a State or nonprofit private institution or organization with which the Commissioner has in effect on that date an agreement pursuant to subsection (b) of this section, or section 9(b) of the National Vocational Student Loan Insurance Act of 1965, made prior to the date of enactment of this subsection, the Commissioner may, in accordance with the terms of this subsection, undertake to guarantee loans described in paragraph (1) which are insured by such State, institution, or organization and are outstanding on the date of execution of the guaranty agreement, but only with respect to defaults occurring after the execution of such guaranty agreement or, if later, after its effective date."

(c) Section 431 of such Act is amended (A) by inserting in the first sentence of subsection (a) ", or in connection with payments under a guaranty agreement under section 428(c)," after "insured by him under this part"; (B) by inserting in the third sentence of subsection (a) ", or in connection with such guaranty agreements," after "insured by the Commissioner under this part"; and (C) by inserting in the first sentence of subsection (b) ", or in connection with any guaranty agreement made under section 428(c)" after "insured by the Commissioner under this part".

(d) Section 432(a)(5) of such Act is amended by inserting "or any guaranty agreement under section 428(c)" after "such insurance".

FEDERAL ADVANCES TO RESERVE FUNDS OF NON-FEDERAL STUDENT LOAN INSURANCE PROGRAMS

SEC. 414. (a) Section 421(b) of the Higher Education Act of 1965 is amended by striking out "and" at the end of paragraph (2); by striking out the period at the end of the first sentence of that subsection and inserting in lieu thereof ", and"; and by adding thereafter the following new paragraph:

"(4) there is authorized to be appropriated the sum of $10,000,000 for making advances under section 422 during the two-fiscal-year period ending June 30, 1970, for the reserve funds of State and nonprofit private student loan insurance programs."

(b) Section 422(a) of such Act is amended—

(1) by striking out "clause (3)" in the first sentence of paragraph (1) and inserting in lieu thereof "clauses (3) and (4)", and by striking out "of the fiscal years ending June 30, 1966, June 30, 1967, or June 30, 1968," and inserting in lieu thereof "fiscal year" in the second sentence of such paragraph; and

(2) by redesignating paragraph (2) as paragraph (3) and inserting after paragraph (1) the following new paragraph:

"(2) No advance shall be made after June 30, 1968, unless matched by an equal amount from non-Federal sources. Such equal amount may include the unencumbered non-Federal portion of a reserve fund. As used in the preceding sentence, the term 'unencumbered non-Federal portion' means the amount (determined as of the time immediately preceding the making of the advance) of the reserve fund less the greater of (A) the sum of (i) advances made under this section prior to July 1, 1968, (ii) an amount equal to twice the amount of advances made under this section after June 30, 1968, and before the advance for purposes of which the determination is made, and (iii) the proceeds of earnings on advances made under this section, or (B) any amount which is required to be maintained in such fund pursuant to State law or regulation, or by agreement with lenders, as a reserve against the insurance of outstanding loans."

(c) Section 422(b) of such Act is amended by inserting "(1)" after "(b)", by inserting "prior to July 1, 1968" before "pursuant to subsection (a)" where it appears in the first and third sentences, by deleting the last sentence of such subsection, and by adding at the end of such subsection the following new paragraphs:

"(2) The total of the advances from the sums appropriated pursuant to clause (4) of section 421(b) (A) to nonprofit private institutions and organizations for the benefit of students in any State and (B) to such State may not exceed an amount which bears the same ratio to such sums as the population of such State aged eighteen to twenty-two, inclusive, bears to the population of all the States aged eighteen to twenty-two, inclusive, but such advances may otherwise be in such amounts as the Commissioner determines will best achieve the purposes for which they are made. The amount available, however, for advances to any State shall not be less than $20,000, and any additional funds needed to meet this requirement shall be derived by proportionately reducing (but not below $20,000) the amount available for advances to each of the remaining States.

"(3) For the purposes of this subsection, the population aged eighteen to twenty-two, inclusive, of each State and of all the States shall be determined by the Commissioner on the basis of the most recent satisfactory data available to him."

INCREASE OF MAXIMUM INTEREST RATE UNDER STUDENT LOAN INSURANCE PROGRAMS

SEC. 415. (a) Section 427(b) of the Higher Education Act of 1965 is amended by striking out "6 per centum" and all that follows and inserting in lieu thereof "7 per centum per annum on the unpaid principal balance of the loan."

(b) Section 428(b)(1)(E) of the Higher Education Act of 1965 is amended by striking out "6 per centum" and inserting in lieu thereof "7 per centum".

(c) Section 428 of such Act is amended by adding at the end thereof the following new subsection:

"(d) No provisions of any law of the United States (other than this part) or of any State (other than a statute establishing a State student loan insurance program), which limits the rate or amount of interest payable on loans shall apply to a loan—

"(1) which bears interest (exclusive of any premium for insurance) on the unpaid principal balance at a rate not in excess of 7 per centum per annum, and

"(2) which is insured (A) by the United States under this part, or (B) by a State or nonprofit private institution or organization under a program covered by an agreement made pursuant to subsection (b) of this section."

MERGER OF NATIONAL VOCATIONAL STUDENT LOAN INSURANCE ACT OF 1965 WITH STUDENT LOAN INSURANCE PROGRAM OF HIGHER EDUCATION ACT OF 1965

SEC. 416. (a) Section 435 of the Higher Education Act of 1965 is amended—

(1) by redesignating subsections (a), (b), (c), (d), (e), and (f) as (b), (d), (e), (f), (g), and (h), respectively;

(2) by inserting before subsection (b) as

so redesignated the following new subsection:

"(a) The term 'eligible institution' means (1) an institution of higher education, (2) a vocational school, or (3) with respect to students who are nationals of the United States, an institution outside the States which is comparable to an institution of higher education or to a vocational school and which has been approved by the Commissioner for purposes of this part.";

(3) by striking out in subsection (b) as so-redesignated "eligible institution" and inserting in lieu thereof "institution of higher education", by striking out in the second sentence of such subsection "any institution outside the States which is comparable to an institution described in the preceding sentence and which has been approved by the Commissioner for the purposes of this title, and also includes"; and

(4) by inserting after subsection (b) the text of subsection (a) of section 17 of the National Vocational Student Loan Insurance Act of 1965 amended as follows:

(A) Strike out "(a)" and insert in lieu thereof "(c)",

(B) Strike out "eligible institution" and insert in lieu thereof "vocational school",

(C) Strike out "Act" in clause (4)(C) and insert in lieu thereof "part".

(b)(1) Section 425(a) of such Act is amended by striking out "(1)" after "SEC. 425. (a)" and by striking out paragraph (2).

(2) Section 427(a)(2)(C)(i) of such Act is amended by striking out "institution of higher education or at a comparable institution outside the States approved for this purpose by the Commissioner" and inserting in lieu thereof "eligible institution".

(3) Section 428(a)(6) of such Act is repealed.

(4) Section 434 of such Act is amended by striking out "10 per centum" and inserting in lieu thereof "15 per centum".

(5) Section 436(a) of such Act is amended by striking out "title and the National Vocational Student Loan Insurance Act of 1965" and inserting in lieu thereof "part".

(c)(1) The National Vocational Student Loan Insurance Act of 1965 is repealed.

(2) All assets and liabilities of the vocational student loan insurance funds established by section 13 of the National Vocational Student Loan Insurance Act of 1965, matured or contingent, shall be transferred to, and become assets and liabilities of, the student loan insurance fund established by section 431 of the Higher Education Act of 1965. Payments in connection with defaults of loans made on or after the sixtieth day after the date of enactment of this Act and insured by the Commissioner (under the authority of subsections (d)(3) or (d)(4) of this section) under the National Vocational Student Loan Insurance Act of 1965 shall be paid out of the fund established by such section 431.

(d)(1) Except as provided in paragraphs (2), (3), and (4):

(A) This section (and any amendment or repeal made thereby) shall apply to loans made on or after the sixtieth day after the date of enactment of this Act; and the terminal date applicable under the first sentence of section 5(a) and under section 9(a)(4) of the National Vocational Student Loan Insurance Act shall, instead of June 30, 1968, be deemed to be (i) the day immediately preceding such sixtieth day, or (ii) with respect to any particular State or nonprofit private agency to which paragraph (3) relates, the last day of the period required for modification or termination of, or refusal to extend, the Commissioner's agreements with such agency.

(B) In computing the maximum amounts which may be borrowed by a student who obtains an insured loan on or after such sixtieth day, and the minimum amounts of repayment allowable with respect to sums borrowed by such a student, there shall be included all loans, whenever made, (i) insured by the Commissioner, or a State, institution, or organization with which the Commissioner has an agreement under section 428(b) of part B of title IV of the Higher Education Act of 1965 or section 9(b) of the National Vocational Student Loan Insurance Act of 1965, or (ii) made by a State under section 428(a)(2)(B) of such part or section 9(a)(2)(B) of such Act, or by the Commissioner under section 10 of such Act.

(2) Clause (i) (attendance at eligible institution) of section 427(a)(2)(C) of the Higher Education Act of 1965, shall apply to loans made by the Commissioner and, with the consent of the lender, loans insured by the Commissioner, to students for study at vocational schools, which are outstanding on the sixtieth day after the enactment of this Act, but only with respect to periods of attendance occuring on or after such sixtieth day.

(3) This section (and any amendment or repeal made thereby) shall not apply so as to require violation of any commitment for insurance made to an eligible lender, or of any line of credit granted to a student, prior to the sixtieth day after enactment of this Act, under the Higher Education Act of 1965 or the National Vocational Student Loan Insurance Act of 1965, or, except with the consent of the State or nonprofit private agency concerned, impair the obligation of any agreement made pursuant to section 428(b) of the Higher Education Act of 1965 or section 9(b) of the National Vocational Student Loan Insurance Act of 1965. The Commissioner of Education shall undertake to obtain necessary modifications of agreements entered into by him pursuant to section 428(b)(1) of the Higher Education Act of 1965 or section 9(b) of the National Vocational Student Loan Insurance Act of 1965 and in force upon the date of enactment of this Act so as to conform the provisions of such agreements to the requirements of such section 428(b)(1). If, however, such modifications cannot be obtained because a party to such an agreement is subject to a statute of a State that prevents such party from complying with the terms of such modification, the Commissioner shall not, before the fourth month after the adjournment of such State's first regular legislative session which adjourns more than sixty days after enactment of this Act, exercise his authority to terminate, or to refuse to extend, such agreement.

(4) A certificate of insurance or of comprehensive insurance coverage pursuant to section 11 of the National Vocational Student Loan Insurance Act of 1965 may be issued or made effective on or after the sixtieth day after the date of enactment of this Act with respect to loans made prior to such sixtieth day without regard to any amendment or repeal made by this section.

AUTHORIZING DEFERMENT OF REPAYMENT OF NON-FEDERALLY INSURED LOANS DURING MILITARY OR PEACE CORPS SERVICE, OR ATTENDANCE AT ELIGIBLE INSTITUTION; FEDERAL PAYMENT OF INTEREST ACCRUING DURING SUCH ATTENDANCE OR SERVICE; ELIMINATION OF DEFERMENT FOR VISTA SERVICE UNDER FEDERAL INSURANCE PROGRAM

SEC. 417. (a)(1) Section 428 of the Higher Educaton Act of 1965 (as amended by this Act) is amended by adding at the end of such section the following new subsection:

"(e) The Commissioner shall encourage the inclusion, in any State student loan program or any State or nonprofit private student loan insurance program meeting the requirements of subsection (a)(1)(B) or (a)(1)(C), of provisions authorizing or requiring that in the case of student loans covered by such program periodic installments of principal need not be paid, but interest shall accrue and be paid, during any period (1) during which the borrower is pursuing a full-time course of study at an eligible institution, (2) not in excess of three years during which the borrower is a member of the Armed Forces of the United States, or (3) not in excess of three years during which the borrower is in service as a volunteer under the Peace Corps Act. In the case of any such State or nonprofit private program containing such a provision any such period shall be excluded in determining the period specified in subsection (b)(1)(C)(ii), or the maximum period for repayment specified in subsection (b)(1)(D)."

(2)(A) Section 428(b)(1)(C)(ii) of the Higher Education Act of 1965 is amended by inserting after "(ii)" the following: "except as provided in subsection (e) of this section,".

(B) Section 428(b)(1)(D) of such Act is amended by inserting after "subject to subparagraph (C)" the following: "of this paragraph and except as provided by subsection (e) of this section".

(b) The first sentence of section 428(a)(2) of such Act is amended by inserting before "; but such portion" the following: ", or which accrues during a period in which principal need not be paid (whether or not such principal is in fact paid) by reason of a provision described in subsection (e) of this section or in section 427(a)(2)(C)".

(c) Section 427(a)(2)(C) of such Act is amended by inserting "or" before "(iii)", and by striking out "or (iv) not in excess of three years during which the borrower is in service as a volunteer under title VIII of the Economic Opportunity Act of 1964,".

(d) Deferment of repayment of principal, as provided in the amendments made by subsection (a) of this section, may be authorized (but not required) with respect to loans meeting the requirements of subparagraph (B) or (C) of section 428(a)(1) of the Higher Education Act of 1965 which are outstanding on the sixtieth day after the date of enactment of this Act, but only with respect to periods of attendance or service occurring on or after such sixtieth day. The amendments made by subsection (b) shall become effective on the sixtieth day after the date of enactment of this Act. The amendments made by subsection (c) shall apply with respect to loans made on or after the sixtieth day after the date of enactment of this Act, except that such amendments shall not apply so as to require violation of any commitment for insurance made to an eligible lender, or of any line of credit granted to a student, prior to such sixtieth day.

PARTICIPATION BY PENSION FUNDS AND FEDERAL SAVINGS AND LOAN ASSOCIATIONS

SEC. 418. (a) Section 435(g) of the Higher Education Act of 1965 (as so redesignated by section 416 of this Act) is amended by inserting before the period at the end thereof the following: ", or a pension fund approved by the Commissioner for this purpose".

(b) The third paragraph of section 5(c) of the Home Owners' Loan Act of 1933 is amended by striking out "expenses of college or university education" and inserting in lieu thereof "expenses of college, university, or vocational education".

ACCESS TO FEDERAL LOAN INSURANCE PROGRAM

SEC. 419. (a) Section 423 of the Higher Education Act of 1965 is amended by striking out "The" after "SEC. 423." and inserting in lieu thereof "(a) Except as provided in subsection (b), the"; and by adding at the end thereof the following new subsection:

"(b) The Commissioner may issue certificates of insurance under section 429 to a lender in a State—

"(1) for insurance of a loan made to a student borrower who does not, by reason of his residence, have access to loan insurance under the loan insurance program of such State (or under any private nonprofit loan insurance program which has received an

advance under section 422 for the benefit of students in such State), or

"(2) for insurance of all of the loans made to student borrowers by a lender who satisfies the Commissioner that, by reason of the residence of such borrowers, he will not have access to any single State or nonprofit private loan insurance program which will insure substantially all of the loans he intends to make to such student borrowers."

(b) Section 421(a)(2) is amended by inserting "or lenders" before "who do not have reasonable access".

PART C—AMENDMENTS TO COLLEGE WORK-STUDY PROGRAM

TRANSFER OF WORK-STUDY PROVISIONS TO HIGHER EDUCATION ACT OF 1965

SEC. 431. (a) Title IV of the Higher Education Act of 1965 is amended by striking out part C thereof. Part C of title I of the Economic Opportunity Act of 1964 is transferred to the Higher Education Act of 1965 and inserted as part C of title IV of such Act.

(b) Part C of title IV of the Higher Education Act of 1965 (as amended by subsection (a) of this section) is further amended—

(1) by redesignating sections 141 through 145 (and references thereto) as sections 441 through 445, respectively; and

(2) by designating the section of such part which follows section 445 (as so redesignated) as section 446; and

(3) by amending section 442(a) to read as follows:

"SEC. 442. (a) From the sums appropriated to carry out this part for a fiscal year, the Commissioner shall allot not to exceed 2 per centum among Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands according to their respective needs for assistance under this part. The remainder of such sums shall be allotted among the States as provided in subsection (b)."

(c) Any reference to any provision of part C of title I of the Economic Opportunity Act of 1964 in any law of the United States shall be deemed to be a reference of the corresponding provision of part C of title IV of the Higher Education Act of 1965 as amended by this section.

EXTENSION OF WORK-STUDY PROGRAM

SEC. 432. Section 441 of the Higher Education Act of 1965 (as amended by section 431 of this Act) is amended by adding "; APPROPRIATIONS AUTHORIZED" at the end of the section heading, by inserting "(a)" after "SEC. 441.", and by adding at the end of such section the following new subsection:

"(b) There are authorized to be appropriated $225,000,000 for the fiscal year ending June 30, 1969, and $275,000,000 for the fiscal year ending June 30, 1970, to carry out this part. For the fiscal year ending June 30, 1971, and the two succeeding fiscal years, there may be appropriated, to carry out this part, only such sums as the Congress may hereafter authorize by law."

ELIGIBILITY OF AREA VOCATIONAL SCHOOLS

SEC. 433. (a) Part C of the Higher Education Act of 1965 (as amended by section 431 of this Act) is amended by striking out the terms "institution of higher education" and "institutions of higher education" wherever they appear (except in section 442(b)(1)) and inserting in lieu thereof "eligible institution" and "eligible institutions", respectively.

(b) Section 443(b) of such Act (as added by section 431 of this Act) is amended to read as follows:

"(b) For the purposes of this part the term 'eligible institution' means an institution of higher education (as defined in section 435(b) of this Act), or an area vocational school (as defined in section 8(2) of the Vocational Education Act of 1963)."

(c) Section 444 of such Act (as added by section 431 of this Act) is amended by inserting "(a)" after "SEC. 444."; by redesignating paragraphs (a) through (h) as paragraphs (1) through (8), respectively; by redesignating subparagraphs (1), (2), and (3) of paragraphs (1) and (3) (as so redesignated) as subparagraphs (A), (B), and (C), respectively; and by adding at the end of such section the following new subsection:

"(b) An agreement entered into pursuant to section 443 with an area vocational school shall contain, in addition to the provisions described in subsection (a), a provision that a student in such a school shall be eligible to participate in a program under this part only if he (1) has a certificate of graduation from a school providing secondary education, or the recognized equivalent of such a certificate, and (2) is pursuing a program of education or training which requires at least six months to complete and is designed to prepare the student for gainful employment in a recognized occupation."

REVISION OF MATCHING PROVISIONS

SEC. 434. Section 444(a)(6) of the Higher Education Act of 1965 (as amended by this part) is amended to read as follows:

"(6) provide that the Federal share of the compensation of students employed in the work-study program in accordance with the agreement will not exceed 80 per centum of such compensation; except that the Federal share may exceed 80 per centum of such compensation if the Commissioner determines, pursuant to regulations adopted and promulgated by him establishing objective criteria for such determinations, that a Federal share in excess of 80 per centum is required in furtherance of the purposes of this part;"

SET-ASIDE FOR RESIDENTS OF AMERICAN SAMOA OR THE TRUST TERRITORY OF THE PACIFIC ISLANDS

SEC. 435. (a) The first sentence of section 442(a) of the Higher Education Act of 1965 (as amended by this part) is amended by inserting "(1)" before "allot not to exceed 2 per centum", and by inserting before the period at the end thereof the following: ", and (2) reserve the amount provided by subsection (e)".

(b) Such section 442 is further amended by adding at the end thereof the following new subsection:

"(e) From the appropriation for this part for each fiscal year the Commissioner shall reserve an amount to provide work-study assistance to students who reside in, but who attend eligible institutions outside of, American Samoa or the Trust Territory of the Pacific Islands. The amount so reserved shall be allotted to eligible institutions and shall be available only for the purpose of providing work-study assistance to such students."

ELIMINATION OF AVERAGE HOURS OF EMPLOYMENT LIMITATION DURING NON-REGULAR ENROLLMENT PERIODS

SEC. 436. Section 44 of the Higher Education Act of 1965 (as amended by this part) is amended by adding at the end thereof the following new subsection:

"(c) For purposes of paragraph (4) of subsection (a) of this section, in computing average hours of employment of a student over a semester or other term, there shall be excluded any period during which the student is on vacation and any period of non-regular enrollment. Employment under a work-study program during any such period of non-regular enrollment during which classes in which the student is enrolled are in session shall be only to the extent and in accordance with criteria established by or pursuant to regulations of the Commissioner."

ELIMINATION OF STATE ALLOTMENT FORMULA

SEC. 437. Effective for fiscal years ending on or after June 30, 1970—

(1) Section 446 of the Higher Education Act of 1965 (as added by section 431 of this Act) is repealed.

(2) Section 442 of such Act (as amended by this part) is amended by striking out so much of such section as precedes subsection (e), by redesignating subsection (e) as subsection (b), and by inserting in lieu of the matter stricken out the following:

"ALLOTMENT OF FUNDS TO INSTITUTIONS OF HIGHER EDUCATION

"SEC. 442. (a) The Commissioner shall allot the funds which are appropriated to carry out this part, and which are not reserved under subsection (b), to eligible institutions with which he has entered into agreements under this part, in accordance with section 463 of this Act."

REVISION OF MAINTENANCE OF EFFORT REQUIREMENT

SEC. 438. Effective for fiscal years ending on or after June 30, 1970, section 444(a)(5) of the Higher Education Act of 1965 (as amended by this part) is amended to read as follows:

"(5) provide that the institution will meet the requirements of section 465 of this Act (relating to maintenance of effort);"

ADMINISTRATIVE EXPENSES

SEC. 439. Effective for fiscal years ending on or after June 30, 1970, section 444(a)(2) of the Higher Education Act of 1965 (as amended by this part) is amended by striking out all that follows "administrative expenses" and inserting in lieu thereof "in accordance with section 464 of this Act;".

ELIGIBILITY OF PRIVATE VOCATIONAL SCHOOLS

SEC. 440. Effective for fiscal years ending on or after June 30, 1970—

(1) Section 443(b) of the Higher Education Act of 1965 (as amended by this part) is amended by striking out "or" after "higher education," and by inserting before the "period at the end thereof the following: ", or a private vocational school (as defined in section 461(b) of this Act)".

(2) Section 444(a)(1) of such Act (as amended by this part) is amended by inserting after "work for the institution itself" the following: "(except in the case of a private vocational school),".

PART D—COOPERATIVE EDUCATION PROGRAMS

GRANTS TO INSTITUTIONS OF HIGHER EDUCATION FOR PROGRAMS OF COOPERATIVE EDUCATION; GRANTS AND CONTRACTS FOR TRAINING AND RESEARCH IN COOPERATIVE EDUCATION

SEC. 441. Title IV of the Higher Education Act of 1965 is amended by redesignating part D as part F, by redesignating sections 461 through 467 as sections 491 through 497, respectively, and by inserting after part C the following new part:

"PART D—COOPERATIVE EDUCATION PROGRAMS

"APPROPRIATIONS AUTHORIZED

"SEC. 451. (a) There are authorized to be appropriated $500,000 for the fiscal year ending June 30, 1969, and $10,000,000 for the fiscal year ending June 30, 1970, to enable the Commissioner to make grants pursuant to section 452 to institutions of higher education for the planning, establishment, expansion, or carrying out by such institutions of programs of cooperative education that alternate periods of full-time academic study with periods of full-time public or private employment that will not only afford students the opportunity to earn through employment funds required toward continuing and completing their education but will, so far as practicable, give them work experience related to their academic or occupational objective.

"(b) There are further authorized to be appropriated $750,000 each for the fiscal year ending June 30, 1969, and for the succeeding fiscal year, to enable the Commissioner to make training or research grants or contracts pursuant to section 453.

"(c) For the fiscal year ending June 30, 1971, and the two succeeding fiscal years, there may be appropriated to carry out this part only such sums as the Congress may hereafter authorize by law.

"(d) Appropriations under this part shall not be available for the payment of compensation of students for employment by employers under arrangements pursuant to this part.

"GRANTS FOR PROGRAMS OF COOPERATIVE EDUCATION

"SEC. 452. (a) From the sums appropriated pursuant to subsection (a) of section 451, and for the purposes set forth therein, the Commissioner is authorized to make grants to institutions of higher education that have applied therefor in accordance with subsection (b) of this section, in amounts not in excess of $75,000 to any one such institution for any fiscal year.

"(b) Each application for a grant authorized by subsection (a) of this section shall be filed with the Commissioner at such time or times as he may prescribe and shall—

"(1) set forth programs or activities for which a grant is authorized under this section;

"(2) provide for the making of such reports, in such form and containing such information, as the Commissioner may reasonably require to carry out his functions under this part, and for the keeping of such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports;

"(3) provide for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid to the applicant under this part; and

"(4) include such other information as the Commissioner may determine necessary to carry out the purposes of this part.

"(c) No institution of higher education may receive grants under this section for more than three fiscal years.

"(d) In the development of criteria for approval of applications under this section, the Commissioner shall consult with the Advisory Council on Financial Aid to Students.

"GRANTS AND CONTRACTS FOR TRAINING AND RESEARCH

"SEC. 453. From the sums appropriated pursuant to subsection (b) of section 451, the Commissioner is authorized, for the training of persons in the planning, establishments, administration, or coordination of programs of cooperative education, or for research into methods of improving, developing, or promoting the use of cooperative education programs in institutions of higher education, to—

"(1) make grants to or contracts with institutions of higher education, or combinations of such institutions, and

"(2) make grants to other public or private nonprofit agencies or organizations, or contracts with public or private agencies or organizations, when such grants or contracts will make an especially significant contribution to attaining the objectives of this section."

PART E—GENERAL PROVISIONS RELATING TO STUDENT ASSISTANCE

AMENDMENTS EFFECTIVE UPON ENACTMENT

SEC. 451. (a) Title IV of the Higher Education Act of 1965 is amended by inserting after part D the following new part:

"PART E—GENERAL PROVISIONS RELATING TO STUDENT ASSISTANCE PROGRAMS

"SUBPART 1—GENERAL PROVISIONS

"DEFINITIONS

"SEC. 461. (a) For purposes of this title, the term 'State' includes the Trust Territory of the Pacific Islands.

"(b) For purposes of part C of this title and title II of the National Defense Education Act of 1958, the term 'private vocational school' means a school (1) which provide not less than a six-month program of training to prepare students for gainful employment in a recognized occupation, (2) which meets the requirements of section 801(a)(1) and 801(a)(2) of this Act, (3) which does not meet the requirement of section 801(a)(3) of this Act, (4) which is accredited by a nationally recognized accredited agency or association approved by the Commissioner for this purpose, and (5) which has been in existence for at least five years. For purposes of this paragraph, the Commissioner shall publish a list of nationally recognized accrediting agencies or assocations which he determines to be reliable authority as to the quality of training offered.

"ELIGIBILITY OF RESIDENTS OF TRUST TERRITORY OF PACIFIC ISLANDS

"SEC. 462. Permanent residents of the Trust Territory of the Pacific Islands shall be eligible for assistance under title II of the National Defense Education Act of 1958 and under this title to the same extent that citizens of the United States are eligible for such assistance.

"SUBPART 2—ADVISORY COUNCIL ON FINANCIAL AID TO STUDENTS

"ESTABLISHMENT OF COUNCIL

"SEC. 469. (a) There is established in the Office of Education an Advisory Council on Financial Aid to Students (hereafter in this section referred to as the 'Council'), consisting of the Commissioner, who shall be Chairman, and of members appointed by the Commissioner without regard to the civil service or classification laws. Such appointed members shall include (1) leading authorities in the field of education, (2) persons representing State and private nonprofit loan insurance programs, financial and credit institutions, and institutions of higher education and other eligible institutions as those terms may be variously defined in this Act, or in the National Defense Education Act of 1958, and (3) at least one undergraduate student in an institution of higher education or other eligible institutions.

"(b) The Council shall advise the Commissioner on matters of general policy arising in the administration by the Commissioner of programs relating to financial assistance to students and on evaluation of the effectiveness of these programs.

"(c) Members of the Council who are not in the regular full-time employ of the United States shall, while attending meetings or conferences of the Council or otherwise engaged in the business of the Council, be entitled to receive compensation at a rate fixed by the Secretary, but not exceeding the rate specified at the time of such service for grade GS-18 in section 5332 of title 5, United States Code, including traveltime, and while so serving on the business of the Council away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons employed intermittently in the Government Service.

"(d) The Commissioner is authorized to furnish to the Council such technical assistance, and to make available to it such secretarial, clerical, and other assistance and such pertinent data available to him, as the Council may require to carry out its functions."

(b) Section 433 of the Higher Education Act of 1965 (relating to Advisory Council on Insured Loans to Students) is repealed.

AMENDMENTS EFFECTIVE FOR FISCAL YEAR 1970 AND THEREAFTER

SEC. 452. Effective for fiscal years ending on or after June 30, 1970, part E of title IV of the Higher Education Act of 1965 (as added by section 451 of this Act) is amended by inserting after section 462 the following new sections:

"ALLOTMENT OF FUNDS TO INSTITUTIONS OF HIGHER EDUCATION

"SEC. 463. (a) The Commissioner shall from time to time set dates by which institutions with which he has entered into agreements under part A or part C of this title must file applications for allotments to such institutions of funds appropriated to carry out programs established under such parts. Such allotments shall be made in accordance with equitable criteria which the Commissioner shall establish and which shall be designed to achieve a distribution of such funds among such institutions as will most effectively carry out the purposes of the program for which the agreement was made.

"(b) The amount of any allotment made under subsection (a) to carry out a program for any fiscal year which the Commissioner determines will not be required for such year or the next fiscal year shall be available for reallotment to carry out the same program in accordance with the equitable criteria established pursuant to subsection (a). Any amount reallotted to an institution under this subsection from appropriations for any fiscal year shall be deemed part of its allotment for that fiscal year.

"EXPENSES OF ADMINISTRATION

"SEC. 464. (a) An institution which has entered into an agreement with the Commissioner under part A or C of this title shall be entitled for each fiscal year for which it receives an allotment under either such part to a payment in lieu of reimbursement for its expenses during such fiscal year in administering programs assisted under this part. The payment for a fiscal year (1) shall be payable from each such allotment in accordance with regulations of the Commissioner, and (2) shall (except as provided in subsection (b)) be an amount equal to 3 per centum of (A) the institution's expenditures during the fiscal year from its allotment under part A plus (B) its expenditures during such fiscal year under part C for compensation of students.

"(b) The aggregate amount paid to an institution for a fiscal year under this section plus the amount withdrawn from its student loan fund under section 204(b) of the National Defense Education Act of 1958 may not exceed $125,000.

"MAINTENANCE OF EFFORT

"SEC. 465. An agreement between the Commissioner and an institution under part A or part C shall provide assurance that the institution will continue to spend in its own scholarship and student-aid program, from sources other than funds received under such parts, not less than the average expenditure per year made for that purpose during the most recent period of three fiscal years preceding the effective date of the agreement."

PART F—AMENDMENTS TO NATIONAL DEFENSE EDUCATION ACT

SUBPART 1—AMENDMENTS TO NATIONAL DEFENSE STUDENT LOAN PROGRAM

EXTENSION OF NATIONAL DEFENSE STUDENT LOAN PROGRAM

SEC. 471. (a) Section 201 of the National Defense Education Act of 1958 is amended (1) by striking out "and" before "$7,225,000,000", (2) by inserting after "June 30, 1968," the following: "$210,000,000 for the fiscal year ending June 30, 1969, and $275,000,000 for the fiscal year ending June 30, 1970;", (3) by striking out "and such sums for the fiscal year ending June 30, 1969" and inserting in lieu thereof "and there are further authorized to be appropriated such sums for the fiscal year ending June 30, 1971", and (4) by striking out "July 1, 1968" and inserting in lieu thereof "July 1, 1970".

(b) Sections 202(a) and 202(b) of such

Act are each amended by striking out "1968" and inserting in lieu thereof "1969".

(c) Section 206 of such Act is amended by striking out "1972" each time it appears in subsections (a), (b), and (c) of such section, and inserting in lieu thereof "1974".

ELIMINATION OF STATE ALLOTMENT FORMULA

SEC. 472. Effective for fiscal years ending on or after June 30, 1970—

(1) Section 203 of the National Defense Education Act of 1958 is repealed.

(2) Section 202 of such Act is amended to read as follows:

"ALLOTMENT OF FUNDS TO INSTITUTIONS

"SEC. 202. (a) The Commissioner shall from time to time set dates by which institutions of higher education with which he has entered into agreements under this title must file applications for allotments to such institutions of funds appropriated pursuant to section 201. Such allotments shall be made in accordance with equitable criteria which the Commissioner shall establish and which shall be designed to achieve a distribution of such funds among such institutions of higher education as will most effectively carry out the purposes of this part. The Federal capital contribution to an institution shall be paid to it from its allotment under this section from time to time in such installments as the Commissioner determines will not result in unnecessary accumulations in the student loan fund established under its agreement under this title.

"(b) The amount of any allotment under subsection (a) for any fiscal year which the Commissioner determines will not be required for such year or the next fiscal year shall be available for reallotment in accordance with the equitable criteria established pursuant to subsection (a). Any amount reallotted to an institution under this subsection from appropriations for any fiscal year shall be deemed part of its allotment for that fiscal year."

(2) Section 203 of such Act is repealed.

ADMINISTRATIVE EXPENSES

SEC. 473. Effective for fiscal years ending on or after June 30, 1970—

(1) Section 204 of the National Defense Education Act of 1958 is amended by inserting "(a)" after "SEC. 204.", and by striking out in paragraph (3)(C) "routine expenses" and all that follows down through "whichever is the lesser," and inserting in lieu thereof "administrative expenses as provided in subsection (b)".

(2) Section 204 of such Act is amended by adding at the end thereof the following new subsection:

"(b) An institution of higher education that has entered into an agreement with the Commissioner under section 203 shall be entitled for each fiscal year during which it makes any student loans from a student loan fund established under this title to a payment in lieu of reimbursement for its expenses during such fiscal year in administering its student loan program assisted under this title. Such payment (1) shall be payable from its student loan fund in accordance with regulations of the Commissioner, and (2) (except as provided in section 464(b) of the Higher Education Act of 1965) shall be an amount equal to 3 per centum of the principal amount of loans made from such fund during a fiscal year."

REVISION OF TEACHER CANCELLATION PROVISION

SEC. 474. (a) Section 205(b)(3) of the National Defense Education Act of 1958 is amended to read as follows:

"(3) part or all of such loan may be canceled for certain service as a teacher, in accordance with section 208;".

(b) Section 208 of such Act is amended to read as follows:

"CANCELLATION FOR CERTAIN SERVICE AS A TEACHER

"SEC. 208. (a)(1) A percentage (specified in paragraph (2)) of the total amount of any loan made after the date of enactment of the Higher Education Amendments of 1968 from a student loan fund established under this title shall be canceled for each complete academic year of service by the borrower—

"(A) as a full-time teacher in an elementary or secondary school described in paragraph (3), or

"(B) as a full-time teacher of handicapped children (including mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed, or other health impaired children who by reason thereof require special education) in a public or other nonprofit elementary or secondary school system.

"(2) The percentage of a loan which may be canceled under paragraph (1) is—

"(A) 10 per centum for the first or second academic year of service described in paragraph (1),

"(B) 15 per centum for each academic year of such service thereafter.

For purposes of this paragraph, an academic year for which the borrower received the benefits of section 205(b)(3)(A) or (B) of this title (as in effect immediately before the date of enactment of the Higher Education Amendments of 1968) shall be considered a year of service described in paragraph (1).

"(3) A teacher may receive cancellation of a loan under subparagraph (A) of paragraph (1) only for service in an academic year in a public or other nonprofit elementary or secondary school which is in the school district of a local educational agency which is eligible in such year for assistance pursuant to title I of the Elementary and Secondary Education Act of 1965, as amended, and which for purposes of this paragraph and for that year has been determined by the Commissioner (pursuant to regulations and after consultation with the State educational agency of the State in which the school is located) to be a school in which the enrollment of children described in clause (A), (B), or (C) of section 103(a)(2) of title I of the Elementary and Secondary Education Act of 1965, as amended (using a low-income factor of $3,000) exceeds 50 per centum of total enrollment of the school.

"(b) In the case of a loan made before the date of enactment of the Higher Education Amendments of 1968, not to exceed 50 per centum of such loan shall be canceled for service as a full-time teacher in a public or other nonprofit elementary or secondary school in a State, in an institution of higher education, or in an elementary or secondary school overseas of the Armed Forces of the United States, at the rate of 10 per centum of the total amount of such loan for each complete academic year of such service, except that (1) such rate shall be 15 per centum for each complete academic year of service as a full-time teacher in a public or other nonprofit elementary or secondary school which is in the school district of a local educational agency which is eligible in such year for assistance pursuant to title I of the Elementary and Secondary Education Act of 1965, as amended, and which for purposes of this paragraph and for that year has been determined by the Commissioner (pursuant to regulations and after consultation with the State educational agency of the State in which the school is located) to be a school in which there is a high concentration of students from low-income families, except that the Commissioner shall not make such determination with respect to more than 25 per centum of the total of the public and other nonprofit elementary and secondary schools in any one State for any one year (2) such rate shall be 15 per centum for each complete academic year of service as a full-time teacher of handicapped children (including mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed, or other health impaired children who by reason thereof require special education) in a public or other nonprofit elementary or secondary school system, and (3) for the purposes of any cancellation pursuant to clause (1) or (2), an additional 50 per centum of any such loan may be canceled.

"(c)(1) If for any academic year any portion of a loan is canceled under subsection (a) or (b), the entire amount of interest on such loan which accrues for such year shall be canceled.

"(2) Nothing in this section shall authorize refunding any repayment of a loan.

"(3) For purposes of this section, the term 'academic year' means an academic year or its equivalent (as determined under regulations of the Commissioner).

"(d) In addition to the payments otherwise authorized to be made pursuant to this title, the Commissioner shall pay to the appropriate institution, at such time or times as he determines, an amount which bears the same ratio to the interest which has been prevented from accruing and the portion of the principal which has been canceled on student loans pursuant to this section (and not previously paid pursuant to this subsection) as the total amount of the institution's capital contribution to such fund under this title bears to the sum of such institution's capital contributions and the Federal capital contributions to such fund."

ELIGIBILITY OF PRIVATE VOCATIONAL SCHOOLS

SEC. 475. (a) Section 103(b) of the National Defense Education Act of 1958 is amended—

(1) by striking out "and also includes," in the second sentence and inserting in lieu thereof "; any private vocational school as defined in section 461(b) of the Higher Education Act of 1965; and"; and

(2) by inserting after "requirements of clause (5)" in the third sentence the following: "(but meets the requirements of clause (4))".

(b)(1) Effective with respect to the fiscal year ending June 30, 1969, section 203 of such Act (as in effect prior to the amendment made by section 472 of this Act) is amended by adding at the end thereof the following new sentence: "The aggregate amount of Federal capital contributions paid under this section to private vocational schools (as defined in section 461(b) of the Higher Education Act of 1965) may not exceed the amount by which the funds appropriated pursuant to section 201 for such fiscal year exceed $190,000,000."

(2) Effective for fiscal years ending on or after June 30, 1970, the second sentence of section 202(a) of such Act (as amended by section 472 of this Act) is amended by adding before the period at the end thereof the following: "; except that the aggregate amount of funds alloted under this section to private vocational schools (as defined in section 461(b) of the Higher Education Act of 1965) may not exceed the amount by which the funds appropriated pursuant to section 201 for such fiscal year exceed $190,000,000".

ELIMINATION OF REQUIREMENT OF SPECIAL CONSIDERATION FOR STUDENTS OF SUPERIOR ACADEMIC BACKGROUND

SEC. 476. Section 204 of the National Defense Education Act of 1958 is amended by inserting "and" at the end of paragraph (3), by striking out paragraph (4), and by redesignating paragraph (5) as paragraph (4).

WAIVING OATH OF ALLEGIANCE REQUIREMENT FOR RESIDENTS OF TRUST TERRITORY OF PACIFIC ISLANDS

SEC. 477. Section 1001(f)(1) of the National Defense Education Act of 1958 is amended by inserting after "any individual" the following: "(other than a permanent resident of the Trust Territory of the Pacific Islands)".

SUBPART 2—AMENDMENTS TO NATIONAL DEFENSE FELLOWSHIP PROGRAM

EXTENSION OF PROGRAM

SEC. 481. (a) Section 402(a) of the National Defense Education Act of 1958 is amended by striking out "two succeeding fiscal years" and inserting in lieu thereof "seven succeeding fiscal years".

(b) Section 403(a) of such Act is amended by striking out "three succeeding fiscal years" and inserting in lieu thereof "eight succeeding fiscal years".

INCREASING MAXIMUM LENGTH OF FELLOWSHIP FROM THREE TO FOUR YEARS IN SPECIAL CIRCUMSTANCES, AND REQUIRING INSTITUTIONAL EFFORT TO ENCOURAGE RECIPIENTS TO ENTER OR CONTINUE TEACHING

SEC. 482. (a) Subsection (a) of section 402 of the National Defense Education Act of 1958 is amended by inserting "(1)" after "except" in the second sentence thereof, and by inserting immediately before the period at the end of such sentence the following: ", and (2) that the Commissioner may provide by regulation for the granting of such fellowships for a period of study not to exceed one academic year (or one calendar year in the case of fellowships to which clause (1) applies) in addition to the maximum period otherwise applicable, under special circumstances in which the purposes of this title would most effectively be served thereby".

(b) The Commissioner may in his discretion increase, in accordance with the amendment made by subsection (a), the maximum periods of fellowships awarded prior to the date of enactment of this Act.

(c) The second sentence of section 403(a) is amended by striking out the period at the end of clause (2) of such sentence and inserting ", and" in lieu thereof; and by adding the following new clause:

"(3) that the application contains satisfactory assurance that the institution will make reasonable continuing efforts to encourage recipients of fellowships under this title, enrolled in such program, to teach or continue to teach in institutions of higher education."

(d) The amendment made by subsection (c) of this section shall apply with respect to fellowships awarded on or after the date of enactment of this Act.

REQUIRING STIPENDS TO BE SET IN AN AMOUNT CONSISTENT WITH THOSE AWARDED FOR COMPARABLE FELLOWSHIPS

SEC. 483. (a) Section 404 of the National Defense Education Act of 1958 is amended to read as follows:

"FELLOWSHIP STIPENDS

"SEC. 404. (a) The Commissioner shall pay to persons awarded fellowships under this title such stipends (including such allowances for subsistence and other expenses for such persons and their dependents) as he may determine to be consistent with prevailing practices under comparable federally supported programs.

"(b) The Commissioner shall (in addition to the stipends paid to persons under subsection (a)) pay to the institution of higher education at which such person is pursuing his course of study such amounts as the Commissioner may determine to be consistent with the prevailing practices under comparable federally supported programs, except that such amount shall not exceed $3,500 per academic year for any such person."

(b) The amount of any stipend payable with respect to a fellowship awarded prior to the date of enactment of this Act shall not, during the period for which such fellowship was awarded, be less with respect to any year of study than the amount that would in the absence of the amendment made by subsection (a) of this section be payable with respect to such year.

TITLE V—EDUCATION PROFESSIONS DEVELOPMENT (AMENDMENT TO TITLE V OF HIGHER EDUCATION ACT OF 1965)

PROVISION OF MEDICAL INSURANCE COVERAGE TO TEACHER CORPS MEMBERS NOT OTHERWISE COVERED

SEC. 501. Section 514 of the Higher Education Act of 1965 is amended by adding immediately following subsection (d) thereof the following new subsection:

"(e) The Commissioner is authorized to provide medical (including hospitalization) insurance for members of the Teacher Corps who do not otherwise obtain such insurance coverage either under an arrangement made pursuant to subsection (d) of this section or as an incident of an arrangement between the Commissioner and an institution or a State or local educational agency pursuant to section 513."

AUTHORIZING STATE EDUCATIONAL AGENCIES TO ADMINISTER DIRECTLY PROGRAMS OF TEACHER AND TEACHER AIDE RECRUITMENT AND TRAINING

SEC. 502. (a) Subsection (a) of section 518 of the Higher Education Act of 1965 is amended by inserting after "teacher shortages" the following: ", or the efforts of State educational agencies,".

(b) Subsection (a) of section 520 of such Act is amended—

(1) in paragraph (2), by inserting after "local educational agencies" the following: "or of the State educational agency, or both,"

(2) by striking out paragraphs (3) and (4) and inserting in lieu thereof the following:

"(3) with respect to so much of the State program as is to be carried out by local educational agencies, (A) provides assurance that every local educational agency whose application for funds under the plan is denied will be given an opportunity for a fair hearing before the State educational agency and (B) sets forth the policies and procedures to be followed in allocating Federal funds to local educational agencies in the State, which policies and procedures shall insure that such funds will be allocated to local educational agencies having the most urgent need for teachers and teacher aides;" and

(4) by redesignating paragraphs (5) through (10) as paragraphs (4) through (9) respectively.

FELLOWSHIPS FOR SCHOOL ADMINISTRATORS

SEC. 503. The third sentence of section 521 of the Higher Education Act of 1965 is amended by inserting after "become such teachers," the following: "a career in the administration of such schools,".

TECHNICAL CORRECTIONS

SEC. 504. Section 524(a) of the Higher Education Act of 1965 is amended by inserting in paragraphs (1) and (4) "or post-secondary vocational education" after "career in elementary and secondary education".

INCREASE IN COST-OF-EDUCATION ALLOWANCE

SEC. 505. Section 525(b) of the Higher Education Act of 1965 is amended to read as follows:

"(b) The Commissioner shall (in addition to stipends paid to persons under subsection (a)) pay to the institution of higher education at which such person is pursuing his course of study such amount as the Commissioner may determine to be consistent with prevailing practices under comparable federally supported programs, except that such amount shall not exceed $3,500 per academic year for each such person."

TITLE VI—INSTRUCTIONAL EQUIPMENT AND MATERIALS

PART A—EQUIPMENT AND MATERIALS FOR HIGHER EDUCATION (AMENDMENTS TO HIGHER EDUCATION ACT OF 1965)

EXTENSION OF PROGRAM; TECHNICAL AMENDMENT

SEC. 601. (a) Subsection (b) of section 601 of the Higher Education Act of 1965 is amended by striking out all of such subsection after "1967," and inserting in lieu thereof "$60,000,000, for the fiscal year ending June 30, 1968, $14,500,000 for the fiscal year ending June 30, 1969, and $14,800,000 for the fiscal year ending June 30, 1970, to enable the Commissioner to make grants to institutions of higher education, and to combinations of institutions of higher education, pursuant to this part for the acquisition of equipment and for minor remodeling described in section 603(2)."

(b) Such section 601 is further amended by striking out subsection (c) thereof.

(c) Subsection (d) of such section is amended by redesignating it as subsection (c), and by striking out "1969, and for the succeeding fiscal year" and inserting in lieu thereof "1971, and the two suceeding fiscal years".

(d)(1) The first sentence of section 602(a)(1) of such Act is amended by striking out "and (c)".

(2) Section 602(b) of such Act is amended by striking out "(1)" after "(b)"; by striking out "(A)" after "section 603(2)"; and by striking out paragraph (2).

(3) Section 603(2) is amended by striking out "(A)" after "methods"; by inserting "(A)" before "for the acquisition of laboratory"; by striking out "(B) for determining relative priorities of eligible projects", and inserting in lieu thereof "and (B)"; and by striking out "(C)".

ACQUISITION OF CERTAIN COMPUTERS; TECHNICAL AMENDMENT

SEC. 602. Section 603(2) of the Higher Education Act of 1965 is amended by striking out "objective", and by inserting after "special equipment" the following: ", including instructional computers".

PART B—EQUIPMENT AND MATERIAL FOR ELEMENTARY AND SECONDARY EDUCATION (AMENDMENTS TO TITLE III OF NATIONAL DEFENSE EDUCATION ACT OF 1958)

EXTENSION OF PROGRAM

SEC. 621. (a) The first sentence of section 301 of the National Defense Education Act of 1958 is amended by striking out "and" before "$110,000,000" and by inserting after "June 30, 1968," the following: "and $110,000,000 each for the fiscal years ending June 30, 1969, and June 30, 1970,".

(b) Section 301 of such Act is amended by adding at the end thereof the following: "For the fiscal year ending June 30, 1971, and each of the two succeeding fiscal years, there may be appropriated for the purposes of this section, only such sums as the Congress may hereafter authorize by law."

EQUIPMENT FOR EDUCATIONALLY DEPRIVED CHILDREN

SEC. 622. (a) Title III of the National Defense Education Act of 1958 is amended by inserting immediately below the center heading thereof the following:

"PART A—GRANTS TO STATES"

(b) Title III of such Act is amended (1) by striking out "this title" wherever it appears and inserting in lieu thereof "this part"; and (2) by adding at the end thereof the following new part:

"PART B—GRANTS TO LOCAL EDUCATIONAL AGENCIES

"APPROPRIATIONS AUTHORIZED

"SEC. 311. There are hereby authorized to be appropriated, for carrying out this part, $84,373,000 for the fiscal year ending June 30, 1969, and $160,000,000 for the fiscal year ending June 30, 1970. For the fiscal year ending June 30, 1971, and the two succeeding fiscal years, there may be appropriated to carry out this part only such sums as the Congress may hereafter authorize by law.

"ALLOTMENTS TO LOCAL EDUCATIONAL AGENCIES

"SEC. 312. From the sums appropriated pursuant to section 311 for any fiscal year the Commissioner shall reserve such amount, but not in excess of 3 per centum thereof, as he may determine for allotment as provided in section 1008(A). From the remainder of such sums the Commissioner shall allot to each local educational agency (other than local educational agencies of States which receive their allotments under this part as provided in subsection 1008(A)) an amount which bears the same ratio to the amount of such remainder as the amount received by such agency from funds appropriated for the preceding fiscal year for grants under title I of the Elementary and Secondary Education Act of 1965 (title II of Public Law 874, Eighty-first Congress, as amended) bears to the amount received by all local educational agencies from such funds for such year.

APPLICATION OF LOCAL EDUCATIONAL AGENCY

"SEC. 313. (a) A local educational agency may receive a grant under this part for any fiscal year only on application therefor approved by the appropriate State educational agency, upon its determination (consistent with such basic criteria as the Commissioner may establish)—

"(1) that payments under this part will be used for the acquisition of equipment and materials referred to in section 303(a)(1) to be used in programs and projects designed to meet the special educational needs of educationally deprived children in school attendance areas having a high concentration of children from low-income families;

"(2) that, to the extent consistent with the number of educationally deprived children in the school district of the local educational agency who are enrolled in private elementary and secondary schools, such agency has made provision for including special educational services and arrangements (such as dual enrollment, educational radio and television, and mobile educational services and equipment) which will afford such children the benefits of the equipment and materials provided under this part;

"(3) that the local educational agency has provided satisfactory assurance that the control of funds provided under this part, and that title to equipment and materials acquired therewith, shall be in a public agency for the uses and purposes provided in this part, and that a public agency will administer such funds and equipment and materials; and

"(4) that the local educational agency will make an annual report and such other reports to the State educational agency, in such form and containing such information, as may be reasonably necessary to enable the State educational agency to perform its duties under this part, and will keep such records and afford such access thereto as the State educational agency may find necessary to assure the correctness and verification of such reports.

"(b) The State educational agency shall not finally disapprove in whole or in part any application for funds under this part without first affording the local educational agency submitting the application reasonable notice and opportunity for a hearing.

"STATE APPLICATION

"SEC. 314. (a) Any State desiring to participate under this part shall submit through its State educational agency to the Commissioner an application, in such detail as the Commissioner deems necessary, which provides satisfactory assurance—

"(1) that payments under this part will be used only for programs and projects which have been approved by the State educational agency pursuant to section 313, and that such agency will in all other respects comply with the provisions of this part, including the enforcement of any obligations imposed upon a local educational agency under section 313.

"(2) that such fiscal control and fund accounting procedures will be adopted as may be necessary to assure proper disbursement of, and accounting for, funds paid to the State (including such funds paid by the State to local educational agencies) under this part; and

"(3) that the State educational agency will make to the Commissioner such reports as may be reasonably necessary to enable the Commissioner to perform his duties under this part (including such reports as he may require to determine the amounts which local educational agencies of that State are eligible to receive for any fiscal year), and assurance that such agency will keep such records and afford such access thereto as the Commissioner may find necessary to assure the correctness and vertification of such reports.

"(b) An application submitted under this section shall be deemed a State plan for the purposes of sections 1004 and 1005.

"PAYMENTS

"SEC. 315. (a) The Commissioner shall, from time to time pay to each State, in advance or otherwise, the amount which the local educational agencies of that State are eligible to receive under this part. Such payments shall take into account the extent (if any) to which any previous payment to such State educational agency under this part (whether or not in the same fiscal year) was greater or less than the amount which should have been paid to it.

"(b) From the funds paid to it pursuant to subsection (a) each State educational agency shall distribute to each local educational agency of the State which has submitted an application approved to pursuant to section 313(a) the amount for which such application has been approved, except that this amount shall not exceed its allotment for the fiscal year under section 312."

(c) Paragraph (2) of section 1004(c) of the National Defense Education Act of 1958 is amended, (1) by striking out "title III or V" and inserting in lieu thereof "part A or B of title III or under title V"; and (2) by inserting "part or" before "title or section" each time these words appear in such paragraph.

PROVISION FOR WITHIN-STATE EQUALIZATION IN STATE-IMPOSED REQUIREMENTS FOR FINANCIAL PARTICIPATION OF PROJECT APPLICANTS

SEC. 623. Subsection (a) of section 303 of the National Defense Education Act of 1958 is amended by striking out the period at the end of paragraph (5) and inserting in lieu thereof "; and"; and by inserting at the end of such subsection the following new paragraph:

"(6) sets forth any requirements imposed upon applicants for financial participation in projects assisted under this part, including any provision for taking into account, in such requirements, the resources available to any applicant for such participation relative to the resources for participation available to all other applicants."

PAYMENT OF STATE ADMINISTRATIVE EXPENSES OUT OF PROJECT FUNDS IN LIEU OF SEPARATE FUNDING

SEC. 624. Effective with respect to fiscal years beginning after June 30, 1968, title III of the National Defense Education Act of 1958 is amended as follows:

(a) Paragraph (1) of subsection (a) of section 303 is amended by striking out "and" before "(B)" and by inserting the following before the semicolon at the end thereof: ", and (C) administration of the State plan, except that the amount used for administration of the State plan for any years shall not exceed an amount equal to 3 per centum of the amount paid to the State under this part for that year, or $50,000, whichever is greater".

(b)(1) Paragraph (5) of such section 303(a), the second sentence of section 301, subsection (b) of section 302, and subsection (b) of section 304 are repealed.

(2) Section 302 is amended by striking out "the first sentence of" in subsection (a)(1); striking out "or (b)" in the first sentence of subsection (c); striking out "subsections (a) and (b)" in the same sentence of such subsection and inserting in lieu thereof "subsection (a)"; striking out "or (b)" in the second sentence of such subsection; and redesignating such subsection (c) as subsection (b); and references elsewhere to such subsection (c) are redesignated accordingly.

(3) Subsection (a) of section 304, and references thereto, are redesignated as section 304; and there is deleted from section 304 "as provided in paragraph (4) of section 302(a)".

(4) Section 304 is further amended (A) by striking out "for projects for acquisition of equipment and minor remodeling referred to in paragraph (1) of section 303(a) which are carried out", and (B) by inserting the following after "except that": "(1) such payments with respect to expenditures for administration of the State plan shall not exceed the limitation established by paragraph (1)(C) of section 303(a), and (2)".

(5) Paragraph (6) of section 303(a), as added by section 623 of this Act, is redesignated as paragraph (5).

PRIVATE SCHOOLS: AUTHORIZING REALLOTMENT OF SET-ASIDE FOR LOANS; REPEALING LOAN ALLOTMENT FORMULA

SEC. 625. (a) Section 305 of the National Defense Education Act of 1958 is amended by striking out "SEC. 305." and all that follows down to but not including subsection (b)(1) and inserting in lieu thereof the following:

"SEC. 305. From the sums reserved for each fiscal year for the purposes of this section under the provisions of section 302(a), the Commissioner is authorized to make loans to private nonprofit elementary and secondary schools in any State. Any such loan shall be made only for the purposes for which payments to State educational agencies are authorized under the first sentence of section 301, and—".

(2) Paragraph (3) of such section is amended by striking out "the current average yield on all outstanding marketable obligations of the United States" and inserting in lieu thereof "the current average market yield on outstanding marketable obligations of the United States with redemption periods to maturity comparable to the average maturities of such loans".

(b) Section 302(b) of such Act (as so redesignated by section 624 of this Act) is amended to read as follows:

"(b) The amount of any State's allotment under subsection (a) of this section for any fiscal year which the Commissioner determines will not be required for such fiscal year shall be available for reallotment from time to time, on such dates during such year as the Commissioner may fix, to the other States in proportion to the original allotments to such States under subsection (a) of this section, but with such proportionate amount for any such State being reduced to the extent it exceeds the sum the Commissioner estimates such State needs and will be able to use for such year; and the total of such reductions shall be similarly

reallotted among the States whose proportionate amounts were not so reduced. Any amount reserved for any fiscal year for making loans under section 305 which the Commissioner determines will not be required for that purpose for such year shall be available for allotment among the States in the manner provided in the preceding sentence for reallotments. Any amount allotted or reallotted to a State under this subsection during a year from funds appropriated pursuant to section 301 shall be deemed part of its allotment under subsection (a) of this section for such year."

(c) The amendment made by subsection (a)(2) shall apply with respect to loans made after the date of enactment of this Act.

PART C—FINANCIAL ASSISTANCE FOR STRENGTHENING INSTRUCTION IN THE HUMANITIES AND ARTS

EXTENSION OF PROGRAM

SEC. 631. (a) The first sentence of section 12 of the National Foundation on the Arts and Humanities Act of 1965 is amended (1) by striking out "two succeeding years" and inserting in lieu thereof "four succeeding fiscal years", and (2) by striking out "June 30, 1969" and inserting in lieu thereof "June 30, 1971".

(b) Such section is further amended, (1) in subsection (b), by striking out "allotted" and inserting in lieu thereof "reserved, allotted, and reallotted", and by striking out "and (c)" and inserting in lieu thereof "and (b)"; and (2) in subsection (f), by striking out "allot and".

TITLE VII—GUIDANCE, COUNSELING, AND TESTING (AMENDMENTS TO PART A OF TITLE V OF NATIONAL DEFENSE EDUCATION ACT OF 1958)

EXTENSION OF PROGRAM

SEC. 701. (a) Section 501 of the National Defense Education Act of 1958 is amended (1) by striking out "and" before "$30,000,000" and by inserting after "two succeeding fiscal years," the following: "$25,000,000 for the fiscal year ending June 30, 1969, and $30,000,000 for the fiscal year ending June 30, 1970,", and (2) by adding at the end thereof the following: "For the fiscal year ending June 30, 1971, and each of the two succeeding fiscal years, there may be appropriated for the purposes of this subsection only such sums as the Congress may hereafter authorize by law."

(b)(1) Section 504(a) of such Act is amended by striking out "eight succeeding fiscal years" and inserting in lieu thereof "thirteen succeeding fiscal years".

(2) Section 504(b) of such Act is amended by striking out "nine succeeding fiscal years" and inserting in lieu thereof "fourteen succeeding fiscal years".

TITLE VIII—LANGUAGE DEVELOPMENT (AMENDMENTS TO TITLE VI OF NATIONAL DEFENSE EDUCATION ACT, 1958)

EXTENSION OF PROGRAM

SEC. 801. (a) Subsections (a) and (b) of section 601 of the National Defense Education Act of 1958 are each amended by striking out "1968" and inserting in lieu thereof "1973".

(b) Section 603 of such Act is amended (1) by striking out "and" before "$18,000,000" and by inserting after "1968," the following: "$16,050,000 for the fiscal year ending June 30, 1969, and $25,000,000 for the fiscal year ending June 30, 1970,", and by adding at the end thereof the following: "For the fiscal year ending June 30, 1971, and each of the two succeeding fiscal years, there may be appropriated to carry out the provisions of this title, only such sums as the Congress may hereafter authorize by law."

TITLE IX—NETWORKS FOR KNOWLEDGE

SHARING OF EDUCATIONAL AND RELATED RESOURCES AMONG COLLEGES AND UNIVERSITIES

SEC. 901. The Higher Education Act of 1965 is amended by redesignating title VIII as title IX, and sections 801 through 804 (and references thereto however styled in such Act, or any other Act, including such references heretofore made in this Act) as sections 901 through 904, respectively. The Higher Education Act of 1965 is further amended by inserting after title VII the following new title:

"TITLE VIII—NETWORKS FOR KNOWLEDGE

"SHARING EDUCATIONAL AND RELATED RESOURCES

"SEC. 801. (a) To encourage colleges and universities to share to an optimal extent, through cooperative arrangements, their technical and other educational and administrative facilities and resources, and in order to test and demonstrate the effectiveness and efficiency of a variety of such arrangements, the Commissioner is authorized to enter into contracts and to make project grants for all or part of the cost of planning, developing, or carrying out such arrangements. Such grants may be made to public or nonprofit private colleges or universities. When in the Commissioner's judgment it will more effectively promote the purposes of this title, the Commissioner may make grants to other established public or nonprofit private agencies or organizations, including professional organization or academic societies and he may enter into contracts with established private agencies and organizations.

"(b) Projects for the planning, development, or carrying out of such arrangements assisted under this title may, subject to the provisions of subsection (c), include—

"(1) (A) joint use of facilities such as classrooms, libraries, or laboratories, including joint use of necessary books, materials, and equipment; or (B) affording access to specialized library collections through preparation of interinstitutional catalogs and through development of systems and preparation of suitable media for electronic or other rapid transmission of materials;

"(2) establishment and joint operation of closed-circuit television or equivalent transmission facilities; and

"(3) establishment and joint operation of electronic computer networks and programs therefor, to be available to participating institutions for such purposes as financial and student records, student course work, or transmission of library materials.

"(c)(1) Grants pursuant to clause (B) of paragraph (1) of subsection (b) may not be used to pay the costs of electronic transmission terminals.

"(2) In the case of a project for the establishment and operation of a computer network, grants may not include—

"(A) the cost of operating administrative terminals or student terminals at participating institutions; or

"(B) the cost, or any participating institution's pro rata share of the cost, of using the central computer facilities of the network, except (i) such costs of systems development and programing of computers and transmission costs as are necessary to make the network operational, (ii) the administrative and program support costs of the central facilities of the network, and (iii) the line-access costs incurred by participating institutions.

"APPROPRIATIONS AUTHORIZED

"SEC. 802. There are authorized to be appropriated, for grants under section 801, $500,000 for the fiscal year ending June 30, 1969, and $10,000,000 for the fiscal year ending June 30, 1970. For the fiscal year ending June 30, 1971, and each of the two succeeding fiscal years, there may be appropriated for such grants only such sums as the Congress may hereafter authorize by law.

"SHORT TITLE

"SEC. 803. This title may be cited as the 'Networks for Knowledge Act of 1968'."

TITLE X—AMENDMENTS TO TITLE VIII (GENERAL PROVISIONS) OF HIGHER EDUCATION ACT OF 1965 AND TO TITLE I (GENERAL PROVISIONS) AND TITLE X (MISCELLANEOUS PROVISIONS) OF NATIONAL DEFENSE EDUCATION ACT OF 1958

ESTABLISHMENT OF ADVISORY COUNCIL ON GRADUATE EDUCATION; ABOLITION OF HIGHER EDUCATION FACILITIES ACT ADVISORY COMMITTEE

SEC. 1001. (a) The Higher Education Act of 1965 is amended by adding after the section redesignated by section 901 of this Act as section 904 the following new section:

"ADVISORY COUNCIL ON GRADUATE EDUCATION

"SEC. 905. (a) There is hereby established in the Office of Education an Advisory Council on Graduate Education (hereafter in this section referred to as the 'Council'), consisting of the Commissioner, who shall be Chairman, of one representative each from the Office of Science and Technology in the Executive Office of the President, the National Science Foundation, and the National Foundation on the Arts and the Humanities, and of members appointed by the Commissioner without regard to the civil service or classification laws. Such appointed members shall be selected from among leading authorities in the field of education, except that at least one of them shall be a graduate student.

"(b) The Council shall advise the Commissioner on matters of general policy arising in the administration by the Commissioner of programs relating to graduate education.

"(c) Members of the Council who are not in the regular full-time employ of the United States shall, while attending meetings or conferences of the Council or otherwise engaged in the business of the Council, be entitled to receive compensation at a rate fixed by the Secretary, but not exceeding the rate specified at the time of such service for grade GS–18 in section 5332 of title 5, United States Code, including traveltime, and while so serving on the business of the Council away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons employed intermittently in the Government service.

"(d) The Commissioner is authorized to furnish to the Council such technical assistance, and to make available to it such secretarial, clerical, and other assistance and such pertinent data available to him, as the Council may require to carry out is functions."

(b)(1) Section 203 of the Higher Education Facilities Act of 1963 is repealed.

(2) Paragraph (1) of section 202(c) of such Act is amended to read as follows:

"(1) The Commissioner shall not approve any application for a grant under this title until he has obtained the advice and recommendations of a panel of specialists who are not employees of the Federal Government and who are competent to evaluate such applications."

DISSEMINATION OF INFORMATION

SEC. 1002. The Higher Education Act of 1965 is further amended by adding after section 905 (as added by this title) the following new section:

"DISSEMINATION OF INFORMATION

"SEC. 906. (a) For the purposes of carrying out more effectively the provisions of this

Act, the National Defense Education Act of 1958, the Higher Education Facilities Act of 1963, and other Acts administered by him in the field of higher education (including those administered by him by delegation), the Commissioner—

"(1) shall prepare and disseminate to institutions of higher education, State agencies concerned with higher education, and other appropriate agencies and institutions (A) reports on programs and projects assisted under such Acts and other programs and projects of a similar nature, and (B) catalogs, reviews, bibliographies, abstracts, analyses of research and experimentation, and such other materials as are generally useful for such purpose;

"(2) may upon request provide advice, counsel, technical assistance, and demonstrations to institutions and agencies referred to in paragraph (1) undertaking to initiate or expand programs or projects under such Acts in order to enhance the quality, increase the depth, or broaden the scope of such programs or projects, and shall inform such institutions and agencies of the availability of assistance pursuant to this paragraph;

"(3) shall from time to time prepare and disseminate to institutions and agencies referred to in paragraph (1) reports setting forth developments in the utilization and adaptation of projects carried out pursuant to such Acts; and

"(4) may enter into contracts with public or private agencies, organizations, groups, or individuals to carry out the provisions of this section.

"(b) There are authorized to be appropriated to carry out the provisions of this section $2,000,000 for the fiscal year ending June 30, 1970. For the fiscal year ending June 30, 1971, and for each of the two succeeding fiscal years, there may be appropriated for such purpose only such sums as the Congress may hereafter authorize by law."

CONFORMING DEFINITIONS OF INSTITUTION OF HIGHER EDUCATION ACT OF 1965 AND IN NATIONAL DEFENSE EDUCATION ACT OF 1958

SEC. 1003. (a) Section 901(a) of the Higher Education Act of 1965 (as so redesignated by section 901 of this Act) is amended by inserting after "if not so accredited," in clause (5) the following: "(A) is an intitution with respect to which the Commissioner has determined that there is satisfactory assurance, considering the resources available to the institution, the period of time, if any, during which it has operated, the effort it is making to meet accreditation standards, and the purpose for which this determination is being made, that the institution will meet the accreditation standards of such an agency or association within a reasonable time, or (B)".

(b) The second sentence of such paragraph (a) is amended by striking out "Such term also includes any business school or technical institution" and inserting in lieu thereof "Such term also includes any school which provides not less than a one-year program of training to prepare students for gainful employment in a recognized occupation and".

INSERTION OF DEFINITION OF "COMBINATION OF INSTITUTIONS OF HIGHER EDUCATION" IN HIGHER EDUCATION ACT OF 1965

SEC. 1004. Section 901 of the Higher Education Act of 1965 (as so redesignated by section 901 of this Act) is amended by inserting at the end thereof the following:

"(j) The term 'combination of institutions of higher education' means a group of institutions of higher education that have entered into a cooperative arrangement for the purpose of carrying out a common objective, or a public or private nonprofit agency, organization, or institution designated or created by a group of institutions of higher education for the purpose of carrying out a common objective on their behalf."

PROVISION IN NATIONAL DEFENSE EDUCATION ACT OF 1958 FOR THE TRUST TERRITORY OF THE PACIFIC ISLANDS, FOR SCHOOLS OF DEPARTMENT OF INTERIOR FOR INDIAN CHILDREN, AND FOR OVERSEAS DEPENDENT SCHOOLS OF DEPARTMENT OF DEFENSE

SEC. 1005. (a) Section 1008 of the National Defense Education Act of 1958 is amended to read as follows:

"ALLOTMENTS TO TERRITORIES AND POSSESSIONS

"SEC. 1008. The amounts reserved by the Commissioner under sections 302, 312, and 502 shall, in accordance therewith, be allotted among—

"(A) Puerto Rico, the Canal Zone, Guam, American Samoa, the Virgin Island, and the Trust Territory of the Pacific Islands according to their respective needs for the type of assistance furnished under the part or title in which the section appears, and

"(B) in the case of amounts so reserved under sections 302 and 502, (i) the Secretary of the Interior, according to the need for such assistance in order to effectuate the purposes of such part or title in schools operated for Indian children by the Department of the Interior, and (ii) the Secretary of Defense according to the need for such assistance in order to effectuate the purposes of such part or title in the overseas dependents schools of the Department of Defense. The terms upon which payments for such purpose shall be made to the Secretary of the Interior and the Secretary of Defense shall be determined pursuant to such criteria as the Commissioner determines will best carry out the purposes of this title."

(b) Sections 302(a)(1) and 502(a) of such Act are each amended by striking out "2 per centum thereof, as he may determine for allotment as provided in section 1008," and inserting in lieu thereof "3 per centum thereof, as he may determine for allotment as provided in section 1008(A), and such amount, not in excess of 1 per centum thereof, as he may determine for allotment as provided in section 1008(B);".

(c) Section 103(a) of such Act is amended (1) by striking out "or" each time it appears before "the Virgin Islands", (2) by inserting after "the Virgin Islands," as it first appears "and, for the purposes of titles II, III, and V, the Trust Territory of the Pacific Islands," and (3) by inserting before the period at the end thereof "or the Trust Territory of the Pacific Islands".

(d) The amendments made by this section shall be effective with respect to fiscal years ending after June 30, 1968.

PROVISIONS FOR ADEQUATE LEADTIME AND FOR PLANNING AND EVALUATION IN HIGHER EDUCATION PROGRAMS

SEC. 1006. The Higher Education Act of 1965, as amended by this Act, is further amended by adding after section 906 the following new sections:

"PROGRAM PLANNING AND EVALUATION FOR HIGHER EDUCATION PROGRAMS

"SEC. 907. There are authorized to be appropriated $1,117,000 for the fiscal year ending June 30, 1969, and $1,900,000 for the fiscal year ending June 30, 1970, to be available to the Secretary, in accordance with regulations prescribed by him, for expenses, including grants, loans, contracts, or other payments, for (1) planning for the succeeding year programs or projects authorized under any other provision of this Act or any provision of the National Defense Education Act of 1958 or the Higher Education Facilities Act of 1963, and (2) evaluation of programs or projects so authorized. For the fiscal year ending June 30, 1971, and for each of the two succeeding fiscal years, there may be appropriated for such purpose only such sums as the Congress may hereafter authorize by law.

"ADVANCE FUNDING

"SEC. 908. To the end of affording the responsible State, local, and Federal officers concerned adequate notice of available Federal financial assistance for education, appropriations for grants, loans, contracts, or other payments under any Act referred to in section 907 are authorized to be included in the appropriation Act for the fiscal year preceding the fiscal year for which they are available for obligation. In order to effect a transition to this method of timing appropriation action, the preceding sentence shall apply notwithstanding that its initial application under any such Act will result in the enactment in the same year (whether in the same appropriation Act of otherwise) of two separate appropriations, one for the then current fiscal year and one for the succeeding fiscal year.

"EVALUATION REPORTS AND CONGRESSIONAL REVIEW

"SEC. 909. (a) No later than March 31 of each calendar year, the Secretary shall transmit to the respective committees of the Congress having legislative jurisdiction over any Act referred to in section 907 and to the respective Committees on Appropriations a report evaluating the results and effectiveness of programs and projects assisted thereunder during the receding fiscal year, together with his recommendations (including any legislative recommendations) relating thereto.

"(b) In the case of any such program, the report submitted in the penultimate fiscal year for which appropriations are then authorized to be made for such program shall include a comprehensive and detailed review and evaluation of such program (as up to date as the due date permits) for its entire past life, based on the maximum extent practicable on objective measurements, together with the Secretary's recommendations as to proposed legislative action.

"AVAILABILITY OF APPROPRIATIONS ON ACADEMIC OR SCHOOL YEAR BASIS

"SEC. 910. Appropriations for any fiscal year for grants, loans, contracts, or other payments to educational agencies or institutions under any Act referred to in section 907, may, in accordance with regulations of the Secretary, be made available for expenditure by the agency or institution concerned on the basis of an academic or school year differing from such fiscal year."

TITLE XI—AMENDMENTS TO HIGHER EDUCATION FACILITIES ACT OF 1963

EXTENSION OF PROGRAM

SEC. 1101. (a)(1) Section 101(a) of the Higher Education Facilities Act of 1963 is amended by striking out "seven" and inserting in lieu thereof "nine".

(2) Section 101(b) of such Act is amended (A) by striking out "for the fiscal year ending June 30, 1969" and inserting in lieu thereof "each for the fiscal year ending June 30, 1969, and for the succeeding fiscal year"; and (B) by striking out "1970 and the succeeding fiscal year" and inserting in lieu thereof "1971 and the two succeeding fiscal years".

(3) Section 105(b) of such Act is amended (A) by striking out in the first sentence "two succeeding" and inserting in lieu thereof "three succeeding", and (B) by striking out "1970, and the succeeding fiscal year" and inserting in lieu thereof "1971, and the two succeeding fiscal years".

(b) Section 201 of such Act is amended (1) in the first sentence thereof by striking out "seven" and inserting in lieu thereof "nine", and (2) in the second sentence (A) by striking out "1968, and for the succeeding fiscal year" and inserting in lieu thereof "1968, and for each of the two succeeding fiscal years", and (B) striking out "1970, and the succeeding fiscal year" and inserting in lieu thereof "1971, and the two succeeding fiscal years".

(c) Section 303(c) of such Act is amended (1) in the first sentence by striking out "seven" and insert in lieu thereof "nine",

and (2) in the second sentence (A) by striking out "1968, and for the succeeding fiscal year" and inserting in lieu thereof "1968, and for each of the two succeeding fiscal years" and (B) by striking out "1970, and the succeeding fiscal year" and inserting in lieu thereof "1971, and the two succeeding fiscal years".

BROADENING ELIGIBILITY FOR CONSTRUCTION GRANTS

SEC. 1102. (a) Effective with respect to fiscal years ending on or after June 30, 1969—

(1) Section 106 (1) and (2) of the Higher Education Facilities Act of 1963, as amended, is amended by inserting after "enrollment capacity" in each case the following: ", capacity to provide needed health care to students or personnel of the institution,".

(2) The second sentence of section 107(a) of such Act is amended by inserting before the period at the end thereof the following: "and expansion of the capacity to provide needed health care to students and institutional personnel".

(3) Section 108(b) of such Act is amended by striking out "and", at the end of paragraph (5), redesignating paragraph (6) as paragraph (7) and by inserting after paragraph (5) the following:

"(6) in the case of a project to construct an infirmary or other facility designed to provide primarily for outpatient care of students and institutional personnel, he determines no financial assistance will be provided such project under title IV of the Housing Act of 1950; and"

(4) Section 303(a) is amended by striking out "and" at the end of clause (2), and by inserting before the period the following: ", and (4) that, in the case of a project to construct an infirmary or other facility designed to provide primarily for outpatient care of students and institutional personnel, no financial assistance will be provided such project under title IV of the Housing Act of 1950".

(5) The first sentence of section 401(a) of such Act is amended by inserting before the period at the end thereof the following: "; and, for purposes of titles I and III, such term includes infirmaries or other facilities designed to provide primarily for outpatient care of students and institutional personnel".

(a) Effective with respect to the first fiscal year for which there is appropriated the full amount authorized for such year by section 101(b) of the Higher Education Facilities Act of 1963—

(1) Section 2 of such Act is amended by striking out "accommodate" and inserting in lieu thereof the following: "to expand and improve the facilities available for the education of".

(2) Section 106 of such Act is amended to read as follows:

"ELIGIBILITY FOR GRANTS

"SEC. 106. An institution of higher education shall be eligible for a grant for construction of academic facilities under this title only if the project is needed and will be efficiently utilized by the institution (1) to provide for increased student enrollments; or (2) to provide a needed expansion of extension, continuing education, or community service programs of the institution; or (3) to remedy existing or developing deficiencies in the instructional, extension, research, student counseling or student health programs of the institution; or (4) to provide administrative, maintenance, storage, or utility services necessary for the continued operation or expansion of the institution; or (5) for a combination of such purposes."

ANNUAL INTEREST GRANTS

SEC. 1103. (a) Title III of the Higher Education Facilities Act of 1963 is amended by adding at the end thereof the following new section:

"ANNUAL INTEREST GRANTS

"SEC. 306. (a) To assist institutions of higher education and higher education building agencies to reduce the cost of borrowing from other sources for the construction of academic facilities, the Commissioner may make annual interest grants to such institutions and agencies.

"(b) Annual interest grants to an institution of higher education or higher education building agency with respect to any academic facility shall be made over a fiscal period not exceeding forty years, and provision for such grants shall be embodied in a contract guaranteeing their payment over such period. Even such grant shall be in an amount not greater than the difference between (1) the average annual debt service which would be required to be paid, during the life of the loan, on the amount borrowed from other sources for the construction of such facilities, and (2) the average annual debt service which the institution would have been required to pay, during the life of the loan, with respect to such amounts if the applicable interest rate were the maximum rate specified in section 303(b): *Provided*, That the amount on which such grant is based shall be approved by the Secretary.

"(c)(1) There are hereby authorized to be appropriated to the Commissioner such sums as may be necessary for the payment of annual interest grants to institutions of higher education and higher education building agencies in accordance with this section.

"(2) Contracts for annual interest grants under this section shall not be entered into in an aggregate amount greater than is authorized in appropriation Acts; and in any event the total amount of annual interest grants which may be paid to institutions of higher education and higher education building agencies in any year pursuant to contracts entered into under this section shall not exceed $10,000,000, which amount shall be increased by $10,000,000 on July 1, 1970.

"(d) No annual interest grant pursuant to this section shall be made unless the Commissioner finds (1) that not less than one-fourth of the development cost of the facility will be financed from non-Federal sources, (2) that the applicant is unable to secure a loan in the amount of the loan with respect to which the annual interest grant is to be made, from other sources upon terms and conditions equally as favorable as the terms and conditions applicable to loans under this title, and (3) that the construction will be undertaken in an economical manner and that it will not be of elaborate or extravagant design or materials. A loan with respect to which an interest grant is made under this section shall not be considered financing from a non-Federal source."

EXTENDING AUTHORIZATION FOR HIGHER EDUCATION FACILITIES CONSTRUCTION ASSISTANCE IN MAJOR DISASTER AREAS

SEC. 1104. Section 408(a) of the Higher Education Facilities Act of 1963 is amended by striking out "July 1, 1967," and inserting in lieu thereof "July 1, 1969,".

INCREASING FEDERAL SHARE

SEC. 1105. (a) Sections 107(b) and 401(d) of the Higher Education Facilities Act of 1963 are each amended (1) by striking out "33⅓ per centum" and inserting in lieu thereof "50 per centum" and (2) by striking out "40 per centum" and inserting in lieu thereof "50 per centum".

(b) Section 202(b) of such Act is amended by striking out "33⅓ per centum" and inserting in lieu thereof "50 per centum".

MINIMUM TITLE I ALLOTMENTS TO STATES AND TERRITORIES

SEC. 1106. (a) Title I of the Higher Education Facilities Act of 1963 is amended by inserting after the second sentence of section 103 and after the first sentence of section 104 the following: "The amount allotted to any State under the preceding sentence for any fiscal year which is less than $50,000 shall be increased to $50,000, the total of increases thereby required being derived by proportionately reducing the amount allotted to each of the remaining States under the preceding sentence, but with such adjustments as may be necessary to prevent the allotment of any such remaining States from being thereby reduced to less than $50,000."

(b) The amendments made by this section shall apply with respect to fiscal years ending on or after June 30, 1969.

TITLE XII—EDUCATION FOR THE PUBLIC SERVICE

TITLE

SEC. 1201. This title may be cited as the "Education for the Public Service Act".

PURPOSE

SEC. 1202. It is the purpose of this title to establish a program of grants and fellowships to improve the education of students attending institutions of higher education in preparation for entrance into the service of State, local, or Federal governments, and to attract such students to the public service.

PART A—GRANTS AND CONTRACTS TO STRENGTHEN AND IMPROVE EDUCATION FOR THE PUBLIC SERVICE

PROJECT GRANTS AND CONTRACTS

SEC. 1203. The Secretary of Health, Education, and Welfare (hereafter in this title referred to as the "Secretary") is authorized to make grants to or contracts with institutions of higher education, or combinations of such institutions, to assist them in planning, developing, strengthening, improving, or carrying out programs or projects (1) for the preparation of graduate or professional students to enter the public service or (2) for research into, or development or demonstration of, improved methods of education for the public service. Such grants or contracts may include payment of all or part of the cost of programs or projects for—

(A) planning for the development or expansion of graduate or professional programs to prepare students to enter the public service;

(B) training and retraining of faculty members;

(C) strengthening the public service aspects of courses or curriculums leading to a graduate or professional degree;

(D) conduct of short-term or regular session institutes for advanced study by persons engaged in, or preparing to engage in the preparation of students to enter the public service; and

(E) research into, and development of, methods of training students or faculty, including the preparation of teaching materials and the planning of curriculum.

The Secretary may also make grants to other public or private nonprofit agencies and organizations, including professional and scholarly associations, or contracts with public or private agencies or organizations, to carry out the purposes of this section when such grants or contracts will make an especially significant contribution to attaining the objectives of this section.

APPLICATION FOR GRANT OR CONTRACT; ALLOCATION OF GRANTS OR CONTRACTS

SEC. 1204. (a) A grant or contract authorized by this part may be made only upon application to the Secretary at such time or times and containing such information as he may prescribe, except that no such application shall be approved unless it—

(1) sets forth programs, activities, research, or development for which a grant is authorized under this part, and describes the relation thereof to any program set forth by the

applicant in an application, if any, submitted pursuant to part B;

(2) provides for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant under this section; and

(3) provides for making such reports, in such form and containing such information, as the Secretary may require to carry out his functions under this section, and for keeping such records and for affording such access thereto as the Secretary may find necessary to assure the correctness and verification of such reports.

(b) The Secretary shall allocate grants or contracts under this part in such manner as will most nearly provide an equitable distribution of the grants or contracts throughout the United States among institutions of higher education which show promise of being able to use funds effectively for the purposes of this part, except that to the extent he deems proper in the national interest the Secretary may give preference to programs designed to meet an urgent national need.

(c)(1) Payments under this section may be used, in accordance with regulations of the Secretary, and subject to the terms and conditions set forth in an application approved under subsection (a), to pay part of the compensation of students employed in public service, other than public service as an employee in any branch of the Government of the United States, as part of a program for which a grant has been approved pursuant to this section.

(2) Departments and agencies of the United States are encouraged, to the extent consistent with efficient administration, to enter into arrangements with institutions of higher education for the full-time, part-time, or temporary employment, whether in the competitive or excepted service, of students enrolled in programs set forth in applications approved under subsection (a).

PART B—PUBLIC SERVICE FELLOWSHIPS

AWARD OF PUBLIC SERVICE FELLOWSHIPS

SEC. 1211. The Secretary is authorized to award fellowships in accordance with the provisions of this part for graduate or professional study for persons who plan to pursue a career in public service. Such fellowships shall be awarded for such periods as the Secretary may determine but not to exceed three academic years.

ALLOCATION OF FELLOWSHIPS

SEC. 1212. The Secretary shall allocate fellowships under this part among institutions of higher education with programs approved under the provisions of this part for the use of individuals accepted into such programs, in such manner and according to such plan as will insofar as practicable—

(1) provide an equitable distribution of such fellowships throughout the United States, except that to the extent he deems proper in the national interest the Secretary may give preference to programs designed to meet an urgent national need; and

(2) attract recent college graduates to pursue a carrer in public service.

APPROVAL OF PROGRAMS

SEC. 1213. The Secretary shall approve a graduate or professional program of an institution of higher education only upon application by the institution and only upon his findings—

(1) that such program has as a principal or significant objective the education of persons for the public service, or the education of persons in a profession or vocation for whose practitioners there is a significant and continuing need in the public service as determined by the Secretary after such consultation with other agencies as may be appropriate;

(2) that such program is in effect and of high quality, or can readily be put into effect and may reasonably be expected to be of high quality;

(3) that the application describes the relation of such program to any program, activity, research, or development set forth by the applicant in an application, if any, submitted pursuant to part A; and

(4) that the application contains satisfactory assurance that (A) the institution will recommend to the Secretary, for the award of fellowships under this part, for study in such program, only persons of superior promise who have demonstrated to the satisfaction of the institution a serious intent to enter the public service upon completing the program, and (B) the institution will make reasonable continuing efforts to encourage recipients of fellowships under this part, enrolled in such program, to enter the public service upon completing the program.

STIPENDS

SEC. 1214. (a) The Secretary shall pay to persons awarded fellowships under this part such stipends (including such allowances for subsistence and other expenses for such persons and their dependents) as he may determine to be consistent with prevailing practices under comparable federally supported programs.

(b) The Secretary shall (in addition to the stipends paid to persons under subsection (a)) pay to the institution of higher education at which such person is pursuing his course of study such amount as the Commissioner may determine to be consistent with prevailing practices under comparable federally supported programs.

FELLOWSHIP CONDITIONS

SEC. 1215. A person awarded a fellowship under the provisions of this part shall continue to receive the payments provided in this part only during such periods as the Secretary finds that he is maintaining satisfactory proficiency and devoting full time to study or research in the field in which such fellowship was awarded in an institution of higher education, and is not engaging in gainful employment other than employments approved by the Secretary by or pursuant to regulation.

PART C—GENERAL PROVISIONS

DEFINITIONS

SEC. 1221. As used in this title—

(a) The term "State" means a State, Puerto Rico, the District of Columbia, the Canal Zone, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(b) The term "institution of higher education" means an educational institution in any State exclusive of an institution of any agency of the United States, which (1) admits as regular students only persons having a certificate of graduation from a school providing secondary education, or the recognized equivalent of such certificate, (2) is legally authorized within such State to provide a program of education beyond secondary education, (3) provides an educational program for which it awards a bachelor's degree or provides not less than a two-year program which is acceptable for full credit toward such a degree, (4) is a public or other nonprofit institution, and (5) is accredited by a nationally recognized accrediting agency or association approved by the Secretary for this purpose. For purposes of this subsection, the Secretary shall publish a list of nationally recognized accrediting agencies or associations which he determines to be reliable authority as to the quality of training offered.

(c) The term "public service" means service as an officer or employee in any branch of State, local, or Federal Government.

(d) The term "academic year" means an academic year or its equivalent, as determined by the Secretary.

(e) The term "nonprofit" as applied to an institution, agency, or organization, means an institution, agency, or organization owned and operated by one or more corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

COORDINATION OF FEDERAL ASSISTANCE

SEC. 1222. In administering this title, the Secretary shall give primary emphasis to the assistance of programs and activities not otherwise assisted by the Department of Health, Education, and Welfare, or by other agencies of the Federal Government, so as to promote most effectively the title's objectives.

METHOD OF PAYMENT

SEC. 1223. Payments under this title may be made in installments, and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

LIMITATION

SEC. 1224. No grant, contract, or fellowship shall be awarded under this title to, or for study at, a school or department of divinity. For the purposes of this section, the term "school or department of divinity" means an institution or department or branch of an institution whose program is specifically for the education of students to prepare them to become ministers of religion or to enter upon some other religious vocation or to prepare them to teach theological subjects.

UTILIZATION OF OTHER AGENCIES

SEC. 1225. In administering the provisions of this title, the Secretary is authorized to utilize the services and facilities of any agency of the Federal Government and of any other public or nonprofit agency or institution, on a reimbursable basis or otherwise in accordance with agreements between the Secretary and the head thereof.

FEDERAL CONTROL OF EDUCATION PROHIBITED

SEC. 1226. Nothing contained in this title shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any educational institution, or the selection of library resources by an educational institution, or over the content of any material developed or published under any program assisted pursuant to this title.

REPORT

SEC. 1227. The Secretary shall include in his annual report to the Congress, a report of activities of his Department under this title, including recommendations for needed revisions in the provisions thereof.

AUTHORIZATION OF APPROPRIATIONS

SEC. 1228. There are authorized to be appropriated $500,000 for the fiscal year ending June 30, 1969, and $15,000,000 for the fiscal year ending June 30, 1970, to carry out the purposes of this title. For the fiscal year ending June 30, 1971, and each of the two succeeding fiscal years, there may be appropriated to carry out the purposes of this title, only such sums as the Congress may hereafter authorize by law. Funds appropriated for the fiscal year ending June 30, 1969, shall be available for obligation pursuant to the provisions of this title during that year and the succeeding fiscal year.

TITLE XIII—MISCELLANEOUS

AGE QUOTAS IN YOUTH WORK AND TRAINING PROGRAMS

SEC. 1301. Section 124 of the Economic Opportunity Act of 1964 is amended by adding at the end thereof the following:

"(f) In the case of a program under section 123(a)(1), the Director shall not limit the number or percentage of the participants in the program who are fourteen or fifteen years of age."

ELIGIBILITY FOR STUDENT ASSISTANCE

SEC. 1302. (a) (1) If an institution of higher education determines, after affording notice and opportunity for hearing to an individual attending, or employed by, such institution, that such individual has, after the date of enactment of this Act, willfully refused to obey a lawful regulation or order of such institution and that such refusal was of a serious nature and contributed to the disruption of the administration of such institution, then the institution shall deny any further payment to, or for the benefit of, such individual under any of the following programs:

(A) The student loan program under title II of the National Defense Education Act of 1958.

(B) The educational opportunity grant program under part A of title IV of the Higher Education Act of 1965.

(C) The student loan insurance program under part B of title IV of the Higher Education Act of 1965.

(D) The college work-study program under part C of title IV of the Higher Education Act of 1965.

(E) Any fellowship program carried on under title II, III, or V of the Higher Education Act of 1965 or title IV or V, of the National Defense Education Act of 1958.

(2) Nothing in this subsection shall be construed to limit the freedom of any student to verbal expression for individual views or opinions.

(b) No loan, guarantee of a loan or grant under a program authorized or extended by this Act shall be awarded to any applicant within three years after he has been convicted by any court of record of any crime which was committed after the date of enactment of this Act, and which involved the use of (or assistance to others in the use of) force, trespass or the seizure of property under control of an institution of higher education to prevent officials or students at such an institution from engaging in their duties or pursuing their studies, by an institution or person having knowledge of such conviction.

SEC. 1303. No standard, rule, regulation, or requirement of general applicability prescribed for the administration of this Act or any Act amended by this Act may take effect (1) until 30 days after it is published in the Federal Register, and (2) unless interested persons are given an opportunity to participate in the formulation of such standard, rule, regulation, or requirement through the submission of views or arguments.

Mr. BYRD of West Virginia. Mr. President, I move that the Senate disagree to the House amendment, agree to the conference requested by the House, and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. MORSE, Mr. YARBOROUGH, Mr. CLARK, Mr. RANDOLPH, Mr. WILLIAMS of New Jersey, Mr. NELSON, Mr. PROUTY, Mr. JAVITS, Mr. DOMINICK, and Mr. MURPHY conferees on the part of the Senate.

WHOLESOME POULTRY PRODUCTS ACT

The Senate resumed the consideration of the bill (S. 2932) to clarify and otherwise amend the Poultry Products Inspection Act, to provide for cooperation with appropriate State agencies with respect to State poultry products inspection programs, and for other purposes.

Mr. HOLLAND. Mr. President, as a preface to what I am about to say, I want to make it very clear that the Senator from Florida has a very great interest in the Wholesome Meat Act. It was part of my responsibility last year to serve as chairman of the conference between the Senate and the House on that particular bill, and it was a long conference and a controversial one. I will let the RECORD of last year speak for itself as to what the Senator from New Mexico and the Senator from Minnesota both said at the time of the presentation of the conference report about what they regarded as the quality of the service rendered by the senior Senator from Florida in connection with that conference.

Both of them said, substantially, that the conference would not have been successful without some help from the Senator from Florida, and they went a great deal further in their statements. So I have a substantial interest in the maintenance of the Wholesome Meat Act.

Mr. MONTOYA. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. MONTOYA. I would like to restate here and now the great contribution the Senator from Florida made in trying to iron out the differences between both Houses on the Red Meat Inspection Act. I want to say today that the distinguished senior Senator from Florida has certainly been a great contributor to the particular legislation that is now before the Senate.

As I stated previously, while we disagree on his amendment, I do not mean, by any means, to impugn his motives or to detract from his earnest desires to protect the consumers of this country.

Mr. HOLLAND. I thank my distinguished friend for his very gracious statement.

Mr. President, I want the record, first, to show that this matter of cooperative inspection between the Federal Government and the State governments is not new. The great majority of the food products which move into interstate commerce are not inspected by Federal inspectors. I am referring now particularly to fruit products and vegetable products. The Senator from Florida knows something about what he is speaking of, because he introduced in the Florida State Senate measures which provided higher standards of contents for Florida citrus than those required by the Federal law and regulation, and he knows that for a period of years, the Federal Inspection Service and the U.S. Department of Agriculture have been glad to accept and approve the production passed by the Florida Inspection Service in that very large field.

I understand the same thing is true with respect to the inspection of citrus fruits in California, under their State system; and I understand, also, from a direct statement made to me a few days ago by Mr. Leonard, the head of the division which enforces Federal inspection, that the same is true as to most fruits and vegetables—highly perishable crops—which move in interstate commerce, with perfect acceptance by the Federal Inspection Service and by customers and the trade in far distant States.

Mr. President, there is no reason for any Senator to try to make it appear that this is something new, because it is not. It has been the customary procedure for many years as to many edible products, and particularly many perishable edible products.

My second point, Mr. President, is this: We have been moving, in Congress, toward an extension of that cooperative practice between the Federal Government and the States. Several years ago the Congress passed the so-called Aiken-Talmadge bill, which encourages the Department of Agriculture to build up cooperative inspection services with the various States. There is no hint on the part of anyone who introduced or supported that legislation that we are trying to cut down the quality of the products that are handled under State inspection. On the contrary, we are simply trying to recognize the facts, and the facts are that in many cases, the State standards are superior to the Federal standards generally imposed by Federal regulation, but under Federal law giving authority to the Department of Agriculture to make regulations.

Mr. President, last year when we had before us the Wholesome Meat Act, every emphasis was placed upon the creation of a cooperative inspection service. The testimony in the RECORD will show that. The conflict between the bill introduced by the Senator from New Mexico and the bill introduced by other Senators who wanted this whole field put under exclusive Federal handling will show that. The arguments on the floor will show that. The arguments in conference will show that, and the contents of the bill finally passed will show that. We were trying to set up a cooperative State-Federal system of inspection services, and to greatly improve the standard of inspection of the red meats which were covered by that bill, not only in interstate commerce, but in many States where, as the Senator from New Mexico has correctly stated, there were no inspection services, or no adequate inspection services.

The emphasis was on cooperation and a cooperative service. But there was not included anything specifically saying that, after full acceptance of the State laws and standards and State enforcement by the Federal Government those products could move freely in interstate commerce. There was indication of it, because in that bill it was stated that up to 50 percent of the cost of the inspection may be met by the Federal Government. Mr. President, what possible sense would there be in saddling on the Federal Government 50 percent of the cost, unless we were trying to avoid duplication and trying to bring about a condition under which State-inspected meats, under certain requirements already approved by the Department of Agriculture, and constantly checked—because the Secretary would have supervising inspectors in those States at all times—could move in interstate commerce?

So, Mr. President, the question came up, shortly after the adoption of the bill, is it the intention of the Department to make this, in full, by the terms of the bill, a cooperative inspection service? The State secretaries of agriculture in

in the 50 States were greatly concerned over that question, because many of the States had inspection setups for meats, and all of them—or at least most of them—have inspection services for the products which they particularly produce and ship. So this became a dialog, beginning last December when the Wholesome Meat Act became operative, between the trade and the U.S. Department of Agriculture.

Mr. President, I have already read it into the RECORD, but for the purpose of having it included at this point, I wish to read once more, because I think it is important, the official statement made by the head of the Inspection Division of the Department of Agriculture, attending the convention, in February of this year, of the independent meatpackers of the Nation. We are talking now about red meats, and not about poultry.

The question asked of Mr. Leonard was:

Is it the intention of the administration to seek an amendment to the Wholesome Meat Act to allow State-inspected establishments operating under a State system which has met the requirements of "at least equal to" under title III of the Wholesome Meat Act to engage in interstate commerce?

His answer was:

Yes, it is the intention of the Department of Agriculture to transmit the draft amendment to the Congress for passage this year.

Mr. President, I do not care how much cavilling we have about the matter, this official pronouncement of the Department of Agriculture speaks for itself, and it was made in February of this year.

Later, Mr. President, there was correspondence between the president of the National Association of State Departments of Agriculture and the U.S. Secretary of Agriculture on this question. I have in my hand, and shall offer for the RECORD, a letter signed by Orville L. Freeman, on the stationery of the Department of Agriculture, dated March 4 of this year, addressed to Hon. Stanley T. Trenhaile, president of the National Association of State Departments of Agriculture, at Boise, Idaho. I understand that Mr. Trenhaile, whom I do not know personally, is the Commissioner of Agriculture of the State of Idaho.

The letter speaks for itself, and I ask unanimous consent that it be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
Washington, D.C., March 4, 1968.

Hon. STANLEY T. TRENHAILE,
President, National Association of State Departments of Agriculture, Boise, Idaho

DEAR STAN: President Johnson has asked us to reply to your letter of February 6, 1968, concerning the resolution of the Board of Directors of the National Association of State Departments of Agriculture that was submitted to him.

We appreciated receiving your resolution on meat inspection and are always glad to have the benefit of the ideas and thoughts of the National Association of State Departments of Agriculture. We hope you will continue to contribute the results of your thinking to us.

Enclosed for your information is a copy of the Meat Inspection Notice that provides for the temporary handling of State inspected products in federally inspected plants. This action should alleviate much of the problem until cooperative agreements can be accomplished between Federal and State programs.

The resolution also supported an amendment to the Wholesome Meat Act which would allow State inspected products to move interstate when the law's requirement of "at least equal to" Federal standards is met by the State program. The Department of Agriculture poses no objections to such an amendment.

The Wholesome Meat Act really has but one goal—to assure every American consumer that all of the meat they purchase is healthful and wholesome. I am confident we can accomplish that goal by working together within the framework laid down by the Act.

Sincerely yours,

ORVILLE L. FREEMAN.

Mr. HOLLAND. Mr. President, I want to read specifically, though, for the RECORD one sentence out of the letter which relates to the same subject Mr. Leonard's statement in February covered.

The paragraph reads:

The resolution also supported an amendment to the Wholesome Meat Act which would allow State inspected products to move interstate when the law's requirement of "at least equal to" Federal standards is met by the State program. The Department of Agriculture poses no objection to such an amendment.

Mr. President, while Mr. Leonard was speaking for the Department, this statement is from the head of the Department, the Secretary of Agriculture. And it is a followup on the important dialog that was taking place between the Commissioners of Agriculture of the 50 States and the Department of Agriculture as to why when a State had been found to have a law at least equal to the Federal law and to have enforcement at least equal to the Federal enforcement—and I want to point out that such finding could be made by the Secretary of Agriculture himself and no other—products inspected under that State system ought not to have the right to move in interstate commerce.

Mr. President, it is very clear that the Department was committed to such an approach. They had a similar commitment with respect to the poultry bill. I want to make it very clear that they lived up to that commitment, because when they sent to the House of Representatives and to the Senate the legislation prepared by them to cover the poultry inspection field, they prepared legislation including a provision, not identical with, but substantially the same—there is no material difference at all—to the amendments offered by the Senator from Florida which are now sought to be stricken by the motion of the Senator from New Mexico. In effect, Mr. President, the Senator is seeking to strike his own amendment, because the amendment in substance was in the bill which he introduced in company with the Senator from Louisiana, the chairman of our committee, such bill having been an administration bill.

Mr. President, the State commissioners of agriculture asked the Senator from Florida if he would care to introduce the amendment when it was found that the Senate subcommittee, due to pressure brought by such persons as Miss Furness and Mr. Nader—and they have both been referred to by the opponents of the amendment—had omitted the Department's original provision from the bill reported to the full committee.

I did not proceed in any idle manner. I first asked them what had been the attitude and what was the attitude of the Department of Agriculture. They sent me the copy of the letter from the Secretary to Mr. Trenhaile, which I have just had printed in the RECORD, showing that in March of this year the Secretary had advised the organization of the commissioners of agriculture of the 50 States by this letter, addressed to their chairman, that they would not object to such bill.

They also sent me this transcript of what had happened at the meeting of the Independent Meat Packers, and showing what Mr. Leonard had had to say about the bill.

Mr. President, I had considerable knowledge of this subject already, having served, as I have already said, as chairman of the conference committee last year, and with results that were not unsatisfactory, to say the least, to the Senator from New Mexico, the Senator from Minnesota, and others.

I knew that what was being attempted was the setting up of a cooperative service, and that is made particularly clear when we note the bill we passed last year and the poultry bill likewise provided that the Federal Government shall contribute to the support of the inspection service when the States have perfected their inspection service, and may contribute up to 50 percent of the total.

On this very question of participation, that matter came up at the conference of the Independent Meat Packers. The question was asked of Mr. Leonard in the following words:

The Wholesale Meat Act states that the amount of Federal funds to be used in a cost-sharing program "shall not exceed 50 percent of the estimated total cost of the cooperative program." Is the Federal Government prepared to pay the full 50 percent of this or does the phrase "shall not exceed 50 percent" bear some significance?

The answer of Mr. Leonard is:

The Federal Government is prepared to financially participate in the State program on a 50–50, equal basis.

Mr. President, as chairman of the Agricultural subcommittee which handles appropriations, I have been able to see what this means. Already this year, they have asked for very substantial increases of their appropriations for the payment of the costs of inspection and have justified it by saying that they have several States moving in the direction of complete cooperation and that they will be able to bring them under the cooperative service as supplying service at least equal to Federal inspection in the near future.

The subcommittee which I had the honor to head recommended a substantial increase of the appropriations for that reason.

The amendment which has been referred to repeatedly as the Holland amendment—and I am very happy to have it so referred to—does not happen to be the Holland amendment at all. It came to me from the secretaries of agriculture of the 50 States in the Union, although I sent it to the legislative counsel, and had them check it over. And they made very minor changes. However, it came to me from them. And it came to the Senate originally when the bill was introduced this year, as to the poultry inspection service, in the form of an administration recommendation.

Mr. President, I am not going to argue about it. We can call it the Holland amendment. We can call it the amendment of the States, offered by the State commissioners of agriculture. We can call it the Department of Agriculture amendment. But the point I make is that this has not come out of the thin air. The report in the Washington Post of last week made it appear that it just came out of the thin air. It said it was a surprise amendment. To the contrary, the amendment had been in the bill originally considered by the subcommittee. It had been supported by a statement from Mr. Trenhaile, president of the National Association of State Commissioners of Agriculture.

That statement appears in the printed record of the committee hearings. And beyond that, I asked the distinguished chairman of our committee to get the present attitude of the Secretary of Agriculture before moving the adoption of the amendment. And that present attitude was given to us on April 28 through a letter signed by Rodney E. Leonard, Administrator of the Consumer and Marketing Service, USDA, addressed to our distinguished chairman, the Honorable ALLEN J. ELLENDER.

That letter has been talked about considerably in the debate already.

Mr. President, I ask unanimous consent that the letter be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF AGRICULTURE,
CONSUMER AND MARKETING SERVICE,
Washington, D.C., April 18, 1968.

HON. ALLEN J. ELLENDER,
Chairman, Committee on Agriculture and Forestry, U.S. Senate.

DEAR MR. CHAIRMAN: Mr. Harker Stanton asked us to express the Department's views on Senator Holland's proposed amendment to S. 2932, "To clarify and otherwise amend the Poultry Products Inspection Act to provide for cooperation with appropriate State agencies with respect to State poultry inspection programs, and for other purposes."

Mr. Holland's proposal would amend the Federal Meat Inspection Act to provide the basis for State inspected meats to move in interstate commerce when the State inspection system is equal to the Federal program.

We believe this proposal is a reasonable and logical approach to meaningful Federal-State accomplishments of the responsibility to provide all consumers with a wholesome meat supply. However, it must be recognized that at this point in time, there exists a substantial "body" of negative confidence toward taking this direction.

We feel the first goal should involve demonstrating the development of meaningful programs under both the Meat and Poultry Products Inspection Acts before proceeding further. We intend to support such an amendment when we are in a position to demonstrate State programs are, in fact, functioning as provided for by the Wholesome Meat Act.

Sincerely yours,

RODNEY E. LEONARD,
Administrator.

Mr. HOLLAND. And that happens to be the case, because he has no background of special information in this field at all.

The addition we made to the inspection figures to assist in the enforcement of the Wholesome Meat Act was $21,134,000. I thank the Senator from Louisiana for procuring those figures for me. I believe that in one House $17 million was granted and in another House a sizeably greater amount, and the conference report states the final amount granted.

Mr. President (Mr. JORDAN of North Carolina in the chair), even in this great country, which so many people think is going bankrupt, the appropriation of an extra $21 million to a wholesome cooperative cause is not meaningless. It means something. My own feeling is that that meaning is not fully accomplished unless the bills themselves state quite clearly that what we are trying to do is to build the cooperative system so that when that cooperative system exists, as declared by the Secretary of Agriculture—and he is the only one who can so declare—during such time as he says it continues to exist, under which the State program is at least equal to or better than the Federal program, the 50–50 contribution shall be made.

I should like to say many other things at this time, but I shall not weary the Members of the Senate—there are five of us present, including the Presiding Officer—to listen to the able arguments of the Senator from New Mexico and the Senator from Minnesota and the arguments—whatever they may be—of the Senator from Florida.

I invite attention to the fact that, just as in the Senate there was not complete agreement as to the elimination of this administration proposal, which they now call the Holland amendment—though the Senate Committee on Agriculture and Forestry voted 10 to two for the inclusion of that provision—so in the House there was objection to the elimination of this proposal.

I note such an expression in the additional views of Honorable Catherine May, from the State of Washington, which is included in the report of the committee that handled this matter in the House of Representatives. It is report No. 1333. Mrs. May is a housewife and has always been noted for her attempt to protect the housewives of the Nation and the consumers of the Nation, and I believe it is quite important to note that she happens to be the only member of that House committee who occupies such a favorable position. This is what she said:

The legislation as originally proposed by the administration and supported by the National Association of State Departments of Agriculture contained a provision (sec. 5(c)5 of H.R. 15146) permitting poultry processed under State inspection systems which are at least equal to the Federal program to be shipped in interstate commerce with a combined State-Federal legend.—

In other words, the inspection would have to show that here is a product of a combined cooperative system—let us say, United States-Florida, United States-New Mexico, United States-Louisiana—

It is unfortunate that the majority of the committee saw fit to delete this provision.

In my view, this was a logical and sound provision, consistent with the intent of the legislation, and should have been retained in the final version of the bill approved by the committee. If the States are to be required to develop programs at least equal to the Federal program and plants selling only in intrastate commerce are to be required to meet standards equal to those provided in Federal law, then there appears to be no valid reason why the poultry inspected under those State programs should not be permitted to be shipped in interstate commerce, as well. If this legislation is enacted and effectively administered as presently written, there can be no qualitative difference between State poultry inspection programs and the Federal programs, so there could be no possible difference between the wholesomeness of poultry inspected under those State programs and poultry inspected by Federal inspectors.

Mr. President, I wish to pay my respects to Mrs. MAY. As already stated, I was chairman of that committee. She was a member of the conference. She was a very able and helpful member of the conference. I say now, in the presence of the distinguished Senator from New Mexico, that there were votes and times in that conference when, if her vote had been against the Wholesome Meat Act, that act could not have come out of conference, because we had determined opposition to the passage of that act from several members of the conference, as the Senator will realize. The split at times was such that there was just one vote apart.

I bring out this fact simply to make it clear that people who were interested in the Wholesome Meat Act last year—and that certainly includes Mrs. MAY and myself—and who rendered some service toward the passage of that act, feel that the reasonable and logical approach to the making of the wholesome meat inspection service a bona fide cooperative State-Federal inspection service needs this additional wording, needs this additional amendment in the act.

I could put many other things in the RECORD. For example, the Commissioner of Agriculture of my State was completely mortified when the report of the inspection of the plants in Florida came out and it stated that they inspected a couple of plants and found them far from wholesome. Actually, they inspected 12 plants and found 10 plants up to anybody's standard, anywhere, at any time; and they found two plants they could not completely approve. I think that would be the case if there were an inspection of a large number of plants now having the Federal Inspection Service.

I am constantly receiving complaints from plants who are under Federal inspection as to the fact that some inspec-

tor has come in and demanded something which has not been demanded by earlier inspectors, and that they are about to be cut off from their Federal Inspection Service. I wanted to say that for the RECORD because we have a good inspection service. We must have a good inspection service. We entertain nearly 20 million visitors a year.

We have a decided responsibility and duty on our shoulders in our State to have a reasonable and a good inspection service.

I have already said that the Federal Government for many years before I came to the Senate 22 years ago has recognized and approved the Federal inspection service on citrus fruits. As a matter of fact, our service is under standards higher than Federal standards. I think our commissioner of agriculture had every right to complain. I want the RECORD to show he did complain and I want the RECORD to show he did not think the Department of Agriculture treated us fairly when, if one will read the report, they inspected only two plants. They did not use the word "only" but they did not comment that they had inspected 12 plants and gave complete approval to 10 plants and that it was only two plants in which they found something about which to complain.

Mr. Stanley I. Trenhaile is the president of the National Association of State Commissions of Agriculture and also the chairman of the National Advisory Commission for the Implementation of the Wholesome Meat Act. Under the provisions of that Act a national advisory commission was set up. I have a wire dated July 24 addressed to me from Mr. Trenhaile as chairman of the National Advisory Committee for the Implementation of the Wholesome Meat Act. I ask unanimous consent that the telegram from Mr. Trenhaile may be printed in the RECORD.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

WASHINGTON, D.C.

Hon. SPESSARD L. HOLLAND,
U.S. Senate,
Washington, D.C.:

The following telegram was sent this date to the Honorable Orville Freeman, Secretary of Agriculture:

"This is to reaffirm the recommendation emanating from the May 22 monthly meeting of your appointed 17-member National Meat Advisory Committee 'moved by Secretary Alampi, New Jersey seconded by Commissioner Conner, Florida, and carried that the full committee recommended to the Secretary of Agriculture through Rodney Leonard, Administrator, that legislation be proposed by the USDA that would permit the recognition of State plants and State meat inspected and duly certified by C and MS as having met all the requirements of the Wholesome Meat act be allowed free movement in interstate commerce'."

STANLEY I. TRENHAILE,
Chairman, National Advisory Committee for the implementaiton of the wholesome Meat Act.

Mr. HOLLAND. Mr. President, there is only one part of that telegram I wish to advert to, and that is that this 17-member committee of very distinguished agricultural experts was appointed by Mr. Freeman; and it calls his attention to the fact that they made this recommendation May 22 and that they reaffirm it now.

Mr. President, there has come to my desk a release memorandum dated July 25, 1968, from John A. Killick, executive secretary of the Washington-based National Independent Meat Packers Association. I wish to call to the attention of the Senate one partciular part of the release which states:

John A. Killick, Executive Secretary of the Washington-based National Independent Meat Packers Association, has given the Association's full support and backing to Sen. Spessard Holland (D-Fla.), sponsor of the amendment, in obtaining the right for state-inspected meat packers, operating in states which have been certified by the U.S. Department of Agriculture as having meat inspection systems "equal to" the Federal program, to sell their products across state lines. The Holland amendment to the poultry bill (H.R. 16363), now awaiting full Senate action, is applicable to red meats as well as poultry.

Mr. President, I ask unanimous consent to have the entire release printed in the RECORD at this point.

There being no objection, the release was ordered to be printed in the RECORD, as follows:

PACKER OFFICIAL OPPOSES DOUBLE INSPECTION STANDARD

WASHINGTON, D.C.—A meat packing industry spokesman has labeled Betty Furness' opposition to a poultry bill amendment which has received the endorsement of the Senate Agriculture Committee as "illogical, specious and discriminatory. . . ."

John A. Killick, Executive Secretary of the Washington-based National Independent Meat Packers Association, has given the Association's full support and backing to Sen. Spessard Holland (D-Fla.), sponsor of the amendment, in obtaining the right for state-inspected meat packers, operating in states which have been certified by the U.S. Department of Agriculture as having meat inspection systems "equal to" the Federal program, to sell their products across state lines. The Holland amendment to the poultry bill (H.R. 16363), now awaiting full Senate action, is applicable to red meats as well as poultry.

"Miss Furness' opposition shows an abysmal lack of confidence in the present Secretary of Agriculture, who would be responsible for determining the adequacy, effectiveness and equality of a state inspection program, to certify a state program as meeting Federal standards. To deny the interstate movement of product to a packer whose state has standards equal to the Federal is outright discrimination since the Federal system affords such an opportunity to packers under its jurisdiction," Killick charged. "USDA officials repeatedly have insisted that two levels of inspection cannot be tolerated, and will not be permitted, and logic—particularly under the conditions which will prevail on December 15, 1969—supports this position," he said.

Mr. HOLLAND. Mr. President, who is against this proposal? We have had two or three packers quoted; and we have had broiler ranchers quoted, who were scared to death by propaganda which has gone to them. Part of that propaganda has come to me. I have nothing further to say about it except that it is part of the doubletalk emanating from the Department of Agriculture.

I think Members of the Senate and the House of Representatives have the right to expect different treatment from the Department of Agriculture. As far as the Senator from Florida is concerned, he restates his position. He is going to be very cautious in approving recommendations made by the Department of Agriculture from this time forward. He thinks he has a right, as a friend of agriculture who has frequently gone to bat, both in the legislative committee so ably headed by the Senator from Louisiana, and in the Appropriations Subcommittee, which he has the honor himself to head, in an effort to get things he thought were right to be done and which were requested by the Secretary of Agriculture, even though the other body at the other end of the Capitol had not seen the matter that way. He is going to be very cautious from this time forward in following such recommendations.

Mr. President, I thank the large assemblage of Senators who have waited to hear my desultory remarks on this very important subject. I yield the floor.

Mr. MONTOYA. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. SPONG in the chair). The clerk will call call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT FROM MONDAY, JULY 29, TO TUESDAY, JULY 30, 1968, AT 10 A.M.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that when the Senate completes its business on Monday next, it adjourn until Tuesday at 10 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT UNTIL 11 A.M., MONDAY, JULY 29, 1968

Mr. BYRD of West Virgina. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate adjourn until 11 a.m., on Monday next.

The motion was agreed to; and (at 2 o'clock and 19 minutes p.m.) the Senate adjourned until Monday, July 29, 1968, at 11 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 27, 1968:

U.S. MARINE CORPS

Lt. Col. Haywood R. Smith, U.S. Marine Corps, for temporary appointment to the grade of colonel, to hold such grade while serving as Armed Forces aide to the President.

U.S. ARMY

The nominations beginning William C. Hunt, to be second lieutenant, and ending Robert L. Schmidt, to be second lieutenant, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on July 17, 1968.