SENATE—*Wednesday, September 23, 1970*

The Senate met at 10 a.m. and was called to order by the President pro tempore (Mr. RUSSELL).

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Almighty and everlasting God, who hast revealed Thy glory among the nations, grant that the vision of peace on earth and good will among men may never fade, however convulsive and violent the moment of history. May our determination to make peace a reality never fail. Grant that this Nation may now as always manifest the spiritual realities on which it is grounded and be a means of leading others to justice, friendship, and fraternity.

O merciful God, cast out all the evil things which cause wars and let Thy spirit rule the hearts of men in righteousness and love.

Through these difficult days give a higher wisdom, a transcendent judgment, and a righteous will to the President, to the Congress, and to all in positions of authority.

In the name of the Prince of Peace. Amen.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Leonard, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations received today, see the end of Senate proceedings.)

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Tuesday, September 22, 1970, be dispensed with.

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

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Committee on Foreign Relations, the Committee on Finance, the Subcommittee on Small Business of the Committee on Banking and Currency, the Committee on Rules and Administration, the Subcommittee on Roads of the Committee on Public Works, and the Committee on the Judiciary be authorized to meet during the session of the Senate today.

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

OBJECTION TO COMMITTEE MEETING

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Committee on Labor and Public Welfare be authorized to meet on national health insurance during the session of the Senate today.

Mr. SCOTT. Mr. President, I have heard objection on my side and must therefore, by request, reluctantly object.

The PRESIDENT pro tempore. Objection is heard.

CIVIL SERVICE RETIREMENT OF TEMPORARY EMPLOYEES IN THE POST OFFICE DEPARTMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1210, S. 2984.

The PRESIDENT pro tempore. The bill will be stated by title.

The legislative clerk read as follows: S. 2984, to permit certain service performed as a temporary employee of the field service of the Post Office Department to be counted toward civil service retirement.

The PRESIDENT pro tempore. 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 Post Office and Civil Service with an amendment to strike out all after the enacting clause and insert:

That section 115 of the Social Security Amendments of 1954 is hereby repealed.

SEC. 2. (a) The repeal of such section 115, made by the first section of this Act, shall not apply in the case of a person who, on the date of enactment of this Act, is receiving or is entitled to receive benefits under any retirement system established by the United States or any instrumentality thereof unless he requests, in writing, the office which administers his retirement system to apply it in his case.

(b) Any additional benefits payable pursuant to a request made under subsection (a) of this section shall commence on the first of the month following enactment of this Act.

The amendment was agreed to.

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

The title was amended so as to read: "A bill to permit certain Federal employment to be counted toward retirement."

AIRPORT POLICE FORCES

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1211, S. 3958.

The PRESIDENT pro tempore. The bill will be stated by title.

The legislative clerk read as follows: S. 3958, to adjust the pay of employees of the Federal Government, and for other purposes.

The PRESIDENT pro tempore. Is there objection of 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 Post Office and Civil Service with amendments, on page 1, line 8, after "(one year)", strike out "the initial rate for GS–7"; and insert "—the rate for GS–7, step 1"; and on page 2, at the beginning of line 9, strike out "thirty days" and insert "on or after the thirtieth day"; so as to make the bill read:

S. 3958

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the annual rates of basic pay of positions on the police forces of the Washington National and Dulles International Airports of the Federal Aviation Administration of the Department of Transportation shall be fixed in accordance with the following classifications:

(1) Private trainee (one year)—the rate for GS–7, step 1;

(2) Private—the rate for GS–7, step 5;

(3) Corporal—the rate for GS–8, step 5;

(4) Sergeant—the rate of GS–9, step 5;

(5) Lieutenant—the rate for GS–10, step 5;

(6) Captain—the rate for GS–11, step 5;

(7) Chief—the rate for GS–12, step 5;

SEC. 2. (a) Section 1 of this Act shall become effective at the beginning of the first pay period which commences on or after the thirtieth day after the day of enactment of this Act.

(b) No rate of basic pay shall be reduced by reason of the enactment of this Act.

The amendments were agreed to.

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

The title was amended so as to read: "A bill to adjust the pay of the police forces at Washington and Dulles Airports."

THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendars Nos. 1227 through 1231.

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

NATIONAL EMPLOY THE OLDER WORKER WEEK

The joint resolution (S.J. Res. 74) to provide for the designation of the first full calendar week in May of each year as "National Employ the Older Worker Week" was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating the first full calendar week in May of each year as "National Employ the Older Worker Week" and calling upon employer and employee organizations, other organizations officially concerned with employment, and upon all the people of the United States to observe such week with appropriate ceremonies, activities,

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and programs designed to increase employment opportunities for older workers and to bring about the elimination of discrimination in employment because of age.

The preamble was agreed to, as follows:

Whereas many older workers have difficulty finding and retaining employment despite their experience, stability, dependability, energy, and enthusiasm; and

Whereas failure of qualified older workers to find employment is unfortunate from the standpoint of the Nation in that there is a failure to take full advantage of their potentials for helping the Nation to reach its objectives; and there is an increased possibility that they and their dependents will need public assistance and a decreased possibility that they will pay taxes; and

Whereas the unemployability of qualified older workers not only impoverishes them in the present but can also reduce future retirement income due to inability to acquire social security quarters of coverage and credits under other retirement systems; and

Whereas unemployability of qualified older workers may adversely affect younger members of their families as well as themselves; and

Whereas Congress, in enacting the Age Discrimination in Employment Act of 1967 (Public Law 90–202), recognized the necessity of implementing the national policy of prohibiting age discrimination in employment with an active program of education and information concerning the advantages of employing older workers; and

Whereas the American Legion has, for approximately ten years, designated the first week in May of each year as "National Employ the Older Worker Week", which it celebrates by commending employers who have taken the leadership in employing older workers: Now, therefore, be it

NATIONAL EMPLOY THE PHYSICALLY HANDICAPPED WEEK

The joint resolution (S.J. Res. 110) to amend the joint resolution entitled "Joint resolution to establish the first week in October of each year as "National Employ the Physically Handicapped Week," approved August 11, 1954 (59 Stat. 530), so as to broaden the applicability of such resolution to all handicapped workers was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the first two sentences of the joint resolution entitled "Joint resolution to establish the first week in October of each year as National Employ the Physically Handicapped Week", approved August 11, 1945 (59 Stat. 530), are amended to read as follows: "That hereafter the first week in October of each year shall be designated as National Employ the Handicapped Week. During such week appropriate ceremonies shall be held throughout the Nation, the purposes of which will be to enlist public support for and interest in the employment of otherwise qualified but handicapped workers."

FATHER'S DAY

The joint resolution (S.J. Res. 187) to authorize the President to designate the third Sunday in June of each year as Father's Day was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S.J. RES. 187

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the third Sunday in June of each year is hereby designated as "Father's Day". The President is authorized and requested to issue a proclamation calling on the appropriate Government officials to display the flag of the United States on all Government buildings on such day, inviting the governments of the States and communities and the people of the United States to observe such day with appropriate ceremonies, and urging our people to offer public and private expressions of such day to the abiding love and gratitude which they bear for their fathers.

NATIONAL BLOOD DONOR MONTH

The joint resolution (S.J. Res. 223) to authorize and request the President to issue annually a proclamation designating the month of January of each year as "National Blood Donor Month" was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S.J. RES. 223

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That, in recognition of the vital contribution of the voluntary blood donor to medical care, the President is authorized and requested to issue annually a proclamation designating the month of January of each year as "National Blood Donor Month", and calling upon the people of the United States and interested groups and organizations to observe such month with appropriate ceremonies and activities.

NATIONAL MULTIPLE SCLEROSIS SOCIETY ANNUAL HOPE CHEST APPEAL WEEKS

The joint resolution (S.J. Res. 226) to authorize the President to proclaim the period from May 9, 1971, Mother's Day, through June 21, 1971, Father's Day, as the "National Multiple Sclerosis Society Annual Hope Chest Appeal Weeks" was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President of the United States is authorized and requested to issue a proclamation—

(1) designating the period from May 9, 1971, Mother's Day, through June 20, 1971, Father's Day, as "National Multiple Sclerosis Society Annual Hope Chest Appeal Weeks";

(2) inviting the Governors of the several States to issue proclamations for like purposes; and

(3) urging the people of the United States and educational, philanthropic, scientific, medical, and health care professions and organizations to provide the assistance and resources necessary to discover the cause and cure of multiple sclerosis and to alleviate the suffering of persons stricken by this disease.

The preamble was agreed to, as follows:

Whereas five hundred thousand Americans, stricken usually between the ages of twenty and forty years, are affected by the ravages of multiple sclerosis and related neurological diseases; and

Whereas two million members of American families are deeply concerned with the financial and emotional problems of this disease; and

Whereas multiple sclerosis predominantly strikes young fathers and mothers in their wage-earning and family-building years and reduces the buying power of such families; and

Whereas such reduction results in a $2,000,000,000 annual economic loss to the Nation and forces the removal of two out of every three disabled multiple sclerosis victims from the Nation's work force; and

Whereas multiple sclerosis remains a disease of unknown causes, unpredictable course, and undiscovered cure; and

Whereas the National Multiple Sclerosis Society, which is celebrating its twenty-fifth anniversary in 1971, has launched a five-year research development plan to explore as quickly as possible promising clues that may lead to methods which will prevent, or more effectively treat, multiple sclerosis: Now, therefore, be it

The title, as amended, was agreed to, as follows: "Joint resolution to authorize the President to proclaim the period from May 9, 1971, Mother's Day, through June 20, 1971, Father's Day, as the 'National Multiple Sclerosis Society Annual Hope Chest Appeal Weeks.'"

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

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business with statements therein limited to 3 minutes.

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

VACATING OF ORDER FOR RECOGNITION OF SENATOR KENNEDY TODAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the special order recognizing the distinguished senior Senator from Massachusetts (Mr. KENNEDY) for 15 minutes today be vacated.

The PRESIDENT pro tempore. Without objection, that order will be vacated.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT ON FINAL CONCLUSION OF CLAIMS OF CERTAIN INDIANS

A letter from the Chairman, Indian Claims Commission, Washington, D.C., reporting, pursuant to law, on the final conclusion of judicial proceedings in Docket No. 198–A, the Confederated Tribes of the Warm Springs Reservation of Oregon, plaintiff, against the United States of America, defendant (with an accompanying paper); to the Committee on Appropriations.

A letter from the Chairman, Indian Claims Commission, Washington, D.C., reporting, pursuant to law, on the final conclusion of proceedings with respect to the claims in Dockets Nos. 105, 106, 107 and 108, the Osage Nation, plaintiff, against the United States of America, defendant (with accompanying papers); to the Committee on Appropriations.

REPORTS OF COMPTROLLER GENERAL

A letter from the Comptroller General of the United States, transmitting, pursuant to

law, a report on need for improved administration of Federal support of shore facilities and vessels for research activities at Oceanographic institutions, National Science Foundation, Department of the Navy, dated September 23, 1970 (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on problems in developing the Atomic Energy Commission's Fast Flux Test Facility, dated September 23, 1970 (with an accompanying report); to the Committee on Government Operations.

REPORT OF THE JEWISH WAR VETERANS U.S.A. NATIONAL MEMORIAL INC.

A letter from the president, Jewish War Veterans U.S.A. National Memorial Inc., transmitting, pursuant to law, a report of the organization for the fiscal year ended March 31, 1970 (with an accompanying report); to the Committee on the Judiciary.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the PRESIDENT pro tempore:

Three joint resolutions of the Congress of Micronesia; to the Committee on Interior and Insular Affairs:

"HOUSE JOINT RESOLUTION No. 82, S.D. 1

"A House joint resolution urging the United States to consult with the Congress of Micronesia and the High Commissioner of the Trust Territory of the Pacific Islands prior to entering into treaties, enacting legislation or issuing administrative orders that would have any effect on the economy or the business interests of the people of Micronesia, or affect the legal interests of the people of Micronesia

"Whereas, on April 2, 1947, the United Nations Security Council by unanimous vote, and on July 18, 1947, the United States Senate did approve a Trusteeship Agreement between the United States and the United Nations regarding the administration of the islands, exclusive of Guam, known collectively as Micronesia; and

"Whereas, by the acceptance of this Agreement, the United States bound itself to act in accordance with the letter and spirit of the United Nations Charter, the International Trusteeship System, and the Trusteeship Agreement itself; and

"Whereas, the said Charter, System, and Agreement demanded of the United States, and of all other signees, certain obligations, which the United States did freely and of its own accord, take upon itself in regard to the islands of Micronesia, hereinafter referred to as the Trust Territory; and

"Whereas, under the Trusteeship Agreement the United States undertook to 'foster the development of such political institutions as are suited to the trust territory' and 'promote the development of the inhabitants of the trust territory toward self-government or independence,' according to the 'freely expressed wishes of the people concerned,' and, to these ends, to give the inhabitants a progressively increasing share in the administrative services of the Trust Territory, and to develop their participation in government; and

"Whereas, the United States released Japan under a treaty signed on April 18, 1969, of all liabilities to the residents of Micronesia for their claims, including debts, against Japan and its nationals in return for an *ex gratin* contribution of $5,000,000 in the form of products and services, when in fact no extensive preliminary public hearings were held in the Trust Territory to obtain reliable figures as to the total damage claims involved and the Congress of Micronesia was not consulted prior to the acceptance of this Agreement by the United States and Japan; and

"Whereas, pursuant to that Agreement, the United States accorded Japanese fishing vessels access to the ports of Truk and Palau for provisioning purposes without prior consultation with the Congress of Micronesia or the High Commissioner of the Trust Territory; and

"Whereas, pursuant to that Agreement, the United States further accorded the Government of Japan and its nationals the opportunity to salvage and freely dispose of ships sunk in the territorial waters of the Trust Territory which were of Japanese nationality at the time of sinking without consulting the Congress of Micronesia or the High Commissioner of the Trust Territory; and

"Whereas, Pan American World Airways is now seeking permission from the United States Civil Aeronautics Board to make a regular commercial stopover in Saipan, and yet neither the Congress of Micronesia nor the High Commissioner has been consulted by the United States; and

"Whereas, Japan Air Lines has reportedly received tentative approval from the United States to commence service between Tokyo and Saipan on January 1, 1971, and yet neither the Congress of Micronesia nor the High Commissioner of the Trust Territory has been consulted or even received notice of this tentative agreement; and

"Whereas, each of these recent actions will have a significant impact on the economy or the business interests of the people of Micronesia or will affect the legal rights of the people of Micronesia against the United States and other nations; now, therefore,

"Be it resolved by the House of Representatives of the Third Congress of Micronesia, Third Regular Session, 1970, the Senate concurring, that this Congress by means of this Joint Resolution and on behalf of the people of Micronesia respectfully urge the United States of America to refrain from entering into treaties with other nations, or enacting legislation, or issuing administrative orders pertaining to Micronesia that would have any effect on the economy or the business interests of the people of Micronesia or affect the legal rights of the people of Micronesia against the United States, Japan, or any other nation unless and until it has consulted fully with the Congress of Micronesia and the High Commissioner of the Trust Territory of the Pacific Islands; and

"Be it further resolved that certified copies of this Joint Resolution be transmitted to the President of the United States, the President of the Senate of the United States Congress, the Speaker of the House of Representatives of the United States Congress, the President of the Trusteeship Council of the United Nations, the Secretary of the Department of the Interior, and the High Commissioner of the Trust Territory of the Pacific Islands."

"HOUSE JOINT RESOLUTION No. 90, H.D. 1

"A House joint resolution declaring that the offer of Commonwealth status for Micronesia in the form that was presented to the Congress of Micronesia through its Political Status Delegation during discussions in May with representatives of the Executive Branch of the United States Government is not acceptable to the Congress of Micronesia

"Whereas, during discussions with the Political Status Delegation of the Congress of Micronesia in May, 1970, a United States Delegation headed by Assistant Secretary of the Interior Harrison Loesch, representing the Executive Branch of the United States Government, submitted an offer of Commonwealth status for Micronesia to the Congress of Micronesia; and

"Whereas, the Political Status Delegation considered this offer during the discussions and found it to be unacceptable because it failed to recognize or conform to the four principles and legal rights which it maintained were an essential and nonnegotiable component of any free association between the United States and Micronesia; and

"Whereas, this Congress has officially endorsed the four principles and legal rights which the Political Status Delegation maintained must be recognized as an essential and nonnegotiable component of any free association, and has declared that any future association between the United States and Micronesia must be in accordance with those principles and legal rights; now, therefore,

"Be it resolved by the House of Representatives of the Third Congress of Micronesia, Third Regular Session, 1970, the Senate concurring, that the Congress of Micronesia hereby declares that the offer of Commonwealth status for Micronesia in the form that was presented to the Congress of Micronesia through its Political Status Delegation during discussions in May with representatives of the Executive Branch of the United States Government is not acceptable to the Congress of Micronesia; and

"Be it further resolved that certified copies of this Joint Resolution be transmitted to the President of the United States; to the President of the Senate and Speaker of the House of Representatives of the United States Congress; to the Secretary General, the Security Council and the Trusteeship Council of the United Nations; and to the High Commissioner of the Trust Territory of the Pacific Islands."

"HOUSE JOINT RESOLUTION No. 102, S.D. 1

"A House joint resolution providing for the establishment of a Joint Committee on Future Status and prescribing its duties and responsibilities

"Be it resolved by the House of Representatives of the Third Congress of Micronesia, Third Regular Session, 1970, the Senate concurring, that there is hereby created a Joint Committee of the Congress of Micronesia, to be known as the Joint Committee on Future Status, hereinafter referred to in this resolution as the Committee, consisting of not more than twelve members of the Congress of Micronesia to be appointed jointly by the President of the Senate and the Speaker of the House of Representatives. The Committee shall remain in existence until dissolved by the Congress of Micronesia. Members shall serve for such terms as the Presiding Officers may prescribe, and the Presiding Officers shall make appointments to fill any vacancy which may occur on the Committee. At their first meeting, members of the Committee shall by majority vote elect a Chairman and such other officers as they deem necessary; and

"Be it further resolved that the purpose of the Committee shall be to continue the work of the Future Political Status Commission and the Micronesian Political Status Delegation relating to the termination of the Trusteeship Agreement and Trusteeship Status and the obtaining of a new political status for Micronesia when Trusteeship ends; and

"Be it further resolved that the Committee shall perform such acts as it deems necessary to carry out the duties and responsibilities assigned to it by the Congress of Micronesia, and shall exercise all the powers and authority of other standing committees of the Congress of Micronesia; and

"Be it further resolved that the Committee shall have the following duties and responsibilities:

"(a) To conduct political education within Micronesia;

"(b) To conduct a study on the economic implications of Free Association and Independence. Such a study should include, but

not be limited to the following: (1) An estimation of the public finance and technical assistance required to provide the current level of governmental services; (2) An investigation of possible sources of financial aid and technical assistance; (3) An analysis of ways and means to increase local revenue; (4) An analysis of labor and capital requirements, especially public investment, necessary for development in each economic sector; (5) An analysis of implications of the Government of Micronesia controlling such economic activities as outside investment, lease of land, trade agreements, tariffs, shipping, airline routes, and alien labor; and (6) An analysis of alternative means to provide the present level of government services at a lower cost;

"(c) To conduct a study of the alternative forms of democratic internal government available, and prepare basic constitutional proposals for submission as working papers to the Micronesian Constitutional Convention; and study and make recommendations concerning the organization and timing of a Constitutional Convention;

"(d) To establish contacts and discuss the status question with appropriate persons and organizations within the United States, and in the United Nations, and solicit understanding and support of the position of the Congress of Micronesia on the status question;

"(e) To continue discussions and negotiations with the United States Government on the future political status of the Trust Territory. In carrying out such activities, the Committee and all its members shall to the best of their ability adhere to the desires and policies of the Congress of Micronesia as expressed by resolution or otherwise, and all actions of the Committee shall be subject to subsequent ratification by the Congress of Micronesia; and

"(f) To perform such other functions or duties as the Congress of Micronesia may by law or resolution prescribe; and

"Be it further resolved that the Committee shall submit reports of its activities, findings, and recommendations to the Congress of Micronesia at each regular session of the Congress of Micronesia. Unless otherwise provided by bill or resolution, the Committee shall keep the people of Micronesia informed as to its work; and

"Be it further resolved that the Committee shall contract or otherwise engage the services of, such professional, technical, administrative, stenographic, and clerical staff as it deems necessary to carry out its duties and responsibilities, and as is provided for by appropriation of the Congress; and

"Be it further resolved that certified copies of this Joint Resolution be transmitted to the Secretary General, Security Council and the Trusteeship Council of the United Nations; the President of the United States, the Secretary of State, the Secretary of Defense and the Secretary of the Interior of the United States; the President of the Senate and the Speaker of the House of Representatives, and the Chairman of the Senate and House Committee on Interior and Insular Affairs of the United States Congress; and the High Commissioner."

ENROLLED BILLS SIGNED

The PRESIDENT pro tempore announced that on today, September 23, 1970, he signed the following enrolled bills, which had previously been signed by the Speaker of the House of Representatives:

H.R. 5365. An act to provide for the conveyance of certain public land held under color of title to Miss Adelaide Gaines of Mobile, Ala.;

H.R. 13543. An act to establish a program of research and promotion for United States wheat; and

H.R. 17795. An act to amend title VII of the 1965.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JORDAN of North Carolina, from the Committee on Rules and Administration, without amendment:

S. Res. 458. Resolution authorizing the printing of a history of the Committee on Agriculture and Forestry as a Senate document (Rept. No. 91–1222);

S. Res. 460. Resolution authorizing the Committee on Banking and Currency to expend additional funds from the contingent fund of the Senate;

S. Res. 465. Resolution authorizing additional expenditures by the Committee on the Judiciary for a study of matters pertaining to improvements in judicial machinery (Rept. No. 91–1223);

S. Res. 466. Resolution authorizing additional expenditures by the Committee on the Judiciary for a study of matters pertaining to refugees and escapees (Rept. No. 91–1224);

S. Res. 467. Resolution authorizing the printing of additional copies of Senate hearings on National Science Foundation Authorization, 1971 (Rept. No. 91–1225);

S. Res. 468. Resolution authorizing additional expenditures by the Committee on Commerce (Rept. No. 91–1226); and

S. Con. Res. 81. Concurrent resolution authorizing the printing of additional copies of Senate hearings on Copyright Law Revision (S. 597, 90th Congress) (Rept. No. 91–1227).

By Mr. JORDAN of North Carolina, from the Committee on Rules and Administration, with amendments:

S. Res. 413. Resolution proposing an addition to Rule XVI of the Standing Rules of the Senate (Rept. No. 91–1228).

By Mr. CRANSTON, from the Committee on Labor and Public Welfare, with amendments:

S. 3656. A bill to amend chapter 37 of title 38, United States Code, to authorize guaranteed and direct loans for mobile homes if used as permanent dwellings, to authorize the Administrator to pay certain closing costs for, and interest on, certain guaranteed and direct loans made under such chapter, to remove the time limitation on the use of entitlement to benefits under such chapter and to restore such entitlements which have lapsed prior to use or expiration, to eliminate the guaranteed and direct loan fee collected under such chapter, and for other purposes; (Rept. No. 91–1230);

S. 3657. A bill to amend chapter 34 of title 38, United States Code, to authorize advance educational assistance allowance payments to eligible veterans at the beginning of any school year to assist such veterans in meeting educational and living expenses during the first two months of school, and to establish a veterans' work-study program through cancellation of such advance payment repayment obligations under certain circumstances (Rept. No. 91–1231);

S. 3785. A bill to amend title 38, United States Code, to authorize educational assistance and home loan benefits to wives of members of the Armed Forces who are missing in action or prisoners of war (Rept. No. 91–1232); and

H.R. 370. An act to amend chapter 39 of title 38, United States Code, to increase the amounts allowed for the purchase of specially equipped automobiles for disabled veterans, and to extend benefits under such chapter to certain persons on active duty (Rept. No. 91–1233).

REPORT ENTITLED "ADMINISTRATIVE PRACTICE AND PROCEDURE"—REPORT OF A COMMITTEE (S. REPT. NO. 91–1220)

Mr. KENNEDY, from the Committee on the Judiciary, pursuant to Senate Resolution 39, 91st Congress, first session, submitted a report entitled "Administrative Practice and Procedure", which was ordered to be printed.

REPORT ON ADMINISTRATIVE PRACTICES AND PROCEDURES—REPORT OF A COMMITTEE (S. REPT. NO. 91–1221)

Mr. McCLELLAN, from the Committee on the Judiciary, pursuant to Senate Resolution 237, 90th Congress, second session, submitted a report of the Special Subcommittee on Criminal Laws and Procedures, which was ordered to be printed.

SENATE JOINT RESOLUTION 236—ORIGINAL RESOLUTION REPORTED (S. REPT. NO. 91–1229)

Mr. JORDAN of North Carolina, from the Committee on Rules and Administration, reported an original joint resolution (S.J. Res. 236) authorizing the preparation and printing of a revised edition of the Constitution of the United States of America—Analysis and Interpretation, of decennial revised editions thereof, and biennial cumulative supplements to such revised editions, and submitted a report thereon, which joint resolution was placed on the calendar and the report was ordered to be printed.

BILLS AND A JOINT RESOLUTION INTRODUCED OR REPORTED

Bills and a joint resolution were introduced or reported, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. COTTON (for himself and Mr. MAGNUSON) (by request):

S. 4383. A bill to provide for the protection of persons and property aboard U.S. air carrier aircraft, and for other purposes.

Mr. MANSFIELD subsequently said: Mr. President, I ask unanimous consent that the bill introduced by Mr. COTTON (for himself and Mr. MAGNUSON), by request, be jointly referred to the Committee on Commerce and the Committee on Finance.

The PRESIDING OFFICER (Mr. McGOVERN). Without objection, it is so ordered.

By Mr. MANSFIELD:

S. 4384. A bill for the relief of Shan W. Wofford; to the Committee on the Judiciary.

By Mr. INOUYE:

S. 4385. A bill for the relief of Violetta Bravo; to the Committee on the Judiciary.

By Mr. INOUYE (by request):

S. 4386. A bill to amend the Federal Aviation Act of 1958 to authorize the Civil Aeronautics Board to permit an air carrier to hold both scheduled and supplemental certification; and

S. 4387. A bill to amend the Federal Aviation Act of 1958 to give the Civil Aeronautics Board the flexibility to approve air carrier-surface carrier control relationships when

such relationships are found to be in the public interest; to the Committee on Commerce.

By Mr. KENNEDY (for himself and Mr. MONDALE):

S. 4388. A bill to amend the act of September 30, 1950 (Public Law 874, 81st Congress), and the Elementary and Secondary Education Act of 1965, so as to improve the quality of education of Indian children in elementary and secondary schools, and for other purposes; to the Committee on Labor and Public Welfare.

(The remarks of Mr. KENNEDY when he introduced the bill appear later in the RECORD under the appropriate heading.)

By Mr. GRAVEL:

S. 4389. A bill to authorize the transportation of passengers and merchandise in Canadian hovercraft vessels between ports in southeastern Alaska; to the Committee on Commerce.

(The remarks of Mr. GRAVEL when he introduced the bill appear below under the appropriate heading.)

By Mr. PROUTY:

S. 4390. A bill to amend the Internal Revenue Code of 1954 to increase the amount and duration of the exclusion of scholarships and fellowship grants in the case of individuals who are not candidates for degrees; to the Committee on Finance.

(The remarks of Mr. PROUTY when he introduced the bill appear below under the appropriate heading.)

By Mr. CANNON:

S. 4391. A bill for the relief of Colin Alvin Ward; to the Committee on the Judiciary.

S. 4392. A bill to amend section 4491 of the Internal Revenue Code of 1954 to exclude the first 2,500 pounds of weight in computing the aircraft use tax on non-turbine engine powered aircraft; to the Committee on Finance.

(The remarks of Mr. CANNON when he introduced S. 4392 appear below under the appropriate heading.)

By Mr. JORDAN of North Carolina:

S.J. Res. 236. Joint resolution authorizing the preparation and printing of a revised edition of the Constitution of the United States of America—Analysis and Interpretation, of decennial revised editions thereof, and of biennial cumulative supplements to such revised editions; placed on the calendar.

(See reference to the joint resolution when reported by Mr. JORDAN of North Carolina, which appears under the heading "Reports of Committees".)

S. 4389—INTRODUCTION OF A BILL RELATING TO TRANSPORTATION OF PASSENGERS AND MERCHANDISE IN SOUTHEASTERN ALASKA

Mr. GRAVEL. Mr. President, as this distinguished body is well aware, a portion of Alaska has daily ties socially and commercially with the neighboring Canadian Yukon Territory and the Province of British Columbia.

Ten years ago, the Congress and the President of the United States recognized the close relationship in daily affairs between these areas by adopting an act to permit maritime exchanges of passengers and merchandise between American ports in southeastern Alaska and neighboring Canadian ports. The amendment I offer today simply extends what I am sure is the congressional intent to permit Alaskans to enjoy the benefits of evolving technology.

Cushion-air vehicles, known as Hovercraft vehicles, can provide a vital service within the many waterways of southeastern Alaska and western Canada. I am sure that my colleagues agree with me that there is no logical reason to deny the use of Hovercraft vehicles to benefit citizens of both countries. As new technology becomes available, it should benefit mankind.

Congress has occasionally provided exceptions in the past. For example, Congress made such an exception in 1960 for the use of the Italian-built hydrofoil vehicle in Puerto Rico. I call on it to make another one in the case of Hovercraft usage between Canada and Alaska.

I hope, Mr. President, that this amendment will soon become law.

The PRESIDING OFFICER (Mr. HANSEN). The bill will be received and appropriately referred.

The bill (S. 4389) to authorize the transportation of passengers and merchandise in Canadian hovercraft vessels between ports in southeastern Alaska, introduced by Mr. GRAVEL, was received, read twice by its title, and referred to the Committee on Commerce.

S. 4390—INTRODUCTION OF A BILL PERTAINING TO TAX DEDUCTIONS FOR INCOME RECEIVED AS SCHOLARSHIPS OR FELLOWSHIPS

Mr. PROUTY. Mr. President, I introduce, for appropriate reference, two modifications to section 117 of the Internal Revenue Code which I believe will be of great benefit to our educational system. Taken together, the two changes will benefit those in the academic profession or in medical training.

At present, section 117 of the Internal Revenue Code provides for the exclusion from total income of amounts received by individuals as scholarships or fellowship grants. One amendment would raise from $300 to $500 the amount allowed to be excluded as monthly income. This increase reflects rises in living costs and comparative incomes since the provision was first enacted in 1954. The second amendment would extend from 36 to 60 months the time period during which such exclusions could be made. The extension is necessary because advances in technology and increasing demand for specialization have increased the amount of extended study which may be needed by those in advanced fields of study such as the sciences and medicine.

Mr. President, I have long been interested in use of our existing tax system to aid those who wish to further their educational endeavors. On several occasions since 1963 I have introduced measures which have provided a credit against Federal income taxes for expenses incurred in paying for a college education. With regard to those earlier measures and the one I am introducing today, my rationale is the same. The security and progress betterment of our society are dependent upon the continual intellectual growth of our citizens. While we work to extend the benefits of basic schooling to all our citizens, we must also give incentives to those who seek advanced studies that will enable them to lead our country to levels of greatness. The measure I have repeatedly introduced to give tax credits for college expenses was designed to help our needier students participate equally in the educational system. It has received increased support each time it has been considered, and I am confident that the concept will one day be embodied in law. The measure I am introducing today goes to the second need—to encourage advanced learning. We all recognize the years of sacrifice and study which are requisite to making significant advances in our highly technological society. My measure is designed to encourage more persons to devote themselves to this worthwhile effort and to insure participation by even those who are not wealthy in the endeavor of making this country great.

Prof. Stanley S. Surrey pointed out in a recent article in the Howard Law Review, that more than $45 billion a year is being "spent" through utilization of a long list of tax dodges, special credits, deductions, and preferential rates which are supposed to serve as incentives to encourage an activity in the national interest. Professor Surrey, a former Assistant Secretary of the Treasury for Tax Policy, indicated that the cost of these special privileges in terms of dollars, equity, inefficiency, and taxpayers confidence have far outweighed the benefits. He stated that too often control of the uses has been difficult because these tax provisions have been open-ended and placed no limit on the amount that can be "earned" by taking advantage of the provision. I would like to point out that my amendment does not have this defect for it is directed at a small category of users and will only operate up to limited levels of income for a specified amount of time.

Mr. President, I ask unanimous consent to have printed in the RECORD a copy of the bill and a detailed explanation of its history, justification, and projected costs.

The PRESIDING OFFICER (Mr. SCHWEIKER). The bill will be received and appropriately referred; and, without objection, the bill and a detailed explanation of its history, justification, and projected costs will be printed in the RECORD.

The bill (S. 4390) to amend the Internal Revenue Code of 1954 to increase the amount and duration of the exclusion of scholarships and fellowship grants in the case of individuals who are not candidates for degrees, introduced by Mr. PROUTY, was received, read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

S. 4390

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 117 (b)(2)(B) of the Internal Revenue Code of 1954 (relating to extent of exclusion of scholarships and fellowship grants for individuals who are not candidates for degrees) is amended—

(1) by striking out "$300" and inserting in lieu thereof "$500"; and

(2) by striking out "36 months" and inserting in lieu thereof "60 months".

(b) The amendments made by subsection (a) shall apply to taxable years beginning after the date of the enactment of this Act.

The explanation, presented by Mr. PROUTY, is as follows:

HISTORY AND PROVISIONS OF IRS CODE SECTION 117

Code Section 117 was introduced in 1954 to provide for the exclusion from total income of amounts received by individuals as scholarship or fellowship grants. It was introduced in response to the fact that educational institutions, local, state, and the federal governments and their agencies, and charitable organizations and foundations, placing increased emphasis on advanced education, scholarship, research, and continuing study at the professional level, were engaging at an accelerating pace in the provision of grants-in-aid to individuals to assist them in furthering their educations and to aid them in the pursuit of research and program of study. It was introduced in recognition of the general as well as specific benefits which flow to society and the nation from such activities. Since such grants-in-aid were neither wholly gifts, as defined in Code Section 102, nor prizes or awards, as defined in Code Section 74, nor "salary" or "wages", as defined in the provisions of Chapters 21, 23, and 24 of the Internal Revenue Code of 1954, it was deemed advisable to introduce Code Section 117 to deal specifically with them.

Code Section 117 sharply distinguishes the status of recipients of scholarships and grants into two categories: (1) those who are candidates for degrees, whether undergraduate or graduate, at an educational institution; and (2) those who are not candidates for degrees but who are engaged in the pursuit of study or research. The primary beneficiaries of the provisions of Code Section 117 are therefore scholarship or fellowship grant recipients, who are either (1) students in pursuit of a degree at an approved college or university, or (2) physicians in medical residency training and non-degree candidate members of the academic community, who as individuals are engaged in programs of advanced study, scholarship, or research.

Further, Code Section 117 imposes limitations upon grant recipients in both categories; amounts in excess of these limitations are includible in total income. An inclusive limitation affecting the status of all grants to individuals who are *not* candidates for degrees had to do with the character and condition of the grantor. To qualify for the benefits permitted by Code Section 117 the grantee must be the recipient of a grant from one of the following four kinds of grantor:

(1) a non-profit charitable, religious, scientific, cultural, or educational institution or organization, as defined in Code Section 501(c)(3); or

(2) a foreign government; or

(3) an international organization, or a binational or multinational educational and cultural foundation or commission created or continued pursuant to section 103 of the Mutual Educational and Cultural Exchange Act of 1961; or

(4) a State, local, or territorial government, or the U.S. Government (including its instrumentalities and agencies).

The force and intent of this limitation is to provide tax relief for only those who are, as individuals, engaged in disinterested research and scholarship; it benefits only those persons engaged in programs of inquiry and study which serve the public interest. Code Section 117 specifically withholds its benefits from support of the profit-directed research activities of business and industry.

Finally, Code Section 117(b)(2)(B) imposes further limitations on scholarship and fellowship grants to non-degree candidates. It is within these that this proposal is specifically concerned. The first has to do with limitation of the *amount* of exclusion, i.e., number of dollars, calculated in terms of an amount-per-month formula. At present this amount is $300 per month; this proposal recommends increase of the dollar amount to $500 per month. The second has to do with limitation of the *extent of time* over which exclusion is permitted, i.e., number of months, whether or not consecutive. At present the number of months is 36; this proposal recommends increase of the number of months to 60.

THE $300 PER MONTH LIMITATION

The IRS Regulation effecting this limitation reads as follows:

"In the case of an individual who is not a candidate for a degree, the amount received as a scholarship or fellowship grant which is excludable from gross income under section 117 (a) (1) shall not exceed an amount equal to $300 times the number of months for which the recipient received during the calendar year." para. 1.117-2 (b) (1)

This proposal recommends an amendment which would raise the amount of this limitation from $300 to $500. In 1954, according to U.S. Bureau of Labor statistics, the Consumer Price Index stood at 93.6. In May 1970 the Consumer Price Index stood at an all-time high of 134.6. This is a net increase of 44 points, an increase of approximately 46% since time of enactment of the legislation. On the grounds of comparative costs of living, I believe that a cost-of-living adjustment in the statutory amount of exclusion is necessary and warranted. Further, in 1970 there exists a heightened awareness of the value and importance to the nation of research and sustained educational study at the professional (i.e., non-degree candidate) level, especially by those who, within the provisions of section 117, may not be supported by private, profit-making corporations, industries, or business enterprises. The nation sorely needs the services of physicians with advanced training. We know much better today the benefits to be derived from disinterested study and research than we did in 1954. Therefore, within a recognition of increased costs of living, and the painful shortage of qualified physicians, and an enlarged awareness of the general benefits to be derived from programs of study and research in the general public interest, I believe it is reasonable to raise the limitation on the amount of exclusion from $300 to $500.

THE 36-MONTH LIMITATION

The IRS Regulation effecting this limitation reads as follows:

"No exclusion shall be allowed under section 117(a)(1) to an individual who is not a candidate for a degree after the recipient has, as an individual who is not a candidate for a degree, been entitled to an exclusion under that section for a period of 36 months. This limitation applies if the individual has received any amount which was either excluded or excludable from his gross income under section 117(a)(1) for any prior 36 months, whether or not consecutive." para. 1.117-2(b)(ii).

This proposal would increase the number of months of this limitation from 36 to 60. The sheer increase in the quantity and complexity of knowledge that has resulted from the unparalleled achievements of social, scientific, medical, legal, political and humanistic study and research in the past decade and a half has extended the time necessary to conduct programs of research and study in ways which the 1954 legislation could not possibly have foreseen or anticipated. Consider, for example, advances in such fields as subatomic physics, microbiology, space medicine, urban planning and sociology, and environmental ecology. The simple truth of the matter is that medical training and genuinely productive scholarship and research requires prolonged commitments of time and energy. It seems unduly rigorous in 1970 to regulate the extent of time which may profitably be committed to disinterested study and research according to 1954 conceptions. There is a further consideration. It is likely that only those physicians whose skills are most urgently needed and the most effective, imaginative, and fruitful scholars will qualify for support into the fourth and fifth years. It is not in the national interest to withhold from our finest physicians, researchers, and scholars the incentive of financial relief provided them in the early years of their careers by Code Section 117. I believe we should raise the limitation on the number of months from 36 to 60.

Unfortunately, the question of the eligibility of resident physicians in training for benefits under the provisions of section 117 is very much up in the air. As the June 1970 meeting of the American Medical Association it was determined that clarification and, if necessary and possible, change in the code should be sought. However, under present circumstances, circumstances which this proposal must accept as governing its projections, it is not likely that more than 10% of physicians in medical residency training programs can qualify.

With respect to cost projections, this means that no more than 3500 medical residents may in any one year be expected to avail themselves of the tax relief provided by Code Section 117. Computed at a rate of $2400 per year increased exclusion, and computing the tax rate at an average of 20%, i.e., $480, passage of the amendment recommended in this proposal would result in a cost to the public of 3500 times $480, or $1,680,000.

According to Projections of Educational Statistics to 1977-78 compiled in 1969 by the National Center for Education Statistics of the Department of Health, Education, and Welfare, there were in the academic year 1969-70, 289,000 full-time college teachers for resident degree-credit courses in American institutions of higher learning. This figure excludes part-time and junior instructional staff, graduate student teaching assistants, for example, who at the outset may be omitted from consideration, for they would not normally qualify as non-degree candidates for scholarship and fellowship grants, although some, i.e., graduate student teaching assistants, might well qualify as candidates-for-degree scholarships or fellowships. Of this number, 289,000, it is not likely that more than 2,000 would in any given year qualify for the exclusions permitted by Code Section 117(b)(2)(B). A number of factors operate to make this a reasonable estimate: they include

(1) the degree status of new teaching faculty;

(2) the career goals of "two-year institutions" faculties;

(3) the length-of-service expectations affecting the frequency of grants sought and attained; and

(4) the distinction observed in Code Section 117 between "sabbatical" leave and leaves of absence.

Since fewer than 10% of the 20,000 teachers on leave are likely to have met such rigorous qualifying conditions in gaining non-degree scholarship or fellowship grants, it is safe to estimate that no more than 2,000 are in any one year likely to be beneficiaries of the pertinent provisions of Code Section 117. Computed at the same rate as that employed above in determining the cost to the public of physicians in medical residency training programs, i.e., 2,000 times $480, adoption of the changes recommended in this proposal would cost $960,000 for college teachers. Aggregately, the total projected cost for both physicians and college teachers, $1,680,000 plus $960,000, amounts to $2,640,000.

It is almost impossible to make accurate

projections of the estimated cost of raising the extent of time limitation from 36 to 60 months. I believe that it will be significantly lower than the cost of the dollar amount of permissible exclusion from $300 to $500. Few medical residency programs extend to a fourth or fifth year; comparatively few scholars and researchers will be so signally successful as to warrant non-degree candidate scholarship or fellowship grants extending their studies into the fourth and fifth years. Yet because of the extraordinary promise of such research and scholarship, no reasonable incentive to its fruition should be witheld. A fair estimate of cost to the public would seem to be 10% of the total cost of the proposed increase of the dollar amount of permissible exclusion. This is 10% of $2,640,000, or $264,000.

In conclusion, the total estimated cost to the public of passage of the amendments urged in this proposal is $2,904,000.

SUMMARY

At times when persisting, distressful, economic factors oblige the Congress searchingly to examine, review, and where possible reduce all manner, categories, and kinds of Federal expenditures, it is necessary to distinguish the genuinely mandatory and the mainly desirable.

Basic scholarship and research constitutes the foundation stone upon which the structures of applied scholarship, research and development arise. Even in a time of economic constraint it is essential that basic research and scholarship continue.

The amendments urged in this proposal provide acceptable, economic means of furnishing selective support for disinterested research and scholarship. They extend needed tax relief to individuals pursuing advanced medical studies at a time when their superior skills, knowledge, and services are in extremely short supply, and to scholars and researchers of demonstrated competence and capacity, for only such qualify for relief under the pertinent provisions of section 117. The Congress has recently given signal witness of its commitment to support of medical services for all of our citizens by overriding, for the first time in ten years, the Presidential veto of the Hospital and Medical Family Construction Bill. Surely, it is ready to act affirmatively on a measure of much smaller cost directed toward complementary goals.

COSTS AND CONSTITUENCIES

The cost to the public which would result from the amendments urged in this proposal are difficult to project with confident accuracy. As the publication *Digest of Educational Statistics 1966*, issued in 1967 by the U.S. Office of Education, notes, "Systematic data on educational research as a defined area are not available. Data on State funds expended in conduct of research funded by Federal research grants and contracts are not available." Since these are data which bear directly upon the research and study activities of the two primary constituencies affected by Code Section 117, physicians and academicians, their lack is regrettable. However, there are available certain data which permit reasonable extrapolations and predictions to be made.

According to figures derived from the Directory of Approved Internships and Residencies (Table 27) which appeared in the November 24, 1969 issue of the *Journal of the American Medical Association*, 35,047 physicians in training held approved residencies in the academic year 1968–69. As non-degree candidates engaged in programs of advanced study, they may, as a group, be considered potential beneficiaries of the provisions of section 117. However, because of seemingly conflicting Revenue Rulings and court decisions, it appears likely that fewer than 10% of this number actually can qualify.

S. 4392—INTRODUCTION OF A BILL TO AMEND SECTION 4491 OF THE INTERNAL REVENUE CODE OF 1954

Mr. CANNON. Mr. President, I introduce, for appropriate reference, a bill to amend section 4491 of the Internal Revenue Code of 1954 to exclude the first 2,500 pounds of weight in computing the aircraft use tax on nonturbine engine-powered aircraft.

Actually, this is an amendment of the tax provisions contained in the Airport and Airways Development Act of 1970. Of great concern as we debated this bill was general aviation. We were concerned that they not be overburdened by either the fuel tax, the registration fees, the poundage assessment, or all three combined.

We in the Senate reduced the administration's proposed 9-cent fuel tax to 6 cents and we exempted all general aviation aircraft from the House-imposed fee and poundage tax.

Unfortunately, in conference the House insisted on their version of the legislation and to get a bill, the Senate receded. The House did finally agree on an exemption from the 2 cents per pound annual yearly tax for aircraft weighing 2,500 pounds or less.

On May 12, 1970, the time the Senate adopted the conference report on the taxation provisions of the legislation, I stated:

Mr. President, I am deeply disappointed that the Conference on the taxation provisions of the Airport/Airways legislation did not follow the Senate amendments on the general aviation fuel tax, and on the annual registration fee.

We of the Commerce Committee worked hard for these amendments. We agreed on a 6 cent fuel tax and the Senate agreed with us. State taxes on aviation fuel already range as high as 8 cents per gallon, and more states are looking into this source of revenue. We are putting too large a burden on the private pilot.

As to the annual registration fee, I had hoped the exemption to general aviation would also be adopted by the Conference, but unfortunately, the Senate receded.

So I am concerned about what we may be doing to our private pilot friends. A fuel tax, a yearly registration fee, pretty soon transponders to go into our larger airports, all this with the states rushing to raise their taxes.

As I stated, I am indeed sorry our Conferees did not approve the Senate Amendments.

Later I stated I would join with Senator MAGNUSON next year in introducing legislation that would lower the fuel tax, and I intend to do just that. Right now, however, the problem this amendment is designed to meet, seems more pressing.

Here is the way the poundage tax works. If you own an aircraft that has a maximum certificated takeoff weight of 2,500 pounds or less, you would only pay the $25 registration fee.

However, if your aircraft weighed 2,600 pounds, you would pay, in addition to the registration fee, 2 cents a pound on 2,600 pounds, or an additional year tax of $52.

This I believe was not the intent of Congress and must be corrected. The 2,500-pound exemption should apply across the board, and many of us expected it to be so applied.

My amendment would apply the exemption across the board, and I hope it can be adopted before we adjourn this year.

The PRESIDING OFFICER (Mr. SCHWEIKER). The bill will be received and appropriately referred.

The bill (S. 4392) to amend section 4491 of the Internal Revenue Code of 1954 to exclude the first 2,500 pounds of weight in computing the aircraft use tax on nonturbine engine powered aircraft, introduced by Mr. Cannon, was received, read twice by its title, and referred to the Committee on Finance.

ADDITIONAL COSPONSORS OF BILLS

S. 2453

Mr. BYRD of West Virginia. Mr. President, on behalf of the Senator from New Jersey (Mr. WILLIAMS) I ask unanimous consent that, at the next printing, the name of the Senator from New York (Mr. GOODELL) be added as a cosponsor of S. 2453, to further promote equal employment opportunities for American workers.

The PRESIDING OFFICER (Mr. HOLLINGS). Without objection, it is so ordered.

S. 3936

Mr. ERVIN. Mr. President, I ask unanimous consent that, at the next printing of S. 3936, to give effect to the sixth amendment right to a speedy trial for persons charged with offenses against the United States, and to reduce the danger of recidivism by strengthening the supervision over persons released on bail, probation, or parole, and for other purposes, the names of the Senator from Nebraska (Mr. HRUSKA) and the Senator from New Hampshire (Mr. MCINTYRE) be added as cosponsors. This bill, the "Speedy Trial Act of 1970" is designed to give effect to the sixth amendment right to a speedy trial for persons charged with offenses against the United States, and to reduce the danger of recidivism by strengthening the supervision over persons released on bail, probation, or parole, and other purposes.

The PRESIDING OFFICER (Mr. HOLLINGS). Without objection, it is so ordered.

S. 4041

At the request of the Senator from Texas (Mr. TOWER), the Senator from California (Mr. MURPHY) was added as a cosponsor of S. 4041, to repeal section 7275 of the Internal Revenue Code of 1954, relating to amounts to be shown on airline tickets and advertising.

S. 4045

At the request of the Senator from West Virginia (Mr. BYRD), on behalf of the Senator from California (Mr. CRANSTON), the Senator from Alaska (Mr. GRAVEL) was added as a cosponsor of S. 4045, to authorize and direct the Secretary of Agriculture to acquire certain lands and interests therein within the San Bernardino National Forest, Calif.

S. 4246

At the request of the Senator from West Virginia (Mr. BYRD), on behalf of the Senator from New Jersey (Mr.

WILLIAMS), the Senator from Pennsylvania (Mr. SCOTT) was added as a cosponsor of S. 4246, to amend the Older Americans Act of 1965 to authorize a special emphasis transportation research and demonstration project program.

S. 4325

Mr. BYRD of West Virginia. Mr. President, on behalf of the Senator from New Jersey (Mr. WILLIAMS) I ask unanimous consent that, at its next printing, the names of the following Senators be added as cosponsors of S. 4325, a bill to prohibit flight in interstate or foreign commerce to avoid prosecution for the killing of a policeman or fireman. The Senator from Utah (Mr. BENNETT), the Senator from Idaho (Mr. CHURCH), the Senator from Mississippi (Mr. EASTLAND), the Senator from Hawaii (Mr. INOUYE), the Senator from Montana (Mr. METCALF), the Senator from Wisconsin (Mr. NELSON), the Senator from Rhode Island (Mr. PASTORE), the Senator from Rhode Island (Mr. PELL), the Senator from Illinois (Mr. PERCY), the Senator from Wisconsin (Mr. PROXMIRE), the Senator from New Mexico (Mr. ANDERSON), the Senator from Vermont (Mr. PROUTY), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Georgia (Mr. TALMADGE), and the Senator from West Virginia (Mr. RANDOLPH).

The PRESIDING OFFICER (Mr. HOLLINGS). Without objection it is so ordered.

SENATE CONCURRENT RESOLUTION 84—SUBMISSION OF A CONCURRENT RESOLUTION RELATING TO CONSERVATION PLEDGE

Mr. NELSON. Mr. President, I submit, for appropriate reference, a Senate concurrent resolution to express the sense of Congress relative to conservation pledge, which is sponsored by the Outdoor Life magazine. I ask unanimous consent that the concurrent resolution be printed in the RECORD.

The PRESIDING OFFICER (Mr. SCHWEIKER). The concurrent resolution will be received and appropriately referred; and, without objection, the concurrent resolution will be printed in the RECORD.

The concurrent resolution (S. Con. Res. 84) was referred to the Committee on Interior and Insular Affairs, as follows:

S. CON. RES. 84

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the conservation pledge, which is familiar to many Americans, should take cognizance of the importance of air as a natural resource and should therefore be amended to read as follows:

"I give my pledge as an American to save and faithfully to defend from waste the natural resources of my country—its air, soil and minerals, its forests, waters, and wildlife."

SENATE RESOLUTION 470—ORIGINAL RESOLUTION REPORTED

Mr. HART, from the Committee on the Judiciary, reported the following original resolution (S. Res. 470); which was referred to the Committee on Rules and Administration:

S. RES. 470

Resolved, That the Committee on the Judiciary is authorized to expend from the contingent fund of the Senate $29,500, in addition to the amount, and for the same purposes and during the same period, specified in Senate Resolution 334, Ninety-first Congress, agreed to February 16, 1970, authorizing an investigation of antitrust and monopoly laws and their administration.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, September 23, 1970, he presented to the President of the United States the following enrolled bills:

S. 406. An act to amend the Federal Property and Administrative Services Act of 1949 to permit the rotation of certain property whenever its remaining storage or shelf life is too short to justify its retention, and for other purposes;

S. 2565. An act to amend the act fixing the boundary of Everglades National Park, Fla., and authorizing the acquisition of land therein, in order to increase the authorization for such acquisitions;

S. 2763. An act to allow the purchase of additional systems and equipment for passenger motor vehicles over and above the statutory price limitation;

S. 3153. An act to authorize the Secretaries of Interior and the Smithsonian Institution to expend certain sums, in cooperation with the territory of Guam, the territory of American Samoa, the Trust Territory of the Pacific Islands, other U.S. territories in the Pacific Ocean, and the State of Hawaii, for the conservation of their protective and productive coral reefs; and

S. 3777. An act to authorize the Secretary of the Interior to enter into contracts for the protection of public lands from fires, in advance of appropriations therefor, and to twice renew such contracts.

DIRECT POPULAR ELECTION OF THE PRESIDENT AND THE VICE PRESIDENT—AMENDMENT

AMENDMENT NO. 942

Mr. ERVIN submitted an amendment, in the nature of a substitute, intended to be proposed by Mr. ERVIN to amendment No. 711, to Senate Joint Resolution 1, a joint resolution proposing an amendment to the Constitution to provide for the direct popular election of the President and Vice President of the United States, which was ordered to lie on the table and to be printed.

SOCIAL SECURITY AMENDMENTS OF 1970—AMENDMENT

AMENDMENT NO. 943

AMENDMENT TO WAIVE CERTAIN NURSING REQUIREMENTS WITH RESPECT TO HOSPITALS

Mr. YARBOROUGH. Mr. President, I submit, for appropriate reference, an amendment to H.R. 17550, the social security amendemnts, which would authorize the Secretary of Health, Education, and Welfare under cetrain circumstances to waive the registered nurse requirement of the Medicare Act.

In order to qualify for medicare assistance under present legislation, a hospital must provide "24-hour nursing service rendered or supervised by a registered professional nurse." The original purpose of this provision was to insure adequate professional treatment and supervision of patients on a continuing basis. In practice, however, it is foreclosing the possibility of local medical care altogether in many rural areas of the country.

Small county hospitals are finding it increasingly difficult if not impossible to compete in the marketplace for the services of an already dwindling supply of professional medical talent. These small hospitals simply do not have the financial resources available to match the high premiums that urban hospitals are willing to pay in order to obtain professional registered nurses.

In addition, urban life offers the young, and often single registered nurse an attractiveness that the more sedate rural environment can not match. One only has to turn to the recent census to see that rural areas are fighting a difficult battle in their efforts to recruit and retain qualified professional people.

The unfortunate result is that currently over 400 hospitals across the country are in jeopardy of losing their medicare certification because of their inability to recruit enough registered nurses to staff their institutions on a 24-hour, 7-day-a-week basis. In Texas, where the problem is particularly accute, there are over 140 hospitals, which although given a somewhat extended grace period, are in danger of losing their certification. Loss of certification, of course, means loss of medicare assistance payments. And without this financial help, many of these institutions simply will not be able to survive. Dr. Harry Libscomb, Director of the Institute for Health Service Research, in testimony before the Subcommittee on Migrant Labor, pointed out the seriousness of this problem in Texas by noting:

> The requirement has "recently resulted in the imminent closing of at least six hospitals serving the Rio Grande Valley, which while giving limited health care, nevertheless provided a critical service for the migrant worker and his family.

And this, Mr. President, is what I believe to be the real tragedy of an uncompromising application of this provision. These small rural hospitals, although perhaps not as well-equipped or fully staffed as their urban counterpart, do, nevertheless, provide essential services that are desperately needed and that otherwise might not be conveniently available. Their constitutents often number the poor, and the old, who through inability or unwillingness might not seek needed medical attention if that attention could only be provided in some distant city. Thus, the effect of a rigid application of the registered nurse provision might be to effectively disenfranchise those who the act was designed to protect by closing their only familiar and convenient source of medical treatment.

Mr. President, the amendment that I submit today is designed to ameliorate the harshness of the registered nurse requirement while at the same time insuring that the highest possible level of medical care will be maintained. Basically, I propose that the Secretary of

Health, Education, and Welfare be given the descretion to waive the requirement of section 1861(e) upon a showing by the hospital concerned that it has made a bona fide effort to comply with the requirement, but because of the present acute shortage of registered nurses, has been unable to do so. In order to insure that the original purpose of the requirement will not be frustrated, I have inserted a condition in the waiver requiring that the petitioning hospital make a continuing effort to recruit registered nurses and that failure to do so will result in possible revocation of the waiver. In so doing, I think we will protect the public from those institutions who from laxity or inefficiency simply refuse to make a good faith effort to comply with the act. While at the same time we will insure the continued operation of those hospitals who have in good faith actively sought the services of professional registered nurses. As an additional safeguard, I have placed a 1-year limitation on the duration of the waiver, renewable only upon a continued showing of effort to comply with the requirement.

In conclusion, Mr. President, I think we will be confronted with a most serious situation if we do not soften the impact of the registered nurse requirement. Failure to do so may very well mean the demise of many small hospitals that provide essential and desperately needed services to America's rural population.

Mr. President, I ask unanimous consent that the amendment that I have submitted be printed at this point in the RECORD.

The PRESIDING OFFICER (Mr. HOLLINGS). The amendment will be received and printed, and will be appropriately referred; and, without objection, the amendment will be printed in the RECORD.

The amendment (No. 943) was referred to the Committee on Finance, as follows:

AMENDMENT NO. 943

On page 158, between lines 13 and 14, insert the following:

WAIVER OF CERTAIN NURSING REQUIREMENTS WITH RESPECT TO HOSPITALS

SEC. 265. Section 1861(e) of the Social Security Act is amended by adding at the end thereof the following new sentence: "The Secretary may waive, in the case of any hospital, the requirement (imposed by clause (5) of the first sentence of this subsection) that such hospital provide a 24-hour nursing service rendered or supervised by a registered professional nurse, if the Secretary finds that such hospital has made a bona fide effort to comply with such requirement but is unable (because of manpower shortages) to employ the qualified personnel necessary to enable it to meet such requirement. Any waiver granted under the preceding sentence to a hospital shall be granted (i) on condition that such hospital continue to make a bona fide effort to meet the requirement with respect to which the waiver is granted, and (ii) only for a one-year period; except that nothing in this sentence shall be construed to limit the granting of such a waiver by the Secretary to any hospital on the grounds that such a waiver has been granted to such hospital with respect to any preceding period."

AMENDMENT TO THE CONSTITUTION RELATIVE TO EQUAL RIGHTS FOR MEN AND WOMEN—AMENDMENTS

AMENDMENT NOS. 944 AND 945

Mr. ERVIN submitted two amendments, intended to be proposed by him, to the joint resolution (H.J. Res. 264) proposing an amendment to the Constitution of the United States relative to equal rights for men and women, which were ordered to lie on the table and to be printed.

ADDITIONAL COSPONSOR OF AN AMENDMENT

AMENDMENT NO. 756 TO H.R. 17550

Mr. BYRD of West Virginia. Mr. President, on behalf of the distinguished Senator from New Jersey (Mr. WILLIAMS), I ask unanimous consent that, at the next printing the name of the Senator from Maryland (Mr. TYDINGS) be added as a cosponsor of amendment No. 756 to H.R. 17550, to amend the Social Security Act to provide increases in benefits, to improve computation methods, and to raise the earnings base under the old-age, survivors, and disability insurance system, to make improvements in the medicare, medicaid, and maternal child health programs with emphasis upon improvements in the operating effectiveness of such programs, and for other purposes.

The PRESIDING OFFICER (Mr. HOLLINGS). Without objection, it is so ordered.

NOTICE OF HEARINGS ON S. 4325, S. 4348, AND S. 4359

Mr. EASTLAND. Mr. President, I give notice that public hearings will be held beginning October 6, on three bills designed to deal with the problems of the apparently increasing wave of attacks on police. These bills are S. 4325, introduced by the Senator from New Jersey (Mr. WILLIAMS); S. 4348, introduced by the Senator from Pennsylvania (Mr. SCHWEIKER); and S. 4359, introduced by the chairman of the Committee on the Judiciary. It is expected the hearings on these bills will continue for 4 or 5 days. Any person desiring to appear and testify with respect to these measures or anyone of them, should get in touch as soon as possible with the chief counsel of the Internal Security Subcommittee, Mr. Sourwine, at room 3234 in the New Senate Office Building.

COMMITTEE MEETINGS—UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, because of a mistake for which I am solely responsible in calling up the unobjected-to items on the calendar when I did, I ask unanimous consent that despite that fact—and this occured the other day—committees now sitting may sit until the conclusion of the morning business.

I do so because of some commitments which I made to some committees yesterday who were calling witnesses from a great distance. I feel that I am personally on the spot in this respect. I feel sure the Senate will understand.

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

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ERVIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

DIRECT POPULAR ELECTION OF THE PRESIDENT AND THE VICE PRESIDENT—AMENDMENT NO. 931

Mr. ERVIN. Mr. President, I wish to call the attention of the Senate to amendment No. 931 to Senate Joint Resolution 1 and to announce that, at the appropriate time, I propose to ask unanimous consent that this amendment be voted at 4 o'clock tomorrow afternoon under circumstances where no amendment to this amendment would be permitted.

I would do this because this amendment offers a complete substitute for Senate Joint Resolution 1, and it abolishes the office of elector. It provides that every person in the United States will have the right to vote directly for the President and Vice President and that the electoral votes of the States shall be retained and that they shall be divided among the candidates for President and Vice President in accordance with their popular vote in each State.

Unlike Senate Joint Resolution 1, it does not contemplate that we will have a 40-percent President, but that we will have a President who receives a majority of the electoral votes.

It provides that in the event no candidate receives a majority of the whole number of electoral votes, the Senate and House sitting in joint session will elect a President and Vice President from among those candidates for those two offices who received the highest votes.

I do not believe in a 40-percent President. Our good friend, the Senator from Indiana, lays great stress on the fact that Senate Joint Resolution 1, as he says, guarantees that each man's vote will be counted equally with every other man's vote in the United States.

I respectfully submit that it does nothing of the kind. It provides in general that we will have a 40-percent President and that the other 60 percent of the votes shall be thrown away.

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

The PRESIDENT pro tempore. Does the Senator from North Carolina yield to the Senator from Indiana?

Mr. ERVIN. I have only 3 minutes.

Mr. BAYH. Mr. President, I would be glad to ask unanimous consent that the Senator be permitted to continue from

now until the knell for whatever he wants to do.

Mr. ERVIN. Mr. President, I ask unanimous consent that a copy of my amendment No. 931 be printed at this point in the RECORD.

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

The amendment, No. 931, ordered to be printed in the RECORD, reads as follows:

Strike out all after the resolving clause, and insert in lieu thereof the following:

"That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution only if ratified by three-fourths of the legislatures of the several States within seven years from the date of its submission by the Congress:

"'ARTICLE —

"'SECTION 1. The executive power shall be vested in a President of the United States of America. He shall hold his office during the term of four years, and, together with the Vice President, chosen for the same term, be elected as provided in this Constitution.

"'The office of elector of the President and Vice President, as established by section 1 of article II of this Constitution and the twelfth and twenty-third articles of amendment to this Constitution, is hereby abolished. The President and Vice President shall be elected by the people of the several States and the district constituting the seat of Government of the United States. The electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature, except that the legislature of any State may prescribe lesser qualifications with respect to residence therein. The electors in such district shall have such qualifications as the Congress may prescribe. The places and manner of holding such election in each State shall be prescribed by the legislature thereof; but the Congress may at any time by law make or alter such regulations. The place and manner of holding such election in such district shall be prescribed by the Congress. Congress shall determine the time of such election, which shall be the same throughout the United States. Until otherwise determined by the Congress, such election shall be held on the Tuesday next after the first Monday in November of the year preceding the year in which the regular term of the President is to begin. Each State shall be entitled to a number of electoral votes equal to the whole number of Senators and Representatives to which such State may be entitled in the Congress. Such district shall be entitled to a number of electoral votes equal to the whole number of Senators and Representatives in Congress to which such district would be entitled if it were a State, but in no event more than the least populous State.

"'Within forty-five days after such election, or at such time as Congress shall direct, the official custodian of the election returns of each State and such district shall make distinct lists of all persons for whom votes were cast for President and the number of votes for each, and the total vote of the electors of the State or the district for all persons for President, which lists he shall sign and certify and transmit sealed to the seat of the Government of the United States, directed to the President of the Senate. On the 6th day of January following the election, unless the Congress by law appoints a different day not earlier than the 4th day of January and not later than the 10th day of January, the President of the Senate shall, in the presence of the Senate and House of Representatives, open all certificates and the votes shall then be counted. Each person for whom votes were cast for President in each State and such district shall be credited with such proportion of the electoral votes thereof as he received of the total vote of the electors therein for President. In making the computation, fractional numbers less than one one-thousandth shall be disregarded. The person having the greatest number of electoral votes for President shall be President, if such number be a majority of the whole number of electoral votes. If no person has a majority of the whole number of electoral votes, then from the persons having the two greatest numbers of electoral votes for President, the Senate and the House of Representatives sitting in joint session shall choose immediately, by ballot, the President. A majority of the votes of the combined authorized membership of the Senate and the House of Representatives shall be necessary for a choice.

"'The Vice President shall be likewise elected, at the same time and in the same manner and subject to the same provisions, as the President, but no person constitutionally ineligible for the office of President shall be eligible to that of Vice President of the United States.

"'The Congress may by law provide for the case of the death of any of the persons from whom the Senate and the House of Representatives may choose a President whenever the right of choice shall have devolved upon them, and for the case of death of any of the persons from the Senate and the House of Representatives may choose a Vice President whenever the right of choice shall have devolved upon them. The Congress shall have power to enforce this article by appropriate legislation.

"'SEC. 2. This article shall take effect on the 10th day of February next after one year shall have elapsed following its ratification.'"

Mr. ERVIN. Mr. President, I am glad to yield to the Senator from Indiana any time I have remaining from the 3 minutes.

Mr. BAYH. Mr. President, is a unanimous-consent request to waive the 3-minute rule in order at this time?

The PRESIDENT pro tempore. A unanimous-consent request is always in order in the U.S. Senate. The Senate can do almost anything except amend the Constitution of the United States.

Mr. BAYH. Mr. President, the Senator from Indiana wonders if it is possible for the Senate to amend the Constitution of the United States by any other means.

Mr. President, I ask unanimous consent that the Senator from Indiana may be permitted to continue for 15 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered. The Senator from Indiana is recognized.

Mr. BAYH. Mr. President, if my friend from North Carolina will permit me, I would like to pursue the logic which he so eloquently expressed to the Senate that under the proposal of the Senator from Indiana all votes would not count the same. Does the Senator from North Carolina know of any other election in which the votes cast for a losing candidate are not disregarded? Is it possible to have two or three winners. If we have a race for county sheriff in the capital county of the State of the distinguished Senator from North Carolina and there are five candidates, is there any way to count those votes cast for candidates who get less than the man who wins?

Mr. ERVIN. Yes; there are a great many primary elections in the United States, such as those in North Carolina, where no man can receive the nomination and become eligible to run for office unless he receives a majority of the votes, if not in the first primary, then in the second primary.

Mr. BAYH. Is the Senator willing to support the contention that we should amend the Constitution to require that a majority of the people be required to vote for a President before we have a President?

Mr. ERVIN. If I were in favor of popular election—and I am not because I do not believe we should have a 40-percent President—I would accept the view that we should have a President who has the support of the majority of the people of the United States. To accomplish that purpose in a reasonable way is why I offer this amendment No.——

Mr. BAYH. No. 901?

Mr. ERVIN. No; it is amendment No. 931.

Mr. BAYH. Amendment No. 931. I would suggest if the Senator from North Carolina really believes as he does—and I do not for a moment challenge his sincerity, it is just the assessment of the facts and the conclusions he reaches that I challenge—but if he really believes that the majority of the people should choose their President, I respectfully suggest that the amendment proposed by my friend from North Carolina does not guarantee that at all. We should come up with an amendment that would do that. Perhaps he should support the amendment of the Senator from Mississippi, which is the only amendment proposed by any Member of the Senate that would suggest we should have a truly majority President. We have a President now who did not have a true majority; we had a President in 1960 who did not have a true majority; and Woodrow Wilson got 41 percent of the vote. Are we going to establish a new criterion?

Mr. ERVIN. If my recollection serves me correctly one President had only a 9,000-vote majority or plurality. I have been so informed.

I will support the amendment if a vote is reached on the amendment of the Senator from Mississippi (Mr. EASTLAND). I would certainly support his amendment but that does not say I would support this resolution in the event the amendment of the Senator from Mississippi is agreed to. All of the inequities of the resolution would still remain, except the amendment of the Senator from Mississippi would remove the 40-percent President from the American scene. That is the only improvement his amendment would make.

Mr. BAYH. But the Senator from North Carolina told the Senate, and the record will so show, that he thinks the President should have the support of a majority of the people. I suppose he means a majority of the voters should choose the President, but he is not willing to amend his proposal or support the only proposal that can guarantee a majority winner.

Mr. ERVIN. I regret my friend from Indiana did not hear my entire statement. I said if I favored popular elec-

tion I would favor vote by the majority, but I do not favor popular election. I do not think this is the time to consider that subject because we have an election coming up in November. If what I read in the daily press and see over television and hear over the radio is true, the people in substantial numbers are thinking the Federal Government is not doing a very good job. I think the people should have an opportunity to obtain a new deal if they wish. Hence, I believe we should postpone action on this matter until the election is had and a new Congress meets in January. Barring that, I think an amendment like amendment No. 931, is the best solution of the problem. I would favor it not only now but in January.

Mr. BAYH. Mr. President, I have the greatest respect for my distinguished friend from North Carolina but it is obvious he looks at one end of the horse and I look at the other and we come up with an entirely different animal. We differ as to what the picture is and what we are trying to accomplish.

I feel in an election we should guarantee that the man who wins is the man who gets the most votes. That is the way we determine any other winner in this country. The electoral college system does not guarantee that the man who wins gets the most votes.

It is one thing for a proposition to be made to win with the most electoral votes or a majority of electoral votes, but it is an entirely different proposition to suggest that the man who gets the support of the most people or the majority of the people should win.

The Senator from Indiana suggested that the rule which is used to elect a President should be the same rule used to elect all other officials in this country, and that is that the man who wins gets the most people to support him. Second, I suggested that everybody's vote should count the same.

U.S. MILITARY AID PERPETUATES DICTATORSHIPS IN GREECE AND BRAZIL

Mr. YOUNG of Ohio. Mr. President, recently the International Commission of Jurists meeting in Geneva, Switzerland, declared that Brazil's military dictatorship was guilty of torture of dissidents.

Yet this administration continues to support both financially and diplomatically cruel Fascist military regimes, such as in Brazil and also in Greece where political prisoners are scientifically and brutally tortured and where many have died.

In Brazil, at this time, there are more than 20,000 political prisoners. Most of them were arrested in the nighttime without any formal charges filed against them and are now being held prisoners.

Mr. President, it is well known that those brutal colonels, who in the darkness of night, overturned the constitutional Government of Greece and took over in Athens, have imprisoned many thousands of people. It is said that the number presently imprisoned in Greece is somewhere between 34,000 and 50,000 men and women. They have been imprisoned without any trial whatever. Many have died. Most who have survived, when released, are invalids for the rest of their lives, due to the scientific torture administered to them.

In addition, more than 50,000 men, women and children have been exiled to various Greek islands distant from the mainland.

Yet, we read in this morning's Washington Post that the Nixon administration is not only continuing diplomatic relations with these Fascist tyrants who are ruling in Athens, the cradle of democracy, but we learn that our Government is seriously considering renewing full-scale military aid to Greece that would involve spending millions of dollars in the way of heavy war materiel, paid for by American taxpayers.

It is stated the reason for resuming full-scale shipments of heavy war materiel to Greece is, as a member of the NATO community, Greece is an ally that we need in that area of the world. I do not go along with that at all.

Mr. President, I consider that the Nixon administration is serving the American people very ill indeed to continue supplying military and economic aid to the Fascist tyrants now ruling in Athens.

FLAMMABLE FABRICS ACT

Mr. COTTON. Mr. President, I ask unanimous consent that we be permitted to call up a bill from the calendar during the morning hour, with the understanding that we resume morning business thereafter, and that it does not affect any other legislation.

The PRESIDING OFFICER (Mr. ALLEN). What is the calendar number?

Mr. COTTON. The calendar number is 1047.

The PRESIDING OFFICER. The Chair understands the Senator's request to be that the consideration of the bill would not constitute the transaction of business which would allow any Senator to object to meeting of committees.

Mr. COTTON. That is correct; and I am authorized by the majority leader to call this bill up.

The PRESIDING OFFICER. Is there objection?

Mr. YOUNG of Ohio. Mr. President, reserving the right to object—and I do not have in mind making an objection—may I ask the distinguished senior Senator from New Hampshire whether this has been cleared with the majority members of the Commerce Committee?

Mr. COTTON. Oh, yes; it has been cleared with all members of the Commerce Committee, and it is brought up with the authority of the majority leader and after a careful conference with the members of the Commerce Committee. I am bringing it up on behalf of myself and the distinguished Senator from Washington (Mr. MAGNUSON), chairman of the committee.

Mr. YOUNG of Ohio. Of course, the Senator from Ohio has no objection.

The PRESIDING OFFICER. Without objection, the request of the Senator from New Hampshire is agreed to, and the clerk will state the bill by title.

The assistant legislative clerk read the bill (S. 3765) by title, as follows:

A bill to authorize appropriations for fiscal years 1971, 1972, and succeeding fiscal years to carry out the Flammable Fabrics Act, as amended.

The Senate proceeded to consider the bill, which had been reported from the Committee on Commerce with an amendment to strike out all after the enacting clause and insert:

That this Act may be cited as the "Flammable Fabrics Act Amendments of 1970".

SEC. 2. Section 3 of the Flammable Act (15 U.S.C. 1192) is amended by redesignating subsections (a) and (b) as subsections (b) and (c), respectivelly, and inserting the following new subsection (a) immediately after "SEC. 3.":

"(a) The manufacture for sale, the sale, or offering for sale, in commerce, or the importation into the United States, or the introduction, delivery for introduction, transportation or causing to be transported, in commerce, or the sale or delivery after a sale or shipment in commerce, of any product, fabric, or related material, or any product made of fabric or related material, as to any of which an applicable standard of flammability has been issued or amended under the provisions of section 4 of this Act, which product, fabric, or related material has not been certified by the manufacturer thereof to meet the requirements of the applicable standards or other regulations issued or amended under the provisions of section 4 of this Act, shall be unlawful and shall be an unfair method of competition and an unfair and deceptive act or practice in commerce under the Federal Trade Commission Act. Such certification shall be based upon a reasonable testing program conducted by the manufacturer and approved by the Federal Trade Commission: *Provided*, That this subsection shall not apply to such product, fabric, or related material, or any product made of fabric or related material, which has been exempted from this subsection by rule or regulation issued by the Commission pursuant to the provisions of section 5(c) of this Act.

SEC. 3. Section 7 of the Flammable Fabrics Act is amended to read as follows:

"PENALTIES

"SEC. 7. (a) Whoever performs any act in violation of section 3 or section 8(b) with knowledge that such act is in violation of that section shall be guilty of a felony and upon conviction shall be fined not more than $10,000, imprisoned for not more than three years, or both, in addition to any other penalties, civil or criminal, imposed for such violation.

"(b) Whoever performs any act in violation of section 3 or section 8(b) shall be guilty of a misdemeanor and upon conviction shall be fined not more than $1,000, imprisoned for not more than one year, or both, in addition to any other penalties, civil or criminal, imposed for such violation.

"(c)(1) Whoever performs any act in violation of section 3 or section 8(b), in addition to any other penalties imposed for such violation, shall be subject to a civil penalty of not to exceed $10,000 for each such violation.

"(2) Any such civil penalty may be compromised by the Commission. In determining the amount of the penalty, or the amount agreed upon in compromise, the appropriateness of such penalty to the size of the business of the person charged and the gravity of the violation shall be considered.

"(3) Any such civil penalty may be enforced by the Commission through a civil action brought in the name of the United States by attorneys of the Commission in the district court of the United States in the

judicial district in which the defendant resides or does business."

SEC. 4. Section 8 of the Flammable Fabrics Act is amended by adding after the word "prosecution" in the first sentence the words "or penalty".

SEC. 5. Section 13 of the Flammable Fabrics Act is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 13. There is authorized to be appropriated a sum not to exceed $9,000,000 for the period beginning July 1, 1970, and ending June 30, 1972, to carry out the provisions of this Act."

Mr. COTTON. Mr. President, I send to the desk an amendment in the nature of a substitute, on behalf of myself and the senior Senator from Washington (Mr. MAGNUSON), the distinguished chairman of the Commerce Committee.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. COTTON Mr. President, I ask unanimous consent that the reading of the amendment in the nature of a substitute be dispensed with. I shall explain the substitute.

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

The amendment is as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

That this Act may be cited as the "Flammable Fabrics Act Amendments of 1970".

SEC. 2. Section 3 of the Flammable Fabrics Act (15 U.S.C. 1192) is amended by redesignating subsections (a) and (b) as subsections (b) and (c), respectively, and inserting the following new subsection (a) immediately after "SEC. 3.":

"(a) (1) The manufacture for sale, the sale, or offering for sale, in commerce, or the importation into the United States, or the introduction, delivery for introduction, transportation or causing to be transported, in commerce, or the sale or delivery after a sale or shipment in commerce, of any product, fabric, or related material, or any product made of fabric or related material, as to any of which an applicable standard of flammability has been issued or amended under the provisions of section 4 of this Act, which product, fabric, or related material has not been certified by the manufacturer or importer thereof to meet the requirements of the applicable standards or other regulations issued or amended under the provisions of section 4 of this Act, shall be unlawful and shall be an unfair method of competition and an unfair and deceptive act or practice in commerce under the Federal Trade Commission Act. Such certification shall be based upon a reasonable testing program conducted by the manufacturer or importer which has been approved by the Secretary of Commerce in accordance with procedures established in section 4 of this Act.

"(2) This subsection and the penalties provided in section 7 of this Act, insofar as they would prohibit sale of a product without certification based upon an approved testing program, shall not take effect as to any product for which an application for approval of a testing program has been timely filed with the Secretary of Commerce until thirty days after such application has been finally acted upon by the Secretary of Commerce, or in the case of a rule prescribing a testing program under section 4(g) (6) of this Act, until thirty days after such rules have become effective.

"(3) In approving or prescribing a testing program under section 4(g) of the Act, the Secretary of Commerce may for good cause shown allow an applicant or person required to perform such prescribed testing an additional period of not more than six months within which to implement the approved or prescribed testing program. During such period applicability of the certification requirement of this section and the penalty provisions of section 7 of this Act as they relate to the requirement of certification shall be stayed.

"(4) Neither this subsection nor the penalties provided in section 7, insofar as they relate to the requirement of certification shall apply to any product, fabric, or related material, or any product made of fabric or related material which has been exempted from this subsection by rule or regulation issued by the Commission pursuant to the provisions of section 5(c) of this Act."

SEC. 3. Section 4 of the Flammable Fabrics Act is amended by inserting the following new subsection (g):

"(g) (1) The Secretary of Commerce may approve any testing program upon application by any manufacturer or importer pursuant to the certification requirements of section 3(a) of this Act (i) if such application is submitted in a proper form under regulations established by the Secretary of Commerce and published in the Federal Register, and (ii) if the testing program is reasonably designed to prevent or minimize the manufacture and introduction in commerce of any product, fabric, or related material, or any product made of fabric or related material, which is not in compliance with an applicable standard of flammability established pursuant to this section.

"(2) Unless the Secretary of Commerce has determined to proceed under paragraph (6) of this subsection, then upon promulgation of any new or amended standard of flammability under the provisions of this section, the Secretary of Commerce shall give notice that any person required to make a certification under section 3(a) of this Act and desiring approval of a testing program must submit an application for approval for such testing program within six months after the date of promulgation of such standard or amendment.

"(3) All applications for approval of testing programs must be approved or denied within a reasonable time. The Secretary of Commerce may consolidate similar applications for joint consideration and joint approval or denial.

"(4) A denial of an application for approval of a testing program shall set forth with particularity the reasons for denial.

"(5) Any person who will be adversely affected by such approval or denial may seek judicial review in accordance with procedures set forth in subsection (e) of this section.

"(6) In lieu of approving or denying applications for approval of testing programs, the Secretary of Commerce may promulgate rules prescribing the testing program to be used in the manufacture of any product, fabric, or related material for which a standard of flammability has been promulgated. Rules prescribing a testing program for fabrics, products, or related materials for which a standard of flammability has been promulgated prior to the effective date of this subsection shall become effective within one year from the effective date of this subsection, or six months after the date of promulgation of such rules, whichever is later. Otherwise, rules prescribing a testing program shall become effective on the effective date of any standard, or flammability promulgated, or six months after the date of promulgation of such rules, whichever is later."

SEC. 4. Section 7 of the Flammable Fabrics Act is amended to read as follows:

"PENALTIES

"SEC. 7. (a) Whoever performs any act in violation of section 3 or section 8(b) of this Act with knowledge that such act is in violation of such sections shall be guilty of a felony and upon conviction shall be fined not more than $10,000, imprisoned for not more than three years, or both, in addition to any other penalties, civil or criminal, imposed for such violation.

"(b) Whoever performs any act in violation of section 3 or section 8(b) of this Act shall be guilty of a misdemeanor and upon conviction shall be fined not more than $1,000, imprisoned for not more than one year, or both, in addtion to any other penalties, civil or criminal, imposed for such violation. However, no person shall be held in violation of this subsection if such person establishes that he exercised due care in the application of an approved testing program required under section 3(a) of this Act and that such application disclosed that the product, fabric, or related material was in conformity with applicable standards of flammability established pursuant to section 4 of this Act.

"(c) (1) Whoever performs any act in violation of section 3 or section 8(b) of this Act, in addition to any other penalties imposed for such violation, shall be subject to a civil penality imposed by the Commission of not to exceed $10,000 for each such violation. However, no person shall be held in violation of this subsection if such person establishes that he exercised due care in the application of an approved testing program required under section 3(a) of this Act and that such application disclosed that the product, fabric, or related material was in conformity with applicable standards of flammability established pursuant to section 4 of this Act.

"(2) Upon failure of the offending party to pay the civil penalty, the Commission may request the Attorney General to commence an action in a court of the United States for such relief as may be appropriate.

"(3) Prior to referral to the Attorney General for appropriate action, the Commission may compromise such civil penalty.

"(d) No person shall be subject to prosecution or penalty under this section for a violation of section 3 of this Act if such person establishes that he (1) has received in good faith a fabric, related material, or product certified as required by section 3(a) of this Act signed by and containing the name and address of the person by whom the product, fabric or related material was certified, and (2) has not, by further processing, affecting the flammability of the fabric, related material, or product covered by the certification which he received.

"(e) Notwithstanding the provisions of subsection (d) of this section and section 8 of this Act, an importer who chooses to rely on the certification of a foreign manufacturer under this section for any violation of section 3 of this Act."

SEC. 5. (a) Section 8(a) of the Flammable Fabrics Act is amended by adding after the word "prosecution" in the first sentence the words "or penalty".

(b) Section 8(b) of the Flammable Fabrics Act is amended by adding after the word "guaranty", wherever it appears, the phrase "or certification required under Section 3(a) of this Act".

SEC. 6. Section 13 of the Flammable Fabrics Act is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 13. There is authorized to be appropriated a sum not to exceed $9,000,000 for the period beginning July 1, 1970, and ending June 30, 1972, to carry out the provisions of this Act."

SEC. 7. Sections 2, 4, and 5 of this Act shall become effective one year after the date of enactment. All other provisions of this Act shall be effective upon enactment.

Mr. COTTON. Mr. President, on behalf of myself and the chairman of our Committee on Commerce, the distin-

guished Senator from Washington (Mr. MAGNUSON), who is unavoidably absent, I have sent to the desk an amendment in the form of a substitute.

Mr. President, I believe that a brief explanation of this amendment is in order.

On July 29 the bill S. 3765 was reported to the Senate by our Committee on Commerce. At that time my distinguished colleague, the junior Senator from Kentucky (Mr. COOK), and I submitted individual views. Our principal concern, as expressed in those views, was the fact that this bill started out simply to authorize appropriations for fiscal year 1971 and 1972 to carry out the Flammable Fabrics Act. Yet, in executive session the amount authorized was increased plus substantive amendments providing for substantial and cumulative criminal and civil penalties were added without opportunity for interested parties to be heard. Since this bill is merely an authorization rather than appropriation, I personally found no particular problem with the increased amount. However, my colleague from Kentucky and I were concerned about the substantive criminal and civil penalties and concluded our views by calling for a further hearing for interested parties to be heard.

Mr. President, on August 18 the distinguished chairman of our Commerce Committee, Senator MAGNUSON, graciously acceded to our request for a hearing. The amendment now pending is the product of suggestions advanced by the Department of Commerce and worked out by the staff of our Commerce Committee.

In all candor, I must acknowledge that I understand there still is some concern within the affected industry concerning the amendments; but, by and large, they are viewed as being preferable to the form in which the bill was reported by the committee.

The pending amendment would provide for the following:

First. Certification by the Secretary of Commerce of an approved testing program designed to prevent or minimize the manufacture and introduction in commerce of any product, fabric, or related material not in compliance with flammability standards;

Second. Application of the proposed amendment equally to domestic and foreign manufacturers alike, or the U.S. importer for such manufacturers who chooses to rely on the certification of a foreign manufacturer;

Third. A more realistic timing schedule for the effective date of the testing program certification, recognizing that such is dependent upon the effective date of flammability standards and the need of the industry for sufficient time to implement the standard and the related testing program;

Fourth. An amendment to certain of the penalty provisions eliminating the onerous "no fault" criminal and civil penalties in the bill as originally reported by the committee and provision for a defense of "due care" in the application of an approved testing program required for certification; and

Fifth. To avoid disruption of the marketplace, an effective date of 1 year after enactment for the principal provisions dealing with certification and related penalties.

Mr. President, except for the certification requirement in lieu of simply a "reasonable testing program" and except for the "due care" defense in lieu of one of "good faith" the amendment now pending essentially reflects the recommendations of the Department of Commerce. I, therefore, am constrained, to withdraw my previously stated objection to the bill as passed by the Senate with this amendment in the nature of a substitute.

I have information from my distinguished colleague, the Senator from Kentucky (Mr. COOK), that his principal objection was to the action taken by the committee without a hearing, and that, now that the hearing has been held, through the courtesy and fairness of the distinguished chairman, he, too, is willing to withdraw his objection to the bill in this form.

I hope that the amendment in the nature of a substitute will be agreed to, and that the bill will then be passed.

Mr. President, I ask unanimous consent, in order to complete the record, that a letter addressed to me by George S. Buck, Jr., director of research for the National Cotton Council of America, be printed in the RECORD.

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

NATIONAL COTTON COUNCIL OF AMERICA,
Memphis, Tenn., September 5, 1970.

Hon. NORRIS COTTON,
New Senate Building,
Washington, D.C.

DEAR SENATOR COTTON: Once again I would like to thank you on behalf of the Council and several other textile and apparel organizations for your very important help in arranging the hearings on S. 3765 last August 18. We feel that your interest and your participation in the hearing enabled us to make our position clear, and we are pleased by the apparent reaction of the Chairman.

As I am sure you know, the Department of Commerce has offered substitutes for the FTC-proposed amendments. In our opinion, and that of other textile and apparel organizations with which we have consulted, the Commerce proposals are reasonable and workable, and far preferable to the amendments originally reported out by the Commerce Committee.

We will suggest one minor change in the Commerce proposals to make the timing more realistic, and we will offer appropriate language to the Committee staff within the next ten days. We hope that you agree that the Commerce proposals will give FTC all the enforcement powers it needs, and that you will support the substitution of the Commerce versions for the earlier amendments.

Once again, may I say that we are all most grateful for your interest and your important assistance.

Sincerely yours,

GEORGE S. BUCK, Jr.,
Director of Research.

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

Mr. BAYH. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BAYH. I was standing in the back part of the Chamber a moment ago, and was not fully aware of the nature of this unanimous-consent request, but that is my responsibility and no one else's. Could the Presiding Officer repeat that unanimous-consent request, or should I pursue the matter through a series of interrogatories?

The PRESIDING OFFICER (Mr. ALLEN). The Chair understands that the Senator from New Hampshire asked that unanimous consent be granted that the bill be called up for consideration at this time, during the period set aside for the transaction of morning business. Unanimous consent was given. We are still in the period set aside for the transaction of routine morning business.

Mr. BAYH. Would the Senator from Indiana be inaccurate to suggest that normally when a piece of legislative business is transacted during the morning hour, it prohibits committees from sitting, which was permitted, at the desire of the leadership, by the tolerance of the Senate?

The PRESIDING OFFICER. That would be the normal case. However, permission was granted at the outset of the session for certain committees to meet, and they are meeting in compliance with that unanimous-consent agreement until the close of morning business.

Mr. BAYH. But is the Senator from Indiana inaccurate in suggesting that the rules provide that, whenever a legislative matter is brought up, this right is forfeited?

The PRESIDING OFFICER. Yes; that is correct in the absence of a unanimous-consent request, which was made and granted.

Mr. BAYH. Then not only did we move to bring up a piece of legislation but the Senator has also moved to suggest that we are not talking about legislation, so that the committees can continue to meet; is that the accurate effect of it?

The PRESIDING OFFICER. We have not closed the period set aside for the transaction of routine morning business. We are still in that period. The Chair points out that certain committees were, at the request of the majority leader, given permission to meet by unanimous consent, until the close of morning business.

Mr. COTTON. Mr. President, may I say to my friend from Indiana that it was my intent to request, and I think I did phrase my request to that effect, that by unanimous consent this one piece of legislation be disposed of without terminating the morning hour, and that the Senate then resume the morning hour, as it was in progress at the time the request was made.

Mr. BAYH. Mr. President, I appreciate the position of the Senator from New Hampshire. My friend's request was granted.

But I would point out that in order for the Senator's request to be granted, and not have the meetings of the committees which have been given permission to sit terminated and the committees denied the right to sit, it is my understanding

that we have to say, "Well, we are taking up legislation, but we are not really taking up legislation."

The PRESIDING OFFICER. By unanimous consent; that is correct.

Mr. BAYH. By unanimous consent; all right. As soon as his friend from New Hampshire is through, the Senator from Indiana intends to express his concern and his desire, and the steps that he is prepared to take to try to rectify a situation which I think is in derogation of our responsibility as Members of the U.S. Senate. I intend to do that as soon as my friend from New Hampshire has finished. But I did not want to let this opportunity pass without suggesting that I think it is extremely inconsistent for us to follow one course of action with one piece of legislation and not with another.

Unanimous consent has been granted, but merely to say it is inconsistent is, I think, putting it kindly. However, I do not intend to prolong the debate in order to ask for the yeas and nays or anything like that.

Mr. COTTON. Mr. President, I appreciate the attitude of my friend from Indiana, who is always courteous and considerate; but the cold fact remains that the Senate can do anything it chooses by unanimous consent. The unanimous consent request was made when the Senator from Indiana was on the floor. If he had objected to it at that time, of course we could not have brought up this piece of legislation. In view of the fact that he did not, I think we should be permitted to take care of this one piece of legislation, and then, if a Senator tries it again, any Senator will be in a position to stop it.

The PRESIDING OFFICER. The question recurs on agreeing to the amendment in the nature of a substitute offered by the Senator from New Hampshire.

The amendment was agreed to.

Mr. COTTON. Mr. President, I move to reconsider the vote by which this substitute was agreed.

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

The motion to lay on the table was agreed to.

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

The amendment, as amended, was agreed to.

Mr. COTTON. Mr. President, I move to reconsider the vote by which the amendment, as amended, was agreed to.

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

The motion to lay on the table was agreed to.

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

The bill (S. 3765) was ordered to be engrossed for a third reading, was read the third time, and passed.

The title was amended, so as to read: "A bill to amend the Flammable Fabrics Act to increase the protection afforded consumers against injurious flammable fabrics."

Mr. COTTON. Mr. President, I move to reconsider the vote by which the bill was passed.

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

The motion to lay on the table was agreed to.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Subcommittee on Minerals and the Subcommittee on Parks and Recreation of the Committee on Interior and Insular Affairs be authorized to meet during the session of the Senate today.

I think I should say that this matter, as well as some others, has been cleared, after some discussion on all sides.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MANSFIELD subsequently said: Mr. President, to make the record clear and to remove any doubts, I again ask unanimous consent that all those committees except the Committee on Labor and Public Welfare be permitted to meet during the session of the Senate today.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. Mr. President, with reference to that particular committee, objection was made by request that it be excluded from the request and that other committees be allowed to meet in accordance with the request by the joint leadership earlier this morning.

The PRESIDING OFFICER. Does the Senator's request include other subcommittees of the Labor and Public Welfare Committee?

Mr. MANSFIELD. The request was made, objected to by request, that the Committee on Labor and Public Welfare be authorized to meet. So it refers to the whole committee. This would be the one exception, the Committee on Labor and Public Welfare.

The PRESIDING OFFICER. The Senator's request is that all committees save the Committee on Labor and Public Welfare be permitted to meet after the morning hour.

Mr. MANSFIELD. All other committees requesting it, because there were a number of separate requests and all committees were not given that permission.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, it is my recollection that when I asked that all committees, except one, be permitted to meet during the session of the Senate today, the Senate agreed to the request. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. MANSFIELD. So, there is only one committee which will be forbidden from continuing to meet at the conclusion of morning business on the basis of the request made by the Senator from Montana.

The PRESIDING OFFICER. The Senator is correct.

BORMAN SPEECH ON PRISONERS

Mr. GURNEY. Mr. President, yesterday Col. Frank Borman, the former astronaut who has turned diplomat, gave a very moving account of his efforts in behalf of American prisoners held by the North Vietnamese. It was an excellent presentation and it brought home effectively the large task ahead for those concerned with this issue.

The most serious aspect of the problem as he outlined it is still the matter of actually finding out what has happened to nearly 1,000 Americans listed as missing in action, but whose names have never turned up on any lists furnished by the North Vietnamese. We have identified only some 457 men as being confirmed prisoners, whereas there are nearly 1,500 men missing in action. The fate of the rest is unknown.

This uncertainty is perhaps the most difficult thing of all for the families of these men to bear. They live in hope, but there is always the terrible fear that accompanies the lack of sure knowledge.

The statement by Mr. Borman reinforces for all of us the determination to continue our efforts in behalf of these men and their families.

THE VICE PRESIDENT'S SPEECH IN LOUISVILLE, KY.

Mr. COOK. Mr. President, it was my pleasure yesterday to be with the Vice President of the United States in my home community of Louisville, where he spoke in behalf of a former running mate of mine who is now a Member of the House, Representative WILLIAM O. COWGER.

BILL and I first ran together when he ran for mayor and I ran for county executive.

During the course of that speech, the Vice President of the United States asked those in attendance how much sense it made for a present member of the Federal Communications Commission, Mr. Nicholas Johnson, to quote Eldridge Cleaver in regard to the problems of drugs in this country.

This morning, Mr. Johnson, in rebuttal to the remarks in that speech, made some remarks in the Washington Post. He said:

> Certainly the broadcasting industry will be amused to hear that I am a "super permissive" Government official.
>
> Perhaps it is obvious why Vice President Agnew defends big campaign contributors who are urging our grade school children to take up smoking—after all, he was speaking at a $100-a-plate fund raising luncheon in the heart of the tobacco country.
>
> But I doubt that his rhetoric will provide much satisfaction to the dependents who are left behind by the 300,000 Americans who will die from cigarette related diseases this year.

First of all, Mr. President, I wish to be very critical of Mr. Johnson for so recklessly throwing around the figure of 300,000 lives a year. A number of highly qualified medical scientists would dispute this. I would hope Mr. Johnson would read my speech of December 12, 1969, if he is not opposed to being educated to

the other side of the smoking-health issue.

But, more important, I would like to bring to the attention of the Senate that he said the Vice President was in the heart of the tobacco country. Well, I have to give that credit to the distinguished Senator from North Carolina, because North Carolina is the No. 1 burley tobacco producer in the United States, not Kentucky. As a matter of fact, Kentucky is No. 2 in the agricultural production of tobacco. However, Louisville, which Mr. Johnson was referring to, does not even rank among the top three in the manufacture of cigarettes.

But I will say this to Mr. Johnson, and I think that this is of interest to him, and that he has knowledge of it: It was the Senators from the tobacco States, and it was this Senator, as a member of the Committee on Commerce, who wanted the tobacco industry to go off radio and television last September and not to stay on television through January 1, 1971, so that all the football games could be put on ABC, NBC, and CBS and all the revenue could be paid to the respective broadcasting systems by way of tobacco advertising.

But it was Mr. Johnson's friends on the Commerce Committee who felt that it would be too big a blow to the broadcasting industry to go off that soon. It was those members of the committee who wanted to destroy the entire tobacco industry, but who decided that they would let this advertising go on for the benefit of the broadcasters.

So I would say to Mr. Johnson that I think he knows the facts. I think he knows that every Senator from a tobacco State wanted the industry to go off radio and television last September. Also, the tobacco industry had wanted to go off the air at this time.

I might suggest that it was at an informal meeting of the representatives of the broadcasting industry that I heard one of the most amazing remarks I had ever heard. The tobacco industry pays to the broadcasting industry some $250 million a year. A gentleman from the broadcasting industry said, "If you will just let us keep cigarette advertising for 3 years and phase it out with the nonsmoking advertising, we will convince more people not to smoke." That was an amazing thing for a businessman to say. What he was saying was, "We want the $250 million a year from the tobacco industry. If you will let us stay so we can get the $250 million, we will put the free advertising on that we have to, under Mr. Johnson's policy at the Federal Communications Commission, and we will convince more people not to smoke while we are taking $250 million from the tobacco industry." That was a rather fantastic argument to make in front of Senators from tobacco producing States.

Also, I would say to Mr. Johnson, that not only did the Vice President not cater to the tobacco industry, but he was even critical of the tobacco industry in his speech yesterday. I read from his speech:

> In the course of his exercise in Spockmanship, this official does offer one useful addition to my own argument. He wonders why I have overlooked the use of drug culture language in advertising, and points to the television station that promotes its programming as great "turn-on," or the honey company that suggests we "get high on honey." He's right about that; I notice that both a major network and a cigarette manufacturer have taken as their theme "getting it all together" this fall—a direct use of the drug culture's phrase that can mean either reaching a sense of nirvana through drugs, or shaking off the after-effects of a trip.

I might suggest that the Vice President made one other remark in his speech that I think is very appropriate to the distinguished member of the Federal Communications Commission. He said this in regard to Mr. Johnson's remark:

> This high government official seriously argues that cigarette smoking is a far greater danger to the American public than the drug culture. I suppose the way to convince him that smoking pot is harmful is to show that it leads to smoking tobacco.

Mr. President, approximately 6,000 members of the Tobacco Workers' Union of the AFL–CIO work in my community. I expect that approximately 90 percent of those 6,000 are registered Democrats, whom I am sure the distinguished Senator from Indiana, who is sitting in the chamber, would like to have living in his community. I imagine that the largest percentage of the thousands of people who work in the tobacco fields in my State are registered Democrats, because we are a little better than 2½ to 1 registered Democrats. I would only say to those people in my State who voted for the Democratic Party and for the last Democratic President, who saw to the appointment of Mr. Nicholas Johnson, that Mr. Johnson has spent all his time on the Federal Communications Commission ever since trying to destroy one of the largest and most major industries in my State. It is so major, Mr. President, that it produced 298 million cash dollars to the Commonwealth of Kentucky in 1968; it is 34 percent of the farm cash income in the Commonwealth; it sees to the employment of more than 150,000 of our farm families; and it sees to the further employment beyond that, Mr. President, of 170,000 other individuals in the Commonwealth of Kentucky.

So I can only say to Mr. Johnson, if he wants to get into an argument with Vice President AGNEW, I suggest he get into an argument with him on the issues.

The issue that the Vice President called his hand on is rather flippant. The only recourse that Mr. Johnson had was the fact that the Vice President had made his speech in Louisville, apparently among all the so-called "fat cats" in the center of the tobacco industry in the United States—a rather novel approach. We did not know we were in that position.

Mr. President, I ask unanimous consent to have printed in the RECORD the text of the Vice President's speech; an article published in the Washington Post of September 23, 1970; and the text of a speech I delivered in the Senate on Friday, December 12, 1969, in connection with the smoking and health issue.

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

ADDRESS BY THE VICE PRESIDENT

I'm delighted to be in Louisville to speak up for my old and valued friend, Bill Cowger.

We've known each other since 1962—and in politics, that's an "old friendship." I came here eight years ago to ask his advice on my campaign for Baltimore County Executive; Bill was Mayor of Louisville at that time, one of the very few Republican mayors in the nation, and his advice must have been good. I won.

Later that year, Bill came to Baltimore to speak at a fund-raising dinner in my behalf. I appreciated that; to be frank about it, the line of elected officials waiting to speak out for me at fund-raising dinners wasn't very long.

In 1967, when I was Governor of Maryland, Bill Cowger invited me to appear before his Congressional Task Force on Urban Affairs, to give my views on problems and solutions in the urban area. The questioning was keen; Bill is known nationally to be one of the foremost authorities on urban affairs.

Bill Cowger is a stand-up guy, a Congressman of proven experience with the courage of his convictions—and I believe the people of Kentucky will return him to Congress with the resounding vote of confidence he deserves.

One of the important areas that Bill's Task Force has researched over the past four years has been that of narcotics and drug abuse, a subject of interest to this Administration. This afternoon, I would like to cover one aspect of that problem with you.

I have been travelling across this country pointing out the need to retire from public life men who are completely out of touch with American life today.

Not all of what I have been saying involves purely political matters. Some concerns itself with social issues that deal with American culture itself. For example, in Las Vegas last week, I discussed in some detail the rise of the drug culture in America. I pointed out how it was being subtly propagandized in many movies, books, and particularly in the lyrics of some of our popular songs.

I quoted some of those songs that put drug use in a favorable light. I could have gone into much more detail; into lines like "I'd love to turn you on," or to a song title that spells out LSD: "Lucy in the Sky with Diamonds."

There can be no doubt, to any objective observer, that some proponents of the drug culture are misusing popular music to get across their message. Most of the time, it is done subtly. Peter, Paul and Mary made very clear just what many rock groups were doing in one of their hit songs: "But if I really say it/The radio won't play it/Unless I lay it between the lines."

The reaction to my speech from some people who have large investments in the music industry was predictable. When I suggested that the song "Eight Miles High" glorified the pleasures of drugs, one rock group manager, in wide-eyed innocence, said the song was all about how high an airplane flies. Others said that I failed to distinguish between the use of marijuana and the use of other, harder drugs—as if urging the use of marijuana were a perfectly legitimate use of the public airwaves.

Others in the music industry came up with a much more constructive reaction. They pointed out how some rock groups recorded songs with specific anti-drug messages. That's fine. They ought to do a lot more of it. But the fact that some examples can be found of anti-drug lyrics does not in any way excuse the use of many more pro-drug messages in many other songs.

As I said, the reaction of the rock music managers was predictable. And perhaps what I said will stimulate them to an awareness that a growing number of Americans are

waking up to what has been going on in music lyrics lately.

But what surprised and shocked me was the reaction of a member of the Federal Communications Commission. This appointee of a previous administration promptly took the side of the rock musicians, and echoed their pronouncements about how many songs were produced with anti-drug lyrics.

However, this man—who is supposed to represent the public in regulating the broadcasting business—went a lot further. He went on to espouse the kind of radical-liberal philosophy of permissiveness and self-flagellation that has encouraged so many of our young people to turn to pot and worst.

Let me quote him fully and in context:

"The issue is whether you, and the rest and the Administration, are—to borrow Eldridge Cleaver's (and VISTA's) phrase—part of the solution, or part of the problem. The question is whether you have done anything to alter the repressive, absurd and unjust forces in our society that drive people to drugs."

There it is, my friends, in all its pristine majesty—the puddle-minded philosophy of the radical-liberal run rampant. He does not blame the use of drugs on the weakness of the users; he does not blame the pushers for their skillful enticements to our young. Quoting Eldridge Cleaver, of all people, to make his point, he says that it is the "repressive, absurd and unjust forces in our society that drive people to drugs."

No, it is never the addict's fault that he is an addict; it is not the pushers' fault that he is a pusher; it is all "society's" fault. You and I are the guilty parties.

This is the sort of fatuous nonsense being perpetrated on the American public by the super-permissive officials that have been allowed to take so much control of our government. It is dangerous nonsense, because by blaming everybody it holds nobody responsible.

This high government official seriously argues that cigarette smoking is a far greater danger to the American public than the drug culture. I suppose the way to convince him that smoking pot is harmful is to show that it leads to smoking tobacco.

In the course of his exercise in Spockmanship, this official does offer one useful addition to my own argument. He wonders why I have overlooked the use of drug culture language in advertising, and points to the television station that promotes its programming as great "turn-on," or the honey company that suggests we "get high on honey." He's right about that; I notice that both a major network and a cigarette manufacturer have taken as their theme "getting it all together" this fall—a direct use of the drug culture's phrase that can mean either reaching a sense of nirvana through drugs, or shaking off the after-effects of a trip.

Many advertising copyrighters seize upon the latest terms in the drug culture in an effort to stay "with it"—and in so doing, unwittingly help glamorize a culture that spreads its own cancer among our young people.

The main thrust of the FCC commissioner's attack, however, is exactly what I predicted in my own speech: that by calling public attention to this subtle propaganda of the drug culture, I was engaging in a form of censorship. This is the conditioned reflex of the radical-liberal to almost everything I say: "censorship, repression." In his opinion, the only kind of criticism that is not repressive is his own criticism of what I say.

But I invite you to consider the extreme to which he says censorship in America has gone. I quote the Commissioner: "The forms of censorship are subtle. This Administration repeats and repeats that it is not censoring—just as the Russians did when they rolled their tanks into Czechoslovakia in August 1968."

There you have it again. There is a statement—not ad-libbed, but carefully written out—that compares our own government's policy toward the media with Soviet dictatorship censorship during the Czech invasion. And the man delivering that remark is not an employee of some other government, not a confused professor lobbing foolish thoughts from behind his shield of tenure, not a misled campus radical—but a man who draws his salary from your tax dollars. And even worse, a man with a lot to say about the future of broadcasting in America.

Fortunately, there are some developments on the brighter side. The National Association of Broadcasters, I understand, will soon issue guidelines to tone down the television image of fantastic changes in mood that happen to a model who takes a pill. And a firm that supplies music programming to many stations has begun a rating system that will alert station managers to the content of each record. And I imagine that now that they know they are being listened to more closely by the general public, some lyricists will think twice before including a drug message in their songs.

Why do you suppose this is coming about? Not because some officials are wondering, and I quote, "How many Americans seek in drugs the solace from a vicious cruel world they did not create, but cannot escape?" Progress against the drug culture is being made because other officials, who reject that ridiculous permissiveness, are demanding that we wake up to the carnage the permissivists have caused.

It was Shakespeare's Hamlet who first complained that "the time is out of joint;" a later poet found himself "a stranger, and afraid, in a world I never made." The political Hamlets of today are with us in force—vacillating, waffling, wringing their hands, wallowing in alienation, blaming society for inadequacies in themselves and in others.

These political Hamlets—this little group of unwilling men—still dominate the Senate of the United States, still hold themselves out as candidates for election, still work their weakening will in the regulatory agencies of government.

But for them, the time *is* out of joint; a new day has arrived. The pendulum is swinging in the other direction at long last. An infusion of good sense, of hardheadedness, of toughmindedness, is running through the American body politic.

This year, I believe, will not be the typical "off-year election." This year, I believe we will see that new spirit of America make itself felt. The American people, in rejecting the men afflicted with self-guilt, tortured by doubt, and laden with anxieties, will turn instead to the affirmative men.

They will send to the Congress of the United States men ready and willing to come to grips with the trouble of our times; decisive men, who will stand with the President of the United States in making this nation the kind of orderly, just and progressive society the American people deserve.

[From the Washington Post, Sept. 23, 1970]

AGNEW JOINS DRIVE TO DEFEAT SENATOR GORE

(By William Chapman)

MEMPHIS, TENN., September 22.—Vice President Spiro T. Agnew joined the Republican drive to defeat Sen. Albert Gore tonight with the unusual tactic of belittling Gore's importance as an election-year target.

Gore, said Agnew at a GOP fund-raising dinner, "is flattering himself by exaggerating his importance in the national picture."

He suffers "a paranoiac fear of being the No. 1 political target of the 'silent majority'," said the vice president.

For his part, Gore retaliated in an equally unusual manner by showing up at an airport reception for Agnew and sharing a platform with him at a ground-breaking ceremony later.

"Senator, I heard you were going to be here," said Agnew to the Democratic candidate standing in the airport reception line. "Nice of you to welcome me."

"Welcome to Tennessee," Gore said.

Agnew arrived here for a speech supporting Gore's Republican opponent, Rep. William Brock, in what has become one of the closest and most intensely watched contests of the year.

ADMITTED UNDERDOG

Admittedly an underdog, Gore has played to home-state sympathies by picturing himself as "target number one" of the Nixon administration. He has tried to use the Vice President's visit as an example of Republican outsiders ganging up on him.

But Agnew said, "The senior senator from Tennessee is important only to the radical liberal wing of the Democratic Party. For the incumbent senator from Tennessee is for all intents and purposes Southern regional chairman of the Eastern liberal establishment."

When Gore comes home to Tennessee, Agnew added, "You do not see him bringing down to Memphis the radical-liberal friends he hobnobs with up in Manhattan and Georgetown, because these friends would not fit very well with the people of Tennessee."

He said Gore "incredibly" had voted against two Southern nominees for the Supreme Court, Judge G. Harold Carswell of Florida and Clement Haynsworth of South Carolina, both rejected by the Senate.

"That crowd in the Senate which talks so much about ending discrimination committed an act of discrimination against the South," Agnew charged. "They went over to the Supreme Court and nailed a shingle to the door that reads, 'No Southerner Need Apply."

AIRPORT APPEARANCE

Gore's appearance at the airport ceremony had been predicted by the Agnew staff but they were not certain what kind of scene might develop. It turned out to be only an exchange of polite remarks and some free television time for Gore.

At a $100-a-plate luncheon for Cowger, Agnew launched an attack on a member of the Federal Communications Commission, Nicholas Johnson, who last week criticized Agnew's speech on the American "drug culture."

"POT AND WORSE"

Johnson, he charged, has taken the side of "rock musicians" whose lyrics promote the use of drugs. The FCC member had espoused "the kind of radical-liberal philosophy of permissiveness and self-flagellation that has encouraged so many of our young people to turn to pot and worse," Agnew declared.

[In Washington, Johnson replied:

["Certainly the broadcasting industry will be amused to hear that I am a 'super permissive' government official.

["Perhaps it is obvious why Vice President Agnew defends big campaign contributors who are urging our grade school children to take up smoking—after all, he was speaking at a $100-a-plate fund-raising luncheon in the heart of the tobacco country.

["But I doubt that his rhetoric will provide much satisfaction to the dependents who are left behind by the 300,000 Americans who will die from cigarette-related diseases this year."]

About 250 persons attended the luncheon in Louisville. Local politicians, according to the Louisville newspapers, had anticipated ticket sales of 500 or 600.

Gore also appeared on the speaker's platform where Agnew spoke at the dedication of a new Internal Revenue Service regional center near the airport. A small crowd of Gore's young admirers burst into applause when he was introduced. After Agnew finished his brief speech, Gore was the first on his feet to applaud.

The Vice President, beginning his second week of barnstorming for Republican can-

didates, also dropped in at Louisville today to endorse Rep. William Cowger (R-Ky.), who is in a close race for reelection.

THE HOUSE CIGARETTE HEARINGS—A NEW LOOK AT SMOKING AND HEALTH

Mr. COOK. Mr. President, after 13 days of hearings and 1,807 pages of testimony, the House Interstate and Foreign Commerce Committee has produced a record that casts more than reasonable doubt on the case against cigarette smoking. Indeed, the record reflects an erosion of confidence in the "facts" of the antismoking case.*

But, committee members need solid facts as a basis for decision. One member told of seeing a colleague become so frustrated that he lit up a cigarette; "and the fellow does not even smoke," he added. Another suggested that the committee "investigate the investigators" to resolve the contradictions. A third called for "reopening" the Surgeon General's 1964 study of smoking and health, the basic indictment by the antismoking forces.

What happened to cause this reaction?

Like most people, committee members were well aware of the charges made against cigarette smoking. A constant barrage of antismoking commercials, newspapers stories, and pamphlets buttressed by one-sided reports from the Surgeon General created a bandwagon effect. And like most people, including most physicians, unfamiliarity with the actual scientific evidence led them to accept the notion that where there is cigarette smoke there must also be fire.

However, committee members, unlike the general public, were exposed by experts to the other side of the smoking and health controversy during the hearings. And this evidence was revealing. They heard much testimony that flatly contradicted popular views. For example, they learned:

That medical scientists are not solidly lined up against smoking.

That there are honest and wide differences of opinion among medical scientists about the importance of the reported statistical associations between cigarette smoking and various diseases.

That, according to a number of highly qualified expert witnesses, many reporting on their own research, there is no scientific evidence that cigarette smoking causes cancer and other diseases.

Committee members also learned—and to men in the process of lawmaking the disclosure must have been disquieting—that some of the tactics used against tobacco were below the belt.

Following are some excerpts of the evidence, which casts serious doubt on the theory that cigarette smoking causes disease. To most Americans it would come as a great surprise that such evidence even exists:

DOES SMOKING CAUSE LUNG CANCER?

"A person of true scientific discipline would never make a final judgment on the type of evidence presented in favor of the hypothesis." (Thomas H. Bren, M.D., Professor and Chairman, Department of Medicine of Southern California School of Medicine.)

After at least 30 years of experimental work, and many smoke inhalation experiments in animals, lung cancers of the most common, squamous cell human type have not been produced. It is usually difficult to prove a negative, but if cigarette smoke were a cause of lung cancer, it is indeed surprising that no animal experiments have succeeded in its production. (Sheldon C. Sommers, M.D., Clinical Professor of Pathology, Columbia University Medical College.)

The cause of cancer in humans, including the cause of cancer of the lung is unknown. (Victor Buhler, M.D., Associate Clinical Professor of Pathology and Oncology at University of Kansas School of Medicine, and former president of the College of American Pathologists.)

As of the present date, the cause of lung cancer remains unknown. (Duane Carr, M.D., Professor of Surgery, University of Tennessee College of Medicine.)

The statistical association between smoking and lung cancer is not indicative of cause and effect, because the clinical behavior of the disease does not permit this conclusion. (Hiram T. Langson, M.D., Professor of Surgery, University of Illinois College of Medicine and President of the American Association for Thoracic Surgery.)

As of 1969, our knowledge of the cause or causes of lung cancer remains primitive . . . To date the only evidence supporting this [cigarette smoking] hypothesis is statistical, and there are statistics which fail to support it. (William B. Ober, M.D., Associate Professor of Pathology New York Medical College.)

DOES SMOKING CAUSE HEART DISEASE?

The incrimination that smoking causes or accelerates heart disease from atherosclerosis of the coronary arteries is wholly unwarranted (William Evans, M.D., Former consulting physician The Institute of Cardiology London, England.)

It is very doubtful that such a relationship exists. If heavy smokers suffer coronary thrombosis in a significantly greater proportion than non-smokers, the cause of the phenomenon could be related to the stress that usually goes together with the smoking habit. (Walter S. Priest, M.D., Emeritus Professor of Medicine at Northwestern University Medical School.)

The evidence I feel is still not strong enough for me to say within the criteria of causality . . . that there is cause and effect. (Surgeon General William H. Stewart.)

There is no proof that cigarette smoking causes [diseases of] coronary arteries . . . let's be sure we understand the American Heart Association position. We do not say that we have the data which says cigarette smoking causes coronary artery [disease]. (Campbell Moses, M.D., Medical Director American Heart Association.)

It would be regrettable, if the impact of the prestige of the U.S. Public Health Service led scientists and the public to believe in and accept as firmly established facts which, on the basis of current knowledge, are speculative and lacking in scientific validity. The situation demands not special pleading but scientific truth, namely, what is reasonably established. And, certainly, it has not been reasonably established that cigarette smoking causes coronary heart disease. (Carl C. Seltzer, Ph. D., Senior Research Associate Harvard University School of Public Health.)

DOES SMOKING CAUSE EMPHYSEMA?

The cause or causes of emphysema are not now known. ("Special Report on Emphysema," National Institute of Allergy and Infectious Diseases, N.I.H.)

They stated [the 1964 Surgeon General's Advisory Committee] . . . that a relationship exists between pulmonary emphysema and cigarettes but it has not been established that this relationship is casual (Surgeon General William H. Stewart.)

I cannot find any actual evidence that . . . cigarette smoke or anything else, has a casual relationship to the development of this disease. (Edwin Rayner Levine, M.D., Associate Professor of Clinical Medicine, Chicago Medical School.)

Most authorities agree that emphysema presents a complex problem which awaits scientific explanation. (John P. Wyatt, M.D., Professor and Chairman, Department of Pathology, University of Manitoba.)

The "protagonists of the anti-smoking campaign" have refused to face this paramount question: "If it is true that we do not know what emphysema is and whence it originates, how can they maintain the claim that it is linked to cigarette smoking? How can their position be reconciled with scientific principles?" (Israel Rappaport, M.D., Former Associate Clinical Professor, Columbia University Medical School.)

Testimony such as this, flatly contradictory to "accepted" views, seriously undermine the major conclusions of the antismoking witnesses—and the underlying premise for further punitive legislation. It was not lost on the committee that among the witnesses quoted above were some notable opponents of smoking.

But further doubt arose as expert witnesses also exploded many of the supporting dogmas of the antismoking forces. Under scientific attack, a number of subsidiary assertions, which had bolstered the main charges and lent force to antismoking commercials were weakened. In effect, they were now ended with a question mark instead of an exclamation point.

Following are some of the newly raised questions:

DOES SMOKING TURN THE LUNGS BLACK? OR CAN DOCTORS TELL SMOKERS' LUNGS FROM NONSMOKERS' LUNGS?

The knowledge of what the black pigment represents, namely carbon particles or coal dust, is known to every well trained second-year medical student and . . . it is not possible to equate blackening of the lung to exposure to tobacco products. (Sheldon C. Sommers, M.D., Clinical Professor of Pathology, Columbia University Medical College.)

The color of the lung has to do with the matter of carbon, and I am unable to recognize the difference between a smoker and a non-smoker . . . and I have never been able to correlate it with the use of tobacco. (Hiram T. Langston, M.D., Professor of Surgery, University of Illinois College of Medicine, and President of the American Association for Thoracic Surgery.)

I would estimate that of a thousand pathologists in this country, 998 would say, "I could not tell," and the other two would say "I could tell" and those two who could tell either had some infinite intuition or are not telling the truth. (Irving Zeidman, M.D., Professor of Pathology, University of Pennsylvania School of Medicine.)

I have examined thousands of lungs—and I cannot tell you from examining a lung whether or not its former host had smoked . . . I state flatly and unequivocably and emphatically that cigarette smoke will not turn the lung black. (Victor Buhler, M.D., Pathologist, St. Joseph Hospital, Kansas City, Missouri.)

IS NOT EVERY SMOKER DAMAGED BY HIS SMOKING?

Not everyone gets cancer or heart disease. And, of course, non-smokers, as well as smokers, get both. Indeed, it would appear that, as observed in the first massive review of the smoking research literature, the British Report of the Royal College of Physicians, "most smokers suffer no serious impairment of health or shortening of life as a result of their habit" . . . I hope it is well understood that no medical practitioner can advise patients they can avoid lung cancer or heart disease by not smoking. (Bernice C. Sachs, M.D., Seattle Mental Health Institute.)

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* HEW Secretary Finch himself noted some gaps in the "facts" on April 25, 1969, during the hearings, when he announced in a news release,

"I believe that industry and government working together offer great promise of finding the answers we need. I am confident our joint effort will yield a cooperative research program which strongly promotes the public interest."

To experienced physicians who examined and observed so many heavy smokers, the most astonishing feature of the present issue over the effects of smoking must be the current trend to simply ignore the overwhelming evidence presented by the tens of millions of smoking men and women going through life without any signs or symptoms of damage to their lungs from many years of smoking—even heavy smoking. (Irsael Rappaport, M.D., Former Associate Clinical Professor, Columbia University Medical School.)

If cigarettes were the cause of lung cancer, I believe we would have an incidence many times greater than we do now, and would not encounter the disease in nonsmokers. (H. Russell Fisher, M.D., Professor of Pathology, University of Southern California School of Medicine.)

IS THERE A LUNG CANCER EPIDEMIC?

The increase in the incidence of lung cancer in the United States . . . reflects the growing and aging population of this country. The apparent increase is also reflected in the increased expertise and improved diagnostic abilities of the medical profession. The increase in the number of members of my own specialty in medicine (Pathology) is directly responsible for some of the apparent increase. (H. Russell Fisher, M.D., Professor of Pathology, University of Southern California School of Medicine.)

Changes in classification of disease have contributed to much of the reported increase in diseases such as lung cancer. (Duane Carr, M.D., Professor of Surgery, University of Tennessee College of Medicine.)

In 1900 the combined crude death rate for respiratory diseases in the United States exceeded 450 per 100,000 and there were no death rates recorded for lung cancer. If only a small percentage of the death attributed to tuberculosis, pneumonia, bronchitis or influenza had been incorrectly diagnosed and were, in actuality, cases of lung cancer, there would be relatively little increase in the prevalence of this disease during the past half century.

The concept that cancer of the lung is a new disease and a byproduct of modern civilization is false and those who promulgate this thesis are misleading the public. The disease was a well known entity for a century before the era of widespread cigarette smoking. The only thing new is our ability to diagnose it before autopsy. (Milton B. Rosenblatt, M.D., President, Medical Board, Doctors Hospital, New York.)

An important aspect of present trends in this country which is generally ignored, is the declining rate of increase. If this feature of the trend continues, the disease will reach its peak among the white male population in the foreseeable future (1983) and then start to decline (A. G. Gilliam, M.D., of the National Cancer Institute.)

The observed decline in the rate of increase of lung cancer is exactly what one would expect, however, if the reported increase were due to constantly improving detection of the disease—or of any other for that matter. (Thomas H. Brem, M.D., University of Southern California.)

DOES NOT GIVING UP SMOKING MAKE ONE HEALTHIER?

Even if cigarette smokers, as a group did not smoke, there still would be a higher proportion of persons with primary cancer of the lung, or coronary heart disease, if you wish, among them than among non-smokers, as a group, since constitutionally they are more disposed to the disease. (George L. Saiger, M.D., Former Associate Professor of Epidemiology, Columbia University.)

The same higher coronary rate was observed in former cigarette smokers as in all current moderate and heavy smokers . . . the incidence of symptomatic infarction was as great in former cigarette smokers as it was in current smokers and was as great in former cigarette smokers as in men smoking more than one pack daily. (Ray Rosenman, M.D., Director, Western Collaborative Study of Coronary Heart Disease.)

[From data in the HEW survey of smoking and illness] consistent pattern is quite obviously apparent. For all categories, present smokers have a much lower incidence [of disease and disability] than do former smokers. (Theodore D. Sterling, Ph.D., Professor of Applied Mathematics and Computer Science, Washington University.)

IS NOT CIGARETTE SMOKING ADDICTIVE?

We would disagree with the contention that cigarette smoking is "physiologically addictive." (Surgeon General William H. Stewart.)

In no sense, pharmacological sense, can one talk about smoking being addictive. (Arthur Furst, Ph.D., Director, Institute of Chemical Biology, University of San Francisco.)

Physical dependence does not develop either to nicotine or other constituents of tobacco. (Charles Hine, M.D., Ph.D., Clinical Professor of Pharmacology and Preventive Medicine, University of California School of Medicine.)

Some confusion arose through use of the word "addiction" in connection with tobacco use. By generally accepted World Health Organization criteria, smoking tobacco is not considered an addiction. (Sheldon C. Sommers, M.D., Director of Laboratories, Lenox Hill Hospital, New York.)

DOES NOT CIGARETTE SMOKING CAUSE EXCESS DEATHS, SHORTEN LIFE, AND INCREASE MORBIDITY?

I know of no such figures which show a higher mortality rate for smokers than nonsmokers, without ambiguity, without difficulties of interpretation, and without leaning very heavily upon a selected number of instances for presentation and hiding some of the others which are probably just as important or just as controversial. (Theodore D. Sterling, Ph.D., Professor of Applied Mathematics and Computer Science, Washington University.)

The widely publicized accusations of hundreds of thousands of deaths caused by cigarettes and of shortening of life expectancy a specific number of minutes per cigarette smoked are fanciful extrapolations and not factual data. (Milton B. Rosenblatt, M.D., President, Medical Board Doctors Hospital, New York.)

Many figures were cited concerning 30,000 or 50,000 or 260,000 persons per year having or dying from lung cancer or the other diseases being considered. Since it is not known what the causes of lung cancer, coronary heart disease, or bronchopulmonary disease are, the multiplication of numbers does not contribute to understanding them any better. (Sheldon C. Sommers, M.D., Director of Laboratories, Lenox Hill Hospital, New York, New York.)

Mr. Preyer: "So you can say there is no significant difference in the mortality rate of smoking and non-smoking twins."

Dr. Cederlof: "Yes . . ."

Mr. Preyer: "Then there is no evidence that non-smoking twins live longer than smoking twins?"

Dr. Cederlof: "No."

(Rune Cederlof, Ph. D., Associate Professor, National Institute of Public Health, Stockholm.)

The [Public Health Service] Morbidity Report expressly conceded that errors in some of the results were too large to permit meaningful conclusions; at the same time conclusions from these results were advanced. This type approach is not scientific, but shows bias and desire to reach predetermined conclusions . . .

[The Public Health Service] has gone even further in using portions of the Morbidity Report, often out of context, as the basis for a condensed propaganda pamphlet entitled "Smoking and Illness." This pamphlet boldly acknowledged in the Morbidity Report. It flatly, and without qualification, asserts precisely how much illness and disease is due to smoking. Nowhere does the pamphlet disclose that the basic data included no medical diagnoses by doctors but only self and proxy diagnoses by lay men. In light of this Critique, the further use and compression of the Morbidity Report in this pamphlet can only be regarded as a dangerous and misleading deterrent to further scientific study. (John W. Sawyer, Ph. D., Professor of Mathematics, Wake Forest University.)

If the contradictory testimony of medical experts raised doubts among committee members, their puzzlement was increased by concessions coming, oddly enough, from the antismoking witnesses. For example:

Paul Rand Dixon, Chairman of the Federal Trade Commission was told "It has never been proven medically, the causal connection between the inhalation of smoke and lung cancer. You know that, do you not?" and he said, "Yes, sir."

No witness disagreed that the type of lung cancer associated with smoking has never been induced in animal inhalation experiments, despite more than 30 years of efforts and many reams of publicity intimating otherwise.

Dr. William H. Stewart, of Public Health Service, testified:

"I have never stated a cause and effect between (cigarette smoking) and heart disease."

Dr. Campbell Moses, of the Heart Association said:

"There is no proof that cigarette smoking causes coronary artery disease."

His colleague, Dr. Lewis January, said:

"There was no specific causal relationship."

Dr. Stewart quoted the National Institute of Allergies and Infectious Diseases as having "stated that a relationship exists between pulmonary emphysema and cigarettes but it has not been established that this relationship is causal."

Dr. John Gompertz, of the Tuberculosis and Respiratory Diseases Association, testified that—

"The cause of emphysema is not clearly understood."

Asked if it was "not known," he said:

"That is true."

Dr. Robert Browning, his colleague, said "we have not any valid statistics yet available" on emphysema.

Doubt, however, was not the only reaction among committee members. Many were understandably concerned that evidence marshaled against cigarette smoking appeared to be patently one sided. Some felt that they, along with the public, had been taken on a "bandwagon" ride. Expert witnesses agreed that both were indeed possibilities.

Some observations on one-sided reporting of research:

I have been disappointed in my failure to find in the Surgeon General's Report of 1964 and in the 1967 HEW Report to Congress, The Health Consequences of Smoking, a discussion of the published reports of those that disagree with their conclusions (R. H. Rigdon, M.D., Professor of Pathology, University of Texas.)

Then I read the (Surgeon General's 1964) report and I realized what had happened. They had simply done a selective review of the literature. They had not investigated all aspects. The report simply didn't cover the entire field, in my opinion. It was a disappointment. (Sheldon C. Sommers, M.D., Director of Laboratories, Lenox Hill Hospital, New York.)

People who tell you that cigarette smoking causes lung cancer do not like to be reminded of (conflicting) data. In fact, they were not

included in the last Surgeon General's report on "Smoking and Health."

I am sorry that the publication presented only one side of the picture. (William B. Ober, M.D., Director of Laboratories, Knickbocker Hospital, New York.)

Doctors don't know any more about it than anybody else does. They pick up a headline in the newspapers and they know as much as any lay person. This is a highly specialized area. . . . The Public Health Service I regret to say, uses misleading data. It is true, but it is not the whole truth. (Milton B. Rosenblatt, M.D., President, Medical Board, Doctors Hospital, New York.)

I think that the attitude of many of my associates in the medical profession is that there are so many things that they have to look into that I doubt if any great percentage have devoted the time and effort to investigating the actual background information, and have tended to . . . accept what is handed them. (Hiram T. Langston, M.D., Professor of Surgery, University of Illinois College of Medicine.)

[Scientists] absorb the general ideas about smoking that is going on in the world around them . . . just because you are a scientist or just because you are a doctor doesn't put you in much better position to know any better than anyone if you don't look at the facts. (Arthur Furst, Ph.D., Director, Institute of Chemical Biology, University of San Francisco.)

[The majority of physicians] have to rely upon published reports and attach some significance . . . to reports of the Surgeon General . . . the number is rather small who have either the time or the inclination to cover the experimental literature. (Duane Carr, M.D., Professor of Surgery, University of Tennessee College of Medicine.)

I am perfectly sure that if you poll the doctors of this country you would get a very strong majority who believe what the Public Health Service Report says, and that there is substantial proof of the causality relationship. But I think there is only one in 10,000 doctors in this country who really has read the papers and evidence on the other side. (Thomas H. Brem, M.D., Professor and Chairman, Department of Medicine, University of Southern California.)

On the "bandwagon" effect:

"Unfortunately, many supposedly well informed officials in the Public Health Service and certain voluntary health organizations have permitted their emotionalism and zeal to outdistance the actual scientific knowledge and proof. This has resulted in misleading the public into believing there is proof where none exists. A bandwagon effect has resulted even in the medical and scientific community where too many have accepted the pronouncements of dedicated zealots, lacking the time to examine the scientific basis, or lack of it, for such pronouncements. (Duane Carr, M.D., Professor of Surgery, University of Tennessee College of Medicine.)

"There is such an emotion-laden question here, there is so much bias, that one is in danger of being ostracized by his colleagues in the scientific community if his data doesn't fall in step with preconceived notions.

"Yet, I feel that because a stone started rolling down a hill, people have continued to take up this crusade—the word I chose to use—with really no evidence, but just the momentum of a stone rolling down a hill. . . . If one wants to be a crusader and remove a social habit from our environment which some people find distasteful they choose a very emotion-laden illness to pin it on to make it easier to get their job done. (Ronald Okun, M.D., Director of Clinical Pharmacology, Cedars-Sinai Medical Center, Los Angeles, California.)"

By the time the hearings ended, committee members were inclined to agree with Representative RICHARDSON PREYER, of North Carolina, who observed:

"I think it was Mark Twain who said, 'It's not what we don't know that hurts us. It's what we know that isn't so.'"

When we talk about words to go on a package that no one ever reads, it is a rather amazing colloquy we hear on the floor of the Senate.

ELECTORAL REFORM

Mr. ERVIN. Mr. President, I hold in my hand a letter to me from Ed Gossett, who is now a judge in the criminal district court in Dallas, Tex. He tells me that I can use his letter in any way I wish.

Let me read the concluding paragraph:

However, the purpose of this letter is to tell you that the United States Chamber of Commerce's purported endorsement of the Direct Election system is completely false. Notwithstanding, the Senate action in 1950, and notwithstanding the continued efforts of many of us since that time, the United States Chamber of Commerce in taking their so-called poll on the subject completely omitted the proportional system. Their poll was dishonest and misleading. I'm convinced that a vast majority of their membership are strongly opposed to the Bayh Amendment.

Mr. President, I ask unanimous consent that the entire letter and accompanying documents be printed in the RECORD.

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

CRIMINAL DISTRICT COURT NO. 5,
Dallas, Tex., September 21, 1970.

SAM J. ERVIN, JR.,
Senate Office Building,
Washington, D.C.

DEAR SENATOR: No one living has worked longer or harder for Electoral Reform than I. The Lodge-Gossett Amendment—the proportional system of electoral reform—passed the Senate in 1950 by a vote of 64-27. As I recall, at that time, the only Senator advocating the direct election system was Senator Langer.

More recently, I have served on a five-man committee on Electoral Reform, which committee was headed by the late Senator Edwin C. Johnson of Colorado, and also included the late Senator Scott Lucas of Illinois. We secured the passage by 13 State legislatures of resolutions calling for an equitable division of the States Electoral vote (see attached memo). None of us endorsed the direct election formula.

I opposed the direct election system for many reasons, the chief of which is that it would destroy the Federal System.

However, the purpose of this letter is to tell you that the United States Chamber of Commerce's purported endorsement of the Direct Election system is completely false. Notwithstanding, the Senate action in 1950, and notwithstanding the continued efforts of many of us since that time, the United States Chamber of Commerce in taking their so-called poll on the subject completely omitted the proportional system. Their poll was dishonest and misleading. I'm convinced that a vast majority of their membership are strongly opposed to the Bayh Amendment.

Cordially yours,

ED GOSSETT.

P.S.—This letter may be used in any way you wish.

ED GOSSETT.

NATIONAL ELECTORAL REFORM COMMITTEE

Edwin C. Johnson, Chairman, Denver, Colorado, former U.S. Senator and Governor (D).

Ed Gossett, Vice Chairman, Dallas, Texas, former Congressman (D).

Cecil Underwood, Huntington, West Virginia, former Governor (R).

Lane D. Winell, Lebanon, New Hampshire, former Governor (R).

Scott Lucas, Washington, D.C., and Havana, Illinois, former Senator (D).

Uniform Resolution has been passed by the following 12 States: Arkansas, Colorado, Kansas, Kentucky, Montana, Minnesota, Nebraska, New Hampshire, Oklahoma, Texas, Utah, Wisconsin (Illinois makes 13).

The Federal Government has been telling the States what to do about voting equality in Presidential elections.

COPY OF UNIFORM RESOLUTION

A concurrent resolution petitioning the Congress of the United States to call a convention for proposing an amendment to the Constitution of the United States, unless Congress shall sooner have submitted such an amendment, to provide for the election of the President and Vice President in a manner fair and just to the people of the United States; directing the Secretary of the Senate to transmit copies of this resolution to the Senate and House of Representatives of the United States and to the several Members of the said bodies representing this State therein

Whereas, under the Constitution of the United States, Presidential and Vice Presidential Electors in the several states are now elected on a statewide basis, each state being entitled to as many electors as it has senators and representatives in Congress; and

Whereas, the Presidential and Vice Presidential Electors who receive the plurality of the popular vote in a particular state become entitled to cast the total number of electoral votes allocated to that state irrespective of how many votes may have been cast for other candidates for Elector; and

Whereas, this method of electing the President and Vice President is unfair and unjust in that it does not reflect the minority votes cast; and

Whereas, the need for a change has been recognized by members of Congress on numerous occasions through the introduction of various proposals for amending the Constitution;

Now, therefore, be it resolved by the Senate of the Thirtieth Legislature of the State of Oklahoma, the House of Representatives concurring therein:

SECTION 1. That application is hereby made to Congress under Article V of the Constitution of the United States for the calling of a convention to propose an Article of Amendment to the Constitution providing for a fair and just division of the electoral votes within the states in the election of the President and Vice President.

SECTION 2. That if and when Congress shall have proposed such an Article of Amendment this application for a Convention shall be deemed withdrawn and shall be no longer of any force and effect.

SECTION 3. That the Secretary of the Senate is hereby directed to transmit copies of this Resolution to the Senate and House of Representatives of the United States, and to the several members of said bodies representing this State therein.

Mr. BAYH. Mr. President, I do not want to dispute the writer of that letter, but as the Senator from Indiana recalls the testimony of the chamber of commerce—and we can all clear this up by merely looking at the record, and if someone can find to the contrary in the record, I shall be glad to suggest that I

am wrong—but I have sat through two different sets of hearings on this subject and the chamber of commerce testified at both of them. The facts are, Mr. Gossett to the contrary notwithstanding, that the chamber of commerce did cover all the issues. The interesting fact is, despite covering all the issues, a majority of the chamber members voted for direct election. A majority of the chamber members who responded did vote for direct election. In other words, a majority of the chamber members in the country—more members who responded—supported direct election than all the other proposals put together.

I suggest Mr. Gossett had better take a different look at the facts, because that is not the way I recollect them, and I sat there and heard the chamber testify on two different occasions. They testified in support of direct election. To suggest that they did not even include the Gossett plan on the questionnaires makes it seem rather strange to me that they would come to the Judiciary Subcommittee on Constitutional Amendments and support a plan they did not even query their members on.

I do not know what type of subterfuge the writer of that letter is trying to perpetrate on the Senate. I am certain that the Senator from North Carolina (Mr. ERVIN) is not guilty of that, but I should like to suggest that the credibility of that letter be totally destroyed by reading the record contained right here in this book of hearings. It is only about 1,040-some pages. It makes good bedtime reading. If anyone wants to pursue this further, they will find that the chamber did ask all the questions on the issues and the chamber did come to the conclusion that more of its members who responded were in favor of direct election over all other proposals, including Ed Gossett's plan.

Now, Mr. President, I ask unanimous consent that I be permitted to proceed for a period of time outside the normal 3-minute time limitation.

Mr. BYRD of West Virginia. Mr. President, reserving the right to object, and I shall not, would the Senator mind stating the time. Would it be 10 minutes, 15 minutes—whatever he would like.

Mr. BAYH. Not to exceed 15 minutes. I have discussed this request with the majority leader.

Mr. ERVIN. Mr. President, reserving the right to object, and I shall not object. I have to get ready to go to a distant place to make a speech which was agreed on 6 months ago. I have 1 minute before I go about my affairs and I would love to listen to the Senator from Indiana but I cannot do it at the present moment and I would like to have just——

Mr. BAYH. Mr. President, I withdraw that request.

Mr. ERVIN. I do not object.

Mr. BAYH. I withdraw the request. Go ahead.

Mr. ERVIN. Mr. President, I wanted to say that I have no personal knowledge of the matter referred to by Judge Gossett but I did serve in the House of Representatives with Judge Gossett and I have had contacts with him since that time from time to time. I do know that he is a gentleman of the highest character and I would give the greatest weight to anything he says.

I happen to be a member of the chamber of commerce in my hometown, but the chamber of commerce evidently does not attribute very much consequence to my opinions. I was never polled by the chamber of commerce on this subject. I make that statement for the RECORD.

I know of my own knowledge that if the chamber of commerce ever sent me any questionnaire which would have given me an opportunity to express my opinion on this subject, it never reached me.

Mr. President, I ask unanimous consent that the distinguished Senator from Indiana (Mr. BAYH) may have the time he requested without being limited by the morning hour to the 3-minute rule.

The PRESIDING OFFICER (Mr. MCGOVERN). How much time is the Senator from Indiana requesting?

Mr. BAYH. Fifteen minutes, as previously requested, Mr. President.

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

Mr. BAYH. Mr. President, the statement that I am about to make is one with which I have wrestled for a good many hours. The consequences of the course of action which I am proposing have not escaped me. In prefacing my remarks I say that because I want all my colleagues in the Senate to know that I did not make these suggestions and I do not intend to follow the course of action suggested without serious consideration and without exploring all other alternative courses of action available.

Mr. President, only upon this serious reflection and only upon concluding that there is no other alternative cause of action available to those of us who feel committed to preventing this Nation from being brought to its knees by a constitutional crisis precipitated by the archaic and outmoded electoral college system, have I decided that the remarks I am about to make must be made.

Mr. President, the pending order of business is Senate Joint Resolution 1. In the judgment of the Senator from Indiana, it is time that the Senate got down to the business of Senate Joint Resolution 1. Today I am taking the steps to insure that we do get down to business.

I take these steps reluctantly, but let the RECORD show that although this course is embarking upon reluctantly it is a course that will be pursued with tenacity and persistence.

The history of Senate Joint Resolution 1 is a continuous record of delay and obstruction, a continuous record of parliamentary chicanery intended to frustrate the will of the vast majority of the Members of this body, and more importantly, the will of the people of the United States.

The Subcommittee on Constitutional Amendments began its recent efforts on electoral reform almost 5 years ago, in February of 1966. I happen to be the chairman of that subcommittee. As proud as I am to have that small opportunity to serve the Senate, I must admit this is not the most prestigious or influential committee in the U.S. Senate. But it is a small responsibility that is mine, and I intend to fulfill that responsibility, to the best of my ability, and in this capacity I report to the Senate that we have held two very lengthy sets of hearings. We have heard from over 100 witnesses. We compiled a record of several thousand pages of printed testimony.

In January of 1969, I introduced Senate Joint Resolution 1, a measure which now has more than 40 cosponsors.

On May 26, 1969, the Subcommittee on Constitutional Amendments reported Senate Joint Resolution 1 in a different form than is now before the Senate. But the subcommittee acted, and it acted 16 months ago.

The subcommittee acted, the minutes of the subcommittee will show, with a full understanding that each member of the subcommittee would be permitted to pursue his individual course of action to substitute for the provisions of Senate Joint Resolution 1 as reported out of the subcommittee.

When the matter reached the full Judiciary Committee, following the subcommittee's action, Senate Joint Resolution 1 languished month after month in the Judiciary Committee, without action, while other business was considered and voted on.

In September of 1969, electoral reform became the pending order of business of the Judiciary Committee.

Mr. President, before proceeding further, I would suggest that although the distinguished chairman of the Judiciary Committee does not share the feelings of the Senator from Indiana relative to the merits of Senate Joint Resolution 1, I think the record will show that he has not been arbitrary in denying the committee the opportunity to vote on this matter. Although I differ with the distinguished chairman of the committee vigorously in his assessment of the merits of the measure, he did not use his prestige and power as chairman of the Judiciary Committee to prevent the Judiciary Committee from working its will. But one member of that committee refused to allow us to discuss the subject of electoral reform. He did not merely oppose Senate Joint Resolution 1, but he refused even to allow the Judiciary Committee to discuss this matter and to come to a vote. Of course, he was within his parliamentary rights. The rules of the committee allow a single member of the Judiciary Committee to take this kind of arbitrary course of action. But I want the Senate to know why it has not had the opportunity to vote sooner on this question.

Let me point out, Mr. President, that the entire Judiciary Committee was not stalled during this period. Month after month, through the fall and into the winter, we put aside the matter of electoral reform in the Senate Judiciary Committee and proceeded to deal with the other business of the Senate and of the committee. But it finally became clear to me as the chairman of the subcommittee that if we were to continue to follow that course, the members of the committee would never act on electoral reform.

We sat there, Mr. President, from September to February with one member of

the Judiciary Committee arbitrarily denying the entire Judiciary Committee the opportunity to work its will.

Finally, in February of 1970, it became necessary for me to use the same kind of arbitrary tactics that were being used against the electoral reform measure.

I said with some feeling at the time that I did so reluctantly because I do not believe in this kind of tactic. But there was no other alternative available. Only when there appeared to be no other alternative available, did the Senator from Indiana choose to fight fire with fire.

At that time there was before the Judiciary Committee a nomination of the President to fill a vacancy on the Supreme Court. Mr. President, I took the position that if members of the committee were not prepared to vote on electoral reform I was not prepared to allow the committee to report a Supreme Court nominee. Only by this action were we able to secure agreement on February 3 that the Committee on the Judiciary would consider electoral reform by April 14 and vote not later than April 24.

At that time the Committee on the Judiciary went to the extraordinary step of holding its own hearings. In other words, we had two sets of hearings on Senate Joint Resolution 1: one, the extensive hearings by the subcommittee; and, two, a special subcommittee chaired by the distinguished Senator from North Carolina. The first list of witnesses brought to the attention of the Senator from Indiana for the second hearings contained only opponents of the present provisions of Senate Joint Resolution 1.

Pursuant to this agreement, the Committee on the Judiciary met on April 23. We considered the whole range of measures proposed for electoral reform. We had a lengthy discussion and a series of votes. And in the end Senate Joint Resolution 1, in the form now before the Senate was ordered reported to the Senate by a vote of 11 to 6. Five weeks later the majority completed its report on Senate Joint Resolution 1.

But that was not the end of the delay. I previously pointed out the other delays, after the subcommittee reported the matter in September, and after it became the matter of pending business, a year ago. A year ago this matter was the pending business in the Committee on the Judiciary. From September to February there was no action at all because of the arbitrary tactics of one member of the committee. There was further delay until April. Finally in April the matter was reported.

But that was not the end of the delay. Week after week the six members of the minority of the Committee on the Judiciary delayed filing their report—April into May, May into June, June into July, July into August, and still the minority views were not filed. Finally, Mr. President, after weeks and months of the very strongest urging—including the urgent request of the Senator from Mississippi, the chairman of the Committee on the Judiciary, who was one of the minority members—the minority finally completed its report. These minority views were not actually filed until August 14, 11 weeks after completion of the majority views, and 16 weeks after Senate Joint Resolution 1 had been ordered reported by the Committee on the Judiciary.

That is the kind of delays we have faced. That is the kind of obstructionist tactics a few men have engaged in. That is the reason we find ourselves in this situation today. I have very little sympathy with anyone who would blame the Senator from Indiana for this delay. The record will show that at each step the Senator from Indiana has been trying to persuade those who oppose the measure to let the Senate work its will.

Mr. President, I have tried throughout my tenure in this body to expedite the business of the Senate. I have tried to go along with subcommittee action, committee action, and floor action. I have tried to do all I could to help my colleagues this year in the effort to bring about early completion of the Senate's business and early adjournment.

The RECORD will show that despite differences of opinion between the Senator from Indiana and supporters of various measures which have come before the Senate throughout the session, I have not objected on one occasion and I have not resorted in any way to the utilization of parliamentary rights to prevent an issue which I opposed from coming to passage.

I am prepared to vote on Senate Joint Resolution 1 today. I was prepared to vote last week and I was prepared to vote the week before last. But there are those who contend we have not had enough debate. I believe we have had enough debate. Senate Joint Resolution 1 has been the pending order of business since we returned from the Labor Day recess, which was terminated on Tuesday, September 8. Today begins the 12th day of debate on Senate Joint Resolution 1. This is the 12th day on which those who have opposed the measure have had an opportunity to make their positions clear.

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

Mr. BAYH. Mr. President, I ask unanimous consent that I may proceed for 5 additional minutes.

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

Mr. BAYH. Mr. President, 12 days of debate is more debate than the Senate has had on a constitutional amendment in the past 100 years. Let us look, Mr. President, at the amount of debate the Senate required before passing the constitutional amendments that have been ratified over the past century.

The 16th amendment, the income tax amendment, was adopted after only 1 day's debate.

The 17th amendment, providing for the direct election of Senators, was adopted after only 7 days' debate.

The 18th amendment, the prohibition amendment, was adopted after only 3 days of debate.

The 19th amendment, women's suffrage was adopted after only 2 days' debate.

The 20th amendment, establishing the term of office of the President and a date of convening of Congress, was adopted after only 1 day's debate.

The 21st amendment, repealing prohibition, was adopted after only 3 days' debate.

The 22d amendment, limiting the President to two terms, was adopted after only 4 days' debate.

The 23d amendment, giving the District of Columbia a vote in presidential elections, was adopted after 6 days debate.

The 24th amendment, outlawing poll tax, was adopted after 11 days' debate.

The 25th amendment, dealing with Presidential inability, was adopted after only 1 day's debate.

Mr. President, we all know the issues on the question of electoral reform. They have been before this body before. They have been before the country for more than a century and a half. And they have been intensively debated in the widest possible public forum over the past 5 years. I believe now is the time to get down to business.

I am aware that some members continue to feel that there has not been adequate debate on the question of electoral reform. I have tried to provide ample opportunity for those who are opposed to electoral reform to present their case. And in order to cooperate with my colleagues, when no member of the opposition chose to occupy the floor and present his case, I have agreed to let the Senate proceed with other business.

Indeed, Mr. President, it is correct that the Senate has accomplished a good deal of progress in its evening sessions over the past 2 weeks. I have agreed to put Senate Joint Resolution 1 temporarily aside, so that the Senate could vote on important matters. The Senate has passed the public health bill, the bill establishing a "Little Hoover" Commission for the District of Columbia and providing a nonvoting delegate in the House of Representatives for the District. We have passed the Disaster Relief Act, the Civil Service Retirement Act Amendments, a Government Pay Act and a Family Medicine Act. The Senate has passed the farm bill and the Bank Holding Company Act and the manpower bill and the Maritime Act. We have enacted a small business bill, and a bill regulating secret foreign bank accounts, with amendments relating to credit practices and the financing of urban mass transportation. In addition to these measures, Mr. President, the Senate has passed a number of other bills. The Senate has concurred in a number of nominations.

Mr. President, I am pleased that the Senate has been able to perform its business so expeditiously. All I am asking is that the Senate proceed with equal dispatch to deal with the crucial question of how we elect the President of the United States.

I do not believe that we should rush precipitiously to a vote. I have tried repeatedly to secure unanimous consent from the Senate on a timetable so that we could consider each of the alternative plans, every pending amendment to Senate Joint Resolution 1, debate this matter fully, and come to a series of votes. On Tuesday, September 15, after we had been debating Senate Joint Resolution 1 for 1 week, I offered a series of unani-

mous consent requests dealing with every pending amendment.

One of our colleagues objected when I asked that we devote 2 hours' debate to each of the pending amendments and then proceed to vote. So I asked unanimous consent that we devote 4 hours' debate to each pending amendment, and again he objected.

Mr. President, I then proposed that we devote 1 full day's debate to each amendment, and again my colleague objected—even though he is the author of four of the pending amendments. And so we proceeded with more debate. On Monday of this week, and again yesterday, I proposed additional unanimous-consent requests—and again they were objected to.

Every single request to consider every item before the Senate dealing with electoral reform was objected to by our distinguished colleague. So we proceeded with more debate on Monday of this week and again yesterday.

Mr. President, I am prepared to come to any reasonable unanimous-consent agreement. None of the opponents of Senate Joint Resolution 1 have given me any indication as to what they might consider a reasonable unanimous-consent agreement.

I do not think any one Senator should be in the position of saying, "It is either my way or not at all. I either get to pitch or I am going to take my bat and ball and go home." This has not been the position of the Senator from Indiana. The Senator from Indiana does not consider that he would be acting responsibly if he sat idly by and let any other Member of the Senate or any group of Members follow that same course.

Not one of the opponents of Senate Joint Resolution 1 has given me any indication as to what they might consider a reasonable agreement. The Senator from North Carolina suggested yesterday that perhaps he would be willing to come to a vote shortly on the proportional plan. I am certainly prepared to discuss such an agreement.

I listened to him make observations this morning that perhaps there will be some sort of request made on tomorrow.

In the absence of a unanimous-consent agreement, however, I intend to do whatever is necessary to be certain that the Senate attends to the crucial business now before it. I intend to see to it that every Member of the Senate who is interested in electoral reform and who has a proposal on electoral reform be given an opportunity, if physically and humanly possible, to have his proposal voted up or down by the Senate.

As a result of having followed every other avenue available to me, beginning tomorrow I intend to object to the meeting of Senate committees while the Senate is in session. Beginning today I intend to object until 5 p.m. to the laying aside of Senate Joint Resolution 1. Beginning tomorrow, I intend to object to the laying aside of Senate Joint Resolution 1 during both the daytime shift and the evening shift.

These objections, of course, would require Senators who are opposing Senate Joint Resolution 1 to follow the rules of the Senate. This is not imposing any unique criterion upon them, but merely saying, "Let us play by the rules." If Senators who are opposed to Senate Joint Resolution 1 are going to play by a certain set of rules, then those of us who are proposing Senate Joint Resolution 1 and insisting on electoral reform should be permitted to play by the same rules.

I have been reluctant to use these parliamentary rights——

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

Mr. BAYH. I ask unanimous consent to have 3 additional minutes.

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

Mr. BAYH. I have been reluctant to use these parliamentary rights so long as there was reasonable hope of coming to some agreement, some reasonable promise that the country could see a Senate conclusion of this pressing problem. But if a few Members of this body intend to use their parliamentary rights to obstruct the fair processes of the Senate, then I intend to do whatever is necessary to defeat them.

Mr. President, on Friday, September 18, the Senator from South Carolina, Senator HOLLINGS, made a brief statement concerning the trade bill and his intention to offer it as an amendment to the family assistance plan or the social security plan. Senator HOLLINGS said, and I quote:

> We do not want to get caught in the parliamentary maneuver of defeat by delay.

Let me repeat that:

> We do not want to get caught in the parliamentary maneuver of defeat by delay.

That is a direct quote.

I continue to quote Senator HOLLINGS:

> I do not feel that the U.S. Senate can or should adjourn without expressing its will on the issue as to whether or not industrial jobs of this Nation ought to become another export and whether or not we will continue to contribute to our fast falling balance-of-payments problem.

That is a direct quotation from the statement of our distinguished colleague from South Carolina. I share his concern that the Senate have an opportunity to work its will, up or down, on this important matter. I think that is a fair test for all legislation. I repeat again—"We do not want to get caught in the parliamentary maneuver of defeat by delay."

Mr. President, the trade bill is an important matter before this body. The questions of employment and export and balance of payments are important to all Americans. But there is no question more vital, no problem more dangerous, no issue more pressing than the manner in which the people of this country elect their President. And those of us who feel deeply about the need for this reform are in complete agreement with the Senator from South Carolina when he says, "We do not want to get caught in the parliamentary maneuver of defeat by delay."

Mr. President, with the committees of the Senate not meeting, and with the Senate focusing its attention exclusively on Senate Joint Resolution 1, we are going to have plenty of time for debate. I am prepared to come in early, Mr. President, and to stay late. And I do not intend to occupy the floor with lengthy speeches.

In my judgment, the proponents of electoral reform have made an adequate case. It is the opposition which has said that it needs more time. Before the cloture vote last week, the Senator from Nebraska indicated that, "eight or 10" Senators on his side had made requests to speak.

To the knowledge of the Senator from Indiana, we have yet to hear from any of those Senators. I am anxious that they be heard.

On Monday of this week the Senator from North Carolina indicated that he had a speech prepared for delivery, but did not intend to deliever it. Let the Senate have the knowledge contained in the speech of the Senator from North Carolina.

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

Mr. BAYH. I ask unanimous consent to proceed for 2 minutes.

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

Mr. BAYH. It is rather inconsistent for him to say that one must have a chance to discuss this matter, that the Senate has not given him enough time, that he has a statement and then in the very next sentence to say, "But I do not intend to give the speech."

Mr. President, we live in a time when many Americans are challenging the viability of our institutions of Government. A handful of Americans are arguing that we must destroy the Government, pull it down, because only from the ashes of revolution can we build a system that is honest and intelligent and responsive to the needs and desires of the people.

I reject that view. I know that every Member of this body rejects that view. Every Member of this body believes that the Senate is an honest institution, an intelligent institution, a responsive institution.

We are going to have the opportunity in the next few weeks to demonstrate that belief. We are going to have the chance to see how honest, how intelligent, how responsive the Senate can be.

Perhaps when we come to final passage, the Senate will give a two-thirds vote for direct popular election of the President. I recognize that possibility. And I am prepared to abide by that decision, even while 80 percent of the American public favors direct popular election.

But I am not prepared to accept the judgment that the Senate of the United States will not even vote on the question of electoral reform. And I do not believe the American people are prepared to accept that judgment.

Mr. President, there are those who will suggest that when the Senator from Indiana requires those who are delaying electoral reform to conform to the rules of the Senate, he is being arbitrary. There are others who have labored for 5 years in support of electoral reform who are at this moment suggesting that the Senator from Indiana has not been arbitrary enough.

I think the time to take positive ac-

tion has come for those of us who believe there needs to be responsible, responsive change to mute the voices of those who would destroy our society and destroy this land we love. For those who believe that electoral reform is an important ingredient in this type of responsive change, the time has come to be willing to work hard, to be diligent, to risk the wrath of some, to risk being unpopular, but to finally bring this matter to a vote.

Mr. President, I yield the floor. I respect the tolerance of my fellow Senators in listening patiently. I suggest that we get on with the business of the Senate and the business of the country.

Mr. MANSFIELD. Mr. President, I intend to reply to the distinguished Senator from Indiana, but first I suggest that the morning hour should come to a close.

ADDITIONAL STATEMENTS OF SENATORS

AN ENLIGHTENED UNIVERSITY PRESIDENT SPEAKS OUT

Mr. PERCY. Mr. President, the continuing pattern of violence on some college and university campuses has been a source of anxiety for many Americans concerned about the future of higher education in this country.

The actions of a small minority of lawless students bent on subverting the educational process constitute a serious threat to the entire academic community. And any development which endangers our educational system, traditionally one of our society's greatest strengths, endangers the Nation.

Mr. President, I have always believed that the complex problem of campus unrest can be best solved within the campus society itself, without unnecessary intrusions by government. But clearly it will require exceptional leadership if colleges and universities are to resume their rightful place as centers of reason and free inquiry. The moderate majority—of students, faculty, and administrators—will have to commit itself to the preservation of peaceful dissent on campus and state its unequivocal opposition to violence.

One university which is particularly fortunate in the quality of its leadership is Northern Illinois University, whose president is Rhoten A. Smith. On September 8, Mr. Smith delivered an address to an opening day convocation of more than 1,000 faculty members at his university. His remarks include a superb analysis of the problem of campus violence and an eloquent statement on the proper purpose of a university.

Mr. President, I believe that Mr. Smith's address deserves to have a broader circulation, therefore, I ask unanimous consent that it be printed in the RECORD.

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

STATEMENT BY RHOTEN A. SMITH, PRESIDENT NORTHERN ILLINOIS UNIVERSITY AT ALL-FACULTY MEETING, SEPTEMBER 8, 1970

It has become our custom, as most of you know, to start the year with an all-faculty meeting, and to use the occasion for comment upon the issues facing us in the year ahead—at least as they appear to one man. A sort of State of the University talk as we begin the year has been the idea.

Like many of you, I have been on a college or university campus almost every September of my adult life. You may have heard me comment before on the fact that one of the pleasures of life in academia is the joy of renewal that one experiences every fall as a new class of students starts college and the familiar process of learning and study begins once more. My own college days were very exciting and joyful days for me, and some of that excitement and joy has always come back to me with the advent of a new academic year.

But one would be less than honest if he did not admit that September, 1970 finds that sense of joy and anticipation of good times tempered somewhat by anxiety about the future. All of us here today, it must be admitted, feel some apprehension about the future and what it holds: for this university, for the whole system of higher education, and, as a matter of fact, for the nation. We are in the midst of a period of great change and the outcome is not at all certain.

Our problem, very simply, is a growing division within our society, a growing frustration and despair on the part of many citizens about the future of American civilization, with the terrifying result being a growing willingness to resort to violence. This spreading malaise affects all of us, but has a special urgency for those of us in higher education, because it is the campus which has become the foremost stage upon which our national problems are presently being acted out.

Since our days of tribulation in May, I have spent many hours talking with others and thinking about our specific problems at Northern. We met this summer with faculty and students, individually and in groups, in an effort to deepen our understanding of what happened. Just last week I met with our residence hall advisors on the same subject. I also spent a good deal of time speaking to community groups this summer, not only to interpret for them the significance of the turbulence on our campus, and of student views, but to elicit from them advice and counsel. While on vacation I visited a number of other universities to share experiences and thinking.

Following this experience, I can assure you that there is one subject, and one subject only, uppermost in the minds of all; and this includes faculty members, students, administrators, and the general public outside the universities. And that subject is not the curriculum, or hiring practices, or even the troublesome economic problems which have come to loom so much larger for us. The fundamental problem is campus unrest, or more specifically, violence and vandalism on campus and the resulting disruption of the educational process.

The reason for this is obvious, of course. We have reached the point where everything is intimately related to and dependent upon what kind of disruption we may be faced with and how we respond to it when it comes.

For example, the exasperation which many people feel about what they see and believe is happening on campus is very real. And it has had a growing political impact, which, I believe, is only beginning to be felt economically. In Illinois we secured six percent increase for salaries this year. The California legislature, in a mood that appears to have been clearly punitive, voted no raises, zero percent, for the state colleges for 1970–71.

As regrettable as this kind of legislative action is, for it punishes all faculty equally, including those who worked very hard for campus peace, it would be naive to be surprised by it. Indeed, although unfair criticism is always annoying, the university is no less subject to legitimate criticism than any other social institution. On the whole, I think we can be proud of what the American university has accomplished over the 350 years of its history. But at the same time, there are many procedures and practices which will not bear very close scrutiny but which we find ourselves defending. Whatever else the future holds, I feel confident that the years ahead will see us challenged time and time again to examine our ways of doing things and to find better and more productive ways to do them.

But as useful as a discussion on this subject would be, or a discussion of any number of other relevant and even urgent problems, the simple question of staying open and operative is so fundamental to everything else, that it is the only appropriate subject for discussion today.

I hope I do not seem melodramatic when I say this. Six months ago it would have sounded that way. But last spring we saw a number of universities throughout the country—one in Illinois—closed involuntarily because continuing had become impossible. This summer we have seen dissent against a particular program of the University of Wisconsin become the pretext for murder by explosive. At my own alma mater, the University of Kansas, two students died by gunshot this summer. I do not think it is too much to say that the very existence of some institutions may be called into question this year.

Among all the people I have talked with over the past three months, I found many who were searching sedulously for signs that perhaps we had now hit bottom and were soon going to see an end to campus violence. I shall always look for hopeful signs and welcome them when they manifest themselves. Indeed, I think we shall see an end to campus disruption sooner or later, simply because it will become intolerable to society. If it takes martial law to do it, it will be ended—but a lot of other values will have been lost by then, too. I am not pessimistically anticipating trouble; I am simply saying that its avoidance, or the proper response to it, are the crucial subjects for discussion today.

What I should like to say about this will represent no great departure from what I think has been our position heretofore. All the talking and thinking we did this summer did not reveal to me any startling new shape for the problem. I have become convinced, however, of the need for a clear, concise statement of our position, a statement no one can misunderstand, a statement that will set forth the conditions I believe necessary for survival. I am indebted to many people for helping me arrive at some of these conclusions, but what I say is my own formulation, a statement of principles that will guide our actions as long as I hold the position of president. I invite your concurrence, of course, in the ideas expressed.

**First*. It must be established that the purpose of the University is education. Our reason for existence is to teach, to learn, to study, to do research, and to disseminate knowledge for the service of the public. It is the function of the university to seek the truth and to encourage the search for truth. But this search for truth is carried on in a pluralistic spirit—every man searching in his own fashion—with no man allowed to establish an orthodoxy.

It seems strange that we should have to reiterate this statement of purpose of the university. But there are so many pressures today from so many sectors of society demanding (how I have come to loathe that word!) that we serve this or that interest, that it needs stating badly. We exist to teach, to learn, to study ;and no one philosophy shall be our master.

**Second*. Through its promulgation of the educational process, and in all its daily oper-

ations, the University can and should contribute to the solution of social problems. War, poverty, racism, pollution—these are undeniably corrosive problems. And through research and teaching we can and will do our bit toward their solution. Furthermore, through programs like CHANCE, in our hiring policies, in our admissions policies, in every way we can, we will as an institution make our contribution to the solution of these ancient problems.

What the university can never do, however, if it is to endure as an educational institution, is to renounce its pluralistic nature, renounce its effort to achieve objectivity, renounce its political neutralism, and enter into direct political action. Even if undertaken in the name of man's highest ideals, such an involvement would destroy the university. We *must* resist the terrible pressures we now feel to take this road.

Having said that, I repeat that there are many legitimate ways in which the university can contribute to social justice. But mankind will be better served if we make our contribution as an educational institution, as a center for unbiased research, as an employer, rather than as a new entry in the propaganda war. To all of you I pledge that we shall always have deep concern for the difficult social problems that face us, but we shall express that concern in a fashion befitting an educational institution.

*Third. If this be our role—as I have defined it—we can carry it out properly and adequately only if certain fundamental prerequisites are met. I see these prerequisites as basic freedoms: Specifically—

(a) the freedom of students and faculty to enter the classroom and to carry out their study without disruption.

(b) the freedom for coercion or duress for all decision-makers, whether they be administrators, faculty bodies, student groups, or what have you.

(c) the freedom of university personnel to carry on their jobs without harrassment or fear. (It is very illuminating, I think, to observe how many of our radical students, who sloganize "power of the people," treat the good civil service personnel who serve them. Their contempt for and arrogance toward these working people is unspeakable; on this point alone they earn my dedicated opposition.)

(d) We are speaking of freedoms. There are others:

(1) the freedom of the instructor to control his own material;

(2) the freedom of the student to disagree with the instructor;

(3) the freedom of every citizen of the university to petition peacefully for the redress of his grievances.

We could name many others. What we are talking about are those freedoms which add up to conditions without which we cannot carry on the teaching and learning process.

Without teaching and learning there is no university. I shall say it again: if these basic kinds of freedom are not protected, the whole educational enterprise is jeopardized. Indeed, I believe it is self-evident that education cannot be successfully pursued in the absence of these freedoms. It is just as simple as that.

*Fourth. Last May I stated before the Illinois House of Representatives that the force of arms is the least satisfactory method imaginable of ensuring order. When so enforced, I said, it engenders the peace and quiet of a prison or of an occupied country. I still believe this to be true.

But if education is difficult under these circumstances, it is impossible, as I have just pointed out, under conditions of unbridled disruption.

The agonizing decision is forced upon us when there is a group of students willing to court *our* use of force by their own refusal to observe the freedoms of others. Last May we were dealing with a wide range of student opinion, but it was the desperate minority to which we ultimately had to react. Time and again we found ourselves having to choose between our reluctance to apply force and our unwillingness to subordinate the interests of the majority to the violent minority. If this situation confronts us again we shall continue to put our major interests as an educational institution ahead of our reluctance to rely upon law enforcement forces. And I submit to you that the responsibility for outside peace officers on campus rests with those who find it in their interest to break the peace! On this point, I should like to quote from the remarks I made in the Field House on May 11 last spring:

"Much has been said this past week about 'tragic events,' in Southeast Asia and in Ohio. One enormous tragedy that none of us can overlook is the resort to force on university campuses. Regardless of who or what is ultimately at fault, the very fact that force is necessary to preserve an uneasy peace means that the educational system is in danger of failing. Nationally, I believe we must turn this around or see the end of an educational system built up through years of effort. The frightening thing is that this is a real possibility today, for there are those on this campus who are quite willing to smash this university out of their own rage and frustration.

"This is not a large number, but it has already been shown that it does not have to be large . . .

"There is an undemocratic and unrepresentative minority here that I think has now clearly said to us: we will force you, through our threats of violence, to do as *we* wish. I do not intend to wilt before that challenge; I call on all of you to join me."

Those words need repeating today.

Let me make it clear what I am saying. We are not talking about peaceful and lawful protest. We are talking about violence, property damage, disruption. No bill of rights protects this behavior, and such behavior must be stopped or the university will not survive. We shall use every method available to us: suspension, injunctions and other legal weapons, and the use of outside police, if this is what is needed to protect the freedom of our faculty and students to engage in teaching and learning. To act otherwise at this point in history would be quixotic in the extreme.

But this can only be a short-range answer. If order cannot be maintained except by force of arms, for the long pull we are surely doomed.

What we must labor for—as a nation and as a university—is the reestablishment of a sense of community. This has become the highest priority item on our agenda, as far as I am concerned; perhaps, for the moment, the *only* item on our agenda. When every student can feel in some realistic sense that this is *his* university, *his* community, he will not stand by when some seek to destroy it or bring it to a halt. When every faculty member begins to see his own responsibility for saving this university as clearly as he sees his responsibility to his career, we will have begun to find the basis for salvation. When every employee thinks of the important service he is performing rather than just a job he has; when all of us realize that our stake in this struggle is a common stake—then we may have found the road back to sanity.

During those dark days of May, curiously enough perhaps, I think we saw the beginning of what I call a sense of community. Many students, numerous faculty, came forward with offers to help, with suggestions, with honest concern. There was a growing comprehension that we are all in this together. On May 11, in the Field House, we had a glimpse, I think, of a sense of common purpose, a common spirit, a sense of community. We shall see this sense again, I vow, and we shall find the will to sustain it. We shall do those things which nourish the sense of community, to the full extent of our ability. To that cause I pledge myself on this September, 1970, and I urgently invite your active participation in the cause.

NATIONAL PRIORITIES

Mr. MANSFIELD. Mr. President, we are constantly engaged in debate over national priorities. In reality, two debates are going on. The largest—and most vocal—concerns overseas versus domestic priorities. The second, whose consequences we will have to live with long after the war in Southeast Asia is over, is the proper allocation of resources within our country.

We are rapidly becoming an urbanized country. Since an increasing percentage of our population will be living in the cities, it is imperative that they be made decent places in which to live. But the attention given to cities should not obscure the fact that serious rural needs exist, too.

A major problem of the cities today stems from the migration of largely unskilled workers from the rural areas. These workers are forced to move through no fault of their own. The isolation and economic stagnation of smaller communities make it impossible for them to raise their families and make decent livings.

President Nixon, in his state of the Union message last year, pledged to work to "create a new rural environment that will not only stem the migration to urban centers but reverse it." I cannot see that the situation has improved in the interim. In fact, it has worsened. In my State of Montana, for example, several communities were left without scheduled airline service when the Civil Aeronautics Board permitted Frontier Airlines to suspend operations there. The plight of one of them, Lewistown, is graphically told by Reporter Robert Linsey in a front page New York Times article of September 20.

I recommend the reading of this article to Senators and raise this question: Which is more costly to America in the long run: the subsidy or the dying communities, broken dreams, savings lost, and added burdens on our already overcrowded cities?

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

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

SMALL TOWNS LEFT ISOLATED AS AIRLINES CUT SERVICE

(By Robert Lindsey)

LEWISTOWN, MONT., September 17.—Mayor Walter Mondale used to boast that he could live the good life in this small town in central Montana and enjoy the big cities, too. The outside world was never far away so long as the Frontier Airlines plane put down here every day.

Then last April 6 the airliner made its last stop, and Lewistown joined a fast-growing number of small towns from New England to the Far West that have been abandoned by both railroads and airlines.

"It's like we were cut off from the world,"

the Mayor said wistfully this morning as he looked out across the town's empty, silent airport. "We can't even get salesmen in here to sell us things any more."

At a time when airports in the nation's big cities are often choked by too much air traffic, scores of small towns like Lewistown have lost their only airline service. Over the last five years, airlines have stopped serving 66 communities. In the last year alone, Williston, N.D., Rutland, Vt., Winona, Minn.—altogether, 22 small towns have lost their air service.

The nine regional or "local service" airlines that provide most of the service to small town America contend that despite Federal subsidies—$36-million last year—passenger demand in many areas is too weak to offset fast-rising operational costs.

At the moment the Civil Aeronautics Board is considering airline applications to suspend flights at eight more towns. Industry experts estimate that the subsidized regional airlines would drop 100 of the communities that they still serve if the board would let them.

In some ways, the airlines' efforts to cut back on service parallel those of the railroads over the last 20 years. But while the railroads have worked hardest to eliminate long-distance trains, which they say produce the highest losses, the airlines have sought to eliminate short-hop service.

The airline cutbacks often occur at places that need air service badly. Lewistown is an example. It is nestled in the folds of a rolling, green plateau 710 miles north of Denver and 105 miles east of Great Falls, Mont. Long ago it was a frontier cavalry outpost, and it still has the look of a slightly modernized Western movie set.

Lewistown had a gold rush in the eighteen-nineties, an oil boom in the nineteen-twenties and a missile boom in the nineteen-sixties—when the Air Force built silos for 150 Minuteman missiles amid the straw-colored plains just outside town where 100 years ago the Sioux, Blackfeet and Gros Ventre hunted buffalo.

But now the town's economy is stagnant. It is based mostly on beef, wheat and barley, and mechanization on the region's big ranches (which run 25,000 acres and larger) and farms has cost the town hundreds of jobs.

Just this week the town fathers, who have been trying for years to lure industry to Lewistown, learned from new census figures that the town's population dropped from 7,500 to 6,500 in the last decade.

"If we don't get better transportation to the large cities, our town is going to die," said Mayor Mondale, a soft-spoken lawyer with white hair.

"This is a great place to live," he went on, "but it's the guldangedest place in the world to get in or out of. People first homsteaded the town because the railroad came in here in 1903. But the railroad took away our last passenger train in 1960 because they said we had good air service. Without an airline, how are we ever going to get industry in here?"

IMPACT IN HUMAN TERMS

In Lewistown, the impact of the airline cutback on the daily lives and habits of the townsfolk was immediate and sometimes severe:

Letters carrying air mail stamps now take a day longer to reach residents.

Betty Meile, a florist who gets her roses from Salt Lake City, now finds her flowers brown and wilted because the shipment has to come by bus.

Fire Chief Charles Pentacost's largest pumper was out of action for four whole days because it took that long for a bus to bring in a needed spare part from Denver.

The Curtis Breeders Association held a convention at the Yogo Inn and two out-of-town speakers missed their engagement because they had to come by car instead of by plane, as they had expected.

A hardware store owner now has to drive all the way to Great Falls to see wholesale salesmen because, without air service, they won't come to Lewistown.

Bob Brassy, the manager of the Intermountain Bus depot, has suddenly become an important figure to the town, its chief contact with the outside world and as such a focal point of local hopes and disappointments.

"Day in and day out I get chewed out because the stuff on the bus takes so long," he said, not too unhappily. "They complain about not having air service; I smile, but I know it rings my cash register."

NIXON PLEDGE RECALLED

The bus business may be up, but the loss of air service can't help but damage the town's economic welfare over the long run, and Lewistown's problems are springing up throughout rural America.

In fact the deteriorating state of small town air service, some officials believe, may jeopardize a national goal defined by President Nixon in his State of the Union message last Jan. 22. The President said then that he would work to "create a new rural environment that will not only stem the migration to urban centers but reverse it."

But officials of many predominantly rural states say that to attract large numbers of people there must be jobs and industry, and they insist neither industry nor city dwellers will emigrate to the hinterlands unless there is good transportaton.

"Industrial concerns simply will not build a new plant in a location which is isolated from the home office, the key financial centers, and its suppliers and customers," Paul E. Burket, Nebraska's director of aeronautics, told a Senate subcommittee investigating the problems of small town air service last spring.

The Civil Aeronautics Board and the aviation subcommittee of the Senate Commerce Committee, which conducted extensive hearings on the situation this year, have been seeking new approaches to maintaining service in the towns that now have it and to providing new service for the communities that want it.

TOTAL OF $55.6 MILLION LOSS

After the local service airlines reported that last year they had lost a total of $55.6-million above the $36-million subsidy, the Aeronautics Board recommended a steep subsidy increase this year—to a total of $57.8-million. Legislation that would provide the extra aid is pending in the Congress.

The local service airlines—Air West, Allegheny, Frontier, Mohawk, North Central, Ozark, Piedmont, Southern and Texas International—service 544 cities. They are the only airlines now subsidized by Washington. The 11 "trunk," or long-haul airlines such as United and Trans World, which serve 61 cities, stopped receiving subsidies in the Nineteen-Fifties as they became profitable.

Even if it is approved, the proposed additional subsidy for the current fiscal year is not regarded as more than a temporary answer to the small towns' problems.

The problem is rooted in economics, or as one local service airline president put it: "No airplane has been invented which is well suited to economical operation on short hops at low density air traffic points."

In making its case for dropping service here and seven other Montana and North Dakota cities that had been on a 2,200-mile round-robin circuit, Frontier contended that in 1969 it lost $667,000 on the route—even though it received a $448,000 Federal subsidy.

A Frontier executive said: "For every passenger we carried who paid a $20 fare, the Government was paying $20 in subsidy and it was costing us at least as much." Frontier said it was carrying an average of fewer than three passengers on the 50-passenger Convair turbo-props—so it used to serve Lewistown.

Many aviation leaders believe that small "air taxi" operators, using two- to nineteen-passenger planes, be a sound approach to solving the problem.

In 44 of the 66 cities that have lost their regular air service, the Civil Aeronautics Board allowed airlines to suspend flights only if an air taxi line agreed to provide service to an airport with conventional air service.

At many points around the country, especially in New England, local officials say the substitute service has been satisfactory.

But many other communities including Lewistown are unhappy because they say the substitute service tends to be undependable, the small planes are uncomfortable and the tickets are too expensive.

Air taxi operators—there are at least 1,500 in the country, including about 165 that offer some kind of scheduled services—is often shaky and many experts are concerned about safety.

The air taxi operate under much less stringent Federal safety standards than regular airlines, and, as a whole, the air taxi industry has had a poor safety record.

Between 1964 and 1968, the rate of fatal accidents per 100,000 hours of flying was 12 times higher for air taxi companies than for the regular airlines. During the first half of this year, air taxi fatal accidents increased by more than 80 per cent; over the same period in 1969; 65 persons died in 22 accidents.

The Defenders of the "Commuter" airline industry, as the new group of scheduled air taxi companies calls itself, say that most of the accidents have involved underfinanced "fly-by-night" operators. They say the scheduled air taxi lines have had a much better safety record, although there are no Federal statistics yet to back up their claim. The Federal Aviation Administration has recently proposed new regulations that would make the air taxi lines meet more of the safety standards of conventional airlines.

When Frontier stopped its service at Lewistown, an Arizona air taxi company, Apache Airlines began to stop here once a day. But, Donald Browne, president of the First National Bank here said:

"Hardly anybody uses it because the schedules make it difficult to connect with flights out of Great Falls, and you can't depend on it. And for what they're charging, $27, you might as well drive to Great Falls."

In the summer, he said, it is a two-hour drive but, in winter it can take much longer.

The efforts of local service airlines to abandon small towns have raised questions about the wisdom of decisions made by the airlines and the C.A.B. five years ago. Originally, the nine airlines were "feeder" services, carrying travelers from towns like Lewistown to larger cities where there were flight connections to New York, Chicago or other cities.

DECISIONS QUESTIONED

In recent years, they have experienced a dramatic metamorphis. In 1965, the aeronautics board began a program intended in part to reduce the Government subsidy, then running $65-million. The heart of the program was to allow the regional airlines to fly longer and more profitable routes. The idea was that longer nonstop routes would, in effect, subsidize losses at the small towns. But things did not work out that way.

The airlines began a rush to buy expensive new jets for the new routes. In five years, their collective debt increased from $110-million to $550-million. It was a time when interest rates were skyrocketing. The airlines thus got caught in a squeeze compounded by inflation, their agreed-to reduction in subsidies, high interest, and failure of some of their new routes to pay off as expected.

Instead of subsidizing services that the airlines had been created to provide, the new routes added pressure on the lines to get out of many of the small towns.

Wherever the responsibility for today's decline in small town service lies, Aviation experts agree that it can be reversed only by a national effort.

Secor D. Browne, chairman of the Civil Aeronautics Board, says that air transportation "should not be denied citizens who live outside the great metropolitan areas for whatever reason—logistics, legal or economic."

But, he added in a recent interview in Washington, "Somebody is going to have to pay for it. Who pays for it is a decision we as a country have to make."

Meanwhile, the citizens of Lewistown and many other small communities are distressed at what they fear is impending economic hardship and possibly even the need to pull up stakes and find a home somewhere else.

"It's getting harder and harder to keep towns like ours alive," said Leon Jacobs, an airport commissioner here and owner of the E-Jay-S sporting goods store. "Without air service, we're drying up and dying away."

POWER CRISIS STRIKES AGAIN

Mr. KENNEDY. Mr. President, both the electric power industry and the Chairman of the Federal Power Commission assured Congress throughout the summer months that better times lay ahead. True, there had been equipment breakdowns and unexpected demand during the summer, necessitating voltage reductions and some interruption of service throughout the Northeast United States. True, there were problems to be expected next winter, especially in light of the fuel shortage in New England. But voluntary industry action and regular reports to the FPC should take care of things. No further reliability legislation by Congress will be necessary, said the industry and the FPC.

Yesterday morning the lights were dimmed and elevators slowed in all Government buildings, including congressional office buildings and the Federal Power Commission building. Voltage was dropped 5 percent in Pennsylvania, New Jersey, Delaware, Virginia, and the District of Columbia, and 8 percent in New York. Some areas were blacked out for almost 3 hours. New England reserves dipped to around 5 percent. This morning radio messages carried the plea to electric power customers to cut back on usage until the crisis subsides.

In 1968 and again in 1969 I introduced the Electric Power Reliability Act, designed to reduce blackouts and brownouts and to protect environmental assets. My bill would, among other things, direct the FPC to establish minimum standards of reliability and authorize the Commission to compel steps by the utilities necessary for power reliability and efficiency. The present FPC has opposed this legislation, however.

Earlier this summer my Subcommittee on Administrative Practice and Procedure conducted hearings on procedures used to assure adequate and reliable electric power. We found that very little progress has been made by the industry in complying with key recommendations made by the Power Commission to the President in 1967. I urged Chairman Nassikas to take all steps within his agency's power to insure that massive blackouts and brownouts could not happen again. Mr. President, they are happening again.

At our subcommittee hearings in August FPC Chairman Nassikas observed:

If I find through continual monitoring and surveillance by the staff of our Commission that any region in this country is not going to meet their power needs and can't do this, then at that stage, we would have to have some drastic type of legislation that should be adopted.

The utilities in the Northeast clearly are not meeting the power needs today. They did not meet them yesterday. They could not meet them in mid-summer. They probably will not be able to meet them next winter. Surely we are at that stage referred to by Mr. Nassikas, where drastic legislation is needed.

Mr. President, I ask unanimous consent that an excellent article in this morning's Washington Post, outlining the present power problems, be printed in the RECORD.

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

POWER DIMS WASHINGTON, MUCH OF EAST

(By Claudia Levy and Joseph D. Whitaker)

A combination of unseasonably hot weather and broken generating equipment caused an electrical power shortage yesterday that swept the East Coast from the Canadian border, through Washington and into the Carolinas, and as far west as Ohio.

The Potomac Electric Power Co. (Pepco), which serves 340,000 customers in the Washington area, asked major users to cut back on nonessential uses of electricity and warned that an overtaxing could lead to a complete blackout.

Pepco blacked out selected areas of Maryland and Washington for periods of up to two hours on a rotating basis. Electricity was cut off for brief periods in parts of New York City and suburban Westchester County to conserve power in the area. Some 40,000 customers on Staten Island and 30,000 in Westchester County were completely without power from 3:50 p.m. to 4:15 p.m.

Full service was restored to Pepco and Vepco customers by 10 p.m. last night. Pepco estimated that 14,000 customers in the Washington area were without power for between one and 2½ hours last night, spokesman said. Vepco said that none of its customers were blacked out.

Parts of New Jersey and Pennsylvania were also without power when several major power generators broke down under the strain of unusually hot weather conditions.

Some major generators in the Pennsylvania-New Jersey-Maryland power production pool were cut off to prevent further overload and possible explosions, according to Federal Power Commission officials.

Officials say that at least part of the power problem resulted when additional generators, which would have been used in a normal emergency, were out of service for scheduled fall maintenance and repairs.

Arthur Proffit, chief of power requirement and supply in the Federal Power Commission, said at least 8 per cent of the area's generating equipment was already out for repairs and another 22 per cent of the equipment was forced out of service by the end of the day.

Temperatures yesterday were generally in the 90s up and down the East Coast. The last day of summer in Washington recorded a high of 95 degrees. The mercury in New York had climbed to a sticky 93 by 4 p.m.

The unseasonably hot temperatures forced businesses and private homes alike to turn on air conditioners earlier in the day and keep them on at full blast.

The latest local and national weather forecasts indicate little change in temperature for today although some cooling thundershowers are expected to hit the Washington area in the late afternoon.

A Pepco spokesman said that the area might face "more of the same" today, depending on how hot it gets and how quickly equipment can be repaired at power plants outside the Pepco service area.

The spokesman said Pepco has sufficient generating capacity for its own area as long as key equipment is not hampered by "unscheduled breakdowns" in other states.

The first news of the crisis came to Washington residents about 10:20 a.m. when Pepco announced a 5 per cent cut back in power production in the area.

Pepco made the reduction in order to sell the extra voltage to New York City, which had already begun cutting back power in several areas of the city.

By 1 p.m. Pepco had almost exhausted its power reserve and generators had become disabled. The company then started buying power from power plants in the Midwest as far as Chicago, where conditions were normal.

Meanwhile, in suburban Northern Virginia, Virginia Electric Power Company (Vepco) officials also announced a 5 per cent cut back in power and asked all customers to cut down on nonessential users of air conditioners, lights, and television.

The 5 per cent power cutback was hardly noticeable to most users. Pepco officials claim that power must be reduced at least 8 per cent before light bulbs, televisions and other home appliances reflect the reduced voltage.

Problems at Vepco developed when the company's largest generator, the No. 6 Unit in Chesterfield, was forced out of operation when workers detected a faulty bearing in the unit.

The year-old No. 6, which can generate double the power of any other Vepco unit, was cut to half its capacity during the morning hours, but was cut off completely by the afternoon.

Two other Vepco units were out of operation yesterday: the generator at Bremo in Fluvanna County, Va., because of a boiler leak, and the unit at Yorktown on the York River, closed for annual repairs.

Yesterday's "brownouts" were the results of a master plan agreed to long ago by the East's major power companies and by the Federal Power Commission.

The master plan is a series of interconnecting electrical "grids," in which power companies in New York, Pennsylvania, New Jersey, Maryland, Virginia and North Carolina pool their electricity and then channel power to whichever state needs it the most.

"The idea is the same as an insurance pool," explains David Freeman, chief energy adviser in the President's Office of Science and Technology. "The bigger and stronger you make it the more likely it is to get people through trouble."

The "trouble" yesterday came from the PJM pool, which is that part of the Eastern grid that's made up of the power companies in Pennsylvania, New Jersey and Maryland.

Through a series of breakdowns, the PJM pool ran short of power early in the day and began to borrow power from other members of the Eastern grid.

Because of the hot weather and high humidity, however, the other grid members soon ran short of electricity too. This caused brownouts, in the form of 5 per cent reductions in electrical load by power companies in the PJM pool, the New York pool and the Virginia-North Carolina pool.

"The brownouts are deliberate," Freeman said. "You reduce voltage to prevent the whole system from failing."

When this proved not to be enough, several utilities in the East ordered selective blackouts in the District of Columbia, suburban Maryland, Staten Island and sub-

urban Westchester County in New York to conserve electricity during the periods of peak need.

"This is part of the routine," Freeman explained. "If it had gotten any worse, more areas would get the selective blackout treatment, like large industries, the most rural regions and then areas that don't need power to keep public transport moving."

The blackout that shut down the entire Northeast five years ago, Freeman said, is just about an impossibility today. He said that power pools have been strengthened through the addition of new pool members and the construction of new transmission lines.

At the same time, utilities have installed massive numbers of relays throughout their transmission systems that detect power reductions elsewhere in the pool and prevent cascading failures like the one that caused the blackout in 1965.

Pepco said it began cutting power to selected streets at around 2:50 p.m. Lines from substations in Rockville, Hyattsville, Viers Mill and the area of 12th and Irving Streets NE were cut off at that time.

During the afternoon scattered streets in scattered areas throughout Maryland and the District were affected, Pepco said. No areas in Virginia, which is served by Vepco, were completely shut off.

A Pepco spokesman said no more than 13,000 to 14,000 were affected by the power outages at any one time. At 6 p.m., only 6,000 Pepco customers were being affected.

Yesterday's power shortage was the third and most critical this year. In May, Pepco was forced to cut power by 5 per cent when the demand for electricity to run air conditioners reached an early peak.

Vepco also was forced to blackout the Mount Vernon area of Northern Virginia when power stations were overloaded by extensive use of home air conditoners.

Last Wednesday, Pepco and Vepco again were forced to reduce power supplies by 5 per cent in order to sell excess electricity to other companies fed by the PJM system.

UNION FINE CASES SHOW NEED TO PASS S. 1946

Mr. ERVIN. Mr. President, two recent decisions by the National Labor Relations Board serve to illustrate why it is imperative for the Committee on Labor and Public Welfare to report favorably S. 1946, which would amend the National Labor Relations Act to make it an unfair labor practice for any labor organization to impose a fine or other economic sanction against any person for exercising his right not to engage in concerted activities or for invoking any process of the NLRB.

Both of these decisions involved the imposition of fines by unions, and both point out the abusive use of such fines since they were sanctioned by the NLRB and later by the Supreme Court in its landmark Allis-Chalmers decision—388 U.S. 175.

In the first case—Machinists, Lodge No. 405 [The Boeing Co.], NLRB 1970, 75 LRRM 1004—the Board found that the union had violated the Taft-Hartley Act when it imposed fines on employees who broke a strike after resigning from the union. As heartening as this part of the decision was to me, the NLRB went further to find that the union did not violate the same act when it fined those employees who crossed the picket line before they resigned their memberships.

In the second case—Machinists, Lodge No. 504 [Arrow Development Co.], NLRB 1970, 75 LRRM 1008—the Board found that the union did not violate the Taft-Hartley Act when it imposed a $500 fine on a member who crossed the union's picket line during a strike that lasted 4 weeks. During that period, the member earned a net of $511.33. Subsequently, he was fined $500 by the union, which brought suit in the California courts to collect the amount and was awarded a judgment of $528, including costs, against the member. In this particular case, an argument was made that the fine was unreasonable in amount and that the NLRB should find it so. However, the Board ruled that the intent of Congress was not to have the NLRB regulate the amount of union fines or determine their unreasonableness. In applying Allis-Chalmers, the Board rules that—

> The act does not authorize this Board to evaluate the fairness of union discipline meted out to protect a legitimate union interest.

In Allis-Chalmers, the Supreme Court held that section 8(b)(1)(A) of the Taft-Hartley Act, which forbids unions from coercing their members, is not applicable to the conduct of a labor organization's internal affairs. Fines are internal affairs, the Court held, and thus are not included under the section. Now, it seems to me that the Board has said in these two recent decisions that it will forevermore keep hands off union fines cases as long as they are imposed for activities occurring while the victim was a member of the union. Unions apparently will be left alone from now on to run roughshod over their members, until the Supreme Court sees fit to amplify its Allis-Chalmers decision.

By use of fines, some of which in the past have run as high as $18,000 or more, unions are able to coerce their members into almost any type of activity which can be construed as legitimate to the interests of the organization. If an employee chooses to join a union, apparently under the present interpretation of the law he abdicates his right to free speech, his right to work, his right not to engage in concerted activities, and his right to go and come as he pleases. He becomes nothing more than a pawn for the union leadership, to be used as the officials of the organization see fit.

Mr. President, what has happened to the individual in all of this? What has happened to the little man and his right to make a living? What has happened to the rights guaranteed him under the labor laws and under the very foundation of our Government, the Constitution?

I submit that these are bad times for the individual workingman in America, for powerful labor unions have abrogated his personal freedoms in the name of the organization. And the National Labor Relations Board during the past several years has played into the hands of big-time organized labor to the detriment of the liberties of the individual employees.

Under the current Board, already there have been several glimmers of sunshine coming from what otherwise has been a dismal bureaucracy, but we in the Congress should not stand idly by and wait for the Board to change its policies when individual liberties are at stake. It is our responsibility to bring needed reform to the administration of our labor laws and to make substantive changes in the law to protect the rights of individuals.

The Committee on Labor and Public Welfare has an opportunity to strike the first blow for workingmen's freedom by favorably reporting out S. 1946. Authored by Senator FANNIN and me, this bill would go a long way toward restoring the rights of employees to insist that their unions be responsive to their needs, and it would insure that they be allowed to exercise those rights already written into the labor statutes and those guaranteed by the Constitution.

I urge the members of the Labor and Public Welfare Committee to take this bill up and report it favorably in order to give the entire Senate an opportunity to vote for individual freedom.

AN ECONOMIC ANALYSIS OF THE PAST 18 MONTHS

Mr. MANSFIELD. Mr. President, on August 19, 1970, the Senate Democratic Policy Committee requested Walter Heller, Arthur Okun, and Gardner Ackley, the three previous Chairmen of the President's Council of Economic Advisers, spanning a period from 1961–69, to prepare an analysis of the course of economic development in the country during the past 18 months. These distinguished economists were requested to pinpoint the sources of increasing unemployment and declining profits and to give an overall evaluation of the strategy employed during this period in pursuing price stability. We were very fortunate that all of these eminent men consented to provide a joint evaluation.

On September 18, 1970, they submitted the enclosed report. It contains a crisp and professional evaluation of the economy, and I believe it will bring greater perspective and sharper focus to bear on these matters disturbing so many throughout the country.

I ask unanimous consent that this report be inserted in the RECORD at this point.

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

MEMORANDUM FOR THE SENATE DEMOCRATIC POLICY COMMITTEE

The following report is submitted in response to Senator Mansfield's request of August 19, 1970, that we "prepare an analysis of the course of economic developments in the country during the past 18 months, pinpointing the sources of increasing unemployment and declining profits and evaluating the strategy employed in pursuing price stability."

SUMMARY

Our examination of recent economic promise and performance, policies and prospects yields a disturbing picture of accelerated and unduly prolonged inflation; soaring interest rates and financial disruptions; a stagnation of production and jobs, the cost of which continues to grow; policies that have remained long on hopes and short on achievements.

1. *Problem and policy.*—When the present Administration took office, it found a prosperous economy, but plagued by a war-induced inflation. Although fiscal steps already taken had begun to cool the boom, the rise in prices had not yet begun to slow

down. The new Administration's task was to stop inflation with as little cost in jobs and production as possible.

It chose to attempt this mainly through a severely tight monetary policy, and it foreclosed any attempt to influence private price and wage decisions.

2. *Promise.*—President Nixon quickly assured us that "We can control inflation without an increase in unemployment." His economists spoke of bringing price increases down to 3 percent by the end of 1969. Since then, the Administration has repeatedly claimed that victory was in sight. But after nearly two years, prosperity without inflation still remains a distant promise.

3. *Performance.*—In 1969–70, the United States has experienced a fierce financial squeeze and an economic slump, side by side with stepped-up inflation—a combination new in American experience. During 1969, the rate of inflation jumped from 4½ to 6 percent. Now, at last, it shows signs of ebbing—far behind schedule. Even so, prices are still rising more rapidly than when the Nixon Administration took office. But the effort to curb inflation has cost us dearly in both human and material terms:

In jobs.—One and one-half million more people were out of work last month than in December 1968. Unemployment had jumped from 3.4 percent to 5.1 percent of the civilian labor force.

In output.—U.S. production slipped below its potential a year ago and a $40 billion gap has already opened up between our actual output and our capacity to produce.

In profits.—Corporate profits are down 11 percent.

In housing.—Homebuilding fell one-fifth and is only now beginning a come-back.

4. *Prospects.*—There are now signs that the economy has bottomed out and is starting a recovery of sorts. But, even as production turns up, unemployment will continue to rise as job opportunities grow less rapidly than the civilian labor force. At best, the current prospect is sluggishness and slack, the full cost of which may reach $150 billion or more of lost production and incomes.

5. *Recommended action.*—Clearly there is more than enough slack in the U.S. economy today to permit a significantly more expansionary policy. The record shows that inflation has never been rekindled when the economy has had this much slack. We believe that.

Monetary policy should be further liberalized to finance a more rapid economic expansion and achieve lower interest rates.

In fiscal policy, the President's own guideline—that "expenditures must never be allowed to outrun the revenues that the tax system would produce at reasonably full employment"—fails to justify his vetoes of health, education, and housing bill. Good economics today fully justifies a more generous funding of vital social programs.

A more expansionary monetary-fiscal policy needs to be coupled not only with structural measures to improve labor and product markets, but also with active and imaginative efforts to induce greater restraint in private price and wage decisions.

THE ECONOMIC RECORD OF 1969–70

When the Nixon Administration took office twenty months ago, the Nation was exceedingly prosperous, but the record was marred by inflation. The prosperity was widespread and pervasive:

Eight years of unprecedented continuing economic expansion had raised the Nation's real production by one-half and the real after-tax income of the average household by one-third.

Unemployment was down to 3.5 percent of the labor force, the lowest since 1953.

Corporate profits before taxes exceeded $90 billion for the first time in history.

Real income per farmer was at a level previously topped only in 1966.

For most groups in the economy, income gains were consistently outpacing inflation.

On the liability side of the balance sheet were the nagging problems of inflation and high interest rates. Between mid-1967 and the end of 1968, both consumer prices and the average price index for gross national product (GNP) had risen at a fairly steady and clearly excessive rate of 4½ percent. Interest rates were uncomfortably high: above 6 percent on most securities and above 7 percent for home mortgages.

The inflation clearly stemmed from the way the Vietnam war had been financed. When expenditures for Vietnam swelled the federal budget in 1966 without a matching rise in taxes, the Nation developed a classical case of inflation—too much spending chasing the available supply of goods. Prices, which had been remarkably stable throughout the 1960–65 period, rose sharply. During 1966, the brakes of monetary restraint were applied with great force, enough to offset the fiscal accelerator. The boom was thus halted, but only at the cost of an upsurge in interest rates, serious dislocations in the availability of credit, and an acute disruption in home building. Price rises slowed down markedly in the first half of 1967. But when the budget throttle remained wide open and the monetary brakes were not applied again, excess demand reappeared.

By mid-1968, when tax and expenditure control measures finally restored the budget to a sound position, the boom had developed enormous momentum and proved difficult to stop. Economic activity did slow down significantly during the second half of 1968, but price increases remained excessive. At the beginning of 1969, it was clear that further restraint was required to curb inflation—and equally clear that the restraint had to be tempered to minimize the sacrifice of jobs and real incomes in an economy already beginning to slow down.

The promise: Gradual disinflation

The new Administration stated its objectives explicitly—to halt the inflation gradually while avoiding any appreciable increase in unemployment. As Secretary Shultz spelled out the strategy in March 1969: "Now we are aiming to maintain a relatively stable unemployment rate with a gradual reduction in the rate of increase in prices. . . . By starting now, and holding firmly and steadily to this objective, we can accomplish a worthwhile reduction in the rate of price increase this year, and set the stage for further reduction next year. At the same time, an opportunity will be provided for the economy to create the expanding number of jobs that are required to keep employment in line with the growth in the labor force." President Nixon put it more simply in his first news conference: "we can control inflation without an increase in unemployment."

These were laudable objectives, with which few would disagree. The problem lies in the policies adopted to reach these goals and in the subsequent responses when these policies did not work.

The new Administration made only modest changes in the fiscal posture that it had inherited from President Johnson. Expenditures were altered relatively little. After a considerable and costly delay, President Nixon went only part of the way in renewing President Johnson's request for extension of the tax surcharge during fiscal 1971, substituting repeal of the investment tax credit for the remainder.

But the main instrument of the new campaign against inflation was to be the Federal Reserve's use of monetary restraint. With the active support of the Administration, the Federal Reserve pursued an extremely restrictive monetary policy during 1969, allowing the money supply—currency and demand deposits combined—to increase only 2 percent during the year, and producing an actual substantial contraction in total bank deposits.

In a clearcut shift from Kennedy-Johnson policies, the Nixon Administration ceased any and all efforts to enlist the cooperation of business and labor in restraining price and wage increases. On January 27, 1969, President Nixon stated "I do not go along with the suggestion that inflation can be effectively controlled by exhorting labor and management and industry to follow certain guidelines. . . . The leaders of labor and the leaders of management, much as they might personally want to do what is in the best interests of the nation, have to be guided by the interests of the organizations that they represent."

THE PERFORMANCE: ACCELERATING INFLATION

Regrettably, the new game plan was followed not by a slowdown of the inflationary trend but rather by a distinct acceleration. The rate of advance in the consumer price index, which was 4.7 percent during 1968, stepped up to 6 percent early in 1969 and remained at that rate to the middle of 1970.

Reflecting both the more rapid inflation and extreme monetary tightness, interest rates jumped during 1969 and into 1970. Yields on home mortgages and most longer-term securities are today about 2 percentage points higher than at the beginning of 1969.

Prices and interest rates soared even though economic activity slowed markedly. Real GNP grew at an annual rate of only about 2½ percent in the first three quarters of 1969—substantially less than the 4 percent growth of the economy's potential. Output then actually declined at a 2 percent annual rate over the next two quarters, before levelling off in the second quarter of 1970.

The combination of accelerating inflation and decelerating—indeed, declining—production is unprecedented for the United States. There was nothing new about an economic slump or about stepped-up inflation; but the combination of both at once is unique in American experience.

The acceleration of prices was unforeseen by the Administration. In March 1969, after a meeting with the President and his chief advisers, Congressman Ford reported their general conclusion that the "high-water mark of inflation" had been reached in 1968. Secretary Shultz's forecast, cited above, of a "worthwhile reduction in the rate of price increase" in 1969 was translated into a target of 3 percent by yearend by other Administration officials. Only after prices rose at a 6 percent rate for many months was it suggested that the acceleration of prices in 1969 had been made inevitable by developments during 1968 even though prices were not accelerating at that time. No concrete evidence has been adduced to support this soothing hypothesis.

Some of the blame for the disappointing price record can be placed on erratic and transitory unfavorable factors—such bad breaks as the spurt in farm prices in the first half of 1969, the tightening of international markets for some metals, and the sag in labor productivity. On the other hand, there were alleviating good breaks, such as the light schedule of collective bargaining settlements in 1969.

An important source of the intensified inflation was the President's prompt and unequivocal assurance that prices and wages were no longer considered to be the Government's business—which means the public's business. This was widely read as an invitation for business and labor to cease the self-restraint practiced under the Kennedy and Johnson Administrations. Price increases accelerated most for those industries which had cooperated during 1966–68. For nineteen industries which had been responsive to the Johnson Administration's requests for restraint, prices rose 6 percent during the course of 1969 in sharp contrast with the 1.7 percent annual increase averaged during the preceding 3 years. For the remainder of

industrial wholesale prices, the acceleration from 1966–68 to 1969 was from 2.3 to 3.5 percent. When the indirect impacts on wages and on other prices are included and the cost of abandoning wage restraint is taken into account, a substantial part of the faster inflation of 1969 must be attributed to the renunciation of wage-price policy.

The uncertain prospect

In the past few months, there have been some signs that prices may be rising a bit less rapidly than in 1969 and early 1970. In the three months from April to July, the consumer price index increased at a rate of 4.8 percent a year, seasonally adjusted. Industrial wholesale prices rose at a seasonally adjusted annual rate of 2.8 percent from May to August, and the increase in the average of all wholesale prices slowed to 2 percent, as farm and food prices leveled off.

This evidence of improvement must be read with caution. Several times in the past two years, a few months of apparent improvement in the price record were followed by a renewed deterioration. These episodes date back as far as the third quarter of 1968. Nearly a year ago, on October 17, 1969, President Nixon told the Nation: "But now prices are no longer increasing faster and faster. The increases not only have slackened but the rates of increase are actually down." On December 22, 1969, he reported, "The consumer price index was rising at the rate of 6.4 percent per year in the first half of 1969, but the rate has dropped to 5.3 percent per year since June." But the better news on price movements in July, August, September and October was erased by a 7 percent rate of inflation in November and December. On January 30, the President said: "I do expect that the present rate of inflation, which was less in the second half of 1969 than in the first half, will continue to decline." Instead, the increase in the first half of 1970 was even more rapid than in the second half of 1969.

Wholesale prices of industrial commodities have been rising somewhat less rapidly for a considerable period now, but the results have not thus far been translated into improvements at retail. The widely heralded and obviously welcome decline in wholesale prices during August reflected little more than the elimination of an erratic bulge in farm and food prices that had occurred in July. By this time, there have been enough lessons to teach everyone caution about forecasting relief from inflation.

Moreover, on the horizon loom substantial risks of upward pressures from transportation costs and fuel and public utility prices, some of which the Council of Economic Advisers noted in its recent "Inflation Alert." A similar threat, not cited by the Council, is the preliminary announcement by automobile manufacturers that prices of 1971 models will rise at least 5 percent. Such a development will make the consumer price record for October dismal reading when it is released in mid-November. The outcome of the automobile wage negotiations is similarly a matter of national concern; a very large settlement would keep the price-wage spiral turning.

All in all, there is no basis for confidence that price increases in the closing months of 1970 will be less rapid than they were at the start of the Nixon Administration. In that event, two years of a costly battle against inflation will have been spent merely to get the Nation back to where it started in 1969.

The cost: A stalled economy

This modest and still uncertain relief in the rate of inflation has been purchased at an extremely high cost in terms of production and jobs. For the first time in nearly a decade, the most basic economic indicators—real GNP, industrial production, nonfarm payroll employment—stand below their levels of a year earlier. The declines are not large—industrial production is down 3 percent; real GNP a fraction of 1 percent; total man-hours worked in the private economy about 1½ percent. But the decreases throw into bold relief the largest and most serious cost of the slump—the failure to grow.

Growth is the fundamental characteristic and requisite of the dynamic American economy. Increases in the labor force and advances in technology steadily and significantly raise the Nation's capabilities for production of goods and services. Thereby, they make expansion in output and employment essential.

Stagnant production means sharp declines in business earnings: corporate profits in the second quarter were 11 percent below a year earlier.

Stagnant employment means surging unemployment: the number of jobless has increased by 60 percent since the end of 1968.

Stagnation of the over-all economy has meant substantial declines for some industries—especially those most vulnerable to tight money: homebuilding activity (in constant prices) fell 19 percent from spring 1969 to spring 1970.

Stagnant markets for industry have meant declining markets for investors: the value of corporate equities has dropped by one-fourth since the beginning of 1969, a loss of some $200 billion.

The missing $40 billion.—The best summary measure of the economic slump is the $40 billion shortfall of actual production below the economy's estimated potential in the second quarter of this year. Since it began to emerge in the third quarter of last year, that gap has been the only rapidly growing element in the economy. The $40 billion shortfall means:

Nearly $20 billion in real incomes missing from the pay envelopes of American families;

About $7 billion in after-tax corporate profits absent from the income statements of our business enterprises;

$2 billion of revenues not flowing into hard-pressed city and state treasuries;

About $12 billion missing from the Federal Government's tax collections.

It means, in short, that the mere bottoming out of the economy and the end of a period of decline offer only small comfort. Thus, while real GNP was rising about $1 billion in the second quarter, productive capacity was growing by $10 billion. The net result was a widening of the gap between actual and potential output by $9 billion, and a rise in the unemployment rate by half a percentage point.

The unwanted workers.—The 1969–70 slump has demonstrated anew that low unemployment requires a buoyant and expanding economy. Unemployment has surged from 2.6 million persons at the start of 1969 to 4.2 million persons in August 1970. Unemployment rates rose across the board:

For all workers, from 3.4 to 5.1 percent;

For male breadwinners, from 1.4 to 2.8 percent;

For blue-collar workers, from 3.6 to 7.0 percent;

For Negro and other nonwhite workers, from 6.0 to 8.4 percent.

Early in 1969, government officials noted that, during the sixties, relatively stable service industries had experienced a much greater growth of jobs than had the volatile areas of manufacturing and construction. They suggested that this structural change might insulate the Nation from any appreciable increase in unemployment even if economic activity should stall. Unfortunately, those hopes were not realized. Some officials stressed the capability of manpower programs to minimize any increase in unemployment. Those hopes also proved unfounded. Indeed, what has been demonstrated is that manpower programs which rely on the participation of private business firms can succeed only in a strong labor market. When employers were obliged to lay off senior workers, many firms became dropouts from cooperative manpower programs. They found it impractical to keep training disadvantaged workers for new jobs when their existing work force could not be used productively.

The difference between 5 percent and 3½ percent unemployment may not seem large. But for the worker it is a different world:

At the end of 1968, only 944,000 of the 2.6 million unemployed had lost their last job. The rest were entering or re-entering the labor force or else had left their last job voluntarily. In August 1970, the number of job losers had reached nearly 2 million of the 4.2 million unemployed.

The number of persons unemployed for 15 weeks or longer climbed 130 percent from December 1968 to August 1970—from 322,000 to 736,000. And this figure does not yet reflect the full impact of recent increases in joblessness.

In June 1969, there were 240,000 job vacancies in manufacturing and 700,000 unemployed factory workers—or one vacancy for 3 jobseekers. In June 1970, vacancies were only 123,000 while unemployment of factory workers exceeded 1.1 million, a ratio of one vacancy for every 9 jobseekers.

In July 1969, 58 of the Nation's 150 major labor market areas were classified by the Department of Labor as "low unemployment" areas—good places to find a job. Only 24 areas retained that classification in July 1970. Meanwhile, the number designated as having "substantial unemployment"—weak labor markets—jumped from 5 to 24. Only one area of the 150 (Wheeling, West Virginia) registered a year-to-year decline in the unemployment rate.*

Social strains.—No statistics on unemployment can reveal some of the most significant social consequences of a weak job market. They fail to reflect the loss of opportunities for overtime work, which to many families provides a vital extra margin for comfort and the amenities of life. Nor do they register the frequent shift from full-time to part-time jobs. In a recent opinion survey, 21 percent of all families reported some loss of employment opportunities in the past year—from layoffs, lost overtime, or part-time jobs.

Millions more have had to worry seriously about job security for the first time in many years, as they saw their neighbors and their colleagues laid off. Surveys of consumer sentiment offer one indication of the pervasive psychological impact of a weak economy. The Index of Consumer Sentiment, compiled by the Survey Research Center of the University of Michigan, has been below 80 since the fall of 1969, down sharply from its range of 91 to 96 in the quarterly surveys between mid-1966 and mid-1969.

A slack economy strains the fabric of society and accentuates conflicting interests. When sales are stagnant, greater incomes for labor can come only through lower incomes for business. Jobs for blacks and the young seem to imply joblessness for whites and the elderly, if total employment is not expanding. One city's progress means a setback for suburbs, rural areas, or other cities if the national economy is not growing. Only in an expanding economy are there fruits of growth ready to be shared among groups and regions.

The true cause.—In reviewing the costs of economic slowdown, it is important to recognize that the boom of 1966–68 had to be halted and that this task could not have been painless and costless. But it is vital to know how high the toll has been and to know that its size was set by economic policies.

It is not that people are any less eager to work than they were early in 1969. It is not that foreign competition is a barrier to

* All comparisons are based on the latest available data. Vacancy and area figures are not seasonally adjusted and hence must be compared with the same month of 1969.

full employment today—any more than it was last year or the year before. It is not that defense cuts were responsible for the economic slump or the increase in unemployment. It is that deliberately restrictive monetary and fiscal policy has prevented the private economy from generating enough jobs to absorb the men released from the armed forces and defense plants.

The costs of halting the boom have been large by any standard, and particularly when measured against the Government's own targets and expectations. As the Annual Report of the International Monetary Fund stated this month: "At this juncture, the domestic stabilization plan developed by the (U.S.) authorities early in 1969 is clearly behind schedule in slowing the pace of price and cost increases and, at the same time, it has had a more severe impact on the real economy than was expected or hoped for." The tight money attack on inflation has proved to be a strategy of doing it the hard way—yielding unexpectedly slow and small dividends and imposing unnecessarily large sacrifices of jobs and production.

THE CURRENT CHALLENGE

The outlook: More sluggishness

Neither current economic indicators nor the latest statements and actions by the Administration point to any reversal of the growing slack, widening shortfall of production, and rising unemployment that has marked the past year.

The favorable side of recent news is that the economy has "bottomed out." Everyone is relieved that the slump did not turn into a major, cumulative decline. The Federal Reserve contributed to this welcome development by easing up on the monetary brakes at the beginning of this year The Congress contributed by rejecting the President's most stringent recommendations on fiscal policy. The vital margin accounting for the modest increase in real GNP during the second quarter may have been the extra incomes Congress generated by enacting such measures as the increase in social security benefits beyond the President's recommendations.

Recent evidence puts the main danger to the economy in perspective: that threat is not a prolonged collapse or even a slow decline, but rather a chronic and creeping paralysis.

That real threat is nonetheless serious. Based on present policies and current evidence, the economic outlook is for only sluggish growth as far ahead as one can see. If an automobile settlement is reached promptly, output might rise at an annual rate of roughly 2 percent in the second half of this year. Real GNP in the fourth quarter of 1970 would then barely exceed its peak in the third quarter of 1969. The gap of unused resources and wasted productive capacity would be widening. By year end, the production gap would reach $50 billion—$1 billion a week—and unemployment would be moving into the neighborhood of 5½ percent.

The likelihood of a recovery in homebuilding and moderate advances in consumer buying is the source of the prospective modest resumption of economic growth. No great strength is visible anywhere. The latest indicators of consumer buying and of consumer attitudes point, at best, to only a modest decline of currently high saving rates in the period ahead. The most recent evidence on plant and equipment reveals no prospect of a rise in real investment. Unlike previous recoveries, the current situation is unlikely to get significant help from an inventory rebound, simply because inventories never did become top-heavy nor undergo a general liquidation.

The Administration's reading of the economic outlook—as conveyed publicly—appears to be similar to that outlined above. Chairman McCracken speaks of a modest resumption of growth and concedes the probability of a continued rise in unemployment.

Looking farther ahead, there is a sound basis for the concern Chairman McCracken recently expressed about the danger of "an unduly protracted period of excessive slack and unemployment." It is much harder to get back on the road to full employment than to wander off that path. It took only three quarters to create a gap of $40 billion, amounting to 4 percent of GNP. Even at best, it will take much longer to eliminate that costly shortfall.

First, the gap will begin to narrow only when output begins to grow more rapidly than the 4 percent growth of productive capacity.

Second, the gap will narrow only by the *excess* of actual growth over the 4 percent growth of potential.

Third, in view of the dangers of renewed inflation, 6 percent is likely to be a speed limit on real expansion.

Finally, for these reasons, even after the economy shifts into high gear, a period of two years would be necessary to eliminate the 4 percent gap of today.

If, as a result of inadequate economic policies, output should grow only 2 percent between mid-1970 and mid-1971, and even then if it began to expand at 6 percent, it would take until mid-1974 to restore full employment. The total cost of the slack—the loss of output between 1969 and 1973—would exceed $150 billion. If, alternatively, through more expansionary policies, output grows 4 percent over the next year and then rises at a 6 percent rate, the gap would be closed by mid-1973, thus holding the total cost to about $100 billion.

In either case, "an unduly protracted period of excessive slack and unemployment" is already a fact of economic life. But the difference of more than $50 billion between the two cases illustrates the importance of a prompt and healthy recovery.

A redirection of economic policy

Such a recovery can be promoted by the same monetary and fiscal tools which induced and engineered the 1969–70 economic slump. They work only with a lag, however, on the ascent as well as on the descent.

Just as the highly restrictive policies of 1969 are holding down the economy today, so the policy choices of today will influence the economy's performance in 1971 and 1972. The time has come for a redirection of fiscal and monetary policies. The task of halting the boom has been done and overdone. Administration policymakers did not wish or plan an unemployment rate exceeding 5 percent; on the contrary, they expressed confidence that it would not get nearly that high. They did not want a production gap approaching $50 billion; their projections at the beginning of 1970 pointed to a shortfall only about half that size. Policies must be geared to the realities of today, rather than the expectations and hopes of a year ago.

Thus far, adjustments of monetary policy have merely ended the severe restraint that choked off growth. But it is no longer enough for economic policy to stop blocking the path of economic growth. Some active support is required. The nature and the extent of the support must recognize the persistence of disturbing price increases. Surely, it would be easier and safer to recommend stimulative policies if prices had already leveled off. But to wait for that development would involve an unconscionable cost in terms of sacrificed jobs and production.

The history of the post-Korean era provides some assurance that renewed expansion in today's slack economy would not mean renewed inflation. Whenever the unemployment rate has exceeded 4½ percent, price rises have within a few quarters, slowed to a moderate level. For all periods when the unemployment rate exceeded 4½ percent, price increases have averaged 1¼ percent; for unemployment between 4½ and 5½ percent, 1⅓ percent.

Squeezing the economy longer and harder will not achieve a significantly quicker or more pronounced disinflation. At this point, restrictive fiscal and monetary policies offer little extra gain in the battle against inflation and impose large social and economic setbacks.

An appropriate redirection of fiscal-monetary policies would not be a turn of 180 degrees. A sharp and abrupt shift to extremely expansionary policies must be avoided, for it would jeopardize the disinflationary process. What the Nation needs is a prudent but decisive shift toward the support of growth, designed to halt promptly the widening of the production gap and the rise of unemployment.

Fiscal policy for a balanced economy

The Federal Budget is in deficit today, but its red ink is only a symptom of the weakness of the economy. The shortfall in business and personal incomes has held down Federal revenues from corporate and individual income taxes. This slump-induced shortfall in Federal revenues far exceeds the deficit recorded for fiscal 1970 or the deficit in prospect for fiscal 1971. The budget deficit in 1970 was $2.9 billion. Receipts during that period were about $7 billion below the level that would have obtained in a full employment economy; indeed, they were $5.5 billion below the Administration's own revenue estimates at the start of calendar 1970. If the Administration's hopes for the economy had been realized, the budget would thus have shown a comfortable $2.6 billion surplus.

In fiscal 1971, Federal revenues are even more dramatically depressed by the shortfall in the economy. Even on a rather optimistic economic forecast, Federal revenues will be $15 billion below the full-employment level. That shortfall is a sufficient explanation of the deficit in the current fiscal year. Compared to it, differencs in either direction between the President and the Congress on the desirable levels of Federal programs are relatively small.

In short, the current Federal deficit is not a potential cause of economic overheating, but rather the result of an economic chill. The Federal budget's thermostat is working; and the economy's chill has automatically turned on the fiscal furnace. A weak-economy deficit is very different from a full-employment deficit created by either excessive expenditures or untimely tax reductions—actions which, in effect, turn up the thermostat and almost surely overheat the economy. A slump-induced deficit is no reason to withhold adequate support for high-priority Federal programs and services. To pursue such an approach would depress jobs, incomes, and Federal tax revenues all the more—guaranteeing that both the economy and the budget remained seriously out of balance.

In recent months, the Administration has stated explicitly its own criterion for the boundary line between inflationary and noninflationary fiscal policy. The President, Director Shultz, and Chairman McCracken have all set forth this "basic guideline" for the budget: holding Federal expenditures below "the revenues that the tax system would produce at reasonably full employment." This is a sensible guideline in present circumstances. But the Administration's own fiscal recommendations and actions do not square with it.

That "basic guideline" should be applied consistently and carefully to the budget. Under present tax laws, revenues for fiscal 1971 would be about $215 billion at reasonably full employment. Expenditures proposed by the Administration are estimated at $206 or $207 billion. Thus there is ample room within the guideline for the strengthened social security program enacted by the House of Representatives and for moderate increases in other high-priority programs. The guideline reveals no need for additional revenue action: whatever the merits on other grounds of taxing leaded gasoline and speed-

ing up estate and gift tax collections, these measures are not required for anti-inflationary purposes.

The guideline also shows that the appropriations bills for the Independent Offices and the Department of Housing and Urban Development and for the Office of Education were noninflationary by the Administration's own criterion. Yet the President chose to veto those bills, arguing they were inflationary. His veto messages of August 11 were inconsistent with his own budgetary principles, set forth as recently as July 18. The appropriations bills were responsible fiscal actions; the vetoes had no economic justification.

The Congress should be sure that its actions do square with the reasonable noninflationary guideline of the Administration. It should hold expenditures within the bounds of full-employment revenues, and there is every indication that it will. But the slump-induced deficit must not be allowed to obscure the needs of the Nation for public services, for economic recovery, and for improved job opportunities.

Looking ahead to fiscal 1972, Federal revenues would rise by at least $15 billion along a normal path of economic growth. Given this outlook for revenue growth and assuming a maintained effort to cut defense outlays, it is hard to imagine increases in Federal expenditures outrunning the growth of Federal revenue capabilities in fiscal 1972. Similarly, it is hard to see any sound economic basis for suggestions that tax increases will be needed next year. An increase in taxes would be sensible economic policy only if required to finance a major expansion of social programs.

The new assignment for monetary policy

Current and prospective fiscal policy should be viewed against the background of monetary policy. During much of 1970, the statements of the Federal Reserve pointed to a 4 percent growth rate of the money supply as a target of policy. It is not clear whether 4 percent remains a target today.

It would not be an appropriate target under present circumstances. Even as a long-term norm, 4 percent growth of money is by no means a reliable standard. No one knows whether a 4 percent growth rate of money can support a growth of GNP that must exceed 6 percent a year in current prices over the long run.

More important and more specifically, whatever may be appropriate as a norm for the long run is clearly inadequate in today's abnormal situation. The economy has been starved for liquidity as a result of past monetary restraint. The money that was not created in 1969 is still missing; the average growth rate of money since early 1969 has been only 3 percent. Moreover, during the first half of 1970, extreme economic uncertainties and shock waves in financial markets generated extra demands for safe liquid assets. These demands must be accommodated to end the liquidity drag on economic recovery.

The experience of recent months shows that even moderate growth of liquidity can be consistent with declining interest rates—*when the economy is not advancing.* But it is unlikely that the same growth of liquidity could support a continued decline in interest rates once economic activity begins to move ahead with any vigor.

Under current circumstances, monetary policy—which played the stellar role in inducing the economic slowdown—has an equally important assignment in promoting a well-paced recovery. That assignment requires a broad view of liquidity and of the financial requirements for renewed economic growth, rather than a narrow focus on any growth norm for any particular monetary magnitude. To formulate a constructive monetary policy over the year ahead, the Federal Reserve should be sure to ask the right questions. If it does that, it will supply reasonable answers.

The check list of questions should include these:

What is a reasonable target path for homebuilding activity during the course of 1971, consistent with a healthy rebound of the whole economy and with an orderly recovery of that industry?

How much credit should flow to state and local governments in 1971—given their urgent needs and the over-all economic situation?

How can monetary policy strengthen the willingness and ability of consumers to resume more normal levels of spending in relation to income?

What, in turn, is the pattern of interest rates, credit flows, and credit availability consistent with these objectives?

In general, what kind of a downward path of interest rates from their current heights would be desirable, as the disinflationary process continues?

Wage-price policies: The missing link

The Administration has still made no effort to enlist the support of labor and business in the anti-inflationary process. This missing link of economic policy has been exceedingly expensive to all Americans. It could have helped—early in 1969—to avoid the acceleration of prices, and—more recently—to speed the shift away from inflation. It is now more than ever essential, in order to provide insurance that the wage-price spiral slows down progressively while fiscal-monetary policies help jobs and markets to recover promptly.

Many constructive and concrete proposals for a cooperative wage-price policy have been put forward in the past 20 months. Since the Administration has rejected one and all, it seems pointless to recommend any particular strategy once again. The first requisite for a successful wage-price policy is determined and dedicated leadership by the executive; the President and only the President of the United States has the moral force to achieve cooperation among the major interest groups in our economy. And that first requisite is not present.

The call for such leadership has been sounded again and again along a wide bipartisan front. In March, the Republican members of the Joint Economic Committee expressed their belief that "this administration has a responsibility to use its considerable powers of moral suasion and its ability to focus national attention on particular wage and price decisions. . . ." The editorial pages of respected, conservative publications such as *Business Week* and *Fortune* have advocated speed limits on wages and prices. Expert voices in international organizations—OECD, BIS, IMF—have called out for action. Articulate officials within the Administration have registered their dissent from the no-policy policy.

The Administration made some move toward a wage-price policy when, on June 17, the President established a Commission on Productivity, announced a White House conference on productivity, called for the preparation of periodic "Inflation Alerts" by the Council of Economic Advisers, and created a Regulations and Purchasing Review Board within the Federal Government.

The elaboration of this program to the press by Administration officials has consistently emphasized what it is *not* intended to do. One Administration aide stated, "It's just a placebo for those who believe we must act." The record does not contradict him. The White House conference has not been held or even publicly scheduled. The Commission on Productivity has thus far been silent. Nor are there visible signs of progress or effort by the in-house Board in its important assignment of removing the Government's own structural obstacles to minimum costs and efficient markets.

The Council's first "Inflation Alert," released in mid-August, was an informative professional review of past price movements and of the anatomy of the inflationary process. But it was almost entirely a backward-looking document, rather than an "alert." It is hard to see how such a review can mobilize public opinion. If private actions and decisions are to be reviewed constructively, they must be measured against standards for responsible behavior. So long as the Administration refuses to discuss and set forth such standards in cooperation with business and labor, there can be no basis for an evaluation of performance. So long as the President countenances whatever use of market power may be made on behalf of private interests, business and labor must be expected to try to protect themselves and to beat others to the draw. So long as the rules of the game are that anything is fair, no self-restraint can be expected. And so long as this posture is maintained, it keeps adding to the cost of living of all Americans and subtracting from the abiilty to achieve full employment with price stability.

POVERTY AMONG ELDERLY INCREASES

Mr. BYRD of West Virginia. Mr. President, the distinguished Senator from New Jersey (Mr. WILLIAMS) is necessarily absent. I ask unanimous consent that a statement prepared by him be printed in the RECORD.

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

POVERTY AMONG ELDERLY INCREASES

Mr. WILLIAMS of New Jersey. Mr. President, during the Committee on Aging's overall study of the "Economics of Aging", we have received much hard-hitting evidence about a retirement income crisis that is worsening, rather than improving.

One out of every four persons 65 and older—in contrast to one in nine for younger individuals—lives in poverty. Yet, many of these older Americans did not become poor until they became old.

This direct relationship between increased poverty with advancing age is unmistakable. In 1969, 7.2 percent of all persons in the 45 to 54 age category were classified as poor. For individuals 55 to 64, the figure increased to 11.1 percent. And for persons 65 and older, it jumped sharply to 25.3 percent.

More importantly, recent Census Bureau statistics reveal that the number of older Americans living in poverty has actually increased by 157,000—from 4,630,000 to 4,787,000—since 1968. In contrast, the number of younger persons who would be considered poor declined by 1,257,000—about a 6 percent reduction.

In the past, the number of elderly persons in poverty has declined, but at a slower rate than for the rest of the population. From 1959 to 1968, more than 1.3 million aged persons moved out of poverty—approximately a 29 percent reduction.

However, the new census statistics show for the first time that the aggregate number of elderly poor persons has increased. And this reversal in trend should be of immediate concern to all Americans, young as well as old.

Unless positive action is taken now, the economic position of aged persons—as well as those approaching retirement—will deteriorate markedly in the years ahead.

These statistics help to demonstrate that piecemeal, stop-gap Social Security measures are not going to be effective for this mounting problem of crisis proportions. Moreover, these figures effectively rebut the arguments advanced by the "floor of protection" advocates.

What is needed now is comprehensive reform, as outlined in my omnibus amendment to the House-passed Social Security bill. This measure would make several vitally needed improvements in Social Security and Medicare, including:

A 32 percent raise in benefits in two steps;

Thereafter, benefits would be automatically adjusted based on increases in the cost-of-living;

Substantial increases in minimum benefits to remove large numbers of the aged from poverty;

Liberalization of the earnings test to enable individuals to supplement their Social Security benefits;

Coverage of out-of-hospital prescription drugs under Medicare; and

Elimination of the $5.30 premium charge for supplementary medical insurance under Medicare.

Mr. President, we in this Nation must recognize that the older population is falling further and further behind in terms of economic well-being. Today, elderly persons are twice as likely to be poor as compared to younger people. Older Americans now comprise about 10 percent of our population, but constitute nearly 20 percent of the total poor population. In 1968 they were 18 percent of the total number of persons in poverty.

These figures present compelling reasons for far-reaching improvements when the Senate considers the 1970 Social Security amendments.

NEED FOR A U.N. EMERGENCY RELIEF SERVICE

Mr. KENNEDY. Mr. President, reports from the United Nations in New York, and from Europe and the Middle East, tell of a heavy toll being paid by the civilian population as a result of the current conflict in Jordan. It is the usual story of civilian war casualties—tens of thousands suffering and dying every hour of the day. It is the usual story of dislocation and loss of home, of disease, and epidemic. It is the usual story of little food and water. And as always, with the exception of a very limited Red Cross mission, there is no one there to really help those in need—and little evidence of much concern in the councils of government.

I do not speak today to blame or condemn, or to offer any magic solution for meeting the problem of emergency needs in Jordan, but as chairman of the Judiciary Subcommittee on Refugees, I do express a deep personal concern over the plight of the people in Jordan, which seems to be just another link in a chain of neglected, war-ravaged populations stretching around the world over recent years.

Inevitably, the situation of civilians in Jordan is taking second place to the progress of battle—and to the interests of those who have much to lose, or to gain, by the outcome of the battle. But the people of Amman, the people of Irbid, and of the villages and towns scattered throughout the desert, also have interests. For many, apparently, it is mere survival.

The situation in Jordan is particularly distressing. For in that country, and in neighboring areas, there is an operational United Nations presence. It is the humanitarian presence of UNRWA—the United Nations Relief and Works Agency for Palestinian Refugees in the Near East—with a mandate broad enough to respond to any emergencies in the area.

I fully appreciate the chaos in Jordan, the difficulties in landing aircraft at the airport in Amman, the problems in moving supplies into the city, and into the field. But we know, also, that a couple of relief flights have landed at Amman—and so we ask, why can there not be more? And cannot the U.N. concern itself with this problem? Cannot the General Assembly and the Secretary General at least appeal for the safe conduct of mercy missions to a situation which is described as "appalling" by officials at the Department of State—as "very grim" by representatives at the United Nations?

I hope our Government will actively support such a move within the United Nations, in an urgent effort to help salvage a battered people.

Mr. President, the situation in Jordan today is still another example to underscore the need for new international humanitarian machinery. I hope it will give new impetus for early consideration by the United Nations of pending proposals to establish a U.N. Emergency Relief Service.

CULEBRA

Mr. CHURCH. Mr. President, I wish to express my concern for the strain which the dispute between the 726 U.S. citizens who live on the island of Culebra and the U.S. Navy is imposing on the historically warm relations between the United States and Puerto Rico. Representative Jorge L. Córdova, the distinguished Resident Commissioner of the Commonwealth of Puerto Rico, has stated:

> In Puerto Rico opposition to the Navy's use of Culebra as a target has been unanimously expressed by all political parties." (Cong. Rec., p. 30661, Sept. 1, 1970)

The tiny island of Culebra, which is a municipality of the Commonwealth of Puerto Rico, has been used by the Navy for weapons practice since 1936. Recently, however, the Navy has increased its naval shelling and aerial bombardment of Culebra and its surrounding cays to such a degree that the islanders have finally been moved to protest; indeed, during 1969 the Culebra targets were used an average of 9½ hours a day, 6 days a week, with an additional 3½ hours on Sunday. Such intensive weapons practice, which is carried on day and night, must make life, on an island which is only 7 miles long by 2 miles wide, uncomfortable, to say the least.

I, therefore, wish to express my full support for the efforts of the distinguished Senator from Washington (Mr. JACKSON), who has been inquiring into the Culebra situation in executive session, in an effort to persuade the Navy to find an uninhabited alternative site for its practice. I am confident that the Navy will heed Senator JACKSON's expressed concern about the seriousness of the situation. If, however, the Navy fails to respond, I shall support the Goodell-Cranston amendment to the military construction authorization bill to terminate funding of this nuisance.

CHANGE OF COMMAND FOR OCEANOGRAPHER OF THE NAVY

Mr. FONG. Mr. President, today marked an end to another chapter in the distingiushed military career of Rear Adm. Odale D. Waters, Jr., the Oceanographer of the Navy. In a change of command ceremony this morning on board the oceanographic research ship USNS *Lynch*, at the Washington Navy Yard, many of our foremost military and civilian leaders in the field of oceanography assembled to pay tribute to Admiral Waters and to welcome his successor, Rear Adm. William W. Behrens, Jr.

Admiral Waters' naval career spanning four decades is a living testimony and an inspiration to those of us who place value on high principle and unselfish dedication to duty and country.

As Oceanographer of the Navy, Admiral Waters played an important role in developing and organizing the operational and oceanographic research capabilities of the Navy so it could respond adequately to our needs for national security. To achieve this, Admiral Waters had to develop a cooperative relationship between broad segments of the national security and the national oceanographic communities, involving economic, scientific, cultural utilization and management of the marine environment. Only one blessed with qualities of leadership and statesmanship possessed by Admiral Waters could have brought together so diverse a group as our national ocean community. The end result was not only a greatly strengthened Navy effort in marine science and technology but the creation of firmer ties with other national marine activities.

Mr. President, the people of my island State of Hawaii attach much significance to the responsible development and use of the vast and bountiful Pacific Ocean which is our unique heritage. I am especially gratified by the initiative which representatives of government, industry, and the academic community have exhibited in responding to the enormous and complex challenges which confront all of us who seek to explore the last of earth's frontiers, the world oceans.

The U.S. Navy, which has a long history of involvement in Hawaii's development and growth, today continues to play an important role in Hawaii's marine affairs. The people of Hawaii enjoy a harmonious relationship with the Naval community and look forward to a continuation of this happy association in the future.

On this occasion, as Admiral Waters completes 5 years of service as Oceanographer of the Navy—the longest assignment ever held by any person in this post—I extend my warmest congratulations to this veteran officer.

And to his successor, Admiral Behrens, I wish him well. The admiral comes to his new post from the position of Director, Politico-Military Division, Office of the Chief of Naval Operations. He faces many challenges but I am confident that he will carry out his new duties in the same effective manner which has characterized his career in the Navy.

PHILADELPHIA PLAN—IT HAS NOT WORKED

Mr. ERVIN. Mr. President, on September 9, 1970, the Washington Daily News published an article written by Richard Starnes, entitled "The 'Philly Plan' Flap," which described as "moribund" the Nixon administration's Philadelphia plan to increase minority employment in the construction trades.

The article indicated that the plan has been criticized by all parties affected by it, and that it has not been successful during the year that it has been in effect in Philadelphia.

A union spokesman charged that the plan's quota system for minority hiring would ruin his group's apprentice system, and the contractors have brought suit challenging the plan as an unconstitutional exercise of the executive branch's powers.

Mr. President, the Philadelphia plan is no stranger to me, for many of its shortcomings were predicted in testimony before the Subcommittee on Separation of Powers, of which I am chairman, in October 1969. Therefore, I was not surprised by the story in the Washington Daily News, and I highly recommend the article to Senators.

Furthermore, I urge the Labor Department and the Nixon administration to reevaluate the Philadelphia plan in light of what it has accomplished during its first year—which, according to Mr. Starnes' article, is very little.

It has been my stanch conviction that the Philadelphia plan is based on an assumption of power that the executive branch does not have, that it sets illegal quotas for minority hiring in stark contravention of title VII of the 1964 Civil Rights Act, and that it is both unnecessary and unworkable. Apparently the first year of its operation has proven that my predictions were correct.

Mr. President, I ask unanimous consent that Mr. Starnes' article be printed in the RECORD.

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

THE "PHILLY PLAN" FLAP

(By Richard Starnes)

PHILADELPHIA.—The controversial Philadelphia plan for employing more racial minorities in building trades brings to mind a venerable vaudeville joke once told about this city—"I like the way the town is laid out. How long has it been dead?"

If not entirely dead, the Philadelphia plan at best seems moribund. Federal agencies responsible for its enforcement have hurriedly assembled a team to try to breathe new life into it, an effort that may be doomed to failure in the face of implacable opposition from labor unions and contractors.

The troubled Philadelphia plan had its inception in a policy directive issued by the Johnson administration, altho it was not put into effect until July, 1969.

The Labor Department, citing a "deplorably low rate of employment" among minority groups in skilled building crafts, ordered Philadelphia contractors bidding on federally assisted projects worth $500,000 or more to submit "affirmative action" plans setting specific goals for employing more members of minority groups.

An ultimate goal of 19 per cent minority employment was set for 1973, altho at the outset contractors had only to prove "good will" attempts to hire more minority workers.

When the plan was instituted labor union sources in Philadelphia estimated that less than 2 per cent of skilled building trades jobs were held by blacks or other minorities. Trades involved in the plan are iron workers, steam fitters, sheet metal workers, elevator constructors, plumbers and pipe fitters.

"It (the plan) is a sham," sneered one spokesman for the National Association for the Advancement of Colored People (NAACP), echoing the all but unanimous opinion among Philadelphia's restive minorities. "Not a handful of blacks have been put to work."

As a result of chronic criticism of the plan a five-man team from the Labor Department's office of federal contract compliance has just completed a hurried survey of its effectiveness.

Of 20 building projects surveyed, the team reports it found 36 minority employes out of 147 men employed in the affected crafts. Altho Labor Department sources say this indicates minority hiring has increased from 2 percent to 25 percent, they concede the claim is based on "some very small subcontracts" and that they as yet have no figure for the total number of men employed in the six crafts in Philadelphia.

One reason effectiveness of the plan is difficult to measure is what contractors here privately call "motorcycle compliance." This means black workmen are moved from jobs not covered by the plan to jobs that are covered until inspectors leave.

"The plan was doomed to failure in the first place," said Robert Johnson, labor director of the metropolitan council of the NAACP.

"It is not supported by the unions. They think it is an infringement on their rights. Everything we try to do (to implement the plan) is blocked by the building trade unions. In reality no progress has been made. The contractors are afraid to try to make it work. They're afraid the union men will slow down and not get the work done. They (the unions) are trying to sabotage it. Only a handful of new jobs have been created."

A spokesman for the AFL–CIO Building and Construction Trades Council conceded that "nothing at all" had happened as a result of the plan. "The quota system (under the plan) will ruin our apprentice system," he added.

"Lack of effective compliance agency action," is one reason cited for complaints by an official associated with the plan.

Prior to the investigation by the five-man federal inspection team, only one contractor had been cited for violation of the plan. That one, Edgley Air Products Co, Inc., of Levittown, Pa., requested a hearing on the charge but one has not been scheduled.

Edgley, however, is a small contractor doing a minuscule percentage of federally funded construction work in the Philadelphia area. Actually under way in this city are 25 projects worth some $88.6 million. Fourteen others worth about $90 million have been advertised for bids.

A total of eight contractors have been found in doubtful compliance in addition to Edgley, but since these have agreed to meet the plan's requirements no further enforcement action has been taken.

The Contractors Association of Eastern Pennsylvania filed suit in U.S. Court here charging the plan was an unconstitutional exercise of executive power, but last March the court ruled in favor of the government. The decision is now being appealed, and likely will be carried to the Supreme Court no matter how the appellate court rules.

The suit, plus a six-week building trade strike here, are the reasons usually cited for the plan's admittedly meager results.

CULEBRA

Mr. HARRIS. Mr. President, during consideration of the military procurement bill I supported an amendment which would have ended naval shelling on the island of Culebra, which is a part of the Commonwealth of Puerto Rico. This island, inhabited by some 750 people, has been the target for naval training operations for several years, and its inhabitants are now requesting that this shelling be discontinued because of the adverse effect it is having on their economy and upon their children. The New York Times on July 10 and the Washington Post on July 14, 1970, editorialized on the matter of discontinuing shelling of the island of Culebra by the U.S. Navy and I feel made an excellent argument for the cause of the residents of this small island. I am hopeful that the Department of the Navy will voluntarily discontinue their operations on Culebra, and I ask unanimous consent that the two editorials be printed in the RECORD.

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

[From the Washington Post, July 14, 1970]

WHY BOMB AN INHABITED ISLAND?

It is time that high-level attention be paid to the controversy over Culebra. The Navy, which already owns about one third of this 7,000-acre island in the Commonwealth of Puerto Rico, is trying to obtain another third of it so as to expand its training operations there, with the installation of a Walleye missile target on the immediately adjacent small island of Culebrita. The move is bitterly resisted by most of the 726 inhabitants and many other Puerto Ricans on the ground that the use of the island as a target has already made life there almost intolerable.

The Puerto Rican Civil Rights Commission has described the military training operations on Culebra as "excessively intense, continuous, irregular and dangerous." The cattle business on the island is said to have been virtually ruined. Fishing has been gravely impaired, and since these two industries have been the chief source of income for the families living on the island, the economic impact of the shelling and bombardment has been severe. Equally troublesome is the effect on education. One teacher reports that the school buildings "tremble with every explosion" and that the children are too frightened, distracted by noise and plagued by loss of sleep (from the night bombing) to give serious attention to their studies.

Repercussions from this use of an inhabited island as a target have spread far beyond Culebra itself. Many Puerto Ricans see in it evidence of a general lack of sensitivity in Washington to commonwealth problems. Tensions on the island have risen notably since the shelling and bombing on Culebra have been stepped up. A columnist for the San Juan Star recently suggested that if Congress should grant the Navy's request to take over more of the island it "could swing popular sentiment toward independence or at least away from statehood more effectively than anything else."

Aside from the injustice of inflicting conditions akin to warfare on the people of Culebra, therefore, the Navy's policy threatens to complicate the relations between the United States and the commonwealth. Just now those relations are in a delicate statehood, although a substantial percentage of the people still seem to favor the existing commonwealth status. It would be most unfortunate if the government in Washington should unduly influence the outcome of the

debate now going on in regard to Puerto Rico's future by continuing a shortsighted and inhumane policy in Culebra.

The need for good relations between Puerto Rico and the United States will remain an imperative of the future whether the commonwealth is retained or statehood is requested. For one thing, the Roosevelt Roads Naval Base is the second most important naval installation in the Caribbean. For another, the relations between Washington and San Juan are enormously influential in our dealings with the rest of Latin America. Even though the Navy finds Culebra a convenient area for its training operations, we simply cannot afford as a nation to get into the posture of putting bombs ahead of people.

[From the New York Times, July 10, 1970]

CULEBRA AND GOLIATH

Can anyone really believe that the only suitable target area in the entire Atlantic Ocean for testing a new generation of guided missiles and glide bombs is a 7,000-acre island off Puerto Rico which 726 American citizens call home? So says the United States Navy, which already owns a third of the island of Culebra and now intends to lease and eventually buy another third.

What the Navy has really wanted to do for fifteen years is to buy all of Culebra and resettle the island's residents elsewhere. But Culebra is a municipality of Puerto Rico and can be dissolved under the Commonwealth's Constitution only by vote of its residents. A survey indicates that 95 per cent of the Culebrans oppose the Navy's current expansion plan and at least 75 per cent want the Navy to pull out altogether.

Under existing conditions, Culebrans must cope with a nerve-wracking, noise-pollution problem from shelling, bombing and low-flying Navy jets. Culebrans find their freedom of movement curtailed by Navy maneuvers and security requirements, their economy and development menaced by the Navy's expansion plan.

As part of what the Navy calls the "inner range portion" of the Atlantic Fleet Weapons Range complex, Culebra unquestionably offers substantial advantages for the development of new systems. What is equally obvious is that the Navy for a long time remained insensitive to the rising resentment of the Culebrans and dragged its feet on examining possible alternatives to the use of this inhabited island.

It would be a salutary example of what one likes to think the United States is still all about if the mightiest Navy in the world now decided on its own to weigh anchor and go elsewhere to explode its new arsenal, leaving 726 poor islanders in peace and quiet.

COST OF VIOLENCE ON THE UNIVERSITY CAMPUS, BY CHANCELLOR EDWIN YOUNG, UNIVERSITY OF WISCONSIN AT MADISON

Mr. PROXMIRE. Mr. President, today the Subcommittee on Economy in Government of the Joint Economic Committee heard from Dr. Edwin Young, the chancellor of the University of Wisconsin at Madison. The committee is holding hearings on the economic effectiveness of the system of criminal justice. Dr. Young spoke to the problem of violence and unrest which is now endemic on the campuses of the universities of the country.

As he testified, at the University of Wisconsin, the life and purpose of the university itself is at stake. This is true because of the actions of a very small group who are determined to destroy the university both physically, by bombing and arson, and intellectually, by preventing the university from functioning as a place where conflicting views and attitudes can be expressed in a peaceful atmosphere and one where research and contemplation can flourish.

Dr. Young's prepared statement was excellent, and his summary and extended remarks were superb. I was particularly impressed with the balanced views he held and with his determination to be both firm and fair in a situation in which lesser men might have given way to panic.

I ask unanimous consent that Dr. Young's excellent prepared statement be printed in the RECORD. In addition, I ask unanimous consent that a statement signed by over a thousand members of the faculty at the University of Wisconsin in Madison, in defense of the university, be printed in the RECORD.

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

STATEMENT OF EDWIN YOUNG, CHANCELLOR, UNIVERSITY OF WISCONSIN AT MADISON

My name is Edwin Young. I am Chancellor of the Madison campus of the University of Wisconsin.

I want to thank the committee for extending me the invitation to appear at this hearing. A few years ago, I would have thought it incongruous for a university administrator to be invited to appear before a Congressional committee inquiring into the effectiveness of our criminal justice system. Times have obviously changed.

The campuses of great universities in this country have never been free from ferment. We have, in fact, consistently encouraged the open discussion of ideas. We have promoted the expression of conflicting ideas in the belief that it is only through such a process that the truth can be established.

While the campus was never a peaceful place in the conventional sense of the word, we did feel that whatever criminal law problems we might encounter could be handled by a small staff of university security personnel. However, university campuses have recently become the focal point for demonstrations, disruptions, strikes, and other expressions of unrest about those conditions which prevail within and without our universites. Now it no longer seems odd for the head of a university to appear before a Congressional committee to express his views about the status and enforcement of criminal law in this country.

I should make it clear at the outset that I make no claims to a special expertise in the fields of criminal law or police problems. But I do speak as one who has had frequent need in recent years to rely on the help of lawyers and police to assist in maintaining the security and continuity of a great educational institution. I also speak as an economist—one who understands the financial ramifications of campus turmoil.

The costs of campus unrest in this country are already considerable. And they are increasing. On my own campus, we are spending large amounts of taxpayer's money for increased protection and security. I lament the fact that we have to spend money for additional police and security officers when we could be using these funds for strengthening our academic programs and for finding ways to improve the quality of life for our citizens.

In spite of this situation, most of us feel quite strongly that the problems of our universities should be solved by those who are directly involved in their operation—students, faculty, administration, and trustees. I personally feel that these are the people who have a proper understanding of the issues and problems as well as the desire to preserve and defend our universities in their present hour of crisis.

If we are to achieve significant reforms within our universities, we must be able to insure an atmosphere that provides for tolerance and respect of differing ideas. We have not been able to achieve this kind of atmosphere in recent years. The level of disruption and destruction has risen on our campuses. Administrators throughout the country have had to call in local and state law enforcement personnel, and in some cases the National Guard, to protect people and property. We have used police to prevent aggressive minorities from imposing their will on others within the university community.

We do not like to have to call police to the campus. However, we feel quite strongly that no group, no matter how supposedly honorable its intentions, should be able to achieve its ends through the tactics of intimidation and terror.

At this point, I think it is important to point out that disorders on the campus are not unique. They have much in common with the disorders that are occurring in other parts of our society. The anonymity and psychology generated by a crowd present special problems for law enforcement officials. Police who are able to deal with volatile crowds are highly valued in a campus crisis. Many of our university and local police officers have had the experience and training to meet the special kinds of law enforcement problems presented by large crowds. But we need to recruit and train more officers who have those personality traits necessary to function effectively in crowd control situations.

The federal government, through allocations of funds to law enforcement programs, could support programs designed to improve the individual officer's capacity to perform well in those tense situations which characterize an increasing number of campus and urban demonstrations. The government could also provide additional crowd control equipment to local agencies. But the key to any creative response to civil disorders is found in the quality of the man who is called upon to face the taunts, obscenities, and assaults of the mob.

I have the impression that another major problem police face in dealing with large civil disorders is the vagueness and inappropriateness of the laws they are called upon to enforce. For example, the unlawful assembly, disorderly conduct, and vagrancy statutes in nearly all jurisdictions are antiquated in their phraseology and overbroad in their coverage. I have been told that there are serious difficulties in interpreting these statutes and that they have, in many instances, been declared unconstitutional, for one reason or another.

There may be several perfectly understandable reasons why such longstanding statutes are just now being found deficient. But the fact remains that the police are left with fewer tools to meet the problems of disorder in its modern dress. It is not surprising that there is oftentimes discouragement among law enforcement officials on this score. Compared with the vast scholarship which has gone into the definition of homicide over the years, the intellectual effort which has been addressed to refining the law's response to broad, civil disorder has been embarrassingly little and late. The formulation of such definitions may be matters for state legislatures, but the research, thinking, and drafting which is needed to restructure the substantive law is a matter where the federal government could be of help. In the process, we must be careful to find ways which will protect the peace of the community and, at the same time, allow for the maximum liberty in the expression of legitimate dissent.

There is another side to this question which I think important for the committee

to consider. Many of our students are deeply concerned about the status of criminal justice in our country. These students believe there are inequities in our judicial system. They perceive certain faults which limit the effectiveness of our courts and the police. They see no identifiable signs of progress toward change or improvement in the conditions which currently restrict our courts and the police.

I realize that there are many complex issues involved in this question and that student perception of these problems may be superficial. But the attitudes students have about the ability of our criminal justice system to respond to present conditions are shared by other people in our society. As a result, I feel that the improvement of our criminal justice system must be considered a top priority item. And I am convinced that effective progress in this area will produce a greater respect for the law—among our students and our citizens.

When I mention federal assistance for the problems which face our campuses and our cities, I think there are several possibilities. You will be able to gauge the relative merits of each better than I. Perhaps one answer can be found in the research carried on by the National Institute of Law Enforcement and Criminal Justice. Or you might consider providing our nation's law schools with funds to permit extensive attention to those questions. Or you may want to involve such respected agencies as the American Law Institute, or the Commissioners on Uniform State Laws.

On the campus, we need to know the answers to specific questions if we are to effectively cope with disorder and disruption of the academic process. It is important to know, for example, whether law enforcement officers can exercise some control over a group before it breaks into violence without violating the constitutional rights of those in the group. Also, we would like to know how officers can properly deal with those masses of students who are present at and contribute to the substance and mood of a demonstration, but who do not directly take part in violent action.

Some of the difficulties involved in understanding what laws can be used dealing with a disruption seem to originate in disagreements between judges who have concurrent jurisdiction. There is no question that many of these differences in interpretation are in good faith. These are also probably inevitable. But we need to narrow our differences. To assist in this, the federal government might promote devices which would encourage smoother coordination of state and federal judges. Chief Justice Burger suggested a beginning recently when he proposed the creation in each state of a judicial council for federal and state judges. I understand that a few years ago, Congress did invite federal judges to meet and work toward minimizing sentence disparity through the Judicial Conference of the United States. Perhaps a similar technique could be used to help provide clearer guidelines to police and university administrators on what the law and the Constitution permit and command.

We naturally want to do the right thing, but we are sometimes uncertain about just what that is. No federal action can wholly resolve this problem, but we would certainly welcome assistance in providing greater clarity and understanding of the law. This would certainly be one of the most effective responses we could make to those challenges that presently face us on the campus.

A STATEMENT BY FACULTY FOR DEFENSE OF THE UNIVERSITY OF WISCONSIN

We, the undersigned members of the faculty of the Madison Campus, believe that the University of Wisconsin is facing one of the most critical periods in its history. Not only its greatness but its very existence as an educational institution is threatened. The rising tide of intimidation and violence on the campus in the last few years has made normal educational and scholarly activities increasingly difficult. There has been a steady escalation of destructiveness that has culminated in an act of homicide. Academic freedom, meaning freedom of expression for *all* ideas and viewpoints, has been steadily eroded until now many are questioning whether it exists on the Madison campus. The freedom of students to pursue their education along the avenues of their choice has been seriously curtailed. The result has been a gradual erosion of confidence of the people of the state in the University and the distinct danger that the University will have to further curtail its activities or even shut down.

In order to prevent this calamity we believe that determined action is needed. We do not advocate authoritarian or dictatorial rule on the campus. On the contrary, our purpose is to re-establish an atmosphere of free intellectual inquiry. Only in such an atmosphere can learning and scholarship thrive. We seek not repression but liberty in the University. Toward this end, steps must now be taken by the faculty, the student body, the administration, and the Regents, acting together in a spirit of mutual support and respect, to defend the University. We advocate the following:

1. The disciplinary system must be improved to provide prompt action against all violators of University rules. The acts of a few must not be allowed to endanger the rights and privileges of all members of the academic community.

2. Every member of the faculty and student body must accept a personal commitment to the orderly functioning of the Madison Campus and to restoring and defending the freedom of all faculty and students. We pledge ourselves to support and defend all who accept this commitment.

3. Faculty, students, and administration, with the support of the Regents, must put an end to violence, intimidation, coercion, and harassment on the Madison Campus. We pledge ourselves to support and defend all who accept this commitment.

4. Means must be provided for canvassing student opinion on campus issues and for expressing the full range of student opinion.

5. Students and faculty alike must recognize and discourage the destructive purposes of those who call mass meetings designed to instigate violence.

6. The design and conduct of instruction and research on the Madison Campus must remain the responsibility of the faculty. Student advice and criticism must be welcomed. Decisions, however, must be made by the faculty, subject only to review by the administration and the Regents.

The University of Wisconsin at Madison is in grave danger. We call on the faculty and the student body to stand to its defense as a free university and, in cooperation with the administration and the Regents, to ensure its survival and continued development among the world's great educational institutions.

SHORTAGE OF REFINED CRUDE OIL

Mr. TOWER. Mr. President, I have repeatedly warned that the Nation at present faces dangerous shortages of certain refined crude oil derivatives, such as residual fuel oil, natural gas, coal, and nuclear material. All but about 3 percent of the Nation's large and increasing demand for energy is met by consuming one of these four basic resources.

The reasons for the current energy shortage are many and diverse and often vary with the resource. On August 12 Senator HANSEN, Congressman BUSH, and I explained many of the reasons for our energy crisis and tried to indicate the extent of the crisis. I will not enumerate this information again here, since our statements were entered in the CONGRESSIONAL RECORD. The point I wish to make here is that the national energy shortage was discussed in an open forum and under conditions offering close scrutiny by the general press. Many highly reputable news publications have recently documented the national energy shortages. A partial listing of some of these publications include the Washington Post, the Wall Street Journal, the New York Times, the Baltimore Sun, the Dallas Morning News, Business Week, Time, and U.S. News & World Report.

Others in the legislative branch have also concluded that a serious energy situation presently exists. The House Committee on Interior and Insular Affairs issued such a statement recently after careful study of the situation. The distinguished Senator from West Virginia, (Mr. RANDOLPH), joined by 53 other Senators, introduced a bill calling for an intensive review of the Nation's future energy resources.

In the executive branch of Government, President Nixon has acknowledged the threat of national shortages of energy resources by appointing a Cabinet-level committee to study and recommend solutions to the energy crisis.

Others in the executive branch have recognized the seriousness of the energy situation by initiating similar studies. These include the Department of the Interior, the Atomic Energy Commission, and the Federal Power Commission.

Yet, in this Chamber recently the existence of shortages of energy resources has been questioned. It was questioned because the information relating to national supplies and demands of the resources has been based primarily on industry-generated information.

Mr. President, I have cited above an impressive array of independent, nonindustry-related sources of information. All have access to fact-gathering systems and devices of their own. While some of these sources may not agree as to the causes of the present energy shortages nor even to the best short- and long-range remedies, all have agreed, to the best of my knowledge, that serious shortages of energy resources presently exist.

This dangerous situation will not simply go away by ignoring its existence. And, while I deplore this situation as much as anyone, I feel that we must not spend valuable time attempting to determine the existence of a situation so amply and reliably documented. I am deeply concerned that delays in reaching equitable solutions to the energy problems facing us will only increase the severity and the extent of these shortages. There are already built-in, unavoidable time delays in correcting the situation.

Needed now are well-thought-out recommendations for the best courses of action to relieve the shortages.

My personal recommendations were printed in the CONGRESSIONAL RECORD on August 12, 1970, as I pointed out earlier;

therefore, I will not repeat them at this time. I strongly urge that all due dispatch be employed in studying, deliberating, and implementing the best solutions to the dangerous energy situation presently facing this country.

Let us not consume precious time arguing the fact of these shortages. To do so would be the height of folly.

Let us, instead, get on with the urgent duty of correcting this unfortunate situation.

TWENTY-THIRD ANNIVERSARY OF POLITICAL EXECUTION OF BULGARIAN PATRIOT NIKOLA PETKOV

Mr. SCOTT. Mr. President, September 23, 1970, marks the 23d anniversary of the political execution of Bulgarian patriot, Nikola Petkov. This freedom lover was brutally murdered by the Communist Party leaders for his courageous opposition to their reign of terror.

Petkov, long a proponent of agrarian reform, led the opposition to the Communist consolidation of power. In the elections of 1946, Petkov's party strongly opposed the Communists. In the Grand National Assembly, Petkov exposed the treacherous intentions of the Communists. He accused them of being Moscow's agents, charging that Bulgaria would become a Soviet province.

This courageous speech meant, of course, that Petkov was doomed. It was not long before he was arrested and tried for conspiracy against the state. In a blatantly unfair trial, Petkov was convicted and sentenced to death. This travesty of justice caused a furor throughout the free world. But all pleas for justice were ignored; Petkov was hanged on September 23, 1947.

His courage and patriotism are now legendary. On the eve of his death, he was offered a pardon if he would sign a confession. His valiant reply was:

> You are even trying to desecrate my sacred memory. My sentence was passed by your Moscow masters and no one can revoke it. I do not seek any mercy from you. I want to die so that my people may be freed sooner.

Thousands of other Bulgarian patriots have followed Petkov's example, sacrificing their lives for freedom. All freedom-loving Bulgarians can draw inspiration from Nikola Petkov's martyrdom to human freedom and independence. This is the man we honor today. His is the cause for which we continue to fight.

FORT POLK SHOULD BE RETAINED IF TRAINING FACILITIES ARE NEEDED FOR NATIONAL DEFENSE

Mr. ELLENDER. Mr. President, from time to time during the last several months, rumors have spread over the State of Louisiana concerning the closure of Fort Polk, La., one of the 4th Army's major training facilities.

I am well aware that Louisiana is not alone in this respect. Dislocation and economic distress are facing many areas of our Nation as changes take place in the structure of our Armed Forces. Without pleading a special interest, however, I believe that the history of this training installation clearly indicates that the people over a large part of the State have reason to be concerned. In their estimation and in my own, our people in the affected areas have not been treated fairly in the past as a result of the arbitrary declarations of the Pentagon decisionmakers.

A look at the status of Fort Polk since it was initially activated by the Army in 1942 indicates the following:

Activated Mid-1942—World War II.

Inactivated January 1945—End World War II.

Reactivated August 1950—Korean war.

Inactivated June 1954—End Korean war.

Reactivated November 1955—Maneuver rights.

Inactivated June 1959—Reduction in Army strength.

Reactivated August 1961—Berlin buildup.

In short, the post has been opened and closed 7 times in the last 28 years. Naturally, this has caused unsettled conditions throughout a large area of Louisiana.

The situation is made even worse by the fact that the Army holds by direct ownership or by lease from other Government agencies almost 1 percent of Louisiana's entire land area for this one particular base; 99,698 acres are owned outright and an additional 99,334 acres are held under lease. The fact that this acreage is effectively removed from economic production, whether the base is used or not by the Army, puts an economic damper on the entire south-central portion of the State. This is because, even when the Army decides that Fort Polk is no longer needed for the national defense, the Pentagon steadfastly refuses to dispose of the land so that it can be put to productive purposes.

This bears directly upon the main point of these remarks. Fort Polk is one of the few training bases now available to the Army which is not threatened by, or subject to, serious urban encroachment. In the past the cost of training has been cheaper here than any other post in the country. Adequate land is already at hand to preclude future acquisition needs.

I ask unanimous consent that an article from the June 10, 1970 issue of the Shreveport Times, dealing with the lower training cost, be inserted at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. ELLENDER. Mr. President, I am not arguing here for another arbitrary decision that Fort Polk facilities be improved on a permanent basis for no good reason. I have never asked special treatment for Louisiana as opposed to the national interest or our national defense needs. The point I am making is that if training facilities are needed by the Army for future use, the available facilities at Polk should be developed for that purpose rather than new construction, or new acquisition, in other areas where expenses will be unquestionably greater.

In its hearings on the military construction authorization bill for fiscal year 1969, the Senate Appropriations Committee went into this question and reviewed the history of this fort. In its report No. 1486 of the 90th Congress, the committee concluded:

> This history presents the committee with clear justification as to the feasibility of removing Fort Polk from its present interim status and declaring it a permanent installation. Adequate amounts of land have already been acquired by the Army to support the post's role on a continuing, long-term basis without further acquisition. In addition, millions of dollars have been spent on the base since the Korean conflict merely to maintain it on a "temporary" basis. The committee notes that, in light of world conditions, the need for this post is likely to continue into the foreseeable future, and that its continuance in a "temporary" status will only result in further expenditures of an unproductive nature.

Fortunately, shortly after this committee recommendation that Fort Polk be declared once again a permanent Army post, a decision in line with this recommendation was made by the Department of Defense. Unfortunately, however, my efforts and the attempts of others to obtain meaningful improvements at the base for the benefit of the men stationed there have generally been of little avail. An adequate base hospital is badly needed to replace the hodge-podge firetraps that attempt to serve this purpose. Permanent family housing is badly needed. Both the Armed Services Committee and the Senate Appropriations Committee have recognized this need for adequate family housing. Two hundred and sixty units were authorized last year and $5.5 million in funds were made available for the construction. To date, these funds have been neither used nor obligated.

Frankly, I find this very disturbing. In going over the hundreds of individual items requested in the gigantic multibillion dollar defense appropriations bill for fiscal year 1971, as ranking member of the Defense Appropriations Subcommittee, I have not failed to note the millions of dollars asked for expenditures overseas, nor have I failed to note the many items requested in the Military construction bill also before the Appropriations Committee. Much of this money will be spent abroad; much of it will go for questionable purposes. Yet, for some reason, it seems to be difficult for the Pentagon to agree on expenditure of a relatively minor sum for this domestic facility.

I have called this matter to the attention of the appropriate authorities in the past. Fort Polk has been used as a "crisis base" to fill the needs of the Nation when more American boys are needed in various parts of the world. In turn, this has created an economic crisis, a crisis which threatens once again the lives of thousands of Louisiana citizens. I do not believe this is necessary, and I express the hope that the appropriate authorities in their wisdom will avoid bringing such a situation to pass once again.

EXHIBIT 1

POLK TRAINING COSTS LESS, FIGURES SHOW

FT. POLK.—It costs less to train an Infantry soldier at Ft. Polk than at any other training center in the nation.

Figures compiled by the Comptroller, U.S. Continental Army Command, Ft. Monroe, Va., show significant savings at Ft. Polk in a dozen military occupation specialties (MOS) over other training centers.

One example is that of an Infantry Direct Fire Crewman. According to the keeper of the Continental Army Command pursestrings, it costs $1,694.94 to turn out each soldier in this MOS at Ft. Polk.

The same source sets the price tag at $2,639.94 at Ft. Gordon, Ga.; $2,239.00 at Ft. Dix, N.J.; and $1,922.00 at Ft. Jackson, S.C.

Ft. Polk trains light weapons infantrymen at a cost of $1,474.67. This is $226.81 less than Ft. Lewis, Wash., is able to train the same MOS and $645.33 less than Ft. Gordon.

Continental Army Command statistics covering total direct and indirect costs per trainee during fiscal year 1968–69 show Ft. Polk with no loss in training lower than those at Ft. Ord, Calif.; Ft. Lewis, Ft. Gordon, Ft. Dix, Ft. Jackson, S.C., and Ft. Leonard Wood, Mo.

In its 30-year history Ft. Polk has trained well over 10 million soldiers for the Army. Even today the demand for well trained Infantry soldiers is heavy. But the spiraling cost of defense had been held down at Ft. Polk with no losses in training effectiveness.

A number of factors affect the cost of training in southwest Louisiana. Special seasonal clothing, construction and fuel costs are minimized by the mild climate. Loss of vital training time due to inclement weather is almost nonexistent.

REACTION TO THE VICE PRESIDENT'S SPEECHES

Mr. THURMOND. Mr. President, I note with interest the alacrity with which the radical liberals in and out of Congress respond to Vice President AGNEW's speeches.

This is only natural, especially when the one who responds has much to defend in a record that includes permissiveness on law and order, permissiveness on the drug and hippie culture, a disastrous fiscal policy, and a ruinous foreign policy.

Nevertheless, Mr. President, I believe it is going too far when the radical liberals seek to polarize the Nation with Vice President AGNEW as the issue.

Yet, this is what they are doing. Any criticism of them, any criticism of the radical liberal failures in the areas of law and order, drug control, inflation, by the Vice President are immediately labeled as an effort to pit rich against poor and black against white.

Of course, this is not so. Let us call it what it really is: It is an effort to marshal all law-abiding Americans against the law breakers; it is an effort to marshal concerned Americans against the radical liberals whose permissiveness and distorted sense of values has led to runaway inflation—only now being controlled by President Nixon's tough policies—has led to an epidemic in drug usage, violence on and off the campuses and a breakdown in the individual responsibilities that threatens our very existence as a free nation.

Mr. President, what the Vice President is saying crosses the lines of color and the boundaries that separate rich and poor, young and old.

His is a rallying call for decency and responsibility, not a cry of dissent. I would suggest that those who hear him differently either listen more closely or reexamine their own motives.

PROPOSAL TO DECLARE GENOCIDE AN INTERNATIONAL CRIME FIRST MADE IN 1933

Mr. PROXMIRE. Mr. President, few people in this country are aware of the important contribution by Prof. Raphael Lemkin to the field of international politics. Professor Lemkin was a Polish lawyer, who escaped the Nazi invasion of Poland in 1939. Prior to 1939, he submitted a proposal which was to become the basic principle of the United Nations Genocide Convention. His proposal, submitted to the International Conference on the Unification of Criminal Law in 1933, "declared the destruction of racial, religious, or social collectivities" to be an international crime. Unfortunately, his proposal was defeated, and it was not until the horrors of World War II were over that the world became aware of the need for this type of international law.

In an article published in 1944, he coined the term genocide from a Greek word meaning race or nation and a Latin suffix which means killing. In less than 5 years, the word "Genocide" became the name of a major convention of the United Nations, and has since been ratified by 75 nations.

A few people in our country have argued against ratification of the Genocide Convention on the grounds that something so terrible as the persecution of the Jews by Nazi Germany could not happen in the civilized world again. Let us not forget that in 1933 the international community thought the proposal of Professor Lemkin to be irrelevant and needless, but within 7 years, the world was shocked by the atrocities committed by the Nazis.

It is my fervent desire that the U.S. Senate will ratify the Genocide Convention early in the 92d Congress. I hope we do not need to wait for another crisis of mammoth proportion, but can act on the principle, first stated by Professor Lemkin, which is embodied in the Genocide Convention. I urge the Senate to act on this Convention without further delay.

NATIONAL BELLAMY AWARD TO McCOLLUM HIGH SCHOOL, SAN ANTONIO, TEX.

Mr. TOWER. Mr. President, I invite the attention of Senators to an honor which was recently bestowed upon San Antonio's McCollum High School. This fine public school received the 1971 National Bellamy Award, presented largely on the basis of the contribution which a school makes toward enabling its pupils to become responsible citizens with an understanding of the principles upon which our Nation was founded and a comprehension of the governmental process. I ask unanimous consent that an article from the San Antonian by Mr. William Ochse concerning this award be printed in the RECORD.

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

BELLAMY AWARD PRESENTED TO McCOLLUM HIGH SCHOOL

San Antonio's McCollum High School has brought an important honor to our city in being named to receive the 1971 National Bellamy Award.

The Bellamy Award honors the memory of Francis Bellamy, author of the Pledge of Allegiance, and is awarded annually to one outstanding public high school from a different state each year.

This will be the first time a Texas school has received the award in the 30 years the organization has been in existence and 50 years will pass before another school in this state will be so honored.

The stated purposes of the National Bellamy Award are important to an understanding of the significance of this award. They are:

To help young people renew and rededicate themselves to the democratic ideals explicit in the Pledge of Allegiance, and implicit in the aspirations of our country.

To give conspicuous acknowledgement to the vital role the public has played in helping to mold and realize the ideals of our country.

To confer signal recognition upon public secondary schools in their respective states as representatives of all quality schools.

To help broaden and deepen the meaning of the words of the Pledge so that we in the United States can become "one nation, under God, indivisible with liberty and justice for all."

The selection of McCollum High was based on a study of its curriculum, the quality of its administrators and faculty, the performance of its present student body and graduates, the quality of its school publications and the evidence of a healthy emphasis on good citizenship.

On behalf of the business community, I wish to commend and congratulate the McCollum faculty and student body, and the entire Harlandale School District on this outstanding achievement.

IN MEMORIAM: NICOLA PETKOV, "THE BRAVEST DEMOCRAT OF ALL"

Mr. DODD. Mr. President, today, September 23, marks the 23d anniversary of the execution of Nicola Petkov, the heroic leader of the democratic resistance in Bulgaria, by the Bulgarian Communist regime.

The story of Nicola Petkov is one that deserves telling and retelling. In my opinion, it ranks among the great stories of human heroism of all time. For Nicola Petkov knew the danger that confronted him. He knew how ruthless the Communists could be. He knew that the penalty he would have to pay for his unflinching opposition was death.

But he deliberately chose the path of martyrdom in preference to surrender. Against impossible odds, he led the democratic opposition in the Bulgarian Parliament in their incredible struggle against the Communist juggernaut.

Dr. G. M. Dimitrov, who was Petkov's chief colleague in the Bulgarian democratic opposition, and who today heads the Bulgarian liberation movement in exile had this to say about Petkov in an article which he wrote for the Saturday Evening Post in December 1947:

No man believed more sincerely in the possibility of collaborating with the Soviets than did Nicola Petkov. No man paid more dearly for this belief. No man conducted himself with greater courage when once he discovered his error, nor confronted his executors with greater dignity.

Mr. President, I ask unanimous consent to have printed in the RECORD at the

conclusion of my remarks the complete text of Dr. Dimitrov's article. I hope that Senators will find the time to read it, because, as dramatically as any article I have yet come across, it portrays the ruthlessness and inhumanity of Communist regimes.

The memory of Nicola Petkov must be marked in secret observance by the millions of Bulgarian patriots who still look upon Petkov as their national hero. We in the free world have the special duty of keeping this memory alive in the public record of the world community.

I therefore think it proper that on this day we should all join in saluting the memory of Nicola Petkov, a man who was justly described by American Congressmen who visited Bulgaria, as "the bravest democrat of all."

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

[From the Saturday Evening Post, Dec. 6, 1947]

BRAVEST DEMOCRAT OF ALL

(By Dr. Georgi Dimitrov, as told to David Martin)

NOTE.—A coincidence in names: Dr. Georgi Dimitrov, leader of the Bulgarian Agrarian Party until Soviet pressure compelled him to resign his post in favor of Nicola Petkov, is an almost legendary figure in Balkan politics. He has the unique distinction of having been arrested by both the fascists and the communists, and having been condemned to death *in absentia* by both the fascists and the communist regimes. By a strange historical coincidence, Dr. Dimitrov, whom the Communist International regards as its archenemy, bears the same name as his polar opposite, Georgi Dimitrov, premier of Bulgaria and one-time Secretary of the Communist International.

—THE EDITORS.

Nicola Petkov is dead. Bulgaria has lost a truly great patriot, the democratic world has lost a leader who was a moral giant. The three visiting American congressmen who, a week after his death, placed a wreath on his unmarked grave in a Sofia cemetery, did not exaggerate when they described him as "one of the greatest democrats of all time." I think he was the bravest democrat of all.

No man believed more sincerely in the possibility of collaborating with the Soviets than did Nicola Petkov. No man paid more dearly for this belief. No man conducted himself with greater courage when once he discovered his error, nor confronted his executors with greater dignity.

His is a tragedy pregnant with significance for a democratic world that is still contemplating, Hamlet-like, the pros and cons of the very problem on which Petkov met his doom.

Petkov was deprived of his parliamentary immunity on June fifth of this year and immediately arrested. Shortly afterward he was brought to trial on a fantastic list of charges—that he had acted as an agent of foreign powers, that he had participated in a military conspiracy to overthrow the Bulgarian government, that he had urged the peasants to sabotage the regime by destroying their crops. On August sixteenth he was convicted and sentenced to death.

On August eighteenth the State Department addressed a note to the Soviet deputy acting chairman of the Allied Control Commission, urging that the commission review the case of Petkov. The note spoke of "a gross miscarriage of justice" and indicated that the State Department considered the trial of Petkov a violation of the Yalta Agreement, which ostensibly guaranteed the rights of the opposition.

The Soviet replied that intervention on behalf of Petkov would be a violation of Bulgaria's national sovereignty. In the early morning of September twenty-third, Petkov was hanged in Sofia prison. To the last, he stubbornly refused to appeal for clemency, because he held that he had been unjustly convicted.

In striking at Petkov, the dark powers that rule Bulgaria were aiming not so much at Petkov the man as at the United States and western democracy. "If we execute Petkov," reasoned Premier Georgi Dimitrov and the communist hatchetmen, "this will demonstrate to the entire opposition how powerless the great democracies are to defend them, and how senselessly futile their opposition to communism has therefore become. And now that the democracies have made their empty protests on his behalf, our little demonstration will be doubled, reinforced."

Ever since January, 1945, when, under communist pressure, I handed over the secretaryship of our party to Petkov, I have been in direct or indirect touch with either Petkov or mutual colleagues. Before that, I had known him intimately since 1931. I think that I am in a better position than any other man to tell the story of Nicola Petkov and of his disastrous efforts to collaborate with the communists.

Petkov died in the tradition of his family—he came of a family which seems to have been uniquely destined for martyrdom. His father, Dimitar Petkov, lost an arm in the war against the Turks and was decorated by Czar Alexander II of Russia for his bravery. But when he realized that the Russians planned to convert Bulgaria into a province of their own, he turned against them and led an agitation that resulted in the expulsion of Alexander's generals from the country. Several years afterward a grateful people elected him Premier. A stanch upholder of the constitution, he soon came into conflict with the autocratic King Ferdinand I. In 1907, Dimitar Petkov was shot down on Boulevard Alexander II in Sofia by agents of the monarchy.

Petkov's brother, Petko D. Petkov, assumed the leadership of the Agrarian Party after the assassination of the great Alexander Stambulisky on June 14, 1923. Undeterred by threats, Petko Petkov from his seat in parliament mercilessly excoriated the increasingly fascist nature of the regime of Professor Tsankov and continued to fight for Alexander Stambulisky's ideal of Balkan and European federation. On June 14, 1924, one year to the day after the assassination of Stambulisky, he was shot down by assassins directly in front of the palace. When the day of his funeral arrived, Sofia was inundated by a sea of peasants who flowed to the capital from all over Bulgaria to pay homage to their leader. And now the communist reaction has taken the life of the last male member of the Petkov family.

I first met Nicola Petkov in Paris in 1930. The opposition in Bulgaria was preparing to make a bid for power, and we were anxious to have him join us. Petkov at that time was leading the life of a young aristocrat and had no profound interest in politics. But he was strongly influenced by the memory of his father and his brother, and shortly after the triumph of the opposition in the elections of June, 1931, he assumed the editorship of our party organ.

My first impression of Petkov was not altogether favorable. Though his shoulders were broad and his body seemed strong, he had suffered from various maladies in consequence of which he walked with an awkwardly limp slouch and his hands frequently trembled. His manner was so diffident that his circle of friends was restricted. When he spoke, he invariably looked down to avoid the eyes of his company. This young aristocrat obviously lacked the common touch that his brother Petko had possessed, and it also seemed to me that he lacked the will power and courage of his brother. In this estimate, as events have proved, I was completely mistaken. The limp posture, the trembling hands, the downcast eyes, concealed a spirit as courageous and uncompromising as Petko Petkov at his greatest.

The period of legality lasted for only three years after Petkov's return. In May, 1934, the reaction staged a coup d'état and installed a dictatorship under the premiership of Kimion Georgiev, who today holds the post of Foreign Minister in the communist government of Bulgaria. In 1938, however, the government again agreed to hold elections, and Petkov was elected deputy. In parliament he conducted himself with boldness, with the result that he was soon expelled by the reactionary majority.

Then came the war. After the defeat of Poland and France, the German pressure on the Balkans grew immeasurably stronger. Aware that this might involve us in the conflict, I approached the leaders of all the democratic and anti-German parties to suggest joint action against such an eventuality. On February 21, 1941, we forwarded to King Boris a memorandum signed by the leaders of ten parties, in which we urged a termination of the government's pro-German policy and adherence to strict neutrality. At four o'clock next morning, I was arrested by the police. When the inspector in charge turned his back to argue with my wife, I escaped out of the kitchen door and over the garden wall.

Anticipating my arrest, I had taken Petkov with me to our final meeting and had introduced him to our leaders. The understanding was that if anything happened to me, he would take over in my stead. I myself, after a period in hiding, escaped from the country via Yugoslavia. When German forces entered Bulgaria on March 1, 1941, Petkov was sent to a concentration camp. He was released some three months later.

Although a tyro in underground activity, Petkov now took to it with the skill of a veteran. My one difference with him was that he collaborated somewhat too closely with the communists. He was sympathetic to Russia and he was impressed by the audacity of the Bulgarian communists. He helped them liberally not merely with his personal funds but even with the funds of the Agrarian Party.

The original united front against the government's pro-German policy had consisted of ten parties ranging from the Communist Party on the left to the conservative democratic parties on the right. Now Petkov was engineered into abandoning this coalition in favor of the Fatherland Front, which included only three major parties—the Agrarians, the Communists and the Socialists—and two minor groupings. Although the program adopted by the Fatherland Front was all that a democrat could have asked, it was obvious from the beginning that the communists would exert far more influence than they could have exerted in a broader coalition.

Petkov was interned again in January, 1944, but released in time to play a leading role in the coup d'état of September 8, 1944. During August, the government of Premier Bagrianov had entered into negotiations for an armistice with Britain and America. For some reason never explained, the British and Americans hedged and made conditions—as though the proximity of the Red Army to the Bulgarian frontier meant nothing at all. On September sixth the government of Moraviev, which had superseded that of Bagrianov on September first, decided to declare war on Germany. The proclamation was not published because certain crypto-communists close to the Minister of War urged postponement until September eighth. On September eighth the Soviet Union, in an act as Machiavellian as its pact with Hitler, declared war on Bulgaria. The Red Army poured over the frontier. That same day the

Fatherland Front, with the support of the Military League, staged a coup and arrested the government—which had already declared war on Germany! But the Red Army continued its advance until it stood on Bulgaria's southern frontier, menacing Turkey.

I returned to Sofia on September twenty-third. The moment I crossed the frontier, I was met by a delegation of party members. They said the situation was rapidly building up to catastrophe. Communist-controlled police and the communist-organized militia had already instituted a reign of terror. Hundreds had been arrested, scores had been shot. They implored me to do something.

The narrowness of the Fatherland Front and the timing of its coup had worked in favor of the communists. After the coup, a provisional government had been set up in which the communists had reserved for themselves the Ministry of the Interior and the Ministry of Justice, as well as effective control of the Ministry of War. To their partners of the Fatherland Front they tossed posts of lesser importance; Petkov himself was given a ministry without portfolio.

Petkov was beginning to realize the importance of the concessions which, out of sheer political naiveté, he had made to the communists. His first words to me when we met were, "Thank God you've come back! I'm afraid we've made an awful mess of things!"

He explained that, at the time the government had been formed, the communists, with Russian backing, had posed the matter in such a way that the alternatives seemed to be either a coalition on the terms of the communists or else a government of the Communist Party. "Frankly," he said, "I didn't realize how much I was conceding, otherwise I should have refused."

On October 12, 1944, Petkov left for Moscow as a member of an armistice delegation representing all parties in the Fatherland Front. The armistice was signed on October twenty-eighth. When I met Petkov on his return from Moscow, there was the look of a hunted man in his eyes. "I must speak to you in private," he said in a furtive whisper.

A few hours later we met in his apartment. Petkov, his hands trembling more than usual, began speaking—for the first time in our long friendship he looked directly into my eyes as he spoke. "The Russians want to split our party. Central Europe belongs to the Soviet sphere, they said, and our party could only hope to survive if it purged itself of Doctor Dimitrov and the other anti-Soviet elements. They urged me to assume the leadership to carry out such a program. I tried to tell them that you were a friend of the Russian people, but it wasn't of any use. George Dimitrov especially is dead set against you."

"It isn't just a matter of splitting our party," I replied. "The communists want to destroy our party because they see in the peasant movement the chief obstacle to their dictatorship."

Toward nine o'clock the other ministers of the Agrarian Party came to the apartment. Petkov reported to us on certain personal observations he had made in Russia. The thing that appalled him more than anything else was the fantastic luxury in which the proletarian bureaucrats basked whilst their people were starving. The Bulgarian delegation had been invited to dinner by Georgi Dimitrov, one-time leader of the Bulgarian Communist Party, now a Russian citizen for more than twenty years. The dinner was Oriental in its extravagance. There was course after course after course—caviar, and roast duck and other viands, and rare delicacies that Petkov had seen nowhere since before the war, and vodka served in glasses of pure crystal.

In December, 1944—six weeks after his return from Moscow—the communists informed Petkov that I would have to resign as general secretary of the party, or else. Realizing there was no alternative at this stage, I handed over my office to Petkov, whom the communists made clear they favored. For his part, he still believed he could effect a reconciliation with them. So, Dr. Georgi Dimitrov, the anti-Soviet fanatic, had been removed, and Nicola Petkov, lifelong friend of the Soviets, had taken my place. In a speech on January 21, 1945—the day of my resignation—Communist Vice-Premier Dobre Tarpeshev gushed, "If I were a woman, I can think of no one I would rather marry than Nicola Petkov!"

But it was not long before the communists came forward with new demands. They asked Petkov to dismiss the entire central committee and replace them with men they designated. Petkov, whose resistance was still in the process of hardening, compromised to the extent of accepting a few communist stooges in subordinate positions and in the youth organization. Further than this he refused to go. For more than three months the communists plied their pressures, waiting for Petkov to weaken. Instead, his attitude grew more stubborn. Finally, realizing that their plan to capture the party through Petkov had failed, they decided on a frontal attack.

Through our own agents in communist headquarters we learned that they were preparing to arrest me and several score of our party leaders. I was to make a "confession," and then disappear in the manner of Bela Kovacs. The others were to be brought to trial, and through my own "confession" and their "confessions" the Agrarian Party was to be so compromised that they would have a legal pretext for outlawing it.

On April twenty-third, while convalescing from a serious attack of pneumonia, I was formally placed under house arrest. Before the police disconnected my telephone, my wife put through a call to Petkov. Ignoring the danger to himself, he immediately came to see me. Trembling with anger, he called the Minister of the Interior, demanding the reason for my arrest. The minister answered coldly that I had been arrested "in the interest of national security."

"In the interest of the national security," replied Petkov, "you are arresting the man who has done more to promote the national security than any other living Bulgarian. Someday you will regret your action."

The Petkov I saw at this last meeting was a completely changed man from the Petkov of eight months previously. Gone were his illusions about co-operating with the communists. The man with the diffident manner and the downcast eyes had become a lion. He looked both friend and foe squarely in the eyes, and when he spoke to his foes, he literally roared.

On May eighth, the communists convoked a special convention of the "Agrarian Party" attended by several hundred picked stool pigeons. The convention voted in a "new executive." The Ministry of the Interior ruled that our party headquarters, our newspaper, our treasury and all our possessions were the rightful property of this newly elected executive of "the Bulgarian Agrarian Union."

Petkov alone of the old executive was invited to join the new executive. He refused point-blank. Instead, he set up party headquarters in his own home and began to plan a campaign of resistance in open defiance of the secret police.

On May twenty-fourth, I slid down a drain pipe, walked out of the alley dressed in overalls, walked past the communist military guards surrounding the house, and took refuge in the American Embassy. My escape threw a monkey wrench into the preparations the communists were making for their sham trial. Without my confession, the performance would have impressed no one. The trial was called off.

In July the government announced that elections would take place within one month and that there would be only one ticket, the list of the Fatherland Front. Petkov immediately sent a strong letter to the Allied Control Commission, demanding that it guarantee the right of the opposition to its own electoral ticket in accordance with the terms of the Yalta Agreement, and urging that the elections be supervised by an international commission. In early August, without any prior notification to Petkov, the government announced that Petkov had "resigned" his ministry. In protest, all the remaining ministers of the Agrarian Party, the Socialist Party and the Independent Intellectual Party, resigned from the government.

At this point the British and American governments intervened. Apparently yielding to their pressure, the Bulgarian Government agreed to postpone the elections, and to permit opposition candidates. Petkov was permitted officially to re-establish party headquarters and to publish his own newspaper.

But the improvement did not last very long. In violation of their August agreement, the government announced that the elections would be held on November eighteenth. Though the three opposition parties decided to boycott the elections, the campaign was so bitterly fought that the Peasant Party alone had more than a score of its followers killed. The opposition, in a statement signed by Petkov for the Agrarians, Lulchev for the Socialists, and Professor Stoyanov for the Independent Intellectuals, declared that the majority of the people had not voted and that the government had therefore lost the election. They demanded an investigation. The communists replied that the Fatherland Front had got more than 75 per cent of the eligible vote. Their collaborators of the Zevono Group, however, put out the slightly more modest figure of 65 per cent. The discrepancy made the people laugh.

At the Moscow Conference of December, 1945, the Russians made one of their many meaningless compromises. They agreed to advise the Bulgarian Government of the desirability of including in the government, during the interim period, two representatives of the opposition. It was no less a person than Deputy Foreign Minister Vishinsky who went to Bulgaria to implement this arrangement. Vishinsky summoned Petkov and two other opposition leaders and said to them—as bluntly as this, "It is the order of Generalissimo Stalin that two members of your combined opposition enter the government immediately and unconditionally."

"I do not take orders from any foreign power," replied Petkov coldly. "I take orders only from my people and my party." Lulchev and Stoyanov backed him up. The conversations with Vishinsky ended.

The communists were worried by Petkov's recalcitrance because they knew that he accurately reflected the temper of the people. After Vishinsky's departure, the government again approached him. This time to the amazement of all, they accepted almost all of Petkov's conditions, including separate electoral lists and an Agrarian Minister of Justice. The agreement was concluded in the afternoon on March 28, 1946. That same evening, the Soviet minister to Bulgaria, Kirsonov, delivered an ultimatum protesting the agreement. The following morning a government was constituted minus the opposition—and it was announced that there would be elections to a Constituent Assembly on October twenty-seventh.

Petkov now began a campaign which, for sheer heroism, is unsurpassed in the annals of any opposition. With the Red Army still in the country, and with the communist-controlled police breaking up their meetings, the opposition attacked the government and the communists and Soviet intervention as

recklessly as though they enjoyed the protection of the American Constitution. Petkov's paper, during the pre-electoral period especially, was an inspiration to read. "What our people must show," said the Banner for October twelfth, "is *de l'audace, et encore de l'audace, et toujours de l'audace!*" The following day, under the caption WHERE ARE THE AGRARIAN DEPUTIES? it charged that the Agrarian Party had not been permitted to put up candidates in 25 per cent of the constituencies and that of the candidates for the other constituencies, almost fifty were under arrest. "Freedom does not come on a silver platter," wrote Petkov on October fifteenth. "Freedom is something for which you must fight."

To the communists' protestations that they had no intention of taking the peasants' property, Petkov replied with the most devastating slogan of the electoral campaign: "As the wolf cannot watch over your flocks, as the fox cannot befriend your hens, so the communists cannot protect private property. Electors! Vote without any fear against the communist constitution, against the communist dictatorship!"

On October twentieth, the opposition finally was granted permission to hold an open meeting in Sofia—without loud-speakers or lights. Despite all the restrictions, more than 200,000 angry peasants swarmed into Sofia and joined the city workers and middle class in the most impressive demonstration of the entire electoral campaign. "Down with the dictatorship!" they roared. "Down with red Fascism! We want Petkov!"

The success of the meeting resulted in an intensification of the terror. In the three days before the elections, twenty-four members of the Agrarian Party were killed. The communist leader, Georgi Dimitrov, who had been a resident of Russia for thirteen years and who had returned to Bulgaria only two days before the election—it is not clear whether he resigned his Soviet citizenship—thundered against Petkov in his first declaration, "We have to remind the leader of the opposition of the fate of Drazha Mihailovich!"

When the election results were announced, the opposition was credited with 101 deputies against 364 for the Fatherland Front. The Agrarian member sent a protest to the Election commission in which he gave details of the terror against the opposition. "What has taken place," he said, "was not an election, but a war between the police and the people. . . . The elections were without any question fraudulent."

When the Constituent Assembly convened on November eighth, the opposition opened the session by shouting, "Long live liberty! Down with the dictatorship!" In the sessions that followed, the figure of Nicola Petkov, hurling castigation and defiance at the communist majority, completely dominated the assembly. Georgi Dimitrov, who, as a proletarian revolutionary, had towered over his Nazi prosecutors at Leipzig, now, as a totalitarian bureaucrat, shrank to the stature of a pygmy. Without either moral or rational ground to stand on, he could do nothing but reply to Petkov with abuse—"anti-Soviet dog" was one choice term—or with crude threats.

When Georgi Dimitrov shouted that the future belonged to the communists, Petkov intervened, "The future belongs not to you, Mr. Dimitrov, but to the people. You are not a god, Mr. Dimitrov, though you may deceive yourself on this score by taking into your party only those who accept you as their god. . . . Your program is one word: Dictatorship! Our program is also one word: Liberty!"

On January 30, 1947, Dimitrov made his first direct threat to Petkov. After roaring that "Koev must be hanged!" (Petar Koev was one of Petkov's chief aides) he went on to say that the government possessed documents involving the leader of the opposition. The following is a condensation of the exchange that took place.

PETKOV: Are you a satrap, that you issue such summary condemnations? After all, you are not a god—you are not even a qualified judge. As for the documents of which you speak, I challenge you to produce them.

DIMITROV: Very soon you will receive your documents. When you do, not one of you will remain in this assembly. There is no place in this assembly for foreign agents.

PETKOV: You speak of foreign agents. . . . For twenty years, you, Mr. Dimitrov, were a citizen of a foreign country. You became a Bulgarian citizen only two days before the election. You have no right even to speak as a Bulgarian.

The battle grew in intensity. On April third, one of the opposition deputies got up and made the accusation that under Article 4 of the armistice, the Communist Party was a fascist organization and should accordingly be dissolved. The communists, outnumbering the opposition almost four to one, rushed across the floor and engaged them in a terribly unequal battle in which many of the opposition were injured. The opposition left the chamber *en masse*, by way of protest.

The next day they were back in their places to renew the struggle. An Agrarian woman deputy charged that the Communist Party was squandering public funds by making all of their members eligible for the special allotments voted to active partisans. Again the communist majority charged the opposition. Again the opposition left the chamber with their heads bloody. Again they came back the following day.

And so it went, until the final arrest of Petkov and the dissolution of his party.

The bulk of the evidence against Petkov consisted of confessions purportedly made by his "fellow conspirators." The most important of these was the "confession" of Petar Koev, the Petkov aide who had been arrested in mid-January, 1947. Koev had been arrested once before, in August, 1946. While he was in prison he had been elected to parliament and, in consequence of parliamentary immunity, he had been released. On his release he sent a letter to his leader, Petkov, which Petkov had the courage to read to the assembly.

"They reduce you to a state of utter moral and physical prostration," said Koev's letter, "in which you become indifferent to your fate and to life itself, so that you desire some solution—any solution—so long as it will put an end to the intolerable suffering. . . . Contrary to normal juridical procedure, you are condemned first, and it is only afterwards that they begin to search for accusations and proofs. These are obtained by means of three types of torture: physiological torture—hunger, lack of sleep, thirst; physical tortures—beatings and being compelled to stand upright for days and nights on end; psychological tortures—insinuations that your family has been incarcerated, etc.

". . . I remained for twenty-one days in solitary confinement without being interrogated. During this time they subjected me to the hunger treatment—a bit of bread and water each day. . . . The obvious purpose of this treatment is to produce physical attrition and a corresponding weakening of your will. At eight a.m. one Saturday they took me up to the fourth floor to be interrogated. The interrogation went on for five days without interruption, twenty-four hours a day. The interrogator was changed every three hours, while I was compelled to remain standing, handcuffed, without sleep, unable to support myself either against the table or against the wall, without food and—what was cruelest of all during those suffocatingly hot August days and nights—without water. Every three hours the same questions were repeated until I became unconscious. . . . My bare feet swelled to unimaginable proportions. The interrogators showed not the faintest pity. . . . On the fifth day they threw me into an empty cell, where I slept like a dead man for more than twelve hours."

On the four succeeding nights Koev was trussed and beaten on the soles of his feet for three or more hours on end, with interludes during which he was questioned by Inspector Zeyev.

"During the balance of my detention," concluded the letter, "I was asked no questions, but I remained the object of a campaign of moral pressure and psychological terror. They applied refined tortures of such a kind—allusions to the fate of my family, the safety of my children, etc.—that I would honestly have preferred physical tortures."

When Koev was deprived of his parliamentary immunity on the occasion of his second arrest, he made this final declaration before leaving the parliament, "I am innocent. I know, however, that through me you are attempting to strike at the general secretary of our party, Nicola Petkov. My final words are that only the declarations which I made before you now correspond to the truth, and that, if it should happen later that, after a period of 'instruction,' I should make some 'confessions,' they will have been extorted from me by means of violence."

Koev made his "confessions" and was sentenced to twelve years. He will never emerge alive. Petkov, though he defended himself heroically and admitted nothing, was sentenced to death.

I salute the memory of one of the great spirits of our time. To Nicola Petkov there can be no other monument than the liberation of his people from communist tyranny.

AN IMPORTANT COMPARISON

Mr. HANSEN. Mr. President, citizens the world over today are deeply concerned and troubled over events in the Middle East, as well they might be. The possibility of continued and stepped-up fighting, perhaps involving additional nations, is frightening, as is the thought that the United States might be required to assume a military role.

There has been a limited amount of discussion on the floor of the Senate in the recent past concerning the relationship of Middle Eastern events to those in Vietnam. Perhaps there has not been enough discussion of this subject.

Mr. President, in an editorial published September 18, James Flinchum, the editor of the Cheyenne, Wyo., State Tribune, discussed the possible similarity between U.S. responsibilities in Vietnam and in the Middle East.

He notes that:

There seems to be growing sentiment not only in the United States but around the world, at least the western nations, to do something about the guerrillas. The irony of all this in contrast to the Vietnam War and U.S. action in Southeast Asia seems to be totally lost on a lot of people in this country as well as abroad.

Mr. Flinchum further points out that:

Peace has become an issue for all sorts of crusaders in this country who have even sought to topple the government, by legal as well as illegal means, using it as an alleged issue; yet virtually no one questions the possibility that this country employ one of the mightiest weapons at its disposal to step in and restore order in the Middle East. Why the difference?

I have a feeling that a great many people in this country view the possible military involvement of this Nation in the Middle East conflict with great alarm. I would hope that this possibility might be discussed by the Senate in relation to the likely parallel with events in Vietnam as well as on the basis of events only in the Middle East.

Mr. President, I ask unanimous consent that Mr. Flinchum's editorial entitled "Comparison: Vietnam and Middle East," be printed in the RECORD.

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

COMPARISON: VIETNAM AND MIDDLE EAST

There seems almost an eagerness to have the United States employ its big Sixth Fleet to settle the Middle East crisis, insofar as the Palestinian guerrillas are concerned, once and for all. This latter is an assumption, that being that the employment of force can be carried off by this country without far-reaching consequences.

A survey of editorial comment in the British press compiled by the BBC and distributed by the British Information Service is most interesting.

The Manchester Guardian, both a cap-L and small-l liberal newspaper, warns: "If King Hussein does not emerge triumphant, a disorderly transmission of power will ensue, and Israel will probably intervene. What remains of the American peace initiative will then be really shattered." The implication here is that someone other than Israel should intervene; certainly there is no warning against such action.

The Daily Telegraph is even more explicit in this regard. It asks: "What is to be done about Jordan?" Then it indirectly supplies the answer: "A handful of determined men has the so-called civilized world by the shirt tails, and the civilized world which has nuclear weapons and aircraft carriers at its disposal, appears to all intents and purposes powerless to do anything about it. This is something we cannot long endure." It adds: "One thing is certain. If the challenge to world order presented by Jordan goes unchecked, there will with great rapidity be dire consequences, perhaps in totally unexpected directions."

There seems to be growing sentiment not only in the United States but around the world, at least the western nations, to do something about the guerrillas. The irony of all this in contrast to the Vietnam War and U.S. action in Southeast Asia seems to be totally lost on a lot of people in this country as well as abroad.

There is a great similarity between the action of the guerrillas in Southeast Asia and those in Jordan, despite surface disparities. These surface differences occur merely in length of time, the parties involved, the area of the world under stress, and precisely who is behind each of the most abrasive groups, meaning the guerrillas.

The Southeast Asian guerrillas proceeded from a double base of power: one provided by Peking, the other by Moscow. They had at first the covert, and finally the overt, sanction of a duly constituted government, the Hanoi communist regime. In Palestine, the Palestine Liberation front apparently lacks firm support from Moscow despite its Marxist orientation; the Peking communists seem to be the shadowy power here.

But the purpose remains basically the same as that of the Southeast Asia communists, and that is the overthrow of a government, that of Israel, unfriendly to the communist powers. No matter what the Palestine guerrillas' stated aims may be, the ultimate consequence of their terrorist activities is the destruction of the government of Israel, which is the goal of the communist powers both in Moscow and Peking.

One thing must be pointed out: while the world recoils in horror and hand-wringing at the work of the Palestine Liberation front, let it be pointed out their activities are strictly a schoolyard exercise compared with the communist guerrillas of Vietnam. The Palestine guerrillas have destroyed three jetliners worth approximately $40 million and have held as hostage upwards of 300 persons. Other than some irregular fighting between them and Jordanian and Israeli army troops, there have been relatively few persons killed by their activities.

Yet the western world has displayed shock at what the Palestinian guerrillas have done, and now seemingly is demanding that the United States immediately step in and commit its Sixth Fleet to restore order; while at one and the same time, mostly condemning this country for intervening in Vietnam where guerrillas have killed upwards of three-quarters of a million civilians in their bloody campaign of terror to topple another free world government.

In America's efforts to counter a much bloodier regime, and restore order, and prevent incursions much more serious than those of the Middle East, both the Johnson and Nixon Administrations have been assailed at home and abroad, by leading spokesmen in Free World nations and many others.

Peace has become an issue for all sorts of crusaders in this country who have even sought to topple the government, by legal as well as illegal means, using it as an alleged issue; yet virtually no one questions the possibility that this country employ one of the mightiest weapons at its disposal to step in and restore order in the Middle East.

Why the difference?

That is what we should like to ask, unless it is that the Soviet Union, now concerned with the meddling in this mess by the Chinese Communists, and suddenly more fearful of the latter than of the West, has remained strangely mute in the Palestinian affair, seeing it possibly as a threat to itself as well as the western and Levantine nations.

So Moscow remains quiescent, and so do a lot of people here and abroad who take suggestions from it in one form or another.

In the meantime, the irony ought not to be overlooked, even though it may become necessary for the U.S. to employ its power in the Mediterranean the same as it has found it necessary to do in Southeast Asia.

OCEANS

Mr. NELSON. Mr. President, many marine scientists are predicting that with the present accelerating pace of pollution, productive life in that astonishingly fragile environment, the sea, will be destroyed in 25 to 50 years. And in its report last year, the President's Panel on Oil Spills said that with present rates of undersea oil development—we are drilling 3,000 to 5,000 new ocean oil wells every year—and with the inadequate technology to control or clean up marine oil spills, we can expect a Santa Barbara scale disaster once a year by 1980.

It was with these grave problems in mind that I introduced last February the Marine Environment and Pollution Control Act, S. 3484, comprehensive legislation which, among other things, would halt all dumping of solid wastes into the sea from the United States by 1975.

And last March, I introduced a bill—S. 3631—which would declare a moratorium on the drilling of new offshore oil wells until we develop the technology to protect the marine environment from oil disasters and until we need the oil. The legislation would establish a National Marine Mineral Resources Trust to accomplish this, and would also initiate a broad program requiring environmental management plans for our ocean activities.

Clearly, there is rapidly growing interest in taking the necessary strong national and international steps now to protect the marine environment from further grave damage which probably we would never be able to undo.

As an instance, the President's Council on Environmental Quality reportedly is recommending to the President the establishment of a tough new Federal policy to stop the use of the oceans as a garbage dump. Though the specifics of the report, which is being prepared at the President's request, are not yet known, tough Federal action to deal with this assault on the sea by the annual dumping of tens of millions of wastes is critically needed now.

And regarding the gigantic threat to the marine environment by ocean oil drilling and transportation, the Legislative Reference Service, in a just-released background study for the Joint Economic Committee, has this to say:

All of this would appear to raise a policy question of withholding or delaying further offshore lease and development until fully adequate technology is more nearly in hand for producing and transporting such petroleum. The very high public and private costs incurred in offshore development in the recent period, the possible irreparable damage done to some resources and the fact that several aspects of technology, legislation and law are yet to be worked out or clarified would seem to suggest a "go slower" policy.

We have the opportunity to take action now to prevent the sea from becoming the same kind of mess we now see in our rivers and lakes.

And it is because we so urgently need to resolve the questions on how to protect the marine environment that I have introduced Senate Resolution 433 to reject Reorganization Plan 4 that would establish a National Oceanic and Atmospheric Administration—NOAA—in the development-oriented Department of Commerce.

No one is arguing that we should not strengthen our national capability to wisely utilize the resources of the sea, which is the primary mission of the proposed NOAA in the Commerce Department. But before an oceans agency with this resource development mission is ever established, we should make it absolutely clear that we do not intend such an agency to have major environmental responsibilities beyond compliance with the National Environmental Policy Act. Marine environmental planning and management, standard setting and enforcement, and the coastal zone management program should be in agencies entirely independent from NOAA and the Commerce Department.

This would be in line with the principle of the separation of the development

programs from environmental activities as so clearly stated by the President in explaining the need for establishing the Environmental Protection Agency, proposed in plan 3 which has my strong support. And it would avoid the built-in conflict of interest which is now seen in Federal agencies charged both with developing and protecting a resource.

Mr. President, I ask unanimous consent that the following three articles be printed in the RECORD: One, a Los Angeles Times Service report, published in the Milwaukee Journal, describing the ocean dumping control recommendations being prepared by the President's Council on Environmental Quality: two, an article published in the Christian Science Monitor, describing the worldwide problems being caused by the dumping of wastes into the sea by many nations; and three, an article published in the Washington Post on the Legislative Reference Service study urging that the United States go slow on offshore oil drilling until we know what we are doing.

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

[From the Milwaukee (Wis.) Journal, Aug. 16, 1970]

UNITED STATES CONSIDERING BAN ON ALL DUMPING INTO OCEANS

WASHINGTON, D.C.—The Federal Council on Environmental Quality is preparing a report urging the Nixon administration to ban all dumping of toxic materials into the oceans.

Concerned that increasing use of the sea for every conceivable form of waste jeopardizes its long term use as a critical food source, the government's top environmental advisers are expected to ask US leadership in stopping worldwide use of the oceans as garbage dumps.

A solid waste expert in the Department of Health, Education and Welfare said the US, is now dumping some 48.2 million tons into the sea each year.

Of this, 38.4 million tons are spoils from dredging operations, 4.7 million tons of industrial wastes including chemicals and pesticides), 4.5 million tons of sewage sludge, 600,000 tons from construction and demolition operations and 26,000 tons of garbage and trash.

The HEW spokesman said the Bureau of Solid Waste Management had no statistics on obsolete weapons, explosives and other materials being dumped into the sea by the military.

However, it is known that the practice has been going on for years.

Outside the Pentagon, little is known about what the military has dumped into the sea in the past. The House Oceanography Subcommittee has asked the Army for a list, but has not received it.

[From the Christian Science Monitor, Aug. 27, 1970]

DUMPING AT SEA MAKES WAVES

(By David Anable)

BOSTON.—More than just a few startled squid have been stirred by the scuttling of the LeBaron Russell Briggs and its lethal cargo of nerve-gas rockets.

For when the rusty Liberty ship sank hissing and bubbling into the depths 245 nautical miles off the Florida coast it focused all eyes on the fact that "freedom of the seas," applied to the dumping of chemicals, spells anarchy.

Take a boat. Sail out beyond national territorial limits. And dump whatever you please—except oil or radioactive materials. There is virtually nothing to stop you.

EUROPEANS ON EDGE

So far, no government has really begun to work out ways of developing and imposing controls. For the most part, the world's dumping of chemicals is left to the self-regulation of industry, or to individual government agencies working within territorial limits.

In Europe especially, the last voyage of the LeBaron Russell Briggs has stirred anxieties that already were close to the surface. Europeans are fast becoming aware that the sea in general, and their own waters in particular, are far more polluted with dangerous chemicals than even experts realized a few years ago.

Prof. Otto Kinne, head of Heligoland's Marine Biology Research Station, calls the North Sea "the industrial cesspool of Europe." Reportedly some 1,200 tons of sulfuric acid a day are dumped within 12 miles of his station. Off Norway, one cannery is said to dispose of 18,000 tons of formalin a year.

The Baltic also suffers. So much mercury has been disposed of there that many fish cannot be eaten because they contain too much of this toxic chemical. Oceanographers believe that pollution generally is behind the fact that the Baltic's bottom waters are what they call "dead." They are concerned that the upper waters, too, may eventually have their fish productivity impaired.

RHINE FISH KILLED

Tons of stultifying waste also surge down to the sea through Europe's rivers. The problem was illustrated dramatically last fall, when insecticide poisons killed all fish in the lower Rhine.

The industrial wastes building up in Europe's seas cover the spectrum of noxious chemicals used commercially, including cyanides. In addition old dumps of poison gas present a constant hazard.

Toward the end of World War II and shortly thereafter the Germans and the Allies, including the Russians, dumped thousands of tons of poisonous war substances into Europe's seas. Some of these appear to be returning to haunt succeeding generations.

In West Germany, for instance, officials have launched an operation to locate and detoxify poison gases dumped in the Baltic Sea. The operation gained urgency when fishermen who hauled up an old canister of mustard gas were temporarily blinded, and when five children playing with seaweed near Lübeck received skin burns.

IRISH SEA MYSTERY

In Britain the Ministry of Defense recently admitted that it might have been poison gas leaks that caused the widely reported and mysterious deaths of birds and sea animals in the Irish Sea last December.

In Scandinavia reports have come in over the past year or two of swimmers and fishermen receiving burns, apparently from mustard gas leaking out from seabed dumps. And some fishermen have suffered burns when hauling contaminated gear, and even old gas bombs, aboard their craft.

A slightly different incident was reported recently from Britain when the Royal Navy admitted being the source of canisters of ferris chloride that washed ashore on the Isle of Wight. The Navy had dumped the chemical some weeks earlier in nearby waters.

Though ferric chloride is comparatively harmless, national concern over the incident prompted the Ministry of Defense to detail its extensive dumping operations since World War II and to reassure the public that since 1957 all dangerous chemicals had been disposed of by chemical or burning processes.

JAPANESE CONCERN RUNS HIGH

On the other side of the globe, in Japan, public concern is very great, especially when it comes to dangerous discharges from factories, including cadmium and mercury. Antipollution feeling among Japanese is higher than ever. Almost every day newspapers tell of ugly discharges into Tokyo Bay and other waterways.

But Japan's laws are weak. The national water-quality-control law sets purity standards against mercury, cadmium, lead, arsenic, cyanide, organic phosphorus, and two others. Penalties, however, are inadequate and seldom, if ever, imposed.

CALL TO ACTION SEEN

Considering the state of their own backyards, other nations have hardly been able to take a holier-than-thou attitude toward America's deep-sea disposal of its nerve gas—especially now that Washington has stated flatly that no more chemical weapons will be dumped in the ocean. (New equipment, it is affirmed, makes it possible to dispose of these weapons on land.)

Hence, while resenting the American action, many non-Americans have taken it as one more indication of an urgent need to work out effective international controls and safety rules for ocean dumping. Europeans, for example, are reported as not being chauvinistic about such controls but as tending to trust international cooperative efforts more than they do their own national regulations.

The situation with radioactive wastes stands out in contrast to the anarchy of chemical waste disposal. With a large body of knowledge on hazards and safety to rely on, atomic authorities are strict in controlling waste disposal both nationally and internationally.

Recently, when Britain's Windscale atomic center proposed to raise the level of wastes it puts in the Irish Sea, an independent scientist study calmed public concern. It found that safety had been so carefully worked out it could readily recommend that permission be given.

FRENCH PROJECT ABANDONED

The reverse happened 10 years ago in France when the French authorities proposed, as an experiment, to put radioactive waste in the Mediterranean. The public outcry was so vigorous that the project was abandoned.

But a similar operation was carried out in the Atlantic in 1967 and the French Government made two other such experiments in 1968 and '69 sponsored by the European Nuclear Energy Agency.

In the Soviet Union the authorities say they take every precaution to prevent pollution of the air and water from radioactive wastes.

According to a Soviet study published in 1967, highly radioactive hard wastes from atomic plants are buried in concrete containers placed above ground-water level. Less contaminated wastes are dumped into clay-sealed trenches.

Radioactive gases are first purified and then released into the atmosphere through stacks high enough to ensure that by the time the substances fall to the ground they have a radioactivity content lower than that permitted for air in populated places. Liquid radioactive wastes are also subjected to various purification and disposal processes.

The study concludes that the host of measures and precautions taken fully assures the safety of the population living in the areas where these enterprises are located. There is, however, no way to confirm this claim.

PROBLEM MULTIPLIES

The nation most sensitive about radioactivity is Japan. It faces a rapidly multiplying waste-disposal problem.

Radioactive waste from its 20 reactors used for experimental purposes currently can be stored in sealed containers in separate buildings on the site of each facility. But in a small country this process cannot serve indefinitely. Decisions will have to be taken soon on the merits of alternative plans: dumping deep at sea; burying underground; isolating on uninhabited islands or in remote fields in Hokkaido, where only 5 million people live.

Much more serious, though, is the waste from atomic power stations. Japan now has two; another starts operating in October; five more are under construction. Current law demands any sea dumping be at least to a depth of 2,000 meters. Japanese experts are concerned that this soon may not be adequate.

One alternative suggested is to store nuclear wastes inside unused power plants. Another, offered only partly tongue in cheek by one expert, might be "loading the waste on a rocket and shooting it out of the earth's atmosphere altogether."

CUMULATIVE DANGER SEEN

With the industrialized world turning more and more toward the atom to meet its accelerating power demands, the problem of waste disposal simultaneously multiplies. A pool of knowledge of the dangers and needed safety standards for dumping radioactive material at sea does exist. But an anxiety lingers:

Could sea-buried radioactive wastes though individually harmless, accumulate over the years? Could some living organisms, known to be able to reconcentrate such radioactive elements, pose an unknown hazard?

Of much greater urgency is the need for study of other marine pollutants. There is no pool of knowledge about chemical dumping and its dangers; almost nothing from which to draw in compiling an effective range of measures to control this menace.

If it does nothing else, the scuttling of the LeBaron Russell Briggs and its deadly load may help build pressure toward this objective.

[From the Washington Post]

DRILL ON LAND, NOT AT SEA, OILMEN TOLD

The petroleum industry should confine its drilling to land and delay further offshore operations to protect the environment, a federal study suggests.

The study cited eruption of an oil well in California's Santa Barbara channel in January 1969 and pollution resulting from an oil fire off the Louisiana coast last February as examples of offshore operations damaging the environment.

The study, released today by the Joint Economic Committee of Congress, was prepared by the environmental policy branch of the Library of Congress.

The oil industry, the report said, has improved its record of containing blowouts on land, and pollution, when it occurs, is localized.

Much of the United States has not yet been explored in depth for oil, the report said, and there are opinions that large areas are favorable prospects for oil and gas.

Offshore, the report noted, aspects of federal-state proprietary and administrative relations are not fully resolved, oil spills are harder to contain, and the need for workable rules to protect the environment presents problems.

STATES' PREFINANCING OF SEWAGE TREATMENT FACILITIES

Mr. GOODELL. Mr. President, for some months I have been attempting to obtain figures from the Department of the Interior and the Federal Water Quality Administration to reflect the total amounts prefinanced by States and municipalities for construction of sewage treatment facilities authorized under the Water Quality Improvement Act.

Officials of those agencies would provide figures for only that portion of the obligations that had been advanced and expended—the actual out-of-pocket costs—for projects under construction.

The estimates did not include the commitments States and municipalities had made to prefinance the Federal share of the cost. These are costs the Federal Government will have incurred by the time construction of the projects had been completed.

I do not know the reason these figures have been withheld. Surely, this is vital information of Congress is to plan to meet the commitments of the Federal Government.

The Assistant Secretary of the Interior, Carl L. Klein, has now responded to my request for this additional information. I ask unanimous consent that his letter of September 18 be inserted in the RECORD at this point, along with tables showing total reimbursables and new obligations as of June 30, 1970, and as of December 31, 1969.

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

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., Sept. 18, 1970.

Hon. CHARLES E. GOODELL,
U.S. Senate,
Washington, D.C.

DEAR SENATOR GOODELL: This will acknowledge your telegram of September 12 and expand on advice given your office by telephone late Wednesday afternoon. You requested figures by state of the potential reimbursement entitlement; i.e., the total amounts for which the projects could be eligible when construction of sewage treatment plants is completed and the full Federal share has been expended by state and local agencies. You further acknowledged receipt of information from us on the amounts eligible for reimbursement as of December 31, 1969, and as of June 30, 1970.

For purposes of clarity, we presently refer to future entitlement as new obligations rather than potential reimbursements since the language of the act is quite clear that a reimbursement is a repayment of a state or local expenditure. Reimbursements are, therefore, defined as being money from any allotment made under Section 8 of P.L. 84–660, as amended, for the repayment of state or local prefinancing of the Federal share of the cost of construction, subject to the following criteria:

1. Proper audit.
2. Appropriate state water pollution control agency approval.
3. Determination by the Secretary:
(a) As meeting requirements of Section 8, and
(b) Having been built without Federal assistance partially or in toto
4. For those construction costs actually paid out.

New obligations cannot and shall not be qualified for or designated as reimbursements until such time as payment shall have been made by the state or local government and then (1) only to the amount of the Federal share of the actual payment, and (2) only to the extent that actual payments exceed the state's allotment for the program.

With these definitions in mind, the Federal Water Quality Administration determination of reimbursements and their estimates of new obligations have been prepared and are tabulated by States from the enclosed sheets.

I trust that this is the information and material that you are seeking, and if we may be of further service, please do not hesitate to call.

Sincerely yours,

EARL L. KEEM,
Assistant Secretary
Water Quality and Research.

CONSTRUCTION GRANTS AND ENGINEERING BRANCH—EVALUATION AND RESOURCE CONTROL OPERATIONS
TOTAL REIMBURSABLES, BASED UPON ACTUAL PAYMENTS, AND RELATED NEW OBLIGATIONS, STATUS AS OF JUNE 30, 1970

	Number of projects	Reimbursement	New obligation
Total	1,038	197,803,467	1,143,314,916
Northeast	409	117,293,196	815,258,136
Connecticut	54	14,285,136	86,842,964
Delaware	5	0	895,600
Maine	12	1,694,367	5,356,123
Massachusetts	9	0	8,683,250
New Hampshire	10	3,706,650	2,653,635
New Jersey	51	3,811,309	27,603,961
New York	263	93,575,734	681,207,683
Rhode Island	3	220,000	1,895,860
Vermont	2	0	119,060
Middle Atlantic	199	41,665,151	118,358,857
Maryland	83	26,692,654	47,632,887
North Carolina	2	0	1,496,240
Pennsylvania	99	13,335,830	17,082,367
South Carolina	1	6,682	20,048
Virginia	7	917,679	51,371
District of Columbia	7	712,306	52,075,944
Southeast	22	229,797	35,469,858
Alabama	2	138,000	5,170,000
Florida	3	0	7,510,110
Georgia	4	59,400	10,676,850
Mississippi			
Tennessee	13	32,397	12,112,898
Puerto Rico			
Virgin Islands			
Ohio Basin	41	4,627,525	16,789,810
Indiana	13	2,552,185	1,821,630
Kentucky			
Ohio	28	2,075,340	14,968,180
West Virginia			
Great Lakes	295	26,281,700	139,591,477
Illinois	46	3,421,935	9,249,850
Iowa	69	1,012,641	2,348,988
Michigan	137	19,052,214	102,799,507

CONSTRUCTION GRANTS AND ENGINEERING BRANCH—EVALUATION AND RESOURCE CONTROL OPERATIONS

TOTAL REIMBURSABLES, BASED UPON ACTUAL PAYMENTS, AND RELATED NEW OBLIGATIONS, STATUS AS OF JUNE 30, 1970—Continued

	Number of projects	Reimbursement	New obligation
Minnesota	17	317,700	14,135,430
Wisconsin	26	2,477,210	11,057,702
Missouri Basin	18	6,491,628	757,608
Colorado	1	15,226	0
Kansas	12	205,082	230,928
Missouri	5	6,181,320	526,680
Nebraska			
North Dakota			
South Dakota			
Wyoming			
South Central	33	368,700	5,132,790
Arkansas			
Louisiana			
New Mexico			
Oklahoma			
Texas	33	368,700	5,132,790
Southwest	2	44,700	3,371,470
Arizona			
California			
Hawaii	1	44,700	1,445,910
Nevada	1	0	1,925,560
Utah			
Guam			
Northwest	19	801,070	8,584,910
Alaska	4	175,720	2,178,550
Idaho			
Montana			
Idaho			
Montana			
Oregon	5	95,840	6,144,790
Washington	10	529,510	261,570

REIMBURSABLES, BASED UPON ACTUAL PAYMENTS, AND RELATED NEW OBLIGATIONS STATUS AS OF DEC. 31, 1969

	Number of projects	Reimbursement	New obligation
Total	815	145,312,133	648,729,288
Northeast	348	76,209,443	495,868,547
Connecticut	47	6,775,861	65,273,025
Delaware	5	0	895,600
Maine	11	832,575	4,446,265
Massachusetts	13	0	14,332,670
New Hampshire	9	2,450,550	4,025,735
New Jersey	40	1,693,031	10,398,819
New York	217	64,307,426	395,094,763
Rhode Island	2	150,000	220,660
Vermont	4	0	1,181,010
Middle Atlantic	198	36,832,362	63,175,108
Maryland	75	22,322,888	33,549,832
North Carolina	None	None	None
Pennsylvania	100	10,982,707	19,161,033
South Carolina	3	617,890	4,626,090
Virginia	16	2,205,504	3,623,476
District of Columbia	4	703,373	2,214,677
Southeast	34	5,583,051	21,629,673
Alabama	2	138,000	5,170,000
Florida	6	339,280	617,304
Georgia	15	4,773,012	12,756,112
Mississippi	None	None	None
Tennessee	11	332,759	3,086,257
Puerto Rico	None	None	None
Virgin Islands	None	None	None
Ohio Basin	20	3,076,429	5,833,626
Indiana	13	2,152,168	1,964,090
Kentucky	None	None	None
Ohio	7	924,261	3,869,536
West Virginia	None	None	None
Great Lakes	117	7,954,660	49,297,199
Illinois	59	2,297,790	25,161,349
Iowa	13	26,990	1,309,270
Michigan	10	1,549,380	4,605,530
Minnesota	10	1,156,760	8,096,730
Wisconsin	25	2,923,740	10,124,320
Missouri Basin	33	10,603,678	2,794,819
Colorado	1	13,842	0
Kansas	9	87,426	165,302
Missouri	23	10,502,410	2,629,517
Nebraska	None	None	None
North Dakota	None	None	None
South Dakota	None	None	None
Wyoming	None	None	None
South Central	27	249,830	3,494,976
Arkansas	1	46,056	14,544
Louisiana	None	None	None
New Mexico	None	None	None
Oklahoma	None	None	None
Texas	26	203,774	3,480,432
Southwest	1	None	1,925,550
Arizona	None	None	None
California	None	None	None
Hawaii	None	None	None
Nevada	1	None	1,925,550
Utah	None	None	None
Guam	None	None	None
Northwest	37	4,802,680	4,709,790
Alaska	3	0	1,269,600
Idaho	None	None	None
Montana	None	None	None
Oregon	7	408,660	1,914,300
Washington	27	4,394,020	1,525,890

Mr. GOODELL. Mr. President, since these tables do not include a column showing the total funds committed for prefinancing and which have not yet been paid, I ask unanimous consent to include additional tables in the RECORD. The first column of these tables is the total commitment, and the second column shows the amounts due and payable as of June 30, 1970, and December 31, 1969.

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

PREFINANCING: CONSTRUCTION OF SEWAGE TREATMENT PLANTS

[Status: June 30, 1970]

State	Number of projects	Total prefinanced	Now eligible for reimbursement
Alabama	2	$5,308,000	$138,000
Alaska	4	9,385,980	801,070
Arizona			
Arkansas			
California			
Colorado	1	15,226	15,226
Connecticut	54	101,128,100	14,285,136
Delaware	5	895,600	
District of Columbia	7	52,788,250	712,306
Florida	3	7,510,110	
Georgia	4	10,736,250	59,400
Hawaii	1	1,445,910	44,700
Idaho			
Illinois	46	12,671,785	3,421,935
Indiana	13	4,373,815	2,552,185
Iowa	69	$3,361,629	$1,012,641
Kansas	12	436,010	205,082
Kentucky			
Louisiana			
Maine	12	7,050,490	1,694,367
Maryland	83	74,325,541	26,692,654
Massachusetts	9	8,683,250	
Michigan	137	121,851,721	19,052,214
Minnesota	17	14,453,130	317,700
Mississippi			
Missouri	5	6,708,000	6,181,320
Montana			
Nebraska			
Nevada	1	1,925,560	
New Hampshire	10	6,360,285	3,706,650

PREFINANCING: CONSTRUCTION OF SEWAGE TREATMENT PLANTS

[Status: June 30, 1970]

State	Number of projects	Total prefinanced	Now eligible for reimbursement
New Jersey	51	31,415,270	$3,811,309
New Mexico			
New York	263	774,783,417	93,575,734
North Carolina	2	1,496,240	
North Dakota			
Ohio	28	17,043,520	2,075,340
Oklahoma			
Oregon	5	6,240,630	95,840
Pennsylvania	99	30,418,197	13,335,830
Rhode Island	3	2,115,860	220,000
South Carolina	1	26,730	6,682
South Dakota			
Tennessee	13	12,145,295	32,397
Texas	33	5,501,490	368,700
Utah			
Vermont	2	$119,060	
Virginia	7	969,050	$917,679
Washington	10	791,080	529,510
West Virginia			
Wisconsin	26	13,534,912	2,477,210
Wyoming			
Guam			
Puerto Rico			
Virgin Islands			
Total (34 States and District of Columbia)	1,038	1,341,118,383	197,803,467

[Status: Dec. 31, 1969]

State	Number of projects	Total prefinanced	Now eligible for reimbursement
Alabama	2	$5,308,000	$138,000
Alaska	3	1,269,600	
Arizona			
Arkansas	1	60,600	46,056
California			
Colorado	1	13,842	13,842
Connecticut	47	72,498,886	6,775,861
Delaware	5	895,600	
District of Columbia	4	2,918,050	703,373
Florida	6	956,584	339,280
Georgia	15	17,529,124	4,773,012
Hawaii			
Idaho			
Illinois	59	27,459,139	2,297,790
Indiana	13	4,116,258	2,152,168
Iowa	13	1,336,260	26,990
Kansas	9	252,728	87,426
Kentucky			
Louisiana			
Maine	11	5,278,840	832,575
Maryland	75	55,872,720	22,322,888
Massachusetts	13	14,332,670	
Michigan	10	6,154,910	1,549,380
Minnesota	10	9,253,490	1,156,760
Mississippi			
Missouri	23	$13,131,927	10,502,410
Montana			
Nebraska			
Nevada	1	1,925,550	
New Hampshire	9	$6,476,285	$2,450,550
New Jersey	40	22,091,850	1,693,031
New Mexico			
New York	217	459,402,189	64,307,426
North Carolina			
North Dakota			
Ohio	7	4,793,797	924,261
Oklahoma			
Oregon	7	2,322,960	408,660
Pennsylvania	100	30,142,740	10,982,707
Rhode Island	2	376,660	150,000
South Carolina	3	5,243,980	617,890
South Dakota			
Tennessee	11	3,419,016	332,759
Texas	26	3,684,206	203,774
Utah			
Vermont	4	1,181,010	
Virginia	16	5,828,980	2,205,504
Washington	27	5,919,910	4,394,020
West Virginia			
Wisconsin	25	13,048,060	2,923,740
Wyoming			
Guam			
Puerto Rico			
Virgin Islands			
Total (33 States and District of Columbia)	815	794,041,415	145,312,133

Mr. GOODELL. Mr. President, the total commitment of funds prefinanced by 35 States and their municipalities by June 30, 1970, was $1,341,118,383, and they had actually spent $198 million of this commitment.

The total commitment by December 31, 1969, was $794,041,421, and they had actually spent $145 million of this commitment.

The law provides that these out-of-pocket expenditures will be repaid when and if adequate Federal funds are appropriated. It is clear that appropriations to actually commit the Federal Government for its full share of the costs have fallen far short of the need.

The fiscal year 1971 public works appropriation bill earmarks $200 million for those States that have prefinanced. However, for a State to reduce its reimbursement commitment only serves to delay approval of new projects.

For example, if New York were to reduce its eligible reimbursement by its full fiscal year 1971 allotment, estimated at about $182 million, the State would have no funds available for new projects.

Likewise, if Maryland were to use its fiscal year 1971 allotment of approximately $24 million toward reimbursement of out-of-pocket expenditures of $27 million, the State would have no funds available for new projects.

Reductions of eligible reimbursements by other States would similarly affect their plans for new projects.

Although the figures in these tables reflect the lion's share of the national prefinancing debt has been for commitments by New York State, other States will soon face the same financing dilemma as New York. We have only to observe events in the Washington metropolitan area to find an example of what is developing nationwide.

Last Friday the Federal Water Quality Administration approved a $530 million expansion of the Blue Plains plant, which is the principal facility serving the Washington metropolitan area. I noted with interest that 55 percent of the cost would be provided by the Federal Government if Maryland, Virginia, and the District of Columbia can come up with their 45 percent share of the costs.

The Federal share of $291.5 million, or 55 percent of the cost of the project, must come from FWQA allocations to Maryland, Virginia, and the District of Columbia. Yet, Federal funds available through next June 30 to those three juridictions total only $65.5 million.

I ask unanimous consent to place in the RECORD a table summarizing available Federal funds to Maryland, Virginia, and the District of Columbia through June 30, 1971.

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

Federal grants available through June 30, 1971 to Maryland, Virginia, and the District of Columbia for construction of sewage treatment facilities [2]

Maryland's allocations:	
Fiscal year 1970 allocation	$13,550,900
Granted by June 30, 1970	9,956,777
Balance for use until May 15, 1971	3,594,123
Fiscal year 1971 original allocation	13,550,700
Additional allocation anticipated	[1]10,680,000
Total available to June 30, 1971	27,824,823
Virginia's allocations:	
Fiscal year 1970 allocation	17,302,800
Granted by June 30, 1970	6,257,947
Balance for use until May 15, 1971	11,044,853
Fiscal year 1971 original allocation	17,295,300
Additional allocation anticipated	[1]1,160,000
Total available to June 30, 1971	29,500,153

[1] From $200 million earmarked in Public Works Appropriation bill for fiscal year 1971 based on earned reimbursable grants.

[2] Sources: Tables on all states provided by the Federal Water Quality Administration.

District of Columbia's allocations:	
Fiscal year 1970 allocation	3,780,500
Granted by June 30, 1970	0
Balance for use until May 15, 1971	3,780,500
Fiscal year 1971 original allocation	3,788,000
Additional allocation anticipated	[1] 600,000
Total available to June 30, 1970	8,168,500
Total for above three jurisdictions	65,493,476

Mr. GOODELL. Mr. President, even if the three jurisdictions agree to commit their entire Federal allocations of $65.5 million to the project, this is only 12.2 percent of the cost, rather than 55 percent for which the project is eligible. Therefore, the only avenue the three jurisdictions can take if they wish to go ahead with the improvement of the Blue Plains plant is to agree to prefinance the remaining 42.8 percent of the cost for the Federal Government, or $226 million, along with $238.5 million for the "local" share of 45 percent. This is a total of $465 million that must be raised by the three jurisdictions through high-cost municipal bond issues.

The alternative is to postpone upgrading of the plant for several years until adequate resources are available to finance it.

Difficult decisions such as this are probably being faced by the majority of the States. In this connection, it would appear that a table of "State Investment Intentions" recently provided me by the Department of the Interior is hopelessly out of date.

I ask unanimous consent to place the table at this point in the RECORD.

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

State investment intentions

	Millions of dollars
Alabama	35.0
Alaska	12.0
Arizona	86.0
Arkansas	33.0
California	651.8
Colorado	133.0
Connecticut	280.5
Delaware	28.0
District of Columbia	355.0
Florida	200.0
Georgia	150.0
Hawaii	14.4
Idaho	0.5
Illinois	437.2
Indiana	152.6
Iowa	33.3
Kansas	61.0
Kentucky	62.6
Louisiana	140.0
Maine	140.9
Maryland	236.9
Massachusetts	438.0
Michigan	253.7
Minnesota	136.3
Mississippi	40.0
Missouri	390.0
Montana	13.5
Nebraska	62.0
Nevada	28.6
New Hampshire	138.0
New Jersey	880.0
New Mexico	9.9
New York	1,900.1
North Carolina	69.3
North Dakota	22.0
Ohio	432.5
Oklahoma	65.3
Oregon	135.0
Pennsylvania	432.0
Rhode Island	51.5
South Carolina	75.0
South Dakota	27.0
Tennessee	105.5
Texas	525.0
Utah	11.7
Vermont	70.0
Virginia	151.0
Washington	160.0
West Virginia	44.3
Wisconsin	243.7
Wyoming	12.0
Guam	6.2
Puerto Rico	28.9
Virgin Islands	15.4
Total	10,217.1

Mr. GOODELL. Mr. President, the table of investment intentions for a 5-year period was developed last year based upon estimates submitted by the States.

The estimate for New York of $1.9 billion for 5 years was based upon reports from regional engineers and applications from municipalities. Subsequently there was a reassessment of New York's program, and the State now expects to spend $1.5 billion in fiscal year 1971 alone.

The investments for this 5-year period estimated by Maryland, Virginia, and the District of Columbia total $743 million. This is only $213 million more than has been estimated to improve the Blue Plains plant.

A clean environment is essential to our survival, and too little has been accomplished because of the high costs. We can no longer afford these delays.

THE RIGHT TO READ PROGRAM

Mr. PROUTY. Mr. President, on Friday, September 11, the National Reading Council convened its first meeting. Conceived to implement the right to read program, the Council was appointed by President Nixon to advise the Office of Education on priorities in its reading programs and to oversee operations of a National Reading Center.

As one who is proud to serve on the National Reading Council, I would like to call its activities to the attention of the Senate. I wish also to explain the unique partnership between public and private agencies that it embodies. Finally, I would like to underline the principles of operation it has defined, for they are of great importance to our educational system as a whole.

In a Nation having one of the highest literacy rates in the world, many millions still suffer reading deficiencies. Some 3 million adults are completely illiterate; another 5 million youths seeking employment are functionally illiterate; 25 million jobholders—or 1 in 5—are so deficient in reading as to be denied advancement and most importantly, 15 million of our 51.5 million students—or 3 in 10—suffer from reading deficiencies severe enough to impede their learning progress. It is in recognition of these disturbing facts that this Administration is sponsoring a massive assault on reading problems that will assure every citizen the right and thus the ability to read. Responsibility for the program will not rest solely on the Federal Government. Instead, a partnership is being formed that incorporates the educational community, business, labor, the communications media, government at all levels, and the public.

As one who has long espoused greater reliance upon the public at large and the private sector instead of big government, I am most pleased to see this movement get underway. For too long we have assumed that Federal initiatives and money alone will accomplish our objectives, but this is not so. We are now learning that cooperation and involvement of all groups affected are necessary in order to bring about improvement. When broad participation is not assured, program objectives often become muddled as smaller subgroups vie for control. When broad participation is assured, each person involved becomes more committed to the objectives because he understands them better and knows the benefits that will be derived.

The National Reading Council includes representatives of a wide range of groups and will act as the coordinating sponsor of this reading endeavor. It will establish a National Reading Center with Federal funds. It will be independent of the Office of Education to act as the staging area for coordination and utilization of all efforts that are entertained by the participating members of the partnership represented. I will shortly ask that a more complete explanation of the partnership embodied by the National Reading Council and its functions be included in the RECORD. Before I do so, however, I invite attention to the unique way in which the public will participate in this reading campaign.

In addition to broad representation of the public through the earlier-mentioned participants, utilization of the private National Center for Voluntary Action and Federal Office of Voluntary Action will insure direct participation of the public at large. Together with the thousands of volunteer organizations, these bodies will unite in a national program for voluntary action which will lend suggestions, manpower, and services to the reading campaign.

Very early in his administration, President Nixon established a Cabinet Committee on Voluntary Action headed by Housing and Urban Development Secretary George Romney and including five other domestic agency chiefs from the Cabinet. In April of 1969, Secretary Romney established the U.S. Office of Voluntary Action to act as the service arm of the Cabinet committee and to help develop the national program of voluntary action. Then, on February 20, 1970, a National Center for Voluntary Action was established to act as a private intermediary in mobilizing and integrating the efforts of Government, voluntary groups, individual volunteers, and other organizations. Thus, this National Center for Voluntary Action is

the "private partner" in the creative partnership evolved to carry out the right-to-read program and other domestic endeavors.

I believe this involvement of the private sector to be most worthwhile, not only for the good to be achieved in this program, but also for the model of operation it will establish.

In remarks to the National Reading Council, Mrs. Elinor K. Wolf, senior program officer of the U.S. Office of Voluntary Action, spelled out how the private sector hopes to function in the partnership. In so doing, she also outlined some basic presumptions about the right-to-read program that I believe are relevant to a wide spectrum of other education efforts. She also drew attention to supportive material developed for the Council. These resulted from a sincere and conscientious effort to contribute materially to the initial development of the program and show much careful work and consideration by the volunteer organizations. I request my colleagues to consider her remarks carefully, for if they are heeded in this program and others, the likelihood of success will be greatly enhanced for all.

Mr. President, I ask unanimous consent that descriptive material about the National Reading Council and the remarks of Mrs. Wolf before the group at its first meeting be printed in the RECORD.

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

REMARKS OF MRS. ELINOR K. WOLF, U.S. OFFICE OF VOLUNTARY ACTION, DELIVERED TO THE FIRST MEETING OF THE NATIONAL READING COUNCIL, SEPTEMBER 11, 1970

The Office of Voluntary Action, concerned as it is with increasing the quantity and quality of the voluntary component in federal domestic efforts was pleased indeed to be asked by Mr. Straley to prepare an initial plan for your consideration.

In fact we, and our private partner, the National Center for Voluntary Action, work jointly to extend voluntary opportunities to all people, not as a substitute for appropriate government action but as a supplement to enhance the right of all citizens in every nook and cranny of our nation to participate in improving the quality of our American life.

Specifically, the Office of Voluntary Action (OVA) has and is taking firm steps to assure that voluntary groups have optimum access to financial and technical assistance available to them from federal resources. As a catalytic agent OVA packages projects utilizing federal and private voluntary resources to demonstrate what can be created in a genuine partnership between government and voluntary agencies or individual volunteers.

Therefore our effort to assist you in your inaugural deliberations is simply doing what comes naturally to us. We hope at least some of the suggestions we have made in the overly large package before you will be helpful as you select your initial objectives and begin comprehensive planning for the long labor required to achieve a fully literate America. As you look at the initial objectives and plans on the front of the kit we prepared for you, let me share with you several concepts we had in mind.

1. The involved professional educator remains the key to the success of the Right to Read program. However, the voluntary component would *not* have been included in your discussions today if the professional educators, administrators and legislators had been entirely successful in achieving the standards which they undoubtedly set for themselves.

2. The school systems as presently constituted cannot achieve the goals of the Right to Read program alone. Fortunately, today, they acknowledge it and seek new partners. They welcome aid from many varied sources: from millions of citizens who hopefully will vote "yes" on school financing from more than 160 business firms experimenting with innovative performance contracts or from individuals, neighborhood residents, parents, college or school students who today have demonstrated their adaptability and reliability as supplemental aides both within and without our schools.

3. The greatest human need is to avoid wherever possible the failure syndrome, the child becoming addicted to failure at an early age when the "illness" is preventable and the future cost of reversal and rehabilitation would be high and unnecessary. Too many juvenile delinquents and unemployed youth show the effect of home-school neglect of the most basic tools of learning.

4. We know more about learning and reading than we are willing to admit or to try. We are pragmatists rather than purists. Though we don't know all; we will not allow ourselves to be paralyzed by nagging doubts or fearful of what we still have to learn about the learning process. Research and evaluation are still necessary but in establishing priorities we must concentrate on what we do know and *act now*.

5. Voluntarism and volunteering have become the "in-thing." People of all ages and all backgrounds want to relate and seek to become involved. President Nixon has reaffirmed the importance of voluntarism to our national life. United Fund studies have shown that the trend is away from the check book and toward the text book. Volunteer programs exist on most college and university campuses; major conferences of lawyers, sociologists, doctors and other professionals are examining new aspects of voluntarism. Universities give courses, a few even give degrees in volunteer coordination and training. Today the Civil Service Commission gives credit for responsible voluntary service in evaluating employee eligibility for establishing Goverment Service grade levels and the Department of Defense considers voluntary activity when examining for promotion.

6. More and more educators and school systems have recognized the heretofore unused potential of the parent in early childhood learning. Parents in the past were warned to refrain from "teaching" their children. It was considered the prerogative of the professioal. Now we have come to accept the parent as an ally and in most situations it is recognized that the parent *is* the child's first teacher and in family situations can and should be encouraged to play a reinforcing and even a specific tutorial role. Early childhood Parent Assisted Learning and reading programmed projects have been evaluated using parents of all ethnic backgrounds and the positive results are astonishing. In addition, youth tutoring youth or peer tutoring has produced quite unexpected results. Certainly the tutee has received benefits, but, in addition, the tutor—often a potential drop out—has been turned around through his new role, through a sense of being needed and an opportunity to give genuine aid to another human being. Recent Headstart and Follow-thru studies also attest to the effectiveness of heretofore untried parents as teachers.

With these thoughts in mind, we have placed in your packet the first steps we believe are necessary to harness the private, the parental, or the voluntary power ready and willing to be tapped. We mention the voluntary agencies and special projects already in service; we mention also some of the Federal departments in addition to the U.S. Office of Education such as the Department of Defense and the Department of Labor which wish to assist the Reading Council as your plans proceed. We cite, pertinent existing federal legislation and guidelines which need to be expanded and strengthened if your efforts are to be successful. Yet if we are realistic these efforts and programs are only a meager beginning of the major task which you have set for yourselves.

Specifically we suggest 4 immediate objectives and possible steps you might take to achieve them:

1. Further mobilization of volunteers and non-profit agencies in the National Right to Read program. We propose to do this by establishing a permanent subcommittee of the National Reading Council of already involved national non-profit organizations which have a special and long time interest in reading or early childhood programs—thru regional committees, training institutes, and further expansion of school volunteer programs to include students parents, senior citizens, businessmen on released time and, the utilization of stipends permitted under Title I ESEA to reimburse those who could not otherwise volunteer without financial sacrifice.

2. Organization of state, regional and local reading programs. We suggest this be done through a tightly knit coordination of HEW regional offices, the regional laboratories, the educational resources information centers and the non-governmental, state, regional and local reading committees. The Regional reading committees would spread out through state councils along lines already in being in Washington, Florida, Michigan and New York. The State Committees in turn would concentrate on those cities having a high level of educational difficulties and which, in turn, with the cooperation of the School superintendents, have encouraged expanded development of local and highly trained volunteer personnel. We suggest an award system to be developed as soon as possible both for in-school and extramural volunteer programs.

3. The development of training plans and training materials which will assist the volunteer to develop his maximum effectiveness. We are aware that only a few well designed materials exist for the upgrading and, frankly, the satisfaction of the volunteer working in a one-to-one relationship with a student. The volunteer himself is demanding better training and more useful materials. We suggest ways and means of satisfying these valid demands.

4. A major continuous information and dissemination system to cover evaluated or innovative programs, a calendar of national regional and local meetings, conferences, institutes and training programs as well as multi-media materials, books and films. It would be impossible to overstate the need for the mechanical accumulation and dissemination of what is known and available. As we mention in our report, a small informal meeting on September 2nd of private and government representatives was unanimous in its desire for a retrieval system. In the space age to continue to use a quill when data processing is available is surely short sighted in the extreme. We recommend techniques and methods for sharing information from multiple sources through the varying levels of our complex society.

The financial resources to support the above initial efforts may not be unlimited but the will, the desire and the support needed to begin these first steps exists throughout the country. Both OVA and the National Center for Voluntary Action are available and willing to do all they can to assist the National Reading Council. We can see particular areas of cooperation which we have not included in our written presentation but which we believe are of special relevance. For example, we are deeply concerned with

the delivery of eye screening and follow-up services to children with correctable eye defects. We also have uncovered the distressing lack of school library facilities particularly in elementary schools and have been asked by some 40 state school librarians to assist in securing volunteers to serve in existing school facilities. Volunteer action centers in 30 cities should be in operation within a few months. We have already packaged what we hope is a model program in five cities using specially trained volunteers to work with children having learning difficulties.

Programs of this nature provide us and you with a mutuality of interests which we would be eager to explore and develop should you wish it. As the National Center for Voluntary Action and the Office of Voluntary Action make up a federal-private partnership (do please look at the simple description of our joint program in your kit) we can see numerous opportunities for joint action with the National Reading Council. We might be the convenor of national organizations to supplement your plans in a variety of fields as I have just mentioned or as an additional hand to develop models of government-private cooperation which are an integral part of your long haul.

We see the National Program for Voluntary Action and the National Reading Council with our similarly inclusive approach toward the solution and resolution of a national need ready to demonstrate an effective and cooperative partnership, whenever in your judgment you believe it wise.

NATIONAL READING COUNCIL—A NEW PARTNERSHIP TO HELP THOSE WHO NEED TO READ

15 million school children cannot read well enough to make full progress in school.

1 child out of 20 cannot advance to the next grade.

25 million job holders may be denied advancement by reading weakness.

8 million adults are functional illiterates.

"The basic ability to read is a right that should be denied to no one, and the pleasures found in books and libraries should be available to all. President Richard M. Nixon.

A NEW PARTNERSHIP

When we decided to put a man on the moon, we marshalled money, minds, and every scientific and industrial resource needed for success. And we succeeded. But most of us were not direct participants.

As we set off to cure America's reading disease during the 1970's, we require a quite different marshalling of resources. Reading achievement requires active participation by millions of Americans. The methods are less important than simple determination, widely held, to produce a better result.

We must begin by designing the goals themselves because, while our failures in reading are clear, there are no generally accepted standards of success.

As educators we have tended to measure our effort in terms of money, materials, facilities. Now we must set standards of student achievement in reading and judge ourselves by the accomplishment of our students. These accomplishments must meet standards which spell opportunity in the world of work.

Vast resources outside the teaching profession are available to help with this goal-setting and accomplishment. We must invite to a full new partnership parents, other volunteers, business and industry, public and private organizations.

More money may be required as this direct effort to produce reading skills intensifies. The first need, however, is to build a new structure which will permit resources already available to join in improving results.

SUB-LITERACY IN THE UNITED STATES

The literacy level in the United States is among the highest in the world.

Pride in this has led many Americans to be complacent about certain less congenial truths.

The dark side of U.S. literacy is that there are millions of Americans who read so poorly they rarely read at all. There are many millions more whose lack of reading skill means they are denied full opportunity in our society.

There are an estimated 3,000,000 adult illiterates in the U.S., completely unable to read or write.

Approximately 5,000,000 youthful job seekers are functional illiterates, unable to read or comprehend any work-related materials.

An estimated 8,300,000 Americans over the age of 25 have been classified as functional illiterates.

An estimated 25,000,000 job holders—one in three—have reading deficiencies which are serious enough to deny them advancement.

Even more disturbing, despite the long-standing effort of U.S. schools to overcome reading disabilities, more than 15,000,000 of our 51,500,000 students—three out of every ten—suffer from reading deficiencies which prevent their full progress as students.

Every 20th child has such severe reading problems that he cannot go on to the next grade.

An estimated 8,000,000 children suffer from reading disorders requiring special remedies.

Reading problems are encountered even at junior college and college levels. Officials at many junior colleges have reported that among entering students 30 to 50 percent require reading help before they can progress with their regular studies.

Reading failures occur in rural, suburban and city areas and affect every race and every income level.

SOCIAL AND ECONOMIC COSTS

The United States cannot afford either the economic or social costs of having a substantial sub-literate minority in our population.

Ability to read with skill and understanding is central to every citizen's chance to take full advantage of the opportunities which exist in our country.

American industry operates in an increasingly technical setting which demands a steadily rising level of skills on the part of its employees. Unless reading competence becomes a reality, millions of young Americans will enter the work force during the 1970's lacking sufficient reading skill to make the kind of contribution that is needed or to earn a satisfactory living.

Programs of business to improve reading skills of employees may cost billions of dollars in the 1970's. Such costs must be borne by customers and taxpayers as government helps in this treatment of the symptoms of our reading disease. Increasingly, our educational emphasis must be directed to curing the reading disease and eliminating the human and dollar penalties of treating symptoms.

Among the 700,000 youngsters who drop out of U.S. schools each year, the evidence is that all are two to three years behind their age group in reading skill. For many of these youngsters, reading inadequacy becomes the prelude to life at the low end of the economic scale, oscillating between despair and hostility.

The cost to tax payers of holding one out of 20 school children in the same grade has been estimated at $1,700,000,000 a year.

In America's urban ghettos and rural slums, our inability to achieve a reading breakthrough threatens to doom another generation of young Americans to second-class status because of sub-literacy.

Indeed, since our political system depends for its progress and survival on the discretion of an informed citizenry, the very processes of democracy itself are damaged by the fact that so many Americans lack basic reading tools.

MARSHAL ALL RESOURCES

Public recognition that reading deficiencies are a serious problem for American education is not new. Particular schools or school districts, employing a variety of teaching techniques, have produced reasonably dramatic improvements in the reading skills of limited groups of students. Reading methodology is not the principal problem. The evidence is clear that we can teach individual children to read. The central problem is that we must teach millions who are not taught adequately now.

What has been missing in making a national reading effort a reality is a partnership structure which will bring to bear the skills and resources of the educational community, the communications media, business, labor, government at the local, state, and federal levels, and the public at large.

A striking example of what a partnership approach can achieve is provided by the recent report of the Children's Television Workshop on the educational impact of its widely praised series, "Sesame Street." The program, supported by the Office of Education, the Carnegie Corporation, the Ford Foundation, the Markel Foundation and the Corporation for Public Broadcasting, is designed to improve the basic language, numerical and reasoning skills of pre-school children, particularly in low-income families.

Before-and-after tests reveal that following the first six weeks of programming, children who watched "Sesame Street" made gains in recognition of letters, numbers and geometric forms amounting to two or three times the improvement shown during the same period by a control group of non-viewers. While the evidence is preliminary, it suggests that effective use of television techniques adapted from the world of commercial advertising can make a significant contribution to pre-school education. Similar cooperative efforts between the public and private sectors are a principal goal of this program.

The best hope for breaking the cycle of sub-literacy during the decade of the 1970's lies in the preventive approach—teaching the young before deficiencies develop and grow more and more deep-seated. An out-of-school program for dropouts and adults, while important, is substantially more difficult to organize and less certain to achieve the desired results. Emphasis in a nationwide drive must therefore go first of all to reaching our children.

THE PARTNERSHIP STRUCTURE

To begin a massive new effort, in which the federal government intends to be partner rather than proprietor, President Nixon is appointing a National Reading Council, headed by a board of trustees drawn from many segments of our society.

The National Reading Council will advise the Office of Education on priorities in its reading programs. Members of the Council will also assume key roles in directing and operating a National Reading Center.

The National Reading Council will include representatives of the education profession, state and local governments, labor unions, business and industry, the communications media, the foundations, youth groups, volunteer groups, etc., as well as individuals whose experience in such fields as publishing, public relations, advertising, entertainment and the arts may contribute to the achievement of the program's objectives.

The operating arm of the National Reading Council will be the National Reading Center, which will be established with federal funds outside the official apparatus of the Office of Education. Its primary purpose will be to carry out the partnership approach, coordinating the efforts of contributing organizations, organizing the training

of citizen volunteers, developing public support, and helping the states to undertake similar programs.

After the National Reading Center has operated for enough time to evaluate its own performance, each of the 50 states may be invited to establish a comparable State Reading Center. The 10 regional offices of the Department of Health, Education, and Welfare will each have Reading Coordinators to work with the State educational leaders on behalf of the National Reading Center. These coordinators will be directly responsible to the National Reading Center.

National Reading Council: Board of Trustees, Honorary Chairman, Chairman, Associate Chairman, Executive Committee.

National Reading Center: Director—Staff.

Nine Major Functions:

1. Assist Office of Education in setting of reading priorities of resources and effort.
2. Coordinate efforts of educational organizations and associations.
3. Ombudsman for non-professional educational interest.
4. Clearinghouse for business and industrial reading training contributions.
5. Organize national media efforts to improve reading achievement. Publishers and other media.
6. Lead organization and development of citizen volunteer reading trainers.
7. Develop award and other incentive programs for reading accomplishment.
8. Operate a National information Program to create added public support and effort.
9. Set guidelines for State Reading Centers and assist states in their organization and functioning.
10. Regional reading coordinators: State reading centers.

OFFICE OF EDUCATION

Within the Office of Education, it is recommended that an *Office of Reading Progress* be established, consisting of three branches—the Professional Aid Section, the National Reading Laboratory, and the Office of Education Regional Offices.

The Professional Aid Section will be the center of assistance to the reading-teaching professional. It will evaluate the results of research and demonstration projects, gather available information about reading progress, and disseminate such information to anyone in a position to use it. In addition, this section will be the central coordinating agency of all federal projects related to reading, including those administered by agencies other than the Department of Health, Education and Welfare, and will coordinate all activities concerned with teacher training programs in reading.

The National Reading Laboratory will have responsibility for research. It will conduct, contract for or stimulate research projects, some of which may come from suggestions of the National Reading Council. It will work on development of methods for testing and measuring reading performance. It will also work with other public and private groups to mesh research efforts on the causes of reading impairment, on training techniques, and on the development and improvement of educational hardware and software.

Office of Education Regional Offices. The Office of Reading Progress will have representatives in each of the Office of Education's regional offices to work with professional educators. They will be counterparts of coordinators responsible to the National Reading Center.

Reordering Educational Priorities. If we are to make the desired progress, reading achievement must be assigned a top priority in American education at the federal, state and local level.

This new partnership structure will provide a mechanism both at the federal level and at state levels to enable distinguished non-educators to counsel with education professionals in setting reading priorities. It will also serve as a channel for groups and individuals prepared to assist in improving student accomplishment. Development of techniques to make such assistance effective will necessarily be among the earliest of the new partnership's tasks.

Among specific issues it will consider are these:

1. How best to incorporate into the overall program the efforts of private firms, institutions and individuals so as to derive maximum benefit from their innovative contributions to reading-learning achievement.
2. How to make effective use of the resources and capabilities of the communications media, including book publishers, magazines, newspapers, commercial and noncommercial television radio broadcasters and others.
3. How to assist the states to establish meaningful reading achievement standards supported by effective testing programs.
4. How to furnish assistance through the states to recognize and reward school administrators and teachers for achievements in teaching reading.
5. How to improve federal programs intended to assist teacher-training institutions to upgrade the skills of classroom teachers and of remedial reading specialists.
6. How to create particular focus on efforts in kindergarten through third grade where the reading-learning process is most critical.
7. How to enlist and train more young and adult volunteers to assist and supplement professional educators in teaching children to read.
8. How to assist the states in making widely available special materials which can be used effectively by parents and adult volunteers to help their own children and other children to improve their reading performance.
9. From state standards of reading achievement, and measurements of performance against those standards, the National Reading Council will make an annual report to the President and to the Congress on progress in realizing gains in reading achievement.

Anyone knowledgeable about current trends in American education will immediately recognize that this is a formidable and controversial agenda.

It would not be possible today, for example, to prepare a truly meaningful national report on reading achievement. Statewide standards of reading achievement are conspicuously absent in many states and there is no general effort to measure statewide reading performance, much less any agreement about testing techniques. There is a plethora of argument about teaching methodology, and competing approaches often exist side-by-side in the same school system. Yet the evidence is that no single methodology is best for every student and every teacher, and that skill in whatever method is selected, and commitment to accomplishment are more important.

Whatever the techniques, dramatic national improvement in reading achievement will require support of all groups in our society. It will necessitate systematic analysis of current efforts and the development of priorities for the allocation of available resources. Our approach emphasizes structure rather than program because only a new structure can provide the total resources needed finally for real reading achievement.

At the federal level, we must begin our national reading effort for the 1970's with the undramatic but necessary task of organzing our national resources in such a way that we can be of maximum usefulness to the states and the school systems. For it is there that most student achievement takes place.

In this decade, we must add to the magnificent accomplishments of our educational system, the curing of our reading disease. Let us organize ourselves so that every needed resource may be brought to the battle. This is the meaning of OUR NEW PARTNERSHIP.

CIVIL SERVICE RETIREES DESERVE GREATER INCOME CONSIDERATION

Mr. PROUTY. Mr. President, I have repeatedly reminded the Senate of the problems facing older Americans. I would like to take a few minutes today to speak about a very specific subject related to a tendency I have often noticed for many of us to think of older Americans as a single group all making up a statistic for the country as a whole.

We all know that there are nearly 22 million Americans age 65 or over. We often think that they all have the same problems, the same benefits, and the same needs. That simply is untrue.

Earlier this week, I testified before the Committee on Finance. Among other things, I urged the members of that committee to extend eligibility under the so-called Prouty amendment. Specifically, I asked that one be made eligible for the Prouty amendment if he becomes age 70 before 1972. Under the present law, one had to be age 72 on or before December 31, 1967, in order to be considered for eligibility under the Prouty amendment.

In numerical terms, adoption of my amendment would mean an additional 700,000 older Americans would be eligible for the benefits under the Prouty amendment.

It is interesting to know that since my amendment was adopted, in March of 1966, nearly 2 million older Americans have benefited.

More than 654,000 of those beneficiaries are still living, and as a group they receive nearly $25 million each month.

The individual benefit under my amendment has increased from its original $35 a month to its present $46 a month.

I hope that the monthly payment will be increased to at least $50 a month during this Congress.

When I submitted my amendment in 1965, I had done a considerable amount of research into the economic status of older Americans. I was shocked for a number of reasons which I will not go into now. I shall mention, however, the facts that I found to be most shocking.

As the country's largest employer, the Federal Government has a unique responsibility to its two and a half million civilian employees. These are the men and women who actually make this country work. They are the individuals who provide the services which insure the security and well-being of their 200 million other fellow Americans.

Their jobs reach into almost every aspects of our lives. The mail we send depends upon them. The safe quality of the meat we eat depends upon them. The safety of the cars we drive depends upon them.

I could go on and on, but let me simply say that our domestic wellbeing, our foreign policy, and our national defense depend almost exclusively on the good work of the Federal employee.

In 1965 I took a particularly close look at the type of retirement system we have provided for Federal employees and the amount of retirement benefits retired Federal employees were receiving. I was appalled. The Federal civil service retirement system did not provide adequate income replacement for its dedicated workers. I realize that we had amended the Civil Service Retirement Act in 1963 to provide an automatic cost-of-living benefit increase provision. But we had not made up for the past. We had failed to increase the basic civil service retirement benefits.

While the automatic cost of living provision may have eased our consciences, it did little to fill the empty pocketbooks of retired civil servants.

I recall when I was successfully arguing in 1966 for my amendment to provide a special benefit payment for those who had been missed under social security coverage a piece of evidence that did more to convince Senators that my amendment was good than any other piece of evidence I had used.

Let me read a memorandum that I read then:

MEMORANDUM ON FEDERAL RETIREMENT ANNUITIES

Of the more than 200,000 surviving widows and children of civil service retirees, 38 per cent receive less than $50 a month; 79 per cent receive less than $100 a month; 93 per cent receive less than $150 a month. Ninety-nine per cent of all surviving widows and children receive less than the so-called poverty level of $3,000 a year. Of the 170,000—some widows on the civil service retirement rolls as of June 30, 1965, the average age was 65.8, the average annuity a meager $80 per month.

The situation of surviving widows and children is not necessarily the most desperate. Look at the unfortunate figures relating to employee annuitants: 49,700 receive less than $50 a month; 126,100 receive less than $100; 214,300 receive less than $150 per month; 307,600 receive less than $200. Viewing the so-called poverty level as $250 per month, 377,500 civil service employee annuitants out of a grand total of 508,500 receive less than poverty-scale annuities.

Alarmingly enough, nearly 74 per cent of all civil service employee annuitants receive less than the magical poverty level.

I was alarmed by those statistics then, and I continue to be alarmed by similar statistics now.

As the country's largest single employer, the Federal Government should be providing retirement protection for its employees second to none. Instead it has a retirement system basically the same as Congress intended in 1921 when it enacted the civil service retirement system. Certainly it has been modified by subsequent Congresses, but basically it continues to be a staff retirement designed more for worker retention than for retirement protection.

For example, when survivor benefits under the civil service retirement system are compared to survivor benefits under social security the disparity is disgraceful. Did you know, Mr. President, that the surviving widow and one child of a deceased civil service employee earning $500 a month and with 5 years' Federal service would receive a $78 a month benefit while had her husband been under social security instead she would get $266 a month.

Did you realize, Mr. President, that for that widow of a civil service employee to get that $266 a month her deceased husband would have had to been employed for 40 years in the Federal Government. I could repeat example after example showing the complexity and inadequacy of the civil service retirement system, but my purpose today is not to overhaul or revamp that system.

Within the next couple of weeks, the Senate will be debating amendments to the Social Security Act. Let there be no doubt about it: social security must be improved. We must develop in this rich country an adequate income maintenance system for older Americans. However, when that debate takes place, let us remember that not all older Americans are covered under the social security system. Most important, let us not forget more than 800,000 beneficiaries of the Federal civil service retirement system.

I realize that we have made progress in improving Federal civil service retirement benefits. We have increased the benefits and have liberalized the formula by which benefits are computed. But, quite frankly, we have not done enough.

The Federal Government should be setting the example for all other employers in this country. It is not. In the newspapers within the last couple of days we have read that the auto workers are unhappy with a retirement plan proposal which would grant them $500 a month after 30 years of service. The Federal civil service retirement system does not even match the pension available to the United Auto Workers. But even more significant is the fact that the United Auto Workers are able to receive social security benefits in addition to their private pension benefits. I am hopeful that Congress will move in the near future to provide the retired Federal civil servant with a retirement system second to none.

JUSTICE DEPARTMENT OPPOSES SPECIAL INTEREST RIDER IN ONE-BANK HOLDING COMPANY BILL

Mr. PROXMIRE. Mr. President, last week the Senate passed a bill which ostensibly regulates one-bank holding companies, although an amendment added in committee would exempt 82 percent of one bank holding companies from Federal regulation. The companies exempted include some of the Nation's largest conglomerates such as Gulf & Western, Tennaco, Minnesota Mining & Manufacturing, and Sperry & Hutchinson, otherwise known as the S&H Green Stamp Co.

On September 17, 1970, Mr. Donald Baker, Deputy Director of Policy Planning, Antitrust Division, Department of Justice, delivered a speech at the Federal Bar Association Convention in Washington. In the speech, the Justice Department official blasted the so-called conglomerate amendment which the Senate unfortunately voted to retain by a narrow vote of 37 to 34. Mr. Baker states that:

We in the Justice Department have strongly opposed this special interest rider, which is inconsistent with the whole thrust of the 1970 legislation; and we shall continue to urge the House-Senate Conference to eliminate it.

Mr. President, it is encouraging that the administration has taken a strong position on the one bank holding company bill. We need to enact legislation free of special interest exemptions and I am hopeful that the House-Senate conference committee can reach an adequate solution.

Mr. President, I ask unanimous consent that the text of Mr. Baker's remarks before the Federal Bar Association convention be printed in the RECORD.

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

BANKING AND BIGNESS—AND THE SEARCH FOR A BETTER TOMORROW

(Remarks by Donald I. Baker, Deputy Director of Policy Planning Antitrust Division Department of Justice)

In Washington—this great mecca of reporters, lobbyists, and pundits—it sometimes seems more important to be topical than to be absolutely right. Anyway, with this excuse, I am going to be topical. Today I am going to talk about bank holding company legislation.

It now seems clear that such legislation will be enacted this year; and that it is directly relevant to today's discussion of economic concentration. Of course, we cannot tell exactly what final form the legislation will take, but the House and Senate versions are close enough in various fundamental respects for us to proceed on some reasonably confident assumptions on fundamental points.

In the first place, the 1970 legislation will deal squarely with what can be called the Zaibatsu problem—the danger that a few huge industrial-financial enterprises might come to dominate our economy. Both House and Senate would henceforth bar holding companies from controlling both banks and non-financial enterprises. This is a sound decision: no significant economic gains are seen from allowing banks to become major elements in general commerce and industry; and such a development involves economic and political risks which are not worth running even if they were remote. In saying this, I recognize that it is fashionable among various economists to scoff at the Zaibatsu risk—perhaps because the problem is only partially an economic one in an immediate sense. It has social and political implications as well. Anyone who saw the success of a few of the nation's largest banks in promptly getting special legislation[1] to reverse an adverse antitrust decision would think twice before allowing such a bank to combine with, say, General Motors, Lockheed, or CBS, *even assuming there were no direct or immediate economic effect involved.* Those with political power often have it within their capacity to secure exemption for competition on the basis of justifications which few economists can subscribe to.[2] That simply is the fact of life in Washington (and in the state capitals around the country). It should not be ignored.

Unfortunately, the Senate has just illustrated this point again by passing the so-called "Williams Amendment"[3] to the pending bank holding company legislation—an amendment which would permit a group of individual conglomerates to keep control of banks they now hold.[4] We in the Justice

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Footnotes at end of article.

Department have strongly opposed this special interest rider,[5] which is inconsistent with the whole thrust of the 1970 legislation; and we shall continue to urge the House-Senate conference to eliminate it.

While the industrial-financial Zaibatsu is out, banks are going to be given greater flexibility to enter other financial areas via the holding company route. This again is a sound decision—since real economic gains may be realized in this area. The traditional boundaries in finance may well have become less meaningful in this age of the computer; banks and bank holding companies may be sources of new competition and new innovation in a variety of other financial markets. It is for this reason that the Administration has been actively supporting legislation to permit bank holding company expansion into other financially related fields, subject to adequate regulatory supervision.

Such a course does involve some competitive risks, which I shall discuss in greater detail. We recognize these risks, but we believe that they can largely be dealt with by the types of regulatory action which I shall discuss. We think that such a pragmatic approach is altogether preferable to what the House did last November in creating the celebrated "laundry list" of activities prohibited to banks and bank holding companies. This "laundry list" prohibits banks and bank affiliates from:

(1) engaging in the securities business (including mutual funds);

(2) engaging in insurance (other than credit life insurance) as principal or agent;

(3) operating a travel agency;

(4) providing auditing or other accounting services;

(5) providing data processing services—other than (a) payroll services or (b) leasing of computer capacity;

(6) leasing of property (except where such lease in effect constitutes a sale).

This detailed list represents *the most inflexible way* of dealing with a legitimate concern about the risk of creating giant financial combines, made up of very large banks, insurance companies, and mutual funds. In so doing, it ignores both antitrust remedies and the opportunity for more selective regulatory action by the Federal Reserve Board. The reason for this is clear. The "laundry list" does not represent a careful Congressional weighing of the economic advantages and disadvantages of bank entry into particular financial fields—rather, it represents a barometer of political clout among those who fear new competition from banks. The Administration strongly opposes this inflexible and unwise provision; and we shall urge the Senate conferees to press for its elimination (perhaps they might give up the "Williams Amendment" in exchange!)

Assuming that the "laundry list" is eliminated, the main responsibility for enforcing this legislation is going to fall heavily on the Federal Reserve Board (which is, happily, one of the most capable regulatory agencies in town). The Board will have to determine what financial activities banks will be able to enter and what particular entry transactions are to be permitted. This being so, I am going to take this opportunity to offer a little free advice, from the antitrust perspective, on how the legislation should be enforced.

The statute is likely to give the Board authority to authorize banks' entry into an activity of a financial or fiduciary nature provided that the Board finds that (i) the activity is "functionally related to banking;" and (ii) it "can reasonably be expected to produce benefits to the public, such as greater convenience, increased competition or gains in efficiency that outweigh possible adverse effects such as undue concentration of resources, decreased or unfair competition, conflicts of interests, or unsound banking practices."[6] This should give the Board substantial latitude to exercise its experienced judgment in weighing the competitive and other benefits and detriments.

In administering such a standard, the Board will be faced at the outset with some traditional public policies in this field. We have a long-standing policy of separating banks from other areas of activity. This policy rests on a number of considerations, including a desire to insure bank solvency and a populist fear about the power of these unique money institutions and the danger of economic concentration. A second general policy is that banks be tightly regulated to insure their solvency. This heavily reflects the bleak days of the early 1930's. Under this policy, entry is controlled, branching and other expansion is limited, and detailed business practices are supervised.

The Board may well have to rethink aspects of these policies as it enforces the 1970 Act. Bank solvency is still a basic consideration—because a bank failure is a community disaster—but it is not the only consideration. The American public should have the benefit of innovation and efficiency in banking, and competition is, I submit, the surest source of these traditional economic virtues. Bank regulatory restrictions on entry and on competition, born under the shadow of the Blue Eagle, are not necessarily the answer to today's needs. I would point out in this connection, that most recent bank failures have not been associated in any way with competitive pressures—but have been the product of insider dishonesty, fund brokering, and the like. Bank regulation should be directed more to those problems and less to maintaining restrictions on entry or the encouragement of anticompetitive mergers. In sum, there is, without doubt, a good case for abandoning some of the traditional fetters on banks. Banks are, as Professor Wallich says, overly regulated and overly protected against new entry into their own field of activity.[7] They (and their affiliates) should be given greater flexibility as to the financial areas which they are permitted to enter. Banking is not a static form of activity; modern bankers can and do offer a variety of specialized services which would have been entirely unknown to their predecessors of a few generations ago. This type of innovation should be encouraged. And it should provide the basis for bank entry into other financial markets where, for example, competition may be weak, or old-fashioned ways still dominate.

The Federal Reserve Board is also going to have to wrestle with real competitive dangers associated with bank entry into other markets. The basic danger is that of monopoly power, particularly in local markets. It is well recognized that banks tend to enjoy a significant degree of at least local economic power. This rests on a number of considerations. Banks are protected by regulation from both free entry and full competition. Also, banks enjoy power vis-a-vis borrowers because the borrowing relationship tends to be a continuing one, with little effective opportunity for "shopping around" for most borrowers, and such a relationship requires considerable disclosure of confidential internal business information necessary for credit evaluation. In times of tight money, banks "ration" a scarce and essential commodity to "good" customers.[8] When banks "ration" credit, rather than raising the price to the point that supply and demand meet, the process produces unexercised monopoly power—power which must be abandoned or used through transfer into some other market. This combination is a source of real economic power. Such power is probably more pronounced in small markets where competitive alternatives are fewer and oligopoly conduct is the rule.[9] Given this situation of local market power, bank expansion into other activities in the same geographic area produces some real dangers. Needless, to say, the threat of having one's credit withdrawn may be a powerful discipline for both competitor and customer in the non-bank field.

These competitive risks can take a variety of different forms. Overt tying and reciprocity are possible. So is outright favoritism of bank affiliates—for example, on credit. By and large, these can be dealt with by legal remedies against the specific conduct.

More serious are what one might regard as *structural* dangers, dangers which inevitably result from the bank's market power vis-a-vis the borrower. No coercion is involved. Rather, the borrower, recognizing the bank's discretion and economic power, is tempted *voluntarily* to patronize bank-affiliated enterprises in the hope of improving his chances to obtain credit from the bank or to obtain it on favorable terms. In antitrust parlance, this is now called "tying effect"—to emphasize that the economic effect is just as serious as with overt tying.

The tying effect problem can be easily illustrated. Thus, for example, without any coercion, a loan applicant might offer to place his casualty insurance business with a bank-affiliated insurer, hoping that this would improve his chance of the bank granting him a mortgage loan on the insured premises. The banker, sitting solemnly across the table, has done nothing wrong; he is the silent beneficiary of a tight money market in which credit is being rationed. And yet the borrower's action has the same effect as a tie-in: competition in the tied product (i.e., insurance) is affected to the extent that customers no longer purchase it entirely on its economic merit. The problem becomes progressively more serious as a pattern of such bank-insurance affiliations develops, thereby increasing the potential degree of foreclosure in the tied field.

This problem is intensified because legal tools are inadequate to deal directly with such voluntary tie-ins. Coercive tie-ins can be reached by direct legal prohibitions and sanctions, but what *conduct* is there to prohibit with the voluntary tie-in? Do we prohibit the loan applicant from *thinking* that his self-interest may be served by patronizing the bank's insurance affiliate? Do we prohibit the banker from sitting there solemnly? Clearly not—unless we wish to turn the marketplace into a Mad Hatters' Teaparty.

Instead, what we must do is prevent the creation of market structures in which such voluntary tie-ins seem likely to flourish. In particular, leading banks and leading sellers of related products *in the same market* should be prevented from combining. The Board will have to deal with this problem.

Tying effect and tying may be the most serious competitive problems—but are not the only ones involved. Let me mention a few others.

Elimination of Direct Competition. Bank holding company acquisitions in other financial markets may involve elimination of direct competition where the bank and the non-bank institution provide the same product in the same geographical area. Thus, for example, an acquisition by a leading bank of a leading savings and loan institution in the same community is likely to involve elimination of direct competition for residential mortgage loans and various forms of time and savings deposits in that community. Another example may be bank acquisitions of consumer finance loan companies (as the Government alleged in its recent *Wachovia Corporation*[10] case). Analysis

Footnotes at end of article.

of such transactions will require regulatory use of specialized financial sub-markets; in its recent *Phillipsburg* decision, the Supreme Court noted that this approach ". . . would be clearly relevant . . . in analyzing the effect on competition of a merger between a commercial bank and another type of financial institution." [11]

Reciprocity. Bank expansion no doubt involves expanded opportunities for reciprocity—a practice that the Department of Justice is vigorously attacking under the Sherman Act.[12] We know that a considerable amount of reciprocity already exists in financial industries. One example will suffice. It has long been customary, as the SEC's 1963 *Special Study* recognized,[13] for banks to allocate securities brokerage service on the basis of deposits maintained by the broker at the bank. This is plain old-fashioned reciprocity. We have recently warned the banking community through the American Bankers Association that we regard such reciprocity as illegal; and that, if it continues in the future, we will bring suit for injunctive relief to deal with the problem. Needless to say, the opportunities for reciprocity expand with diversification: the example I have just mentioned arises from combining deposit and fiduciary functions in the same institution. As banks expand into new areas, even greater opportunities will arise. These risks are clearly something the Board will have to deal with.

Voting Control. A third problem is presented by the role of bank trust departments, a topic of lively concern these days. The Justice Department's *Cleveland Trust* case is aimed at the trust departments' exercising effective voting control over major competitors in the same industry (it is also concerned with director interlocks resulting from trust department shareholdings).[14] I note in this connection that the FCC has proposed a rule that would limit the ability of bank trust departments to control stock in competing local broadcasting stations in the same market [15]—which shows that others are concerned about the same problem. Obviously the situation becomes even more complex when one contemplates bank holding company expansion into new financial markets; if the bank enters, say, data processing, and at the same time its trust department controls an influential block of shares in its principal local data processing competitor, the community is likely to suffer some loss of actual and potential competition. Clearly the Board must be concerned about this problem.

Director Interlocks. A fourth related problem is that of director interlocks—already covered to some extent, albeit obscurely, by Section 8 of the Clayton Act. (This is a provision, incidentally, which both the Board and the Department of Justice are charged with enforcing). We know that there are quite a lot of director interlocks between banks and other financial institutions. This alone raises some problems, but clearly these will become considerably worse as banks move into new areas of financial activity and the traditional barriers between banks and other financial institutions are lowered. The Board will clearly have to take a hard look at the interlock problem in administering its responsibilities under the new Act.

Let me now turn from this general discussion of competitive problems to some more specific suggestion as to how the Board might deal with them.

1. In exercising its general responsibility to authorize bank entry into particular financial fields, the Board should give primary weight to its judgment on the economic performance of the industry involved. The level of efficiency and competition in that industry are particularly important. Bank entry involves some competitive risks, but where the industry involved is inefficient and non-competitive to any marked degree, then the case for running those competitive risks is fairly strong. This is particularly true where banks or bank affiliates can be expected—or perhaps required—to offer an innovative approach to the problems of that industry. For example, bank entry into a financial field generally characterized by high-cost selling methods would be particularly useful if it could be expected to offer low sales cost alternatives. Thus, it might be appropriate for the Board to authorize bank entry into "no load" mutual funds but not into front-end load funds. Another example is life insurance: in such states as New York and Massachusetts savings banks have been authorized to offer what amounts to "no load" life insurance. This is a useful competitive alternative to traditional high-cost insurance selling methods. And the Board should consider allowing bank entry here, even if it were to keep banks out of the general life insurance business. (This discussion of mutual funds and insurance naturally assumes that these items will be dropped from the House-passed "laundry list" of prohibited activities).

2. Bank holding company expansion should be preferred, or at least simplified, in geographic areas where its banks do not operate. This is the surest way to avoid any elimination of direct competition and the risks of tying previously discussed. As I have already indicated, the risk of *voluntary tying* (or "tying effect") is particularly significant here; it is a structural phenomenon, based on customer recognition of the bank's market power rather than on overt coercion by the bank. It is particularly serious where the bank and non-bank enterprise are significant sellers of related products to the *same* customers; since most banking is a local service business, this is most likely to occur where the bank and the other business operate in the same geographic market and hence face the same potential customers. This has important practical implications for the Board. It suggests that normally the Board should insist on careful case-by-case scrutiny of proposed bank entry in related financial fields through acquisition of another enterprise serving the same geographic market; and such inquiry might sometimes be necessary for *de novo* entry in the same geographic market where the risk of tying or tying effect is significant. On the other hand, the Board might develop general guidelines which would allow for more or less automatic approval for bank entry into appropriate fields, where the entry is to take place in an entirely different geographic market. Such "automatic" approvals might have to be conditioned on the acquired enterprise not expanding into the bank's geographic area without subsequent Board approval. This approach (which might have to be qualified for the very largest banks) would tend to channel expansion into areas where the bank holding company could use its skill, capital, and know-how, but not its market power, as a competitive tool.

3. When dealing with particular acquisitions, the Board—which already bears responsibility for Clayton Act enforcement—should look generally to the principles that it and the courts have been developed under Clayton Act § 7 (and under the similar standard of the Bank Merger and Bank Holding Company Acts of 1966). The Board should not permit a bank holding company to acquire a significant competitor in the same field. For example, a bank heavily engaged in consumer lending should not be permitted to buy a significant finance company in the same geographic market. Moreover, the Board should recognize here (as it has already done in banking) that it is important to preserve sources of potential competition into concentrated financial markets.[16]

4. A bank's trust department holdings should be considered when the Board is faced with the question of whether to authorize a particular holding company transaction. This seems to me to have two aspects. First, the Board should not authorize a bank to enter a field where its trust department has the right to vote a significant proportion of the stock of any competitor in the particular product and geographic market involved. Moreover, the Board order approving any such expansion should specifically prohibit future trust department holdings of competitors in the affected field. Secondly, when a bank holding company seeks to expand into mutual funds or insurance (assuming these prohibitions are struck from the negative "laundry list" in the House-passed bill), the Board should probably consider whether this is likely to augment extensive voting power already held by the bank's trust department. In such circumstances, it might be necessary to think in terms of the over-all voting power of the combined bank-mutual fund-insurance enterprise. For this reason, the Board might—and I stress might—wish to prohibit the banks with the very largest trust departments from entry into mutual funds or insurance. Alternatively, the Board might consider imposing an over-all limitation on the combined holdings *in a single company* of the trust department, mutual fund, and insurance company; for instance, the Board might require that combined holdings not exceed 5% of the voting stock of any company (a limitation already generally used in connection with open-end investment companies under the Investment Company Act of 1940).

5. The Board should not permit a bank holding company to enter a field where there are substantial director or management interlocks between the bank and any other significant competitor in that field. This result may well be required by Clayton Act Section 8—and certainly is in accordance with the policy behind that section. Unfortunately, Section 8 is, as I have already noted, a rather obscurely drafted provision; and the Board may want to avoid some difficult questions of interpretation by conditioning Bank Holding Company Act approvals on continued compliance with its own (hopefully) clearer rules.

6. The Board should resist the inevitable pressures for "small bank" or "small market" exemptions from general prohibitions. A small bank in a small market may be closer to the Jeffersonian ideal, but vis-a-vis its borrowers it tends to have the same kind of economic power that I have already discussed. Indeed, such power is probably more pronounced in small markets where the competitive alternatives are necessarily fewer and where oligopoly conduct—if not outright collusion—is a way of life. We cannot allow our concern about large banks in major money market centers to obscure real competitive problems that can and will occur if bank expansion is not appropriately regulated in small markets as well. This incidentally is the clear and cogent message of the Supreme Court's *Phillipsburg* decision: Competition is as important on Main Street as on Wall Street.[17]

To conclude, there is a nice expression among practicing lawyers: "free legal advice is worth what you pay for it." No doubt, free non-legal advice is worth even less.

FOOTNOTES

[1] On March 10, 1965, the District Court ruled that the consummated merger of Manufacturers Trust Company and Hanover Bank violated Sherman Act § 1 and Clayton Act § 7. *United States* v. *Manufacturers Hanover Trust Company*, 240 F. Supp. 867

(S.D.N.Y. 1965). No appeal was taken. However, 26 days later (on April 5, 1965), Chairman Robertson of the Senate Banking and Currency Committee introduced the bill (S. 1698) to (1) exempt bank mergers from the anitrust laws and (2) give retroactive forgiveness to the *Manufacturers Hanover* merger and four other consummated bank mergers still under prosecution by the Justice Department. This came almost two years after the Supreme Court's *Philadelphia National Bank* decision (June 17, 1963) and almost a year after its *Lexington* decision (April 6, 1964). Senator Robertson's bill progressed rapidly in the Senate: on June 8, 1965 it was reported out of the Senate Banking and Currency Committee, after only three days of hearings, and it passed the Senate three days later on a voice vote. In the House of Representatives, a major battle developed and S. 1698 was substantially amended. This led to compromise contained in the Bank Merger Act of 1966, 80 Stat. 7, 12 U.S.C. 1828(c), enacted February 21, 1966. This legislation included (1) the antitrust special procedure and a special "convenience and needs" defense applicable to bank merger cases; (2) a bar against future antitrust challenges (except under Sherman Act § 2) to prior unchallenged bank mergers; and (3) special forgiveness provisions retrospectively validating the *Manufacturers Hanover* merger and the two other consummated pre-*Philadelphia* mergers then in litigation—namely, *Lexington* and *U.S.* v. *Continental Illinois Bank and Trust Company of Chicago*. However, no such forgiveness was provided for the three other consummated post-*Philadelphia* mergers then pending in California, Tennessee, and Missouri. Three days after the passage of the 1966 legislation, Manufacturers Hanover sent a letter to its stockholders suggesting that they let Senator Robertson know they "appreciated his attitude and efforts." *The New York Times*, June 17, 1966, p. 27 (quoting from letter dated February 24, 1966).

[2] Various forms of outright statutory exemption from the antitrust laws cover agriculture, labor, transportation, insurance, professional football, and newspapers. In addition, other industries are subject to statutory schemes of regulation which may allow "regulatory" considerations to override antitrust law in particular circumstances; included in this group are commercial banking, securities exchanges, broadcasting, common carrier communications, pipelines, and others. See generally Volume 33 of *A.B.A. Antitrust Law Journal* (1967).

[3] The "Williams Amendment" (Section 103(7) of the Senate Committee Print) provides two kinds of exemptions. The first exempts commercial corporations' ownership of banks with a *net worth* of not more than $3m. The second is for diversified conglomerates: it exempts such corporate control of a bank with up to $50m. in net worth provided that that bank's net worth is not more than 25% of the net worth of the holding company. A bank's total deposits tend to run about ten times its net worth. This provision is in addition to a "grandfather" clause (Section 103(b)) which would exempt holdings as of March 24, 1969; many of the smaller one-bank holding companies covered by the $3m. limitation in the Williams Amendment would also be covered by the grandfather provision.

[4] See *National Journal*, July 18, 1970.

[5] See letter from Richard W. McLaren to Senator Proxmire dated June 30, 1970, reprinted in Senate Banking Committee Report on H.R. 6778 (August 10, 1970) at pp. 40–41.

[6] This language is contained in both the House passed bill and the bill reported by the Senate Banking Committee.

[7] Henry C. Wallich, "Banks Need More Freedom to Compete," *Fortune*, March 1970, p. 14. But see a critical industry response to allowing more outside competition to banks: "An Alternative that Could be Worse," *American Banker*, March 4, 1970, p. 4.

[8] Credit rationing occurs because banks do not generally charge the full monopoly price on credit in times of tight money. Such "profit maximizing" conduct is restrained by a variety of factors—including usury laws, the intense political and public resentment against high interest rates in this country, and the habits bred in continuing customer relationships.

[9] As, for example, suggested by Paul M. Horvitz and Bernard Shull, "Branch Banking, Independent Banks, and Geographic Price Discrimination," 14 *Antitrust Bulletin*, 827–844 (1970).

[10] *United States* v. *Wachovia Corporation, et al.* Civ. 2656 (W.D.N.C.) filed April 24, 1970, preliminary injunction denied, 1970 CCH Trades Cases ¶ 73,213.

[11] *United States* v. *Phillipsburg National Bank and Trust Company*, 1970 CCH Trade Cases ¶ 73,245 (1970).

[12] *See e.g., United States* v. *United States Steel Corp.*, Civ. No. 69–729 (W.D. Pa., filed June 13, 1969), consent judgment, 1969 CCH Trade Cases ¶ 72,826; *United States* v. *Inland Steel Co.*, Civ. No. 70 C 1305 (N.D. Ill., filed June 1, 1970), consent judgment, 1970 CCH Trade Cases ¶ 73,197; *United States* v. *Republic Steel Corp.*, Civ. No. C 70–609 (N.D. Ohio, filed June 29, 1970), consent judgment filed (1970 Trade Cases ¶ 73,246). The Department has also attacked mergers possessing high potential for reciprocity. *See, e.g., United States* v. *International Telephone and Telegraph Corp.*, Civ. No. 13319, 13320 (D. Conn., filed August 1, 1969) (two cases), motion for preliminary injunction denied, 1969 Trade Cases ¶ 72,943.

[13] *Report of the Special Study of Securities Markets of the Securities and Exchange Commission*, Part 2, pp. 859–861 (1963).

[14] *United States* v. *Cleveland Trust Co.*, Civ. No. C–701–301 (1970).

[15] *Notice of Proposed Rulemaking*, FCC Dkt. 18751 (November 9, 1969).

[16] *Se, e.g., BT New York Corp.*, 53 Fed. Res. Bull. 769 (1967), rehearing denied, 54 Fed. Res. Bull. 225 (1968).

[17] "Moreover, if commercial banking were rejected as the line of commerce for banks with the same or similar ratios of business as those of the appellee banks, the effect would likely be to deny customers of small banks—and thus residents of many small towns—the antitrust protection to which they are no less entitled than customers of large city banks. *Indeed, the need for that protection may be greater in the small town since, as we have already stated, commercial banks offering full service banking in one institution may be peculiarly significant to the economy of communities whose population is too small to support a large array of differentiated savings and credit businesses.*" 1970 CCH TRADE CASES ¶73,245 at pp. 88, 951–88, 952 (emphasis added).

FLORISTS' TRANSWORLD DELIVERY ASSOCIATION GOLDEN ROSE AWARD TO SENATOR HOLLAND

Mrs. SMITH of Maine. Mr. President, in 1960 the FTD Golden Rose Award was created by Florists' Transworld Delivery Association to honor persons in public life for significant contributions to the use of flowers and plants in our daily life and to the advancement of floriculture in the United States.

I recall with great pleasure the ceremony, held here in the Capitol, when I was honored with the first Golden Rose Award. The very kind remarks of my congressional colleagues on that occasion are a cherished part of the tribute paid to me by FTD florists.

In 1968, the late Senator Everett McKinley Dirksen, of Illinois, whose love of flowers and plants is so well known, was a recipient of the FTD Golden Rose. Other notables in the public life of the Nation who have been honored, on a selective basis, include the officers of the famed Tournament of Roses.

On August 17 of this year, this award was presented to Senator SPESSARD LINDSEY HOLLAND, of Florida, at the organization's annual meeting in Toronto, Canada. Sharing this occasion with our distinguished colleague was his lovely wife, Mary, whom all of us admire so much. In announcing plans for the award to Senator HOLLAND, FTD executive vice president, John L. Bodette stated:

> The unanimous choice of the Board was based on Senator Holland's outstanding leadership in helping to provide research and information services to the floriculture industry through the U.S. Department of Agriculture, and the significant role he played in making the importance of floriculture as an agricultural industry better understood throughout the Congress and in state legislatures.

Senator HOLLAND, who is highly respected by all of us, will conclude a distinguished career at the close of this Congress. He will be missed for many reasons, especially for his humanity and deep feeling for all of those he has served. I am happy that FTD has honored him with the Golden Rose Award, and I congratulate Senator HOLLAND.

Mr. President, I believe the remarks of his lifelong friend, Mr. James Donn, chairman of the board of Gulfstream Park, Miami, and Exotic Gardens, Inc., and those of Mr. William D. Tallevast, president of FTD, at the presentation in Toronto are outstanding tributes to SPESSARD HOLLAND, I ask unanimous consent that they be printed in the RECORD.

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

SENATOR HOLLAND—FTD GOLDEN ROSE AWARD: PRESENTATION BY MR. JAMES DONN

Mr. President, Officers, Members, distinguished guests, ladies and gentlemen. It is my privilege to present to the Annual Member's Meeting of Florists' Transworld Delivery Association the senior United States Senator from Florida, Spessard L. Holland. It is an honor I have long sought.

Friends, Spessard is an individual who usually rises to the top. In college he was one of the highest ranking students in the University. Spessard became United States Senator after serving as Governor of Florida and before that state senator, always reaching the top. In the parlance of horse racing he is the winner of the Triple Crown.

No one ever received wages that were not their due while employed by Spessard Holland. He remains the individualist in the United States Senate—free enterprise is his dogma, none other. When it comes to taking care of his friends, I'm going to relate a little incident that transpired between him and me in the year 1941, when he was Governor. I was in Tallahassee representing horse racing when I got word that the "big man" wanted to see me. So, I proceeded over to the mansion and met Spessard. He said, "Jimmy, I am in awful trouble." I said, "What's the matter?" He said, "Well, it's that welfare program you promoted way back in 1935, and that I helped you put through the legislature.

Now, you've got to help me." I said, "Spessard, how can I help you?" "Well," he said, "I've got to raise some more money for these old folks for whom you started that program. Can horse racing stand a raise in the state's 'take'?" I said. "How much? After all you are getting 3% now." "Well," he said, "how about 8%?" So folks, I'm still his friend and that action by Spessard Holland is costing me a lot of money today. But this is typical of Spessard Holland. He never gives way—his friends must toe the line when it becomes necessary for any program that he has in mind. I say without doubt in my mind that he was the best governor the State of Florida ever had. This is my opinion and I think the opinion of many.

You know this man is the greatest "crime buster" that Florida ever had. Way back in '41 we had the emissaries from the scarface of Chicago and people in New York. They owned a racetrack. These gentlemen are difficult to stop and take rather drastic remedies to put any nuisance to them out of the way. But this didn't faze Spessard Holland a bit. The same qualities that won him the Distinguished Service Cross in France gave him the courage to stop these rascals, and Florida's racing has been clean ever since.

As you know, behind any great man there is always a noble woman. And he has a noble woman, Mary Holland. I remember visiting them in the mansion in '41 when she was the First Lady. There were flowers in every room. We went over to the Senate and the House. It looked like a flower show. Flowers were everywhere. You had to peep around the flowers to see the Senator that you were looking for. I was struck by how Mary went about arranging the flowers, and her love of flowers. When I went back home that summer, I found an orchid there that I had imported from England. It was a special collection that I brought to the U.S. for safekeeping during the battle of Britain. And so, one of the first "refugee" orchids was named "Mary Holland" after a beautiful lady in the governor's mansion. Mary, stand up and show the audience this beautiful orchid. (Applause).

Friends, I now turn to our President, William D. Tallevast of Florence, S.C., who will introduce Senator Holland.

INTRODUCTORY REMARKS BY WILLIAM D. TALLEVAST, PRESIDENT, FLORISTS' TRANSWORLD DELIVERY ASSOCIATION

Ladies and Gentlemen: In the comparatively brief time that I have known Senator Spessard Lindsey Holland, I have concluded that he *does* need some introduction. He needs it because he is so intent on performing a workmanlike job with quiet dignity that he is likely not to tell anyone about it!

You have heard some of the stories of his early days from our good friend and colleague, Jimmy Donn—enough to establish the fact firmly that Senator Holland has spent more than 40 years of public service caring about the problems of people as individuals and as small businessmen. He has sought to help them by supporting legislation that would truly solve their economic problems, and help them survive in the increasingly tough and competitive marketplace that businessmen like ourselves face today.

These are serious times for all of us, and Senator Holland has characteristically preferred the serious and solid approach to them. Let me briefly explain how that attitude has affected us.

About eight years ago, FTD leaders determined that a more effective effort must be made to obtain the basic research and information services needed by the little-known industry of commercial floriculture. Those in the industry enlisted to help are well known to all of you. They include Ralph Bachman, Fred Flipse, Don Rosacker, and all the FTD presidents who have held office since that time. This effort, to which John Bodette, Truman Fossum, and many others have given much of their talents and energies, was founded on the premise that we would seek of Congress only those kinds of appropriations for research and information services that we, as FTD and industry, could not provide for ourselves.

When we approached the problem by telling the "economic story" of our business, we found that all members of Congress to whom we talked were interested. When they began to understand that we are a $1.8 billion industry at retail, handling an agricultural crop with a farm value of more than $500 million, and that we represent 50,000 small business enterprises providing employment to some 200,000 persons, we found we had an attentive audience.

Much of what happened is history. Because we marshalled the facts to support our case in Congress and in the U.S. Departments of Agriculture and Commerce, our industry can point to the development of a badly needed market news service for ornamental crops; improved and expanded crop estimating and reporting services, a series of important studies strengthening the economic and marketing research available to us; major advances in transportation and packaging research for our products; and increased funding of biological research at leading USDA agricultural experiment stations. Because of these steps, we are—after these many years—on the threshold of developing a system of grade standardization and inspection for our key crops.

A kind of cooperative attitude has grown up during the decade of the sixties between our industry, the USDA, and key Congressional committees. It was fostered by FTD, on behalf of the industry, through a series of grants to USDA in which we tried to show Congress that we were willing to invest "seed money" in the basic research and information service programs so vitally needed by the industry. In short, we were ready to invest in our own future. At all times this cooperation has been based on mutual respect and a completely honest statement of the facts to our partners in progress.

One more element was needed for the success of this effort. It is the understanding of the men who make the real decisions—our Congressmen. Among members of Congress, Spessard L. Holland has been a giant and a tower of strength. It was he, more than anyone, who saw to it that the economic importance of commercial floriculture became a matter of public record, who led the drive in Congress to ensure that floriculture receives the same basic services available to all other important crops, and who, most of all, helped tell the story of you, the small businessman, to his colleagues.

Senator Holland, we know that you would be content to provide this kind of leadership and real service, and then quietly retire from Congress this year without making it known. We cannot allow that to happen. The basic research activities and information services for commercial floriculture, in which you were so instrumental, will go on serving generations of growers, shippers, wholesalers, and retailers long after you have left Congress. What is important is that a solid, permanent, working structure has been put in place that we believe will stand as one of your enduring accomplishments in public service.

It is my privilege, Senator, to be President this year and be allowed to present you this Golden Rose Award. We sincerely present it with great love and affection for your interest in the florist industry. Thank you very much.

Ladies and gentlemen, Senator Spessard Lindsey Holland of Florida.

STATEMENT BY SENATOR HOLLAND

Thank you very much, President Tellevast: Ladies and gentlemen of FTD, I don't have to tell you that Jimmy Donn is my long time friend because you heard that introduction. As you know, it's always pleasant to be introduced by somebody that's overgenerous. I appreciate that introduction. It's great to be here. I'm so glad Mary could come.

In order that you may understood just how important we feel this occasion is, I want to tell you that she doesn't like to fly. She's never come to Canada with me but one time before, and that was to Montreal to the dedication for the St. Lawrence Seaway where I represented the Congress and where she came not to see the Seaway but to see Queen Elizabeth. So I'm sure you can understand from that fact that we both consider this not only an outstanding occasion but one which is unforgettable as far as we both are concerned.

You people with your flowers bring happiness where times of joy prevail; bring solace where times of sorrow and sadness prevail; and if I might add a little note from us husbands throughout the country, you give us a special method of relief when we happen to be in the dog house—if you know what I mean.

The florist industry, with total sales at retail of about $1.8 billion and crops with a farm value of about $500 million that is made up of 50,000 independent small businessmen, is an important industry. Your organization of nearly 12,000 retail florists has given fine leadership. You've done a magnificent job.

I wouldn't want to let the very generous words of Billy Tallevast make you think that I feel any great personal credit is due to me. I happen to be chairman of the Senate Appropriations Subcommittee on Agriculture. In these last eight years, I found out to my great surprise there's small appreciation and understanding in the Congress of the size and importance of this great industry in Canada and in the U.S. and for that matter all over the world. I was glad to welcome your witnesses. You always had highly informed practical men before us and highly informed scientific men before us and amongst us all, both in the Senate and in the House. We were able to get a few things started which have been mentioned here by your President. All I can say is I don't think enough has been done yet to justify the size and importance of this industry, but I do think you've made a fine beginning and I was particularly impressed when your President spoke of "seed money". I just want to tell you, that if that was seed money, it has come out of the pockets of your own people and in my experience in the State Senate and as Governor and where I am now, I have found that people in public life are more interested in an industry that is willing to show enough confidence in itself, to lay its own money on the line, than it is when an industry simply comes asking for help but not showing any willingness to organize or any willingness to cooperate by putting up funds of its own.

So it's been a pleasure to see your programs come along a little. We've appreciated so much the kind of people that you sent to labor with us, and I see one of them over here, Fred Flipse from Florida. We've had wonderful help from others, like Truman Fossum and Gordon Smith, who've been showing us such a good time these last few days. I want to, for Mary and myself both, thank you for the fact that you've kept our apartment a bower of flowers ever since we got here. I notice that you, Mr. Bodette, have been taking care of that and I want to thank you publicly, along with Jimmy Donn, because I noticed that some of these were the products of Exotic Gardens.

I want to thank you both and all for your kindness and the way you have treated us in such wonderful fashion.

As to this marvelous award that you've bestowed upon me, I want to tell you that I appreciated it in a heartfelt way more than anything you could have possibly done for us. May I say that I'm glad to possess it here this once. I doubt if there'll be many times in the future when I shall have the opportunity to possess it.

We shall always be enormously proud of this very beautiful and lovely award which you have given us, and I just want to express a heartfelt thanks from both Mary Holland and me. I think she will let our children and grandchildren enjoy it, and I suspect on every occasion when we have some very important people present, somehow, they'll be given the opportunity of viewing this beautful FTD Golden Rose. We thank you from the bottom of our hearts.

BEETHOVEN'S BIRTHDAY AT THE UNIVERSITY OF MARYLAND

Mr. MATHIAS. Mr. President, during this year the 200th anniversary of the birth of Ludwig van Beethoven will be observed throughout the world. As may be expected, the commemoration of his birth will be marked by new recordings, editions, and performances of interest to the scholar, the artist, and laymen alike.

I would particularly like to call the attention of the Senate to a rare series of performances to begin on Sunday, September 27, during which the piano faculty of the University of Maryland will perform all 32 of Beethoven's sonatas. This is an extraordinary opportunity to hear the sonatas, particularly as the piano division of the University of Maryland has risen to national prominence in recent years.

We are indebted to Dr. Stewart Gordon, head of the division, for assembling such an outstanding faculty at the university. I hope that he will continue his fine work and that he will provide many more such opportunities for us in the future.

The performance begins at 4 o'clock on Sunday in the Tawes Recital Hall of the university's fine arts building, located on the College Park campus. All performances are open to the public without admission charge and will be held each Sunday through December 13.

In addition to Dr. Gordon, other members of the faculty who will perform the sonatas include Dr. Roy Hamlin Johnson, Mr. Charlton Meyer, Mr. Thomas Schumacher, Miss Nelita True, and Mrs. Yvonne Beatty.

On behalf of the university I invite the Members of the Senate, the staff, and their families to attend.

Mr. President, I ask unanimous consent to have the schedule printed in the RECORD.

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

Sept. 27. Mr. Schumacher. No. 26 in E flat major (Les Adieux, op. 81a); No. 14 in c sharp minor ("Moonlight," op. 27, no. 2); No. 2 in A major (op. 2, no. 2).

Oct. 4. Dr. Gordon. No. 1 in f minor (op. 2, no. 1); No. 12 in A flat major ("Funeral March," op. 26); No. 8 in c minor (Pathetique, op. 13).

Oct. 11. Mr. Meyer. No. 7 in D major (op. 10, no. 3); No. 27 in e minor (op. 90); No. 13 in E flat major (op. 27, no. 1).

Oct. 18. Dr. Johnson. No. 5 in c minor (op. 10, no. 1); No. 9 in E major (op. 14, no. 1); No. 25 in G major (op. 79); No. 21 in C major (Waldstein, op. 53).

Oct. 25. Miss True. No. 16 in G major (op. 81, no. 1); No. 17 in d minor (op. 31, no. 2); No. 18 in E flat major (op. 31, no. 3).

Nov. 1. Mr. Schumacher. No. 22 in F major (op. 54); No. 28 in A major (op. 101); No. 15 in D major ("Pastorale," op. 28).

Nov. 8. Dr. Gordon. No. 20 in G major (op. 49, no. 2); No. 30 in E major (op. 109); No. 23 in f minor (Appassionata, op. 57).

Nov. 15. Mr. Meyer. No. 29 in B flat major (Hammerklavier, op. 106).

Nov. 22. Mrs. Beatty. No. 19 in g minor (op. 49, no. 1); No. 6 in F major (op. 10, no. 2); No. 11 in B flat major (op. 22); No. 24 in F sharp major (op. 78).

Dec. 6. Miss True. No. 10 in G major (op. 14, no. 2); No. 31 in A flat major (op. 110); No. 3 in C major (op. 2, no. 3).

Dec. 13. Dr. Johnson. No. 4 in E flat major (op. 7); No. 32 in c minor (op. 111).

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded.

DIRECT POPULAR ELECTION OF THE PRESIDENT AND THE VICE PRESIDENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unfinished business be laid before the Senate.

The PRESIDING OFFICER. The joint resolution will be stated.

The legislative clerk read as follows: Calendar No. 1135. Senate Joint Resolution 1, proposing an amendment to the Constitution of the United States relating to the election of the President and the Vice President.

The PRESIDING OFFICER. The pending question is on agreeing to amendment No. 711.

Mr. MANSFIELD. Mr. President, I have listened with interest to the distinguished Senator from Indiana throughout most of his address to the Senate this morning. I am aware of his responsibility. I know of his deep-seated concern and personal interest in the measure now before us. I appreciate fully the fact that almost singlehandedly he nursed this measure through the Committee on the Judiciary. I am very much aware of the delay which he encountered, of the obstacles which were placed in his path, and of the repeated stallings which took place within that committee even after Senate Joint Resolution 1 was approved by the committee and was to be reported to the Senate.

I find no satisfaction in the tactics used on that occasion. I think it was a deliberate delay. I think the RECORD will show that fact without contradiction. I would not apply that statement to the full membership of the Committee on the Judiciary, but I would apply it to one or two of its members. They did employ tactics within their rights under the rules of the committee, and in a sense with the approval of the committee.

I am sorry to note that the distinguished Senator from Indiana, who takes his responsibilities keenly, has indicated that beginning tomorrow he intends to object to committee meetings. I would therefore urge committees to start meeting at 8 a.m. beginning tomorrow, and I do not think that is too much of a sacrifice to expect of them. I also wish to advise them that as far as the leadership is concerned, the majority leader, at least, is going to try to see that the morning hour extends a reasonable length of time to accommodate their deliberations, and assure that testimony may be received of witnesses, many of whom very likely have come from distant parts of the country.

I must apologize to the distinguished Senator from Indiana for not notifying him, as I intended to, about the vote on the antipornography legislation which will take place at 12:30 today. The time on that measure will begin to run at 12 o'clock. I am sure he understands, however, the situation in which the leadership found itself. He was aware, I believe, that previous to that time an agreement had been reached on the Senate floor that at the hour of 2 p.m. today, a vote would be taken on the public broadcasting conference report.

I had a discussion with the distinguished Senator from Indiana yesterday. Because of that discussion, he at least held back for 1 day in applying the stringent suggestions which he has enunciated this morning. I would hope that he would reconsider and permit us to transact Senate business and to keep the calendar clean or as clean as possible on the basis of two-shift sessions. It is my intention to file a cloture motion on Friday, and the vote on that will occur 1 hour after we meet on Tuesday next. At that time it is my intention to make a final decision as to the disposition of what is now the pending business as far as the leadership is concerned.

The Senator from Indiana has stated that he has responsibilities. I agree, and he has lived up to his responsibilities. He has shown a great deal of flexibility and understanding. But the majority leader, the Senator from Montana, has responsibilities, too. I am fully in accord with the purposes of the amendment proposed in Senate Joint Resolution 1. I shall support it to the best of my ability.

I intend, at an appropriate time, to take up the equal rights amendment. I am disappointed, on the basis of what I thought was an agreement within the Judiciary Committee, that the date of September 19 has passed without the report on a resolution dealing with the equal rights amendment. The fact is, such a resolution has not been reported by the committee. But come hell or high water, if that proposed amendment is not reported out, the Senate must be prepared to face up to the equal rights amendment this year.

Furthermore, there is other legislation that must be considered. There are six, perhaps seven appropriation bills yet to consider.

In any case, my purpose in speaking at this time is to express an appreciation and an understanding of the situation in which the distinguished Senator from

Indiana finds himself, but also to state most emphatically that as far as the majority leader, the Senator from Montana, is concerned, he intends to face up to his responsibilities, and he will.

Mr. BAYH. Mr. President, I deeply appreciate the remarks of our colleague from Montana, my faithful leader, who has worked so hard and so long trying to keep the ship of state, and the U.S. Senate, moving on a steady keel.

I am a relatively young Member of this body, with little seniority. That does not in any way lessen my love for this institution and for its rules, nor my recognition of the opportunity and the honor we have in serving here.

I am fully appreciative of the great burden which rests on the shoulders of our majority leader. There are, indeed, times when the responsibility of a leader of a body such as this are different from the responsibilities resting on him as an individual Senator. Indeed, it is entirely possible for a leader and another Senator to agree on the relative merits of a piece of legislation, and for the leader to feel that one parliamentary procedure must be followed to fulfill his responsibility as a leader, and the individual Senator, on the other hand, to feel that another parliamentary process should be followed for him to fulfill his responsibility as a Senator.

It is because of the desire to cooperate and not to add to the burden of our distinguished leader that I decided not to object to committees meeting today, and not to require the Senate to meet on the pending order of business beyond 5 o'clock.

If, indeed, the responsibilities of the Senator from Indiana, in the future, might appear to him to be different than the responsibilities of the Senator from Montana, our leader, I trust that these differences will be pursued with the traditional fellowship and camaraderie which is so symbolic of this body.

I want the RECORD to show that the Senator from Montana has been one of the earliest proponents of electoral reform, for giving the people of this country the right to vote for their President. He was for this measure before the Senator from Indiana ever had the chance to cast his first vote in this body. He has been very patient and helpful in advising the Senator from Indiana, as chairman of the subcommittee, how he could best improve the opportunity of the Senate to work its will on this issue. For the RECORD, I should like to thank him personally for his patience and tolerance.

I must say that I hope the Senator from Montana sees the day come in this body when we have the right to vote on electoral reform and equal rights amendment. As the Senator from Montana knows, the Senator from Indiana has been laboring diligently in the Subcommittee on Constitutional Amendments, of which he is chairman, on the equal rights amendment. In the last several days, we have seen appear a significant amount of opposition to the amendment. Interestingly enough, one of the most ardent opponents of that amendment is one of the most outspoken critics in the ranks of those who are presently filibustering Senate Joint Resolution 1.

When our distinguished leader says that "come hell or high water" we are going to get a vote on the equal rights amendment, I say "Amen" to that. But I suggest that to make that possible, we had better put on our asbestos underwear and our hip boots, because the tactics which have been pursued to deny an opportunity to vote on Senate Joint Resolution 1 may very well be pursued to deny a vote on equal rights.

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

Mr. BAYH. I yield.

Mr. MANSFIELD. May I say that, if I recall my words, I said that it was going to be taken up and brought before the Senate. Whether or not we can get to a vote is something over which I have no control but which the Senate itself will control. Very likely the same roadblocks which have developed in the consideration of this proposed constitutional amendment may well develop in the consideration of the constitutional amendment that would give equal rights to women.

So I would like to have the RECORD clear on that, because I cannot determine whether or how the Senate will vote; but I will do my best to see that it is brought to a vote. Sometimes you win; sometimes you lose; but always the least you can do is to try.

Mr. BAYH. The Senator from Indiana recalls the statement of the Senator from Montana. He is absolutely right. That is what he said. I salute him for his effort in bringing it to the floor.

I realize that no one Senator, even if he is leader, can make the Senate work its will if it is not willing to do so.

Mr. MANSFIELD. May I say to the distinguished Senator, before I leave the floor—it should be remembered that the time begins to run at 12 o'clock on the antipornography amendment—that I think we understand each other perfectly. The responsibilities which devolve upon each of us as Senators and, in addition, on the Senator from Montana as majority leader are clear. In the latter respect, I think I can speak for the distinguished minority leader as well.

I think, also, that on the basis of our colloquy this morning, the Senate is aware of the situation which confronts it and that the Senate must be prepared to act accordingly.

Again, I make only one plea: that, if the occasion arises, the Senator from Indiana consider the possibility—on a limited basis, if need be—of considering other proposed legislation which must be taken up and disposed of before the Senate, hopefully, can adjourn sine die on October 15.

Mr. GURNEY rose.

Mr. BAYH. The Senator from Indiana has the floor.

Mr. President, I should like to make one final observation before the time expires that is available to us at this moment.

The Senator from Indiana does not intend to occupy the floor but, rather, to listen with interest to those who feel they have not had enough time to debate this matter. I am well aware that the Senate leadership, under the efforts of our distinguished leader, has been making a Herculean effort to make is possible for the Senate to recess by the middle of October, and I support that goal. What I am about to say, of course, represents only the feelings of the Senator from Indiana.

Being only human, I would like to have from the middle of October until the first week in January to be with my family, without being called to the duties of the Senate. But I would suggest that the Senate is derelict in its duty if it permits its own convenience or the convenience of any one of its Members to deny the Senate as a whole the opportunity to meet his responsibility to finish the important unfinished business which still remains in the Senate. The Senator from Indiana is prepared to stay here until Christmas, if that is necessary, to see that not just his proposal but other proposals as well are disposed of.

So, while respecting the fantastic efforts that are being made to move the Senate forward, particularly for the convenience of those in both parties who are seeking reelection, I think we have to stand up and be counted. Right now we are either going to move on electoral reform or it is not going to be done. It is the opinion of the Senator from Indiana, who has studied this matter in hearing after hearing, that the near tragedy in 1968 has provided us with a unique opportunity to pass this amendment. That near tragedy afforded the public awareness that is necessary before any constitutional amendment can be adopted. The amendment was approved in the House by a 339 to 70 vote, and I think that we in this body would be irresponsible if we did not vote on it ourselves.

I do not want to have to wake up on election morning in 1972 or 1976 or 1980 and find that this country has been confronted by a constitutional crisis because I, as one Member of this body, did not utilize the opportunity, did not recognize my responsibility, to see that this measure was put to a vote. It is that goal, that responsibility, which drives the Senator from Indiana to take, with great reluctance, the course that he has suggested this morning.

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

Mr. BAYH. I yield.

Mr. MANSFIELD. Mr. President, first, may I call two things to the attention of the distinguished Senators? If he carries through with what he has suggested, I am afraid that, with the possibility of no votes facing the Senate, the majority of Senators required for a quorum will soon disappear. As a result, the Senate may well be placed in a very embarrassing position; the position of having to end its work quite abruptly. I make that statement on the basis of what has happened over the last two or three Fridays. I also make it on the basis of the request which has been made to me, that the Senate meet on Saturday. I

would be most happy to meet on Saturday, speaking personally, but, frankly, I think it would be an exercise in futility.

The PRESIDING OFFICER (Mr. McGOVERN). Will the Senator pause momentarily?

Mr. MANSFIELD. Certainly.

DESIGNATION OF OBSCENE OR OFFENSIVE MAIL

The PRESIDING OFFICER. Under the previous order, the Chair now lays before the Senate Calendar No. 1235, S. 3220, which the clerk will state.

The legislative clerk read as follows:

S. 3220, to protect a person's right of privacy by providing for the designation of obscene or offensive mail matter by the sender and for the return of such matter at the expense of the sender.

The Senate resumed consideration of the bill.

The PRESIDING OFFICER (Mr. McGOVERN). Under the previous order, the time on this bill is limited to 30 minutes, to be divided equally between the majority and minority leaders.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I yield myself 2 minutes to complete my thoughts.

I would ask if the distinguished Senator from Indiana might relent enough time to allow us tonight to lay before the Senate the bill to amend and extend laws relating to housing and urban development and for other purposes. This item is most important. If he would agree, we could take it up tonight at an appropriate time.

Mr. BAYH. The Senator from Indiana is perfectly willing to let the Senate consider that important matter which the majority leader feels is important at 5 o'clock this evening, with the understanding that when the Senate comes in tomorrow it will proceed to the consideration of Senate Joint Resolution 1.

Mr. MANSFIELD. If the Senator from Indiana would allow us to consider this bill at 5 o'clock tomorrow afternoon, it means a great deal to all the States in the Nation, especially to the cities. It is long overdue. The committee has done a great job in reporting a significant bill. It is a difficult choice, I know, but I plead with the Senator from Indiana, in this instance, to allow us to take up this particular bill.

Mr. BAYH. Mr. President, with great reluctance, the Senator from Indiana would like to point out that it is fully within the competence of the Senate to work its will on the pending order of business. I am ready to vote. I am ready to propose a unanimous-consent request that we do vote. The Senator from Indiana believes that perhaps the request should be made of the distinguished Senator from Alabama, as to whether he is willing to let the Senate work its will.

Mr. MANSFIELD. Mr. President, as long as time is running, I withdraw my request. I do not want to beat a dead horse further. We will have to find some means to face up to this most important business of the Senate because it, too, is important, just as the constitutional amendment is, which I support fully, and just as appropriation bills are important.

Mr. BAYH. Mr. President, could I have a minute?

Mr. MANSFIELD. Out of my time? Yes.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Berry, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 17654. An act to improve the operation of the legislative branch of the Federal Government, and for other purposes; and

H.R. 18776. An act to establish in the State of Michigan the Sleeping Bear Dunes National Lakeshore, and for other purposes.

Mr. MANSFIELD. Mr. President, is that bill to go on the calendar?

The PRESIDING OFFICER. Under the precedents and practices of the Senate, when there is a comparable bill on the calendar to a bill coming over from the House and the chairman of the committee requests that the bill be placed on the calendar, the bill is automatically placed on the calendar with reference to the like Senate bill. In this instance the Chair has already made that request so the bill will be placed on the calendar.

Mr. MANSFIELD. That is what I want to be sure of. I thank the Chair.

PROCEDURE

Mr. BAYH. Mr. President, will the Senator yield me 1 minute——

Mr. MANSFIELD. I yield 1 minute to the Senator from Indiana.

Mr. BAYH. Just to make the record clear that the Senator from Indiana is willing to abide by the rules of the Senate. The rules of the Senate suggest that we should proceed to vote on this matter which has now been debated for a longer period——

The PRESIDING OFFICER. Who yields time?

Mr. MANSFIELD. I yielded the Senator 1 minute.

Mr. BAYH. Than any other constitutional amendment for the last 100 years. Let those who are preventing the Senate from voting on Senate Joint Resolution 1 take the responsibility for keeping this important legislation, as well as other important legislation, from being put to a vote. I fully appreciate the position of the leadership. This effort will not guarantee success for electoral reform, but I am here to suggest to the Senate that the direction in which we have been going for the past 12 days will guarantee failure.

DESIGNATION OF OBSCENE OR OFFENSIVE MAIL

The Senate continued with the consideration of the bill (S. 3220) to protect a person's right of privacy by providing for the designation of obscene or offensive mail matter by the sender and for the return of such matter at the expense of the sender.

Mr. MANSFIELD. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER (Mr. BIBLE). The Senator from Montana is recognized for 2 minutes.

Mr. MANSFIELD. Mr. President, on yesterday, the Senate adopted an amendment to S. 3220. That amendment used the phrase "first-class mail." Under the recent reorganization bill for the Postal Department, that phrase is now antiquated.

Even though the amendment was agreed to on yesterday, I ask unanimous consent that it be in order for me to offer an amendment to the amendment. I send the modified amendment to the desk.

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

The modified amendment will be stated.

The assistant legislative clerk read as follows:

On page 5, line 19, strike out the quotation marks.

On page 5, between lines 19 and 20, insert the following:

"(3) Each piece of mail required to bear the notice required by paragraph (1) of this subsection shall be sent at the same rates of postage prescribed for that class of letter mail established under the third sentence of section 3623(d) of this title."

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

The amendment was agreed to.

Mr. MANSFIELD. Mr. President, the intent, may I emphasize, is the same. It will get the pornographic literature which was sent through the mails out of the junk mail class and will increase the payment in addition thereto.

Mr. President, have the committee amendments been agreed to? I believe they were on yesterday, but I am not sure.

The PRESIDING OFFICER (Mr. BIBLE). The Chair would state that there is a committee amendment in the nature of a substitute.

Mr. FONG. Mr. President, has the modified amendment been accepted?

The PRESIDING OFFICER. The substitute modified amendment was agreed to.

Mr. MANSFIELD. Mr. President, I am gratified that the Senate chose to adopt this amendment. It is one which I endorse wholeheartedly. It adds a feature to this bill which will improve it greatly as a law. I am happy to give full credit for the idea to Dr. Robert E. Englert of Great Falls, Mont., one of many of my constituents who have taken a vital interest in this critical problem.

On September 16, Dr. Englert wrote me concerning his deep interest in the matter and included in that letter the suggestion which has now become the "Englert" amendment to the Mansfield pornography bill. I ask unanimous consent, Mr. President, that Dr. Englert's letter be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER (Mr.

BIBLE). Without objection, it is so ordered.

(See exhibit 1.)

Mr. MANSFIELD. Mr. President, Dr. Englert's letter exhibits the same strong interest in condemning the peddlers and pushers of obscene material that characterizes the views of so many of the people I represent. These are people who simply resent the mailer who invades the privacy of their homes with unsolicited filth and dirt. They have rights that are every bit as sacred as those safeguarded under the first amendment. This bill—S. 3220—and the added feature of requiring the mailer of obscenity to pay his own way—and then some, I hope—is a first step in recognizing those rights.

Mr. President, I urge the Senate to adopt the Mansfield bill with the Englert amendment attached.

EXHIBIT 1

GREAT FALLS, MONT.,
September 16, 1970.

HON. MIKE MANSFIELD,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MANSFIELD: I have your letter of recent mailing and the accompanying copy of your statement regarding S 3220—on pornography in the mails.

You note that your mail has been heavy regarding this matter.

The idea of enabling persons to return such mail, having been warned by a statement on the outside of the envelope is just a start. Why not carry the fight a bit further and require any and all mail to carry a first class postage stamp? This would certainly stop a good deal of the "scrap mail" that is daily being processed through the postoffice at a loss. I think it fitting and proper that each class of mail in our postoffices should pay its way. According to my understanding, first class mail has never been a burden on funds to maintain it in the mails, whereas, all other classes such as second class, third class and fourth class mail have deluged the postoffice with mail that is costing far more than the postage received for its transmission through the mails.

First class postage on pornographic material would certainly help to slow down the many pieces of mail going out to the public on an unsolicited basis.

First class postage on the other classes would also cut down the work load and perhaps the postoffice would then not have a deficit each year. It would be appreciated by the majority of the public who, every day, receive such mail—also on an unsolicited basis.

Sincerely,

ROBERT E. ENGLERT, D.D.S.

ADDITIONAL COSPONSORS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the following Senators be added as cosponsors of S. 3220: The Senator from Oregon (Mr. HATFIELD); the Senator from Hawaii (Mr. FONG); the Senator from Alabama (Mr. ALLEN); and the Senator from West Virginia (Mr. BYRD), and any other Senators who want to get on.

The PRESIDING OFFICER (Mr. BIBLE). Without objection, it is so ordered.

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. MANSFIELD. Mr. President, I now yield 5 minutes to the Senator from Alabama (Mr. ALLEN).

The PRESIDING OFFICER. The Senator from Alabama is recognized for 5 minutes.

The Senate is not in order. The Senate will please come to order. If Senators must have conversations, they should be carried on in the cloakroom.

Mr. RANDOLPH. Mr. President——

The PRESIDING OFFICER. Did not the Senator from Montana (Mr. MANSFIELD) yield 5 minutes to the Senator from Alabama?

Mr. ALLEN. Mr. President, I am happy to yield to the Senator from West Virginia.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. RANDOLPH. Mr. President, I am grateful for the cooperation of my colleague from Alabama (Mr. ALLEN) so that we can work our way on this legislation.

OBSCENE MAIL CAN BE STOPPED

Mr. President, I support S. 3220, a bill to protect a person's right of privacy by providing for the designation of obscene or offensive mail matter by the sender and for the return of such matter at the expense of the sender. I am a cosponsor of this measure.

The measure as reported from the Post Office and Civil Service Committee, of course, has the stamp of approval of the membership of the committee. Sitting in the Chamber—and he will join in the remarks today—is the able Senator from Hawaii (Mr. FONG), the ranking minority member of our committee. He has been instrumental in bringing this measure through the hearing and executive session process to the Senate. Senator FONG is a diligent and thorough worker within our committee and he has labored on this bill in an effective manner. Chairman MCGEE and all members of the committee have had a genuine interest in this bill.

I am grateful for the opportunity to have been a cosponsor with the Senator from Montana and others in working for the provisions of his measure.

As a member of the Senate Post Office and Civil Service Committee from which S. 3220 has been reported to the Senate, I am privileged to salute the author and chief sponsor of this bill—Senator MANSFIELD—our distinguished and devoted majority leader. No Member of Congress has expressed more concern over the flood of pornographic materials in the mail and no Member has been more effective in seeking to remedy this situation. When he introduced this legislation, Senator MANSFIELD stated:

> This traffic in smut must cease and those who are responsible for it must be punished.

And he has been persevering advocate in the effort to achieve these objectives. He has worked constantly to secure favorable action on his bill. Were it not for the pressing and urging of the Senator from Montana, I question whether the Senate would be debating this measure today. He has performed a real public service.

Mr. President, each passing day we are made increasingly aware of this pollution of our planet. Every medium carries word that our nest is becoming steadily, and perhaps irrevocably befouled. But surprisingly, there is not enough attention paid to the moral pollution which is pervading our society. I refer to the growing permissiveness toward obscenity, the labored explanations used in excusing almost any form of crudity and nudity as an expression of art.

Understandably, because of the hazy definitions and court rulings on what really constitutes art, many feel any attempts to curb these artistic excesses is a frontal assault on the first amendment to the Constitution. But there is one form of moral pollution about which there can be little argument. And that is the massive distribution and indiscriminate delivery of what is, by any artistic standard, hard-core pornography—into the American home.

Now if any concerned parent should happen to observe some old codger displaying obscene photographs and literature to one of his children over the backyard fence, his reaction would be extreme anger. Or if the television networks would project scenes of naked orgies during a children's hour, their switchboards would be swamped with outraged calls.

Yet, daily into our American homes comes printed materials which violate good standards of morality, which contain no shred of redeeming social significance; which are, in fact, designed solely and calculatingly to appeal to the prurient interest of socially sick and the sexually immature. And the most horrifying aspect of this avalanche of obscenity, Mr. President, is the fact that it is quietly accepted or sheepishly disposed of by the majority of recipients. I suspect that one explanation for this reaction is the realization that the U.S. Government is a party to this postal pandering, even if an unwilling partner.

The PRESIDING OFFICER. The time of the Senator from West Virginia has expired.

Mr. BYRD of West Virginia. Mr. President, I yield, on behalf of the majority leader, 2 additional minutes to the senior Senator from West Virginia.

The PRESIDING OFFICER. The difficulty is that the majority leader has only 1 minute remaining.

Mr. BYRD of West Virginia. Mr. President, I yield that 1 minute to the distinguished senior Senator from West Virginia.

Mr. FONG. Mr. President, I yield 2 minutes of my time to the Senator from West Virginia.

The PRESIDING OFFICER. The Senator from West Virginia is recognized for an additional 3 minutes.

Mr. RANDOLPH. Mr. President, attempts to stem this flood of filth in the past have proven largely ineffective. Several bills have been introduced over the past year which are desired to cope with parts of the problem.

These attempts to balance the delicate issue of freedom of the press against outrageous invasion of privacy have, in my

opinion, been realistically met in Senator MANSFIELD'S measure.

First of all, it offers a defense for the unsuspecting recipient of sexually oriented advertisements by requiring the labeling of a clear warning that—

The enclosed material may be obscene or offensive to the addressee and may be returned to the sender unopened at no cost to the addressee.

This goes to the heart of the matter of invasion of privacy, very much like the postcard peddler who leers and reaches inside his overcoat pocket with the query, "filthy pictures?" It is an invitation at the same time. Now I am not so naive as to believe that this mere warning of possible obscenity will result in the end of postal pornography. But at least this requirement of a labeled warning to the addressee clearly skirts the issue of censorship while placing the victim on notice.

What I do believe is that Senator MANSFIELD'S measure, if enacted and signed into law, will inject a serious crimp in the multibillion-dollar business of postal pandering. S. 3220 provides that the addressee may return the obscene material to the sender without postage. Hopefully, this decision would be reached before the mail is opened.

In any event, the requirement that the senders of sexually oriented advertisements pay the costs of return first-class postage, in addition to a service charge of not less than 50 cents per piece of mail, would give them pause before they sent out thousands of pieces of pornography.

Additionally, this proposal provides for a penalty of $5,000 for mailers who violate or do not comply with its provisions.

It should be stressed that S. 3220, as reported, has been revised to correspond with the antiobscenity provisions sponsored by Senator GOLDWATER and others, and given overwhelming approval, in the recently enacted postal reform bill.

Mr. President, I agree with the Senator from Montana (Mr. MANSFIELD) when he said that his proposal "brings into proper balance the right of privacy on the one hand and the right of the press to use the mails on the other," and that:

If enacted, it will for the first time impose an effective check on the distribution of obscenity in our society and place the burden where it belongs—on the filth peddler.

Senator MANSFIELD has been, I repeat, an effective force in the efforts to curb the alarming flow of obscene and pornographic literature. He deserves the commendation and support of his colleagues in the Congress and the people of our Nation.

I renew the hope that the Senate and the House of Representatives will pass this measure.

The PRESIDING OFFICER. The Chair recognizes the Senator from Hawaii. How much time does he yield himself?

Mr. FONG. I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Hawaii is recognized for 5 minutes.

Mr. FONG. Mr. President, I associate myself with the fine remarks of the distinguished Senator from West Virginia. He has made a very excellent speech. I also congratulate him for guiding this bill through the committee. He has done wonders for us.

Mr. President, the problem of unsolicited salacious and pornographic material received in the mail is becoming increasingly widespread, constituting a problem which is of grave concern to the Senate Committee on Post Office and Civil Service. The distinguished majority leader and those who joined him in introducing S. 3220 are to be congratulated upon the timeliness of this legislation and upon their efforts to protect the privacy of the American home from unwanted material which is shocking and offensive.

On September 1, 1970, the committee held hearings on this measure to augment its longer term studies of this pressing problem. The committee concluded that the right to privacy granted in common law is violated in the vast majority of instances by advertising material through which purveyors of pornography attempt to sell their wares. Accordingly, the bill, as amended, is directed specifically toward placing a burden of identification upon the sender of such material.

The committee has taken into account the guarantees to every citizen of free speech and free press under the first amendment and the guarantees of self-incrimination under the fifth amendment. Weighing the rights of protecting one's privacy in his home against the guarantee of the first and the fifth amendment the committee feels that the bill as amended does not violate these guarantees.

The bill as amended dovetails with section 3010 of title 39, United States Code, as enacted by Public Law 91–375, the Postal Reorganization Act. It thus adds to and strengthens the provisions of existing law.

Section 3010 provides that any person who mails sexually oriented advertisements shall place on the cover such mark on notice as the Postal Service may prescribe. The bill as amended alters that section to provide that the sender shall specifically mark on the cover the following notice:

The Enclosed Material Is Sexually Oriented Advertising, And May If Unrequested By The Addressee, Be Returned To The Sender Unopened At No Cost To The Addressee.

The amended bill further provides that any such unrequested sexually oriented advertisement may be returned to the sender at the sender's expense. The sender will be required to pay return postage for each piece of mail plus a service charge of not less than 50 cents.

Failure to mark the envelope or cover of the sexually oriented advertisement or refusal to pay the postage or service charge will subject the sender to a civil penalty of $5,000 for each piece of mail.

Section 3010 of title 39, into which the amended bill is interwoven, carries a definition of sexually oriented advertisement. Additionally, it carries an exception to the basic definition. It states that material shall be deemed not to constitute a sexally oriented advertisement if it constitutes only a small and insignificant part of the whole of a single catalog, book, periodical, or other work not primarily devoted to sexual matters. This exception would apply to the provisions of S. 3220. The committee carefully considered testimony taken during the hearings expressing concern over the fact that penalties for noncompliance might be assessed upon innocent mailers. The exception cited above minimizes this possibility.

With the enactment of S. 3220 the sanctity of the home will be far better protected than heretofore, the committee believes. As Senator MANSFIELD has pointed out, distribution of sexual materials will be limited to recipients who specifically request them.

Upon enactment of this measure, the individual will have recourse to the following statutory protection of his rights:

First. Any citizen may file a complaint with the Postmaster General under Public Law 90–206 to initiate action which will stop delivery to him of pandering advertisements. This is the law we passed in 1967 and that was held constitutional by the U.S. Supreme Court in 1969.

Second. Through section 3010 of title 39, as amended by this bill, the sender of sexually oriented advertisements must mark the mailings with specific language written into law.

Third. Also through section 3010 of title 39, a person who does not wish to receive sexually oriented advertisements in his own name or in the name of his minor children may so advise the Postal Service. The Postal Service shall make his name available to mailers who are prohibited from sending him such advertisements.

Fourth. As I have noted previously, sexually oriented advertisements under S. 3220 may be returned to the sender at no cost to the addressee, at the sender's expense plus a service charge.

Innocent mailers are protected by the exception to the definition of sexually oriented advertisements which is now written into law. The bill provides that a civil action to collect the $5,000 civil penalty may be brought by the United States in a district court of the United States. The court will have recourse to the definition spelled out in law which excepts certain advertising matter from the general rule.

The committee believes that S. 3220 marks a milestone in the history of legislation to stop the unsolicited receipt in homes and offices of offensive and lewd material. I congratulate the Senator from Montana (Mr. MANSFIELD) on his action in introducing this measure, and I hope that the Senate will enact it.

Mr. PEARSON. Mr. President, will the Senator yield to me for 1 minute?

Mr. FONG. I yield 1 minute to the Senator from Kansas.

Mr. PEARSON. Mr. President, the distinguished Senator from Oregon (Mr. HATFIELD) is unable to be here today for the debate on S. 3220. I ask unanimous consent that a statement by the Senator from Oregon supporting the bill

may be printed in the RECORD prior to the vote.

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

Mr. HATFIELD. Mr. President, I offer my full support for S. 3220, the bill introduced by the distinguished Majority Leader to combat the flow of unsolicited obscene and pornographic mail advertisements.

I was pleased to join my good friend from Arizona (Mr. GOLDWATER) as a cosponsor of an amendment to the Postal Reorganization Act which will solve part of this problem.

In my opinion, S. 3220 will add needed protection to families across the country. I earlier addressed some remarks to this problem, and I repeat those words today:

Last year the Post Office Department received over 200,000 complaints regarding unsolicited obscene commercial material which had been sent through the mails. It is estimated that there are some 20 million pieces of smut mailed annually within the United States. Dealers in pornography are spurred by a desire for huge profits. These peddlers are aware that these profits increase in direct proportion to the degree of prurient interest appeals that can be injected into their material. The operation of one dealer alone has resulted in 100,000 complaints in the last 4 years. Some persons have received as many as 30 unsolicited sordid mailings. The mailers respect no bounds of discrimination when sending material—no one is exempt. At present, the only tool the Post Office has to shield addressees from unsolicited and unwanted advertisements is the willing compliance of the dealers to remove names from their mailing lists. If the companies choose to ignore the directive requesting removal of a name, this becomes an ineffective tool.

In the name of increasing social acceptance and relevance, movies, books, plays and magazines are also becoming increasingly lewd, revealing, and objectionable. It would appear that the problem of dealing with the different media should be dealt with through the exercise of Federal power; but coequally, attention must be given to the important role of State and local government.

The main problem has always been—and continues to be—regardless of one's own feelings, a definition of pornography not in conflict with constitutional freedom guarantees.

I think we also should recall the words of President Nixon, when he addressed remarks to the Congress on May 2, 1969, on pornography and obscenity. In his statement, the President summed up what I think are the sentiments of many of us. He said:

"The ultimate answer lies not with the government but with the people. What is required is a citizens' crusade against the obscene. When indecent books no longer find a market, when pornographic films can no longer draw an audience, when obscene plays open to empty houses, then the tide will turn. Government can maintain the dikes against obscenity but only people can turn back the tide."

Mr. ALLEN. Mr. President, will the Senator yield for 2 minutes?

Mr. FONG. I yield 2 minutes to the Senator from Alabama.

Mr. ALLEN. Mr. President, I support this bill. I hope it will receive the unanimous vote of the Senate.

S. 3220 as amended adds to the procedures by which the privacy of the home may be protected from sexually oriented material by placing reasonable and enforceable restrictions upon sexual advertisements. The committee believes that it is through advertisements of sexual material that privacy is most often invaded.

This bill adds to existing laws and complements them. We already have under Public Law 90–206, a procedure by which through a complaint to the Postmaster General a citizen can set in motion administration action designed to halt the delivery at his home of pandering advertisements.

Through section 3010 of title 39 of the United States Code, as enacted by Public Law 91–375, the sender of sexually oriented advertisements must, by law, state on the cover that the enclosed material is sexually oriented.

Under this bill, a person who does not wish to receive sexually oriented advertisements in his own name or in the name of his minor children may so advise the postal service, and the postal service shall make his name available to mailers who are prohibited from sending him such advertisements.

Mr. President, this is an excellent bill and it should be passed.

Mr. FONG. Mr. President, I ask unanimous consent that the names of the Senator from Kansas (Mr. PEARSON) and the Senator from Florida (Mr. GURNEY) be added as cosponsors of the measure.

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

Mr. FONG. I yield back the remainder of my time.

Mr. RANDOLPH. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The order is to vote at 12:30 p.m.

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will 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.

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

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

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

VISIT TO THE SENATE BY MRS. IMELDA ROMUALDEZ MARCOS

Mr. MANSFIELD. Mr. President, I think I should call to the attention of the Senate that we are indeed honored today to have the First Lady of the Philippines, Mrs. Imelda Romualdez Marcos, visiting us here in the Senate. We are pleased that she is visiting us. We are delighted that she is observing our proceedings and that she will lunch with us soon.

As a close and long-time friend of a most understanding, a most statesmanlike, a most beautiful lady, I would like at this time to introduce to my colleagues the First Lady of the Philippines, Imelda Romualdez Marcos. [Applause, Senators rising.]

The PRESIDING OFFICER (Mr. BIBLE). That is the most pleasant interlude the Chair has had in a long time.

DESIGNATION OF OBSCENE OR OFFENSIVE MAIL

The Senate proceeded to consider the bill (S. 3220) to protect a person's right of privacy by providing for the designation of obscene or offensive mail matter by the sender and for the return of such matter at the expense of the sender.

Mr. SPONG. Mr. President, I fully support the pending bill to make it more difficult for smut peddlers to deposit their unwelcome materials in American homes, and it is my hope that this legislation will be followed by even more stringent measures in the future.

The volume of unsolicited and unmarked material going through our mails today is shocking and its contents disgusting and degrading. In the past year, my office has received scores of complaints from outraged Virginians whose families have been victimized by this practice, and they demand an end to it.

We have yet to find a way of stopping this traffic altogether, but we can make it more difficult for these pushers of pornography who have been allowed to make the U.S. postal service an unwilling partner in their trade. By requiring that all sexually oriented advertisements be conspicuously labeled and by requiring the sender of such material to pay return postage and a service charge, this bill takes a useful step in that direction.

Mr. DOLE. Mr. President, I strongly support S. 3220. I have received many angry letters from constituents concerning unwanted intrusions of pornographic material in their private lives. They say it is vile, disgraceful, and sickening and I most heartily concur. Unsolicited pornographic material is not a local problem peculiar to Kansas, but an issue of national concern.

The peddlers of this material ply their disgusting trade in every State and city of our country and use every means available to expand and carry on their activities. The mails have been one of the most important vehicles for them.

For the last 18 years the Congress has held numerous hearings on the problem of pornography in America. In the spring of 1969, President Nixon called for a citizens' crusade against obscenity and filth, and asked Congress to extend existing laws concerning pornography to enable citizens to protect their homes from invasions of sexually oriented advertising.

Mr. President, it is time to take action to curb unsolicited filth. S. 3220 is an effective start. By requiring purveyors of pornography by mail to place prominent warnings on their envelopes, addressees will be alerted to the contents. By requiring that pornographic literature be sent first class and providing for return of unwanted sexually oriented mail with a substantial service charge

and for a penalty of $5,000 for each piece of such matter mailed in violation of this bill, senders will be forced to curtail their activities or face sharp cost increases or heavy fine.

Clearly, S. 3220 is in the best interest of the American public and I urge its approval.

Mr. BYRD of West Virginia. Mr. President, the Post Office annually receives more than 250,000 complaints from citizens who have received unsolicited pornographic material through the mails. Obviously, there is an urgent need to supplement existing statutes on this subject, and to extend the right of privacy in the home to include protection from unsolicited pornography.

I believe that S. 3220 goes a long way toward meeting that need, and I hope that its passage will halt the flow of pornography through the mails and take the profit out of peddling unsolicited smut to unsuspecting citizens.

The bill would require that the sender of pornographic mail clearly mark the envelope, stating that "The enclosed material may be obscene or offensive to the addressee." Failure to make such a marking could result in a civil penalty of $5,000 for the sender.

As it stands now, this mail is usually sent to teenagers, and is usually mailed in plain envelopes. In the vast majority of cases, it is an outlandish insult to the sensitivities of the recipient, and an invasion of the right of privacy in the home.

S. 3220 would combat this problem by forcing the pornographic dealer to clearly mark his envelopes. The recipient may return the pornographic mail, in which case the sender must pay first-class postage and a service charge. Failure to pay for the returned mail could result in another $5,000 fine for the pornographic dealer.

Mr. President, S. 3220 represents a major expansion of the provisions of section 3010 of title 39, United States Code, as enacted by Public Law 91–375, and the Postal Reorganization Act of 1970. It retains the provision of Public Law 91–375 which allows a citizen to file a notice with the postal service that he not receive any sexually-oriented material. The Postal Service must maintain a list of all such persons, and make that list available to mailers at a cost. For their part, the mailers would be prohibited from sending any sexually oriented material to persons whose names had been on the list for 30 days.

This provision, enacted in 1967, also allows parents to place the names of their minor children still living at home on the postal service list. In the past 3 years, more than 200,000 Americans have expressed their desire not to receive obscene material through the mails; and the number will surely grow as more Americans become aware of the steps that can be taken against the smut peddlers.

Mr. President, it should be emphasized that S. 3220 is intended to protect the privacy of every citizen. It does not in any way represent censorship, inasmuch as it deals only with unsolicited material.

Understandably, the bill is not as strong as many would like it to be. But permissive decisions by the Supreme Court in recent years have seriously restricted Congress in dealing with smut peddlers. I am hopeful that Congress, in the near future, will be able to deal more firmly with the problem of pornography, and that we will be able to enact more stringent laws against those who would destroy the moral fiber of our Nation.

In the meantime, however, I urge the enactment of S. 3220 as a necessary step in the battle against pornography.

PURVEYORS OF FILTH MUST BE STOPPED

Mr. McINTYRE. Mr. President, I give my wholehearted support to S. 3220 which is directed at stemming the flow of pornographic and obscene literature in our country.

In my view, one of the most heinous happenings in our Nation today is the mushrooming distribution of pornographic literature. My constituents are continually sending me examples of the truly disgusting material they receive unsolicited through the mail.

This material comes to them in wrappings which do not reveal the contents. Therefore, this material is exposed to anyone who opens the mail, including young and impressionable children, before they realize its true nature.

Apparently the purveyors of this filth purchase the names and addresses of respectable and unsuspecting people and then send this material to them unsolicited. It is as if an unwanted, uninvited, ill-kempt, and filthy ruffian were to invade the privacy of one's home.

In 1967, Congress acted to stem the tide of pandering advertisements by providing a procedure whereby a person could take action to remove their names from mailing lists which might bring them pornographic material. I strongly supported and voted for that measure.

But the tide of this material has continued to flow and the need is now for new and more stringent steps to be taken. I think this bill, which has been brought to fruition by the majority leader, the able and distinguished Senator from Montana (Mr. MANSFIELD), does provide the penalties and the restrictions that will help stem the tide of pornography. This bill provides that any obscene material must be clearly marked on its wrappings: "The enclosed material may be obscene or offensive to the addressee." This warns the recipient against inadvertently opening this particular piece of mail.

This legislation also provides that the recipient can return it to the sender without postage by simply writing "Obscene mail matter" on the envelope and placing it in a mailbox. The purveyor of the material must then pay first-class postage for the return plus a $0.50 service charge.

I am sure that the warped minds who are guilty of spreading pornographic material will try to find new ways to infect our minds and our culture. But this bill will help close an important avenue to them and make their filthy task more difficult.

I urge the overwhelming passage of this important measure.

The PRESIDING OFFICER. Under the previous order, and the yeas and nays having been ordered, the Senate will proceed to vote on passage of S. 3220.

The assistant legislative clerk called the roll.

Mr. KENNEDY. I announce that the Senator from Tennessee (Mr. GORE), the Senator from Indiana (Mr. HARTKE), the Senator from Washington (Mr. MAGNUSON), the Senator from Wyoming (Mr. McGEE), the Senator from New Mexico (Mr. MONTOYA), the Senator from Utah (Mr. MOSS), the Senator from Maine (Mr. MUSKIE), the Senator from Rhode Island (Mr. PELL), the Senator from Alabama (Mr. SPARKMAN), the Senator from Missouri (Mr. SYMINGTON), the Senator from Maryland (Mr. TYDINGS), and the Senator from New Jersey (Mr. WILLIAMS) are necessarily absent.

I further announce that, if present and voting, the Senator from Washington (Mr. MAGNUSON), the Senator from Wyoming (Mr. McGEE), the Senator from Maine (Mr. MUSKIE), the Senator from Utah (Mr. MOSS), the Senator from Rhode Island (Mr. PELL), the Senator from Missouri (Mr. SYMINGTON), and the Senator from New Jersey (Mr. WILLIAMS) would each vote "yea."

Mr. GRIFFIN. I announce that the Senators from Arizona (Mr. FANNIN and Mr. GOLDWATER), the Senator from New York (Mr. GOODELL), the Senator from Oregon (Mr. HATFIELD), the Senator from California (Mr. MURPHY), and the Senator from Illinois (Mr. SMITH) are necessarily absent.

The Senator from Oklahoma (Mr. BELLMON) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from New York (Mr. JAVITS) is detained on official business.

If present and voting, the Senator from Arizona (Mr. GOLDWATER), the Senator from New York (Mr. GOODELL), the Senator from Oregon (Mr. HATFIELD), the Senator from South Dakota (Mr. MUNDT), the Senator from California (Mr. MURPHY), and the Senator from Illinois (Mr. SMITH) would each vote "yea."

The result was announced—yeas 79, nays 0, as follows:

[No. 324 Leg.]

YEAS—79

Aiken	Ervin	Mondale
Allen	Fong	Nelson
Allott	Fulbright	Packwood
Anderson	Gravel	Pastore
Baker	Griffin	Pearson
Bayh	Gurney	Percy
Bennett	Hansen	Prouty
Bible	Harris	Proxmire
Boggs	Hart	Randolph
Brooke	Holland	Ribicoff
Burdick	Hollings	Russell
Byrd, Va.	Hruska	Saxbe
Byrd, W. Va.	Hughes	Schweiker
Cannon	Inouye	Scott
Case	Jackson	Smith, Maine
Church	Jordan, N.C.	Spong
Cook	Jordan, Idaho	Stennis
Cooper	Kennedy	Stevens
Cotton	Long	Talmadge
Cranston	Mansfield	Thurmond
Curtis	Mathias	Tower
Dodd	McCarthy	Williams, Del.
Dole	McClellan	Yarborough
Dominick	McGovern	Young, N. Dak.
Eagleton	McIntyre	Young, Ohio
Eastland	Metcalf	
Ellender	Miller	

NAYS—0

NOT VOTING—21

Bellmon	Javits	Muskie
Fannin	Magnuson	Pell
Goldwater	McGee	Smith, Ill.
Goodell	Montoya	Sparkman
Gore	Moss	Symington
Hartke	Mundt	Tydings
Hatfield	Murphy	Williams, N.J.

So the bill (S. 3220) was passed, as follows:

S. 3220

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3010(a) of title 39, United States Code, as enacted by section 2 of the Postal Reorganization Act (Public Law 91-375; 84 Stat. 749), is amended—

(1) by inserting "(1)" immediately after the subsection designation "(a)"; and

(2) by striking out all after the word "thereof" the first time it appears and inserting in lieu thereof the following: "the following notice in outstanding type: 'The Enclosed Material Is Sexually Oriented Advertising, And May, If Unrequested By The Addressee, Be Returned To The Sender Unopened At No Cost To the Addressee.'"

To protect a person's right of privacy by providing for the designation of sexually oriented advertisements and for the return of any such unrequested advertisements at the expense of the sender.

The title was amended so as to read: "A bill to protect a person's right of privacy by providing for the designation of sexually oriented advertisements and for the return of any such unrequested advertisements at the expense of the sender."

Mr. RANDOLPH. Mr. President, I move to reconsider the vote by which the bill was passed.

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

Mr. BYRD of West Virginia. I join with the Senator from Hawaii in moving to lay that motion on the table

The motion to lay on the table was agreed to.

Mr. RANDOLPH. Mr. President, it will be recalled that yesterday important legislation was before the Senate in a realistic attempt to curb the pollution of the air which Americans breathe. That measure received the unanimous approval of the Senators present and voting. The rollcall vote was 73 to 0. This afternoon, we have just completed an attempt—within the framework of the Constitution, I believe—to curb the pollution of the mind; and the Senate has given unanimous approval again, on a rollcall vote of 79 to 0.

I think that the American public will approve of the action taken yesterday and today, as we work to improve and strengthen not only the physical but also the human resources within our Republic.

HOUSE BILLS PLACED ON THE CALENDAR OR REFERRED

The following bills were each read twice by their titles and referred or placed on the calendar, as indicated:

H.R. 17654. An act to improve the operation of the legislative branch of the Federal Government, and for other purposes; placed on the calendar.

H.R. 18776. An act to establish in the State of Michigan the Sleeping Bear Dunes National Lakeshore, and for other purposes; to the Committee on Interior and Insular Affairs.

DIRECT POPULAR ELECTION OF THE PRESIDENT AND THE VICE PRESIDENT

The PRESIDING OFFICER. Under the previous order, the Chair lays before the Senate the unfinished business which will be stated.

The legislative clerk read as follows:

A joint resolution (S.J. Res. 1) proposing an amendment to the Constitution to provide for the direct popular election of the President and Vice President of the United States.

The Senate proceeded to consider the joint resolution.

POLITICAL BROADCASTING—CONFERENCE REPORT

UNANIMOUS-CONSENT AGREEMENT

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the vote today on the equal time amendment which, under the previous order, is scheduled for 2 p.m., be preceded by one-half hour of debate on the conference report, the time to be equally divided between the manager of the conference report and the able Senator from Rhode Island (Mr. PASTORE) and the minority leader or his designee.

Mr. BAYH. Mr. President, reserving the right to object—and I shall not object—I should like to ask the Chair for a clarification of the request. This in no way brings any additional business before the Senate; and the pending business, both before the acceptance of the request of the Senator from West Virginia and after, will still be Senate Joint Resolution 1?

The PRESIDING OFFICER. That is correct.

Without objection, the unanimous-consent request of the Senator from West Virginia is agreed to. There will be 30 minutes of debate on the equal time measure, starting at 1:30 p.m.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Berry, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 406. An act to amend the Federal Property and Administrative Services Act of 1949 to permit the rotation of certain property whenever its remaining storage or shelf life is too short to justify its retention, and for other purposes;

S. 2565. An act to amend the act fixing the boundary of Everglades National Park, Fla., and authorizing the acquisition of land therein, in order to increase the authorization for such acquisitions;

S. 2763. An act to allow the purchase of additional systems and equipment for passenger motor vehicles over and above the statutory price limitation;

S. 3153. An act to authorize the Secretaries of Interior and the Smithsonian Institution to expend certain sums, in cooperation with the territory of Guam, the territory of American Samoa, the Trust Territory of the Pacific Islands, other United States territories in the Pacific Ocean, and the State of Hawaii, for the conservation of their protective and productive coral reefs; and

S. 3777. An act to authorize the Secretary of the Interior to enter into contracts for the protection of public lands from fires, in advance of appropriations therefor, and to twice renew such contracts.

DIRECT POPULAR ELECTION OF THE PRESIDENT AND VICE PRESIDENT

The Senate continued with the consideration of the joint resolution (S.J. Res. 1) proposing an amendment to the Constitution of the United States relating to the election of the President and the Vice President.

Mr. BAYH. Mr. President, the Senator from Indiana earlier today said he had no intention of occupying the Senate's time, inasmuch as I think the case of the proponents for the pending order of business has been adequately made; and I would suggest that those who feel that we should have longer debate should now come forth and explain to the Senate the imperfections and the reason why they are unwilling to let the Senate do its will in this matter.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. ALLEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HOLLINGS). Without objection, it is so ordered.

Mr. THURMOND. Mr. President, during this debate on the direct election proposal we must bear in mind whether or not it is possible to put the plan into effect by the time its proponents are seeking. In my judgment, this proposal will never pass the gauntlet of the State legislatures because the States are becoming more and more aware of the threat which this proposal makes.

For example, two of the most influential newspapers in my State have come out against the direct election proposal. These newspapers are opinion leaders in South Carolina and their thinking is reflected in the South Carolina leadership.

The first of these editorials appeared in the State newspaper of Columbia, S.C., on Thursday, September 10, 1970. The headline in this editorial tells the story, "Direct Presidential Vote Will Weaken Small States." This editorial is so wisely written that I would like to read it to my colleagues at this time.

DIRECT PRESIDENTIAL VOTE WILL WEAKEN SMALL STATES

As Senators come to grips this week, and in the weeks to come, with the proposal that Presidents be elected by direct popular vote, they would do well to ponder the fact that our country, by name and by tradition, is the United *States* of America.

The point is: The Executive branch, no less than the Legislative branch, must repre-

sent the entire nation, not just the bulging centers of population.

The great 1787 compromise built into the Constitution established that principle insofar as Congress is concerned. In order to insure representation of the people and to reflect their patterns of growth and movement, the House of Representatives was based on the factor of population. But to insure that small states as well as large would have a voice in the nation's business, the Founding Fathers provided that each state should have equal voice (two members) in the Senate.

Thus, for a national policy to be determined, it would be necessary for a majority of the people (through the House) and a majority of the states (through the Senate) to agree.

The same sort of dual constituency was built into the selection of the President of the United States through the device known as the electoral college. Each state was given the same number of presidential electors as it had members of the House and Senate. Thus, a state's weight in the electoral college reflected both its population and its statehood.

Admittedly, the electoral college system has deficiencies and some measure of danger built into it. For one thing, the "winner take all" system whereby all of a state's electoral vote goes to the presidential slate receiving the greatest vote—even if the margin be minuscule—gives too much power to minority blocs which are thus enabled to tip an entire vote one way or the other with a relatively small "swing" vote.

But this and other drawbacks can be corrected without abandoning the arrangement whereby electoral votes are distributed throughout the nation. A number of remedial measures have been pending in Congress for years, but they seem now to have been shunted aside in favor of a scheme to elect the President by direct vote without regard to the distribution of those votes.

This particular scheme, being aggressively pushed by Indiana's Sen. Birch Bayh, could well relegate small states like South Carolina to even more remote fringes of national politics. Presidential candidates and party platforms would pander more than ever to the masses which have gathered in the nation's teeming metropolitan areas. The presidential constituency could change from a national basis to one made up of such populous states as California, New York, Pennsylvania, Illinois, and a few others—all to the exclusion of the smaller or less populous states.

It is fortunate that no such change can be accomplished without the concurrence of three-fourths of the states to the necessary constitutional amendment. States like South Carolina, for example, can defeat the proposal by refusing collectively to ratify an amendment proposing the change.

But it is a shame to devote so much time and energy in debate over a proposition which runs counter to the principles on which this nation was founded. We trust that South Carolina's two senators will stand firm against Senator Bayh and his effort to diminish the role of the small states.

Mr. President, the second editorial appeared a day later in the Charleston News and Courier which calls itself South Carolina's most outspoken newspaper. The News and Courier entitled its editorial "A Threat to States." I would also like to read this editorial to my colleagues at this time:

A THREAT TO STATES

Sen. Birch Bayh, D-Ind., chief sponsor in the Senate of the proposed constitutional amendment which would permit direct popular election of the President, contends he can count on the support of 55 to 60 senators. If all senators are present when the amendment is voted on, approval would require 67 votes.

Clearly, then, as Senate debate begins over abolishing the Electoral College and replacing it with the direct vote, the decision is going to be close. It would be considerably less close, perhaps, were all members of the Senate to study the conclusions and implications contained in the report on Sen. Bayh's plan filed by the minority members of the Senate Judiciary Committee. One of these members is Sen. Strom Thurmond.

On the surface the direct election of a President sounds like a better arrangement than the present system, under which a candidate with a majority of electoral votes wins the election, even if he does not have a majority of the popular vote. It sounded so much better to the House that it approved a direct election amendment a year ago 339-70.

The judiciary committee minority, however, contends that the proposed amendment would destroy the two-party system, damage federal-state relations, and would prove fatal to state political parties. The national Democratic and Republican parties are no more nor less than coalitions of state parties.

Columnist James J. Kilpatrick, an astute political observer, predicts that under a system of direct national elections, "state parties become almost irrelevant to the presidency. Presidential candidates no longer would think in terms of carrying states. Their quite different purpose would be to win at least 40 per cent of the nation." Could such a President so elected, Mr. Kilpatrick asks, govern the nation? "Without a broad geographic appeal, without a close working relationship with state parties," he asks, "what becomes of a President who is an all-out liberal, or an all-out conservative, a militant hawk, or a conciliable dove?"

The direct election scheme presents the risk of giving the nation a President with a constituency and political obligations quite different from those of past Presidents. To get elected he would campaign where he knows the most votes are, and could afford to ignore those states and regions which would be of little help to him.

"The Electoral College," said the judiciary committee's minority report, "is so intimately involved with the two party system, federalism, and separation of powers, that we do not see how these institutional arrangements can possibly survive under direct election in the long run."

If a majority of the Senate fully understands how abolition of the electoral system would tear the political fabric of the states and further impair federal-state relations—in some areas already badly damaged—Sen. Bayh's proposal cannot win.

Mr. President, another editorial from the Charleston Evening Post was published on September 18, 1970. It reads as follows:

SIMPLE BUT DANGEROUS

Simplicity, as a minority of the Senate Judiciary Committee pointed out recently, has its charms and that is one reason that proposal to do away with the Election College and replace it with "direct election" appeals to many people.

"Direct election is a simple and easily communicable idea," the minority went on to say. "That fact alone may account for its great popularity and the widespread and uncritical support it has received from the communications media."

"To the appeal of simplicity must be added two other factors, the influence of the recent one-man, one-vote rulings and the furor which has arisen from the Presidential candidacy of Gov. George Wallace.

"These have produced on the one hand a curiously abstract conception of democracy which has concealed difficult problems of representative government beneath an impenetrable mathematical screen and on the other hand an emotional catch-all argument which has enabled proponents of direct election to avoid answering hard questions about their proposals."

"Hard questions," we concede, have been coming slowly about the changes that Sen. Birch Bayh and other liberals have in mind for the Constitution. They are coming, however. The Judiciary Committee's report itself raises the most penetrating we have heard about the ways in which "direct election" may promote proliferation of splinter parties, inject volatility into the political process, undermine the federal system and encourage corruption at the ballot box.

Voters are not necessarily taken in by the oversimplifications of Mr. Bayh and his colleagues. We fret over letting Bayh and Company have the floor so long on an important issue but we recognize that eventually they will have to face up to the "hard questions."

Is change necessary? Most voters, we predict, will agree it is not.

Mr. President, David Lawrence is the dean of American newspaper columnists and widely recognized as a profound thinker on constitutional principles. In his column of Friday, September 11, 1970, which appeared in the Evening Star, Mr. Lawrence made the same point as the two distinguished editorials from South Carolina. Mr. Lawrence's column is entitled "Election Plan Would Hit 'Statehood'." That headline also tells a story. I would now like to read to my colleagues the thoughtful column which Mr. Lawrence has provided:

ELECTION PLAN WOULD HIT "STATEHOOD"

(By David Lawrence)

The Senate is struggling with a proposed amendment to the Constitution to abolish the Electoral College and conduct all presidential elections hereafter by direct vote of the people. The plan is to let the candidate who receives the largest number of votes be declared elected if this is at least 40 percent of the total votes cast. If no candidate gets that percentage, a run-off election would be held between the top two.

But the states would not hereafter cast their ballots in the Electoral College and would thus lose a power they have held since the republic was founded. It would be incredible if the three-fourths of the states of the union necessary should ratify any such amendment, because it certainly could mean a diminution of the influence of the smaller states in the election of the national administration.

Under the proposed amendment, a plurality of the votes could be obtained almost entirely from one section of the country, and the new president could cater to the demands or desires of that region. But, with the Electoral College, even the most populous states have a relatively small number of electors, and these can be offset by a combination of electors from smaller states. Some presidents, for example, have been elected by a substantial number of electoral votes by getting majorities in states of large and small population in different sections of the country. Yet their total popular vote was close to that cast for an opponent.

President Wilson was reelected in 1916 with the support of the South, which was usually Democratic, and the West, which was usually Republican. But the two areas in combination produced enough Democratic electoral votes to offset the heavy electoral vote for the Republican candidate in the Eastern states.

There have been other elections, too, in

which sectional problems have influenced the outcome of elections. The Electoral College has performed a service in such instances, because it has protected the interests of smaller as well as larger states concerned with certain questions.

In some elections, such as that in 1920, when there was a Republican landslide for Warren G. Harding, virtually all the states outside of the South went Republican. Results in elections were decided by popular vote. The Electoral College comes in as the decisive factor when elections are close and when sectional issues in different parts of the country produce wide differences of opinion and sometimes split parties.

The proponents of the suggested amendment keep emphasizing that election of a president would be by "direct popular vote," and imply that the Electoral College doesn't satisfy such a requirement. A group of senators, both Republican and Democrat, in opposing the amendment, make this comment:

"Direct election of the president, we believe, would—

"Destroy the two-party system and encourage the formation of a host of splinter parties;

"Undermine the federal system by removing the states as states from the electoral process;

"Remove an indispensable institutional support for the separation of powers;

"Radicalize public opinion and endanger the rights of all minorities by removing incentives to compromise;

"Create an irresistible temptation to electoral fraud;

"Lead to interminable electoral recounts and challenges;

"Necessitate national direction and control of every aspect of the electoral process."

But how, it will be asked, does such an amendment as is being proposed get widespread support? The answer is that the phrase "popular election" implies that the people will have a much more positive voice in choosing the president and will exercise a direct responsibility. The truth is a direct-election plan could lead to the destruction of the two-party system and could weaken both political parties in their state and local operations as well.

Members of the two major parties are divided in their support of the new amendment. Even if it does pass the Senate and is submitted to the states—since it has already passed the House—the big question is whether three-fourths of the states will ever ratify an amendment which will, in effect, impair "statehood."

POLITICAL BROADCASTING—CONFERENCE REPORT

The PRESIDING OFFICER. Under the previous unanimous-consent agreement, the Senate will proceed to the consideration of the conference report on S. 3637.

The Senate proceeded to consider the conference report on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3637) to amend section 315 of the Communication Act of 1934 with respect to equal time requirements for candidates for public office, and for other purposes.

The Senator from Rhode Island.

Mr. PASTORE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. Out of whose time is it to be taken?

Mr. PASTORE. On my time.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PASTORE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. PASTORE. Mr. President, on Monday I put in the RECORD an explanation of the conference report. There seem to be only three or four Senators present in the Chamber at this time. I think Senators have read the explanation. I think we ought to allow any Senator who is opposed to the conference report to be heard, so I reserve my time.

Mr. BAKER. Mr. President, I understand I was designated to be in charge of the time in opposition, in the absence of the minority leader.

The PRESIDING OFFICER. The Senator is correct.

Mr. BAKER. I yield myself such time as I may use. I shall not speak at length, but I shall speak in opposition to the conference report. I am sure that comes as no surprise to the manager of the bill. We had a full discussion of this matter in subcommittee and in conference.

I feel sure that all of us would agree that there must be something in the nature of appropriate limitation on the excessive expenditure of funds for television, radio, and other means in the campaign field. I feel almost sure that we would agree that the tendency and the trend of late has been in the direction of spending greater and greater sums, and that if this is left unchecked and to the devices of both parties, it can become a very serious matter.

In the view of the Senator from Tennessee, there should be a limitation on television and radio expenditures, just as there is for any other expenditures in campaigns for election. However, I feel that the bill adopted by the House and the Senate and the agreement reached in conference is not the proper approach. While it does propose to impose a limitation, it also does two things which trouble me.

The first, by indirection, it creates, in my judgment, a political subsidy for politicians, the cost of which is borne by FCC licensees who operate radio and television stations in the country. That is accomplished by the provision that each licensee—that is, every radio and television station—must grant to a political candidate the lowest applicable unit rate available to any advertiser. In a manner of speaking, this constitutes rate setting by statute, and with only slight poetic license, I can so characterize it.

If that be the case, it is the first, and I believe the only, effort we have made by statute to establish a rate. Albeit this is a maximum rate and not a specific numerical rate in so many dollars and cents, I still believe it is a step in the wrong direction, and that if we are establishing TV and radio rates in the Congress for any purpose, let alone for political purposes, we are going to alter and change the nature of broadcasting in a manner that will not be beneficial in the long run.

Mr. PASTORE. Mr. President, will the Senator yield on that point, on my time?

Mr. BAKER. Yes.

Mr. PASTORE. I think we ought to indicate in the RECORD the historical reason for the lowest unit rate applicability. The original bill, sponsored by 34 Senators, actually asked for a discount. I felt it was discriminatory to ask for a discount for only a limited number of candidates covered by the bill.

As far as the application of the lowest unit rate is concerned, it is initiated by the candidate himself. All we are saying here is that inasmuch as a candidate campaigns only for several weeks, and the stations make a concession in rates to those who use the time around the calendar, the same rate ought to apply to candidates so that the public will be able to hear the issues discussed by the candidates.

The lowest unit proposal was an alternative to the discount proposal in a bill which was cosponsored by 34 Senators.

I agree with the Senator that we ought not to get into a discriminatory procedure. I just do not agree that this is discriminatory.

Mr. BAKER. I agree with my colleague from Rhode Island that this approach is probably better. It is certainly better, in my judgment, than the original bill. However, I disagree with him that it is not discriminatory and is not rate fixing. It seems to me that when we establish a discount, in effect, of volume advertising for those who do not advertise in volume—which is what we do in this proposal—that is a discriminatory situation. We have created a public subsidy in favor of the political advertiser.

After all, if one advertises day after day, week after week, month after month, each year, and earns a discount, as a constant local or national advertiser, it is discrimination in favor of political advertisers to require that station to give them that same low rate.

All of us here are sensitive to the charge that we legislate in our own interest. I do not make that charge. I do not impute that to the Senator from Rhode Island. He has been very diligent in trying to reach this problem and find a solution. But I say I do not think we have found it here. I feel the present approach of the applicable minimum rate is discriminatory and amounts to a political subsidy, and that we are vulnerable and open to criticism because of it, and I oppose it.

On the second point, it seems to me that the question of the applicability of this statute to presidential candidates is something that has been determined a number of times, at least twice previously. We are about to do it a third time. Were that the only issue in the conference report, I would make no big thing about it, I believe; but I think, on balance, notwithstanding the valiant efforts of the Senator from Rhode Island and other members of the committee, it is time we found time to reexamine the whole situation and find a better solution.

I favor some sort of limitation on the amount of money that can be spent on television and radio advertising. I am

afraid the people are going to be virtually inundated with inanities. Even though they are of a political character, that does not improve their substance.

I am afraid that if we do not do something to limit political advertising on radio and television, not only will it be subject to abuse by politicians, but the public itself will virtually turn on and devour any candidate who tries to use it.

But be that as it may, we need to find some way to approach the problem. Unfortunately, I do not think this bill is a proper approach.

The distinguished minority leader and I were Senate conferees. We did not find ourselves in agreement with this proposition, and we did not sign the conference report. I urge our colleagues to vote against the acceptance of the conference report.

Unless there are further remarks on my time, Mr. President, I suggest the absence of a quorum.

Mr. PASTORE. Mr. President, will the Senator withhold that?

Mr. BAKER. I withdraw the suggestion.

Mr. PASTORE. Mr. President, the Senator has mentioned the chief areas of sensitivity as far as the Senator from Rhode Island was concerned. As far as I was concerned, this measure had to apply to all—State officers, school committeemen, sheriffs, and everyone who is an elective officer and runs for public office. That is the only way it could be justified. We could not do it only for the President, for Senators, or for Representatives; we had to do it for everyone.

All of this is predicated upon the fact that radio frequencies are in the public domain. The airwaves are in the public domain, and do belong to the public.

The drive here is not to give the candidate a break, but to give the public an opportunity to hear the candidate and listen to the issues. We cannot justify these things on a personal basis; they have to be done in the public interest, and the whole drive behind this legislation is, does it serve the public interest? In other words, can the public listen only to the man who is wealthy and has the funds, or should the public be entitled to some kind of program, that would enable it to hear even the poorer man, who cannot buy that amount of time, but is entitled to be heard as much as his opponent, regardless of his level of wealth?

So far as I am concerned, I am going to live within the provisions of this measure whether or not this law becomes effective for this election. And there is serious question about that.

We passed this bill in April, and included a provision that it would not take effect until 30 days after its enactment, to give the FCC an opportunity to write rules and regulations to govern the structure. It went over to the House of Representatives, and the House did not see fit to pass it until August. They passed it 3 or 4 days before they took their 3-week vacation. Right now, with the provision that it shall not become effective until 30 days after enactment, and this being September 23, and by the time the President receives it and takes his 10 days, it will not apply to this election.

This grieves me, because I was very much insistent that as far as the limitation is concerned, it should apply to the 1970 election. The House of Representatives changed that provision, and made it effective as of January 1, 1971. I was much opposed to that, and insisted on its becoming effective for this election—so much so that I shall live up to it even on a voluntary basis.

The fact remains that something needs to be done to bring this problem into proper context. This idea that someone running for an office paying $42,500 a year will spend a quarter of a million dollars to win the nomination—does that mean that this is going to become a government of the wealthy, or can it remain a government of the people, by the people, and for the people? That is the question here. That is the reason I supported this legislation. That is the reason we ironed it out and removed what I considered to be discriminatory features.

I repeat, this is not just for Congressmen. If I had thought for a minute this was to be confined to Congressmen, I would not have voted for it. The provision regarding the lowest unit rate runs from Congressman down to dogcatcher.

Mr. BAKER. Mr. President, I yield myself such time as I may require.

I think it is fortunate that this bill is not to take effect, or probably will not take effect in time for this election. That was one of the heated issues in conference, and was one of the heated issues, as a matter of fact, in committee.

It strikes me as singularly unfair that we would change the rules in the middle of the ball game and allow this to take effect in this campaign. There is every likelihood that candidates would have committed certain amounts to radio and television advertising that they suddenly would find they were unable to use. It is entirely possible that some candidates would find themselves in violation of contracts that had already been entered into and paid for. To make a long story short, it seems to me that if we are going to take this sort of action, it ought not to be taken in the middle of a political season.

There are other unique features that make it inappropriate that it should take effect now, and I hope very much it does not, even if the conference report is agreed to.

Let me take a specific local example of which I have personal knowledge. The amount of money you can spend in a campaign is limited by the number of votes cast in the last election. In Tennessee, in the last Governor's race, for example, there was no Republican nominee. The number of votes cast for Governor in 1966 in Tennessee was only about half the number of votes cast for U.S. Senator in 1966. Therefore, under the bill, the candidates for Governor in 1970, the next election—this year, this season—would be able to spend only about half of what the senatorial candidates could spend. It seems to me that is a gross, patent inequity that militates against this sort of action.

Mr. CURTIS. At this time, Mr. President, will the distinguished Senator yield for a question?

Mr. BAKER. I am happy to yield to the Senator from Nebraska.

Mr. CURTIS. What does this measure contain in the way of fixing of rates for broadcasters who make time available for candidates?

Mr. BAKER. Mr. President, this bill provides that broadcasters, radio and television, lawfully licensed outlets, must provide for political advertising at the lowest rate applicable to any other advertiser.

Mr. PASTORE. For the same slot.

Mr. BAKER. For the same time and under the same circumstances, the lowest unit rate.

The effect of that, in further response to the question of the distinguished Senator from Nebraska, in my judgment, is to provide a subsidy for political candidates. Because, in the case of advertisers who advertise regularly on radio and television, as a result of that regular advertising they earn a discount or a lower rate than occasional advertisers. Thus we are providing that we are entitled to a rate that we have not earned for political advertising.

In addition to that, some have unkindly characterized this approach as a subsidy for incumbents, because what occurs, as with any limitation of television and radio advertising, is the creation of, in this case, an unintended bias, but still a bias in favor of the better known candidate, and almost always the incumbent candidate is the better known candidate.

Very frankly, Senators must weigh, in my judgment, this difficulty against the distasteful prospect that someone will simply spend himself into office by an enormous expenditure of private or publicly raised funds. But, Mr. President, the essence of my objection to this bill is that we are creating, by statute, a rate to be charged by FCC licensees which is lower than we would have earned under the normal course of circumstances. We are providing by statute that we be entitled to the rate that national advertisers would earn who advertise regularly. To me, this amounts to a subsidy by statute in favor of political advertising.

The balancing of public equity and the necessities of the circumstance are taken into account, and may in some minds weigh in favor of this approach. But the Senate should approach this problem with its eyes wide open. We are, for the first time, albeit indirectly, establishing by statute a rate to be charged by FCC licensees.

Mr. CURTIS. Mr. President, will the distinguished Senator yield for one further question?

Mr. BAKER. I am happy to yield.

Mr. CURTIS. Can the broadcaster turn the candidate down if he has requested time?

Mr. BAKER. Mr. President, the broadcaster can turn the candidate down if he does not have the time available, and does not run afoul of other provisions of the FCC Act. He cannot turn the candidate down simply because he chooses, under private enterprise system, to ex-

clude that candidate from radio and television. But he cannot charge a greater rate, even for one spot, if that is all that candidate buys, than he charges a national advertiser for, say, 500 shots.

Mr. PASTORE. Mr. President, if the Senator will yield, in order to clarify the situation, that would come under the equal time provision, which is section 315.

As a matter of fact, any licensee could make whatever rates he wants, unless you have some kind of circumstance of this kind that would actually make it prohibitive for people to buy time. Some candidates could not afford to buy it.

The Senator from Tennessee complains, saying candidates have not earned the time, or earned the discount. After all, the candidate only runs once every 6 years. He campaigns for perhaps 8 weeks.

A Member of the House runs every 2 years, and he may campaign for 8 weeks or 12 weeks. How could he be placed on an equal basis with, let us say, some cigarette company that advertises right across the calendar?

The point is that we are not making a rate that you are going to charge. All we are saying is that once you have charged anybody on your station a certain amount of money for a certain spot, you cannot charge a candidate—whether he is running for the Senate, the Presidency, or the school committee—any more than that, in the public interest. That is all it amounts to.

The point is this: Unless we tie this down with a limitation, we will defeat the spirit of this legislation. That is the reason why I came on the floor of the Senate and proposed an amendment that would tie it down, put a ceiling on it. Otherwise, if a person is given a discount, he can buy more time if he is wealthy than can the poor man, in proportion.

Mr. CURTIS. Is there a ceiling now?

Mr. PASTORE. One cannot buy time for himself, nor can anybody in his behalf, exceed the limitation resulting from this legislation.

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

Mr. BAKER. I yield.

Mr. CURTIS. What happens if a citizen who in truth and in fact is not associated with a candidate or a committee representing a candidate goes to the broadcaster and says, "I want to buy time. I do not like my Senator. I want to expose his record. I am doing this on my own as a citizen—my right to speak out on this matter"? We will suppose that the candidate involved and his committees have already reached the limit. In the hypothetical case I have given, in which the citizen is in truth and in fact not associated with either candidate, what happens under this bill?

Mr. BAKER. I am not sure what would happen.

Mr. PASTORE. I am sure what would happen.

Mr. BAKER. I think it would depend on whether the incumbent was in fact involved in a campaign. If he was involved in a campaign, then I am inclined to think that, under the provisions of the present bill, that time would be charged against the total allowable and must fall under the maximum.

Mr. PASTORE. That is right. Or it would come under the fairness doctrine, whereby the other party would be entitled to the equivalent amount of time.

Mr. CURTIS. Can one exceed the ceiling if equal time is extended to the opponent?

Mr. PASTORE. It is not supposed to be done. We are only talking about the time that is bought. Nothing prevents that network or the station or the licensee from giving time free in excess of the amount that is paid, but under section 315, they would have to give it to him, too.

We do not want one party to be in a position to have more exposure than the other party simply because he has the money. That is about the size of it. We are trying to bring about a balance. I know there can be one formula or another—and I do not care what the formula is—and there is always a little subterfuge that can be worked in.

On the other hand, the best policeman would be the opponent. Then, of course, the one who is elected has to come here and raise his hand to be sworn in, and if he has abused the privilege, I am afraid he will scandalize himself and might jeopardize his seat in the Senate.

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

Mr. BAKER. I yield.

Mr. GURNEY. As I understand it, there is a date here of August 12. If agreements are made with a broadcasting company prior to the date for purchasing advertising in the campaign, it is all right to spend all you want, but if they are made after that date, one is subject to the limitations of this law. Is that correct?

The PRESIDING OFFICER. The Senator from Tennessee has 1 minute remaining, and the Senator from Rhode Island has 5 minutes remaining.

Mr. PASTORE. I will reply on my time.

Does the Senator from Pennsylvania desire some time?

Mr. SCOTT. I should like 2 minutes, if I may.

Mr. PASTORE. All right.

To answer the question of the Senator from Florida, that is moot. That question was raised by Senator SCOTT in the conference, and in order to overcome the chances that some contracts had been entered into, we made it a grandfather clause. But it has no effect now because of the date we are acting on it now. I have already explained that I doubt very much that the provisions of this bill will apply during this election.

Mr. SCOTT. Mr. President, will the Senator yield me 2 minutes?

Mr. PASTORE. I yield 2 minutes to the Senator from Pennsylvania.

Mr. SCOTT. Mr. President, with respect to the conference report accompanying the bill S. 3637 concerning political broadcasting. I believe that most Members of the Senate are familiar with its provisions. Earlier this week the distinguished chairman of the Communications Subcommittee of the Committee on Commerce (Mr. PASTORE) submitted the conference report and a brief explanation to what it does—see CONGRESSIONAL RECORD of September 21, pages 32898–32899.

Nonetheless, I believe the matter is of sufficient importance to warrant the following recapitulation:

First, the bill would amend section 315(a) of the Communication Act to exempt the use of a broadcasting station by a legally qualified candidate for President or Vice President of the United States in a general election from this so-called equal opportunities provision. The fairness doctrine would still be applicable to broadcast by such candidates. It would be effective upon enactment, but from a pragmatic standpoint, would not be operative until the 1972 presidential election.

Second, the bill would amend section 315(b) of the same act to limit charges for the use of a broadcasting station by a legally qualified candidate for any public office to the lowest unit charge of the station for the same amount of time and the same period charged any commercial time buyer. It would by effective 30 days following enactment. According to the Federal Communications Commission, such lowest unit rate would apply only to personal use by a candidate—including films—and would not apply to broadcasts on behalf of the candidate where he does not appear.

Third, the bill would add a new subsection to section 315 of the Communications Act, imposing a limitation expended by or on behalf of legally qualified candidates for major elective office. "Major elective office" includes the office of President, U.S. Senator or Representative, or Governor or Lieutenant Governor of a State. Moreover, amounts spent on behalf of any legally qualified candidate for the office of Vice President of the United States shall be attributable to the expenditures by the candidate for the office of President of the United States with whom he is running. The inclusion of Governor and Lieutenant Governor reflects the House language which was adopted by the majority of the conferees, as does the option in the several States to include State offices other than Governor or Lieutenant Governor.

The limitation on a legally qualified candidate in an election other than a primary election imposed would be 7 cents, multiplied by the total number of votes cast for all candidates for the office in the preceding general election or $20,000, whichever is greater. The limitation on a legally qualified candidate in a primary election for nomination to a major elective office, except that for President, would be 50 percent of the amount allowed in the general election, but does not take effect until January 1, 1971, with respect to such primary elections. The limitation on general elections, on the other hand, would be effective 30 days following date of enactment; and in view of the current time period, would have no effect upon the upcoming elections of November 1970. For this reason, the exemption provided for in the conference report with respect to agreements entered into on August 12, 1970, is for all intents and purposes moot.

Mr. President, I believe that the foregoing accurately describes the probable impact of this legislation. For my own part, I feel that there is merit to the exemption from the so-called equal oppor-

tunities provision of section 315 of the Communications Act. What has bothered me in the past and still does to some degree is the fact that the limitation on expenditures on the electronic media tends to give the incumbent an inherent advantage, owing to the public exposure which he receives during the term of his office. I still have reservations on this point, and that as expressed in an August 8 editorial by WMAL–TV, which I inserted in the RECORD on August 27.

In conclusion, I request unanimous consent to have printed in the RECORD at the conclusion of my remarks a letter which I received under date of September 9, 1970, from the Federal Communications Commission in response to a letter sent jointly by Representative FORD and myself.

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

(See exhibit 1.)

Mr. SCOTT. I invite the attention of my colleagues to the following conclusion stated in that letter:

The Commission wishes to stress that in this and any subsequent election, the Commission would not be able to state at any time during the election process what amounts had been expended on behalf of any candidate coming within S. 3637; such information would become available only substantially after the election had ended. Further, since we anticipate the need to process additional complaints in view of the new substantive provisions, the Commission doubts that it has the resources and facilities to implement S. 3637 on a continuing basis for future elections without appropriations for additional personnel.

EXHIBIT 1

FEDERAL COMMUNICATIONS COMMISSION,
Washington, D.C., September 9, 1970.

Hon. HUGH SCOTT,
U.S. Senate,
Washington, D.C.

DEAR SENATOR SCOTT: This is in reply to the letter sent jointly by you and Congressman Ford on August 20, 1970 requesting from the Commission (1) an analysis of the meaning and practical effect of S. 3637, the political broadcasting bill which would amend section 315 of the Communications Act, as reported by the conference committee, and (2) an assessment as to whether the Commission has the resources and manpower to enforce the provisions of this legislation during the 1970 Congressional and Gubernatorial elections. The bill would amend section 315 in three major areas. We shall discuss them in turn.

EQUAL OPPORTUNITIES

First, S. 3637 would amend section 315(a) to exempt the use of a broadcasting station by a legally qualified candidate for President or Vice President of the United States in a general election from the "equal opportunities" provisions. Of course the fairness doctrine would remain applicable to broadcasts by such candidates. The effect of this amendment should be an increased use of broadcast facilities by the major presidential candidates and their running mates. Because the amendment would free licensees from the alleged inhibitions contained at present in the "equal opportunities" clause, more free time would probably be afforded to the major candidates for President. This provision becomes effective upon enactment but has no practical effect until the 1972 presidential elections.

LOWEST UNIT RATE

Second, the bill would amend section 315 (b) to limit charges made for the use of a broadcasting station by a legally qualified candidate for any public office to the "lowest unit charge of the station for the same amount of time in the same time period."[1] This amendment would result in varied reductions of costs for buying political broadcast time, since some broadcasters already have a policy of affording political candidates the lowest unit charge (or comparable reductions) while others give candidates no reductions at all. We expect this provision to be a significant step in reducing the costs of electronic campaigning in future elections. However, since the effective date is 30 days after enactment, the reduced rates could only be in effect for a few weeks, at most, for the 1970 elections. This would produce only moderate overall reductions in costs for 1970.

Under this provision the Commission would (1) inform licensees of their obligations under the new law to provide candidates with the "lowest unit rate" for broadcast time to be used after the effective date, and (2) promulgate rules defining the method of computing the lowest unit rate for various time periods.

The Commission's staff is working on appropriate rules at the present time. We would expect to promulgate these rules in an expedited rule making proceeding with the rules to be effective concurrently with the effective date of the legislation. In view of the necessity of having the rules effective on the effective date of the legislation, the Commission would state at the time of promulgation that good cause existed for their promulgation without a notice of proposed rule making or participation by the public in the proceeding and without the lapse of 30 days before their effective date.[2]

SPENDING LIMITATION

The third change in section 315 is an amendment to impose a limitation on funds expended by or on behalf of certain political candidates for the use of broadcasting stations.[3] The limit would apply to candidates for the offices of President, United States Senator and Representative, and State Governor and Lieutenant-Governor. A State may, by law, include other state offices but, as a practical matter, it does not appear that any state could adopt legislation to this effect in time for the 1970 elections.

The amendment would impose a spending limit of 7 cents multiplied by the total number of votes cast for all candidates for the office in the preceding general election or $20,000, whichever is greater.[4] Funds spent by or on behalf of a vice presidential candidate are deemed spent on behalf of his presidential running mate.

A candidate could spend on each primary election no more than an amount equal to 50% of the above limit, with the exception of presidential elections. 1970 primaries, however, are not covered by the bill.

If S. 3637 is enacted in time for the 1970 general elections, the full spending limit would apply to the period from 30 days after enactment (the effective date) to the election. Thus a candidate who is limited to $20,000 for political broadcasts would be allowed to spend the full $20,000 after the effective date without violating the new law.

The bill provides that no station licensee may charge for the use of his station by or on behalf of a candidate covered by the section unless the candidate or his authorized representative certifies that the payment will not violate the applicable spending limit. Upon passage of the legislation the Commission will notify licensees of their obligations under this provision—that is, not to accept payment for political broadcasts without an authorized certification by the candidate that such payment does not exceed the limitation. Broadcasters who do not obtain written certifications would be subject to administrative sanctions including monetary forfeitures, cease and desist orders, and even loss of license. We are uncertain how this provision is to be enforced with respect to false certifications made by candidates.

Furthermore, the Commission will amend its questionnaires for its biennial political broadcast survey so that a licensee will report the amounts spent on his station by or on behalf of each candidate. This information will be coded and programmed into a computer so that we can furnish Congress with the total amount spent for broadcast time by each candidate.

We have already devised a new form for compilation of total spending by candidates for broadcast time during the campaign, but we would not have the resources to compute the total amount spent by each candidate for the short period of time when the law would be in effect for 1970. The results of our survey will not be available until the Spring of 1971. Furthermore, we do not have the facilities to keep a running account of the amounts spent for broadcast time by or on behalf of individual candidates during the campaign. This will be true of future elections as well as the immediate 1970 election.

In order to avoid disputes in the manner of computing the spending limit, we would advise candidates and licensees of the official sources to be used for arriving at the total number of votes cast for an office in the preceding election. The number of votes which would be necessary to exceed the $20,000 floor established in the bill is 285,715. Since the Congressional Directory records that the votes cast in any single election for United States Representative in 1968 did not exceed that number, with the exception of the 35th District of California, it appears that no candidate for Representative, except in that District, would be entitled to spend more than $20,000 for broadcast time in 1970.

We would also instruct licensees to obtain written certifications from candidates or their authorized representatives for all time to be used after the effective date of the new legislation. If contracts have already been entred into for broadcast time after the effective date, licensees will still have to obtain certifications from the candidates for those broadcasts. At the same time, licensees would afford candidates the "lowest unit rate" for such time in accordance with new section 315(b).

SPENDING LIMIT EXEMPTION

Section 3 of the bill authorizes the Commission to exempt certain elections from the spending limitation. It provides, in part:

(2) If the Federal Communications Commission determines that—

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[1] The lowest unit rate applies only to personal use by a candidate (including films). It does not apply to broadcasts on behalf of a candidate where he does not appear.

[2] 5 U.S.C. § 553(b)(B) and (d)(3). We would of course give interested persons an opportunity to suggest revisions before the rules were applied to 1971 elections (e.g., by reconsideration, including an express invitation to do so in the Report published in the Federal Register). If the bill is inapplicable to the 1970 election, either because of the passage of time or a further amendment to that effect, we would follow the normal procedures set out in the Administrative Procedure Act (i.e., notice; effectiveness 30 days after publication in the Federal Register).

[3] The bill defines "broadcasting station" for the purposes of section 315 to include cable television (CATV) systems.

[4] Proposed section 315(c)(2)(b) provides that for Senate elections where the last election for Senator had fewer total voters than a more recent statewide election, the limit is 7 cents times the total votes cast for the statewide office.

(A) on August 12, 1970, a person is a legally qualified candidate for major elective office (or nomination thereto),

(B) there are in effect on such date one or more written agreements with station licensees for the purchase of broadcast time to be used after such thirtieth day on behalf of his candidacy for such office (or nomination thereto), and

(C) such agreements specify amounts to be paid for the purchase of such time to be used after such thirtieth day which, in the aggregate, exceed the limitation imposed by section 315(c)(2) of the Communications Act of 1934 with respect to the general election for such office,

Then such amendments shall not apply to any of the candidates for election to such office in an election held before January 1, 1971.

The spending limit applies to all candidates unless the Commission determines that a race is exempt. If one candidate in an election qualifies for the exemption, then all candidates for that office are exempted. Thus all candidates for the same office are treated equally. If a candidate shows (1) that he was a legally qualified candidate on August 12, 1970 for one of the "major elective offices" listed in new section 315(c)(1); (2) that by August 12 he had entered into written agreements with broadcasting stations (including CATV) to buy time to be used after the law becomes effective, and (3) that the amounts to be paid under such agreements for time used after the effective date would exceed the new overall spending limitation, then all candidates for that office would be exempt.

In order to implement this provision if it becomes law, the Commission would, upon the President's signing of the bill, issue a public notice and promulgate rules concerning the provisions of the legislation. For example, we would—

a. Notify candidates and licensees that some elections may be exempted from the spending limit, and advise candidates that they have 15 days in which to file with the Commission certified copies of contracts entered into prior to August 12;

b. Notify licensees that the only candidates who are exempt from the spending limit will be listed (by office sought) by the Commission in a public notice to be issued prior to the effective date;

c. Warn licensees not to predate written contracts for political broadcast time under any circumstances, in order to avoid circumvention of the August 12 date in the law; and

d. Instruct licensees to place authorized certifications by candidates in their public files in order to facilitate checks by opposing candidates and other members of the public.

We anticipate a problem may arise where a candidate has contracted to spend more than his limit for broadcast time to be used during the effective period, has requested an exemption from the limit, and wants to purchase broadcast time before the Commission issues its public notice listing the exempt election contests. In this situation, the candidate cannot certify to the licensee that he would not be in violation of the spending limitation until we declare the candidates for that office are exempt from the spending limitation. Thus we would instruct licensees not to accept payments from or on behalf of such candidate for broadcast time during the effective period until we declare the contest exempt from the limitation. We will make every effort to publish a notification of exemptions as soon as possible, and in any event, no later than the effective date of the legislation.

Another problem arises where a candidate has entered into agreements prior to August 12 for broadcast time after the effective date, the cost of which, at the contract rates, totals more than his spending limit, but where the lowest unit rates would not qualify him for the exemption. At this point, we believe that we should accept the contract rates for the purposes of ascertaining whether the candidates for election to that office should be exempt from the spending limit.

CONCLUSIONS

As for the 1970 election campaign, we are able to implement the lowest unit rate provision and do not expect to encounter special difficulties if only a short time is involved. We also have the resources to determine exemptions from the spending limits pursuant to Section 3 of the bill. However, we would not have the resources to determine for the 1970 elections what amount of a candidate's total funds was expended after the effective date.

The Commission wishes to stress that in this and any subsequent election, the Commission would not be able to state at any time during the election process what amounts had been expended on behalf of any candidate coming within S. 3637; such information would become available only substantially after the election had ended. Further, since we anticipate the need to process additional complaints in view of the new substantive provisions, the Commission doubts that it has the resources and facilities to implement S. 3637 on a continuing basis for future elections without appropriations for additional personnel.

As a practical matter, if Congress does not pass this legislation by September 23, and if the President should not sign the bill until the tenth day of the ten-day period allowed, the provisions of the bill will not become effective before the November 3, elections.

This letter was adopted by the Commission on September 9, 1970.

DEAN BURCH, *Chairman*.
(By direction of the Commission*).

Mr. PASTORE. Mr. President, questions have been raised: Why do this to the licensees in broadcasting? Why are you not doing it to the newspapers? Why are you not doing it to billboards? Frankly, I think the time has come for a very firm, strict Corruptions Act if we are going to protect the public interest. The only reason why this measure deals alone with the electronic media is that that is as far as the jurisdiction of my committee went.

I would sincerely hope that, if and when this measure becomes the law, the appropriate committees of Congress would get busy and give us an overall law; because some small broadcasters, especially in the mountain States, claim they are going to feel the pinch on this. I hope they will be patient and understanding. I realize that this does not apply to the newspapers. I realize that this does not apply to the billboards and all the other gimmicks in the campaign process. The fact still remains that this is confined to radio and television because that is the jurisdiction of my committee.

I would hope that all the other committees, particularly the Committee on the Judiciary, would get busy and give us a law that would make it fair for the poor man as well as the rich man, and would give equal opportunity to the poor man as well as the rich man, to run for high public office in this country.

The idea of the magic of television and radio and newspapers and all the other paraphernalia that money can buy in an election, I am afraid, is going to destroy the very roots of the democratic process.

*Commissioner Johnson concurred in the result; Commissioner H. Rex Lee was absent.

Mr. BAKER. Mr. President, I would support a reasonable limitation on the amount that might be spent for radio and television advertising, or all advertising for political purposes, for that matter; but I believe that this bill, in its present form, amounts to legislative subsidy in favor of politicians, and I am opposed to it.

Mr. PEARSON. Mr. President, today we are about to take a momentous step toward breathing new life in this sorely tried political system of ours. We all were raised in the belief that any boy in America could eventually become President. Today, we know that belief, which used to be nearly true, is now a myth unless the boy in question is extremely wealthy or has the support of well-heeled interest groups. Unfortunately, it has also become necessary to have or obtain the support of considerable wealth to successfully seek most important public offices ranging from county commissioner to U.S. Senate. This offends not only our sense of ethics but also threatens the basic premise upon which our representative democracy is founded; namely, equality of competition. In theory, the leaders we elect to guide our destiny are the best we have available at the time. Every competing idea or philosophy is supposedly to be given an equal opportunity to make its appeal for public support. The citizens, in their collective wisdom, then render their verdict on which path they choose to follow.

This model has never operated perfectly, of course. In certain times and places one candidate has often had far more potent resources to apply than his opponent. But by and large over the years the competition from the lowest level to the highest has been vigorous and virtually anyone with the desire to offer his services could hope to nearly match the campaign efforts of his opponents.

Mr. President, we have come a long way since Abraham Lincoln spent 75 cents on his first congressional campaign and many of the changes wrought in the election process since then are perhaps inevitable, but in need of constant adjustment lest they so dominate the system that it looses all meaning. As our population has expanded it has become increasingly difficult for an elected official to maintain close contact with the constituency he has been elected to represent. Heavy use of the mails is expensive and a rather impersonal method of contact. A face to face meeting with constituents is the most effective way to communicate, of course. But, as everyone in this chamber realizes, it is impossible to ever personally meet with a large enough percentage of our constituents to do the job they expect us to do of keeping them informed of our activities. Even in the course of a long and vigorous campaign only a small portion of the electorate are ever personally contacted by the candidate. Yet, the votes we cast for our elected officials are among the most important decisions we make during our lives. They determine who will bear the heavy responsibility of shaping the future of our communities and our Nation. Whenever talented men and women are barred from successfully offering their

services simply because they lack great wealth or whenever the voter makes his crucial decisions on the basis of misleading images artfully contrived and marketed by public relations specialists, the interests of the entire community suffers.

How then to effectively communicate with a continually expanding electorate while preserving the equality of access that is so essential for keeping the political process open to all points of view? The answer, of course, is television. Television has become the most vital ingredient in every major campaign today. It has also become the most expensive. The result has been to price many worthwhile candidates out of the election market simply because they lack the means to buy enough television time to compete effectively.

Mr. President, the legislation this body is about to enact is designed to resolve this problem in a forthright and fair manner. When the distinguished Senator from Michigan (Mr. Hart) and I first introduced the measure which led to the conference report under consideration today, I said that I hoped it would receive the speedy consideration it deserved. I am delighted that the Congress has reacted so swiftly to reform the field of political broadcasting in order to reduce the many inequities and thus maintain public confidence in our political system. I wish also to commend the distinguished Senator from Rhode Island (Mr. PASTORE) for his vigorous leadership in drafting this legislation and carrying it forward to final passage.

We are taking this step none too soon, Mr. President, for the costs of campaigns are escalating at such a rate they are approaching a national scandal. Many campaigns are costing hundreds of thousands of dollars while a good many others are costing millions. The vast bulk of these sums are spent on television. These rising expenses represent a greater use of the medium as well as higher operating costs, of course. But they also reflect the fact that television rates climbed by an average of 30 to 40 percent between 1961 and 1967. And even all the money spent for air time is only a part of the total related to political broadcasting for another 25 percent on the average is spent on production costs to get the films and radio tapes ready for airing.

Mr. President, these spiraling costs are gravely distorting the election process and simply must be curbed. The bill we consider today may not offer the perfect formula, but it at least represents a positive start and because of the overwhelming need for reform it demands our support. It would first repeal the equal time clause of the Communications Act of 1934 as it applies to presidential and vice presidential candidates. This will permit the networks to donate free time in the public interest to major candidates without being plagued by a host of fringe contenders. The availability of this time will not only help to reduce soaring campaign costs, but also will serve to encourage the type of debates that the public found so informative in 1960.

The basic thrust of the bill, however, is centered on the use of paid time and it is here that it will have its greatest impact. This legislation, by requiring that radio and television stations sell their time to candidates at no more than the lowest unit charge for the comparable use of their facilities, will at least insure that those seeking positions of great public trust and who use the one medium of communication licensed and regulated to operate in the public interest are treated the same as used car salesmen and the purveyors of toothpaste and deodorant.

Mr. President, many stations, much to their credit, have resisted the temptation to charge political candidates all that the traffic will bear and have even offered discounted time in some instances. They are to be commended for their farsightedness. But we cannot as a matter of principle allow this issue to be resolved solely by voluntary rate reductions for two reasons.

First, the rates would vary widely from area to area, even within the same State. This would not only be unfair to the candidates, but also to the stations who had been the most public spirited since they would be disproportionately besieged with political advertisers seeking to exploit their special rates. Second, as long as the rate reduction remains an individual issue and is not set at a uniform level as a matter of principle, the candidate might soon find himself bargaining for favors with the very licensees he might soon be called upon to regulate. Clearly, this unhealthy relationship needs to be avoided in the public interest.

In addition, to setting the lowest unit rate charge as a basis floor for political broadcast costs, the bill also establishes a ceiling on the amount that can be spent for such purposes. This too is necessary if the rights of the licensee as well as the public are to be protected. Without a limit, there would be no reduction in campaign costs for the candidates with money would only buy more time. Moreover, without a spending limit, the stations could be unfairly exploited.

Thus, Mr. President, by allowing the use of free time in presidential contests, setting a uniform and reasonable rate for political broadcasts, and simultaneously placing a limit on the amount that can be spent the historic legislation we adopt today marks a bold step forward in the field of campaign financing reform. Much more still must be done, of course. Last year, for example, I introduced the Campaign Finance Act (S. 1692) to improve the method of reporting campaign spending and to provide for a dual system of tax credits and tax deductions for political contributions. In this way we could tighten up on the manner in which the money is spent while also broadening the contributions base to lessen the danger of excessive dependence on a few special interest groups for campaign finances. I suggest that this or some similar legislation is needed as a companion to the reforms we are considering today.

But the fact that there is more to do or that the legislation before us may not meet our individual approval in every detail should not slow its passage or its swift implementation. I consider the legislation we are about to adopt to be the most significant action taken in the field of campaign finance since the Corrupt Practices Act was passed 45 years ago. Our democratic political system will be much better for it. This legislation represents a start toward the complete overhaul of our system of campaign finance to make it possible for everyone interested in serving the public to have as nearly an equal opportunity as possible of doing so. I trust it will receive the broad support it merits.

Mr. TOWER. Mr. President, I am strongly opposed to S. 3637. In my opinion this legislation would impose a campaign spending limitation which is unrealistic, even if the Congress decides it should impose a limitation, and I am still not convinced that a dollar limitation should be imposed at all.

It may be that this bill will actually subvert its own intent. The actual result of legislation designed to limit political broadcasts and reduce campaign costs may be only to inhibit the use of a most economical method of explaining to the voters the positions of the candidate on significant issues.

This legislation favors incumbents, discriminates against broadcasters, and contains what I believe to be serious legal deficiencies which may only throw candidates and broadcasters into a quandary and subject them to the judgment of the courts.

As chairman of the Republican Senatorial Campaign Committee, I feel that I am in a position to judge the effect this legislation would have, particularly on Senate races, even though the legislation would not go into effect until the 1972 election.

Let me explain first the actual cost limitations this bill would impose. The bill limits the amount of money a candidate may spend in the purchase of broadcast advertising to 7 cents per vote cast in the previous election for that office, or $20,000, whichever is greater. The bill applies to all candidates for President and Vice President, the U.S. Senate, the House of Representatives, and State Governors and Lieutenant Governors. In the case of a candidate for U.S. Senate, the limitation may be figured on the basis of the total vote cast in a statewide election conducted since the last Senate election.

Mr. President, I know that this legislation will probably have little effect upon this year's elections. But for the purposes of demonstration, I hope the Senate will let me assume that it would. In this way I will be able to figure the limitation which would have been imposed this year and explore whether that figure is realistic. Of course the actual spending limitation which would be set for the 1972 elections would be based upon the voter turnout this November in most cases.

In my home State of Texas, a Senate candidate operating under the legislation this year would have been limited to the expenditure of $204,294.51 for the purchase of broadcast advertising. With this sum, the candidate would have had to consider how best to spend this amount of money to most effectively reach more than 4 million registered voters spread over 254 counties. He would have to decide exactly how he would use the broadcast advertising opportunities offered by

some 66 television stations and more than 500 radio stations.

I am not going to suggest any best method for making these determinations, for each candidate can best make those determinations for himself. The purchase price of the broadcast advertising could vary extensively, even though the bill provides that the broadcaster make available his lowest rates. But the spending limitation could easily mean that a candidate would be limited to four 20-second spots on each television station and have no funds left over for radio use.

In the State of California, a Senate candidate this year would have been limited to an expenditure of $497,172.55 for political broadcast advertising. Yet candidates in the senatorial election in California have reported spending more than $600,000 on broadcast advertising.

In New York, a limitation of $462,311.09 would have been imposed. Yet, the New York Times has reported that some $830,000 was spent in behalf of Representative RICHARD OTTINGER in his bid to become the Senate nominee of the Democratic party in its primary contest earlier this year.

Let me also note an example of a small State with much of its population situated close to metropolitan areas in neighboring States. Such a situation poses an entirely different problem for the candidate.

The $20,000 limitation would have been imposed this year in Delaware had this legislation been in effect. Yet, a candidate would have had to consider whether he wished time purchase on Philadelphia stations which beam a strong signal into the most populous portion of Delaware. The Philadelphia area constitutes an expensive television market and many of those who would hear a Delaware candidate's commercial would be unable to vote for him. A candidate might spend his entire limitation in purchasing only fifteen 20-second spots in the Philadelphia market.

Now it can be argued that the intent of this legislation is to discourage candidates in the future from spending as much money as candidates have in the past. I would not argue with that philosophy. But I would encourage every Senator to consider exactly what limitation would be imposed upon him in his home State and compare that figure with his own personal estimate of what would constitute adequate funding for campaign broadcasts.

I would also like to point out that broadcast advertising can be used effectively to communicate to the voters the positions of the candidates upon the issues. I believe everyone will agree that the literal survival of our democracy depends upon an enlightened electorate. Responsible leaders are continually seeking new ways of educating the electorate in the belief that an educated voter, who knows where the candidates stand on the issues, will be more capable of selecting the best qualified public officials.

The general sales manager of a television station in my home State provides his potential customers with information indicating that television advertising on his station, in his market, given his station's viewership, costs about $3 per thousand viewers reached.

I know that it may be argued that that figure is too low. But I know this general sales manager to be a reputable man who is making an honest effort to provide his customers with realistic information.

If his market is anything comparable to the national average, it seems to me that the pending legislation will significantly limit a candidate in the use of a medium which is an extremely economical one in terms of dollars spent for voters reached.

Mr. President, the American Research Bureau estimates that as of January 1st of this year, some 94 percent of all households in Texas had at least one television receiver. Certainly there are few voters in my State without access to television. If a candidate traveled across the State of Texas continuously for a year, he would not have the opportunity of reaching 94 per cent of the voters.

Of course he would not reach everyone who owns a television set simply by purchasing one television commercial; but I am convinced that television and radio together may constitute one of the most economical means for communication from the candidate to the voter.

If we limit the candidate's ability to use the broadcast media, we may be forcing him to spend his money elsewhere and we may be forcing him to spend more of it. If this is the case, this legislation will be undermining its own intent.

Mr. President, I have argued before that this legislation favors incumbents, and I am not going to take the Senate's time with a lengthy elaboration of a point which I believe is well understood by everyone in this Chamber.

Suffice it to say that on this point, I believe we, as incumbent Senators, should consider not our own personal advantage, but the political health of our Nation. Far better for us to provide responsible legislation which will provide the voters with the full opportunity to elect the best candidate, who most closely represents the overall views of the voters, than simply the man who has been holding the job.

Mr. President, the legislation before us, in my opinion, is extremely vague on several points. I believe passage of this legislation will open the way for extensive court suits and cause significant problems for the Federal Communications Commission.

For one thing, the legislation, as far as I can tell, does not even consider the possibility of a committee which might be formed in opposition to a candidate. The bill indicates that a candidate must, in figuring his expenditures for broadcast advertising, add in commercials which might be purchased by organizations other than his own campaign organization who wish to express support for his candidacy. This will cause candidates significant difficulty in itself. A candidate may find himself asking an organization which is friendly to him to please refrain from purchasing broadcast advertising in his behalf. But what about a committee in opposition to a candidate? Would purchases made by such a committee be credited against the limitation of alternative candidates? If it does not, will this not open a loophole for the expenditure of funds in mere opposition to an opponent? It seems to me that the pending legislation is unclear on this significant matter.

On another point, the bill requires broadcasters to change their lowest commercial rate for the same time period, or be subject to fine up to $10,000 or imprisonment for up to 1 year, or both.

Yet, it seems to me that the bill's definition for lowest commercial rate is extremely vague when the real world of television advertising is taken into consideration.

Most television stations vary commercial advertising rates according to not only the general time period, but sometimes the specific programing broadcast in conjunction with the advertising, and according to the purchaser's willingness to be preempted if another advertiser comes along who is willing to pay a higher price for the same commercial time.

Surely we do not expect that a candidate should be able to purchase time at a rate as low as others who are willing to run the risk of preemption, without running the same risk ourselves.

Television stations offer lower commercial rates to advertisers willing to run that risk, than to advertisers who are not. The lowest available rate for the same time period would be the preemptible rate. Yet a candidate might feel that he must insure that his material is broadcast at a specific time. If he does, he should be willing to pay the higher rate.

Also, in many television markets across our Nation, the published rate on a station's rate card does not represent its lowest available rate, but only a rate at which it is willing to start bargaining with a potential customer. Broadcast time passes as fast as any other time. The broadcaster wants to insure the sale of his time and is willing to sell it at a lower rate rather than fail to sell it at all. But at the same time, he wants to be able to obtain a higher rate during times of significant demand.

The economics of the broadcast industry demand that television advertising fluctuate with the demand, just as supply and demand determine the price in any free market economy.

I do not think the legislation before us is clear as to what specifies the lowest available rate for the same time period, and I believe this vagueness would open the way for lengthy civil suits and possibly subject broadcasters unfairly to criminal charges.

The legislation also discriminates against broadcasters in what I believe is an obvious manner. If we are going to limit campaign expenditures for the purchase of broadcast advertising, should not we provide an equitable limit for the purchase of other forms of advertising? If we do not, are we not unfairly limiting the broadcaster?

Mr. President, I have tried to outline responsible and basic reasons for careful consideration of what we are about to do.

I have purposefully avoided any arguments of a partisan nature for our action on this legislation should not be taken on the basis of partisan politics.

Any action that we take should be taken in the interests of good government, consistent with our democratic principles and in the basic interest of the electorate.

Mr. GOODELL. Mr. President, the Political Broadcasting Act of 1970 should really be called the Public Protection Act of 1970.

When enacted, it will limit the amount of money a political candidate can spend on radio and television advertising to 7 cents a vote. It will protect the public against candidates who attempt to buy their way to elective office, simply by taking over the airwaves with catchy 30-second commercials. By putting an end to the campaign "TV blitz," it will encourage candidates to participate in substantive debates on the issues—rather than run away from them.

Unlimited broadcast advertising in political campaigns does a gross injustice to the television media's potential for educating the public on a candidate's qualifications. Television is the single-most important element of a political campaign, and the people expect a great deal from this medium. The people expect, through television, that they will earn the views, qualifications, and positions of opposing candidates on the crucial issues.

This is not possible when nearly all that is seen of a candidate is a facade—a slick packaging of his image and a vague presentation of his views on his choice of the issues. A candidate with limited qualifications but an unlimited budget can easily circumvent "communicating with the public" and choose instead an alternative of "mesmerizing the public."

Place a limitation on TV spending will encourage better qualified people to run for office. Too often today, qualified individuals cannot enter a race because they do not have personal or family fortunes to finance prohibitively expensive campaigns.

In addition, to place this limit on broadcast spending, the bill contains a number of other important provisions. It equitably requires that station charges for a political candidate be no more than the lowest unit charge for the same time period given to other advertisers. The bill also repeals the equal-time requirements for presidential and vice-presidential debates—a step I have long favored. By providing for detailed reporting requirements, the bill assures the necessary enforcement of the spending limits imposed.

Mr. President, for those of us who have been actively working for an end to excessive TV advertising in election campaigns, the final passage of this bill is very gratifying indeed. Since September 10, 1969, when I joined with Senators HART and PEARSON as a cosponsor of the Campaign Broadcast Reform Act, we have been attempting to get reform legislation of this kind passed in this session of Congress. Through hearings and discussions in the Commerce Committee, we have tried to put through a fair and effective campaign expenditure reform measure.

This bill is really a first step in meeting the need for a complete overhaul of our laws on campaign spending.

For a number of years in the House and Senate, I have introduced meaningful reform bills to strengthen our existing laws on campaign financing in Federal elections. My bill, the Federal Clean Elections Act, has been considered a model for such reform. Provisions of my bill are included in the Election Reform Act of 1970 now pending on the Senate Calendar. Several weeks ago, I introduced two amendments to this bill; first, to create an independent bipartisan Federal Elections Commission to monitor campaign spending laws; and second to limit to $25,000 the amount of money a congressional candidate could spend on his own funds. I hope that the Senate will consider this legislation before the end of this session.

Mr. President, our democratic society rests on the trust which the people place in their elected officials. The people must be able to choose the most qualified representatives through an open and fair process. By limiting the use of massive TV spending sprees in political campaigns, we have strengthened the foundation on which our Government stands. I urge my colleagues to pass this conference report.

Mr. PASTORE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PASTORE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. PASTORE. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. BAKER. Mr. President, if I have any time remaining, I yield it back.

Mr. PASTORE. I yield back the remainder of my time.

The PRESIDING OFFICER. All remaining time has been yielded back.

The question is on the adoption of the conference report. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SCOTT (when his name was called). On this vote I have a pair with the Senator from Maine (Mr. MUSKIE). If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." I withhold my vote.

The rollcall was concluded.

Mr. KENNEDY. I announce that the Senator from Tennessee (Mr. GORE), the Senator from Indiana (Mr. HARTKE), the Senator from Washington (Mr. MAGNUSON), the Senator from Minnesota (Mr. MCCARTHY), the Senator from Wyoming (Mr. MCGEE), the Senator from New Mexico (Mr. MONTOYA), the Senator from Utah (Mr. MOSS), the Senator from Maine (Mr. MUSKIE), the Senator from Rhode Island (Mr. PELL), the Senator from Alabama (Mr. SPARKMAN), the Senator from Missouri (Mr. SYMINGTON), the Senator from Maryland (Mr. TYDINGS), and the Senator from New Jersey (Mr. WILLIAMS), are necessarily absent.

I further announce that, if present and voting, the Senator from Washington (Mr. MAGNUSON), the Senator from Maine (Mr. MUSKIE), the Senator from Missouri (Mr. SYMINGTON), the Senator from New Jersey (Mr. WILLIAMS), and the Senator from Rhode Island (Mr. PELL), would each vote "yea."

Mr. GRIFFIN. I announce that the Senators from Arizona (Mr. FANNIN and Mr. GOLDWATER), the Senator from Oregon (Mr. HATFIELD), the Senator from California (Mr. MURPHY), and the Senator from Illinois (Mr. SMITH), are necessarily absent.

The Senator from Oklahoma (Mr. BELLMON) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

On this vote, the Senator from Illinois (Mr. SMITH) is paired with the Senator from South Dakota (Mr. MUNDT). If present and voting, the Senator from Illinois would vote "yea" and the Senator from South Dakota would vote "nay."

The result was announced—yeas 60, nays 19, as follows:

[No. 325 Leg.]

YEAS—60

Aiken	Fulbright	Mondale
Allen	Goodell	Nelson
Anderson	Gravel	Packwood
Bayh	Harris	Pastore
Bible	Hart	Pearson
Brooke	Holland	Prouty
Burdick	Hollings	Proxmire
Byrd, Va.	Hughes	Randolph
Byrd, W. Va.	Inouye	Ribicoff
Cannon	Jackson	Russell
Case	Javits	Saxbe
Church	Kennedy	Schweiker
Cooper	Long	Smith, Maine
Cranston	Mansfield	Spong
Dodd	Mathias	Stennis
Eagleton	McClellan	Talmadge
Eastland	McGovern	Williams, Del.
Ellender	McIntyre	Yarborough
Ervin	Metcalf	Young, N. Dak.
Fong	Miller	Young, Ohio

NAYS—19

Allott	Dole	Jordan, Idaho
Baker	Dominick	Percy
Bennett	Griffin	Stevens
Boggs	Gurney	Thurmond
Cook	Hansen	Tower
Cotton	Hruska	
Curtis	Jordan, N.C.	

PRESENT AND GIVING A LIVE PAIR AS PREVIOUSLY ANNOUNCED—1

Scott, against.

NOT VOTING—20

Bellmon	McCarthy	Pell
Fannin	McGee	Smith, Ill.
Goldwater	Montoya	Sparkman
Gore	Moss	Symington
Hartke	Mundt	Tydings
Hatfield	Murphy	Williams, N.J.
Magnuson	Muskie	

So the conference report on S. 3637 was agreed to.

Mr. PASTORE. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. BYRD of West Virginia. Mr. President, I move to lay that motion on the table.

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

S. 4388—INTRODUCTION OF INDIAN EDUCATION ACT

Mr. KENNEDY. Mr. President, despite some folklore to the contrary, the American Indian is not a vanishing American. Estimates of the Indian population in the United States range from 600,000 to over a million, and American Indians are the fastest growing ethnic group in the country. Over 200,000 of these are children of school age whose education is the responsibility of the Government of the United States.

Since 1794 provisions have been inserted in treaties with Indian nations occupying this land, obligating the Federal Government to educate Indian children. From the beginning Federal policy toward the Indian was based on the desire to dispossess him of his land, and thus our Indian education policy was in essence a function of our land policy. Expression of this early attitude can be found in the following congressional language:

> In the present state of our country one of two things seems to be necessary. Either than those sons of the forrest should be mortalized or exterminated. . . . Put into the hands of their children the primer and the hoe, and they will naturally, in time, take hold of the plow.

Although this education policy—representing the more humane approach to cultural genocide—has not worked, neither has it been abandoned. For even one of the most recent studies of Indian educational institutions begins by observing that "we may define Indian education as the imposition of white American educational institutions upon American Indian communities."

The quality of Indian education has, in a sense, been a test of our Government's understanding of democracy and commitment to allowing coexistence of diverse cultures. Yet judged by any reasonable set of criteria, the Government has failed this test. Indian education has become a national tragedy. It has not provided Indian children with a minimum competence necessary to prepare them for a productive role in society at large; neither has it been responsible for perpetuation of the values and culture unique to the Indian people. Three successive Presidents have recognized this, and have called for new directions in programs and policies. Yet no new general major changes in educational structure or programing has occurred in this area for years. Today I am introducing a comprehensive Indian Education Act which I hope will be adopted as a formal congressional commitment to excellence and self-determination in Indian education.

Three years ago Congress, recognizing the educational problems and needs of Indian children and the failure of our Government to meet those needs, established a Special Subcommittee on Indian Education. The subcommittee, originally under the chairmanship of Senator Robert Kennedy, was given the mandate to "examine, investigate, and make a complete study of any and all matters pertaining to the education of Indian children."

Senator Robert Kennedy traveled America extensively as chairman of the subcommittee. He exposed the severity and degradation of Indian poverty and the failure of this Nation to help the Indian people. Most importantly, he listened to what they had to say, to their advice, to their complaints. At the first hearing of the subcommittee in December 1967, he outlined a few statistics on Indian education that remain basically unchanged and were echoed in the final report of the subcommittee:

> Dropout rates are twice the national average;
>
> The level of formal education is half the national average;
>
> Achievement levels are far below those of their white counterparts. . . .
>
> The Indian child falls progressively further behind the longer he stays in school . . .
>
> One-fourth of elementary and secondary school teachers—by their own admission—would prefer not to teach Indian children . . .
>
> Indian children, more than any other group, believe themselves to be "below average" intelligence.

These and similar statistics have been repeated time and again through the years. I hope that we are not so used to hearing them that we fail to comprehend the human tragedy underlying the numbers.

The full details of the failure of Federal programs and policies were documented throughout seven volumes of subcommittee hearings and five volumes of committee prints. The subcommittee traveled to all parts of the country, visited schools, examined studies and reports, and heard testimony from Indians, Government officials, and others, with relevant expertise. I assumed the chairmanship of the subcommittee early in 1969, and in November 1969 the subcommittee issued its final report entitled "Indian Education: A National Tragedy—A National Challenge."

From the start I believed it necessary that both Congress and the executive branch take substantial steps to provide Indian children with a quality education. At the first Indian Education Subcommittee hearing that I chaired, I observed in my opening remarks:

> The hearings should point up the need for new policies, and new administrative and organizational approaches for implementing these new policies. Most importantly, the hearings should point up the need for amending old legislation and enacting bold new legislation so that in a matter of a few years hence, we can proudly say that educational programs for American Indians are not only successful but exemplary, and a matter of national pride, not shame.

The final report of the subcommittee recommended a number of legislative measures needed to raise Indian education to an exemplary level and to transfer control of Indian education to the Indian people. One of the more general recommendations—No. 6—urged:

> That there be presented to the Congress a comprehensive Indian education act to meet the special education needs of Indians both in the Federal schools and in the public schools.

I had hoped that the drafting of this comprehensive act could be preceded by a White House Conference of American Indians, and last year I introduced legislation—Senate Joint Resolution 168—to provide for such a conference to be conducted by the Indian and Alaska Native people. This resolution has not been considered in committee yet, and thus a White House conference does not appear to be in the near offing. With the advice and assistance of a number of interested people, including Indian groups and individuals, I have prepared a comprehensive bill based on the work of the subcommittee and on the extensive suggestions by those who appeared before it.

Documentation, beyond the subcommittee publications, of the problems underlying the need for this legislation can be found in the report "Who Should Control Indian Education?" produced last winter by the Far West Laboratory for Educational Research and Development, in the ABT Associates study of Indian Education prepared for the Bureau of Indian Affairs last year, and in numerous other studies and writings on education of the American Indian. It would only be repetative to go over again here the day-to-day failures of the present system of Indian education, or even the scandals, the horrors, the physical and psychological brutality involved in that system. It is time we focused on a cure, rather than on the disease or its symptoms. To this end, I am introducing today the Indian Education Act.

The Indian Education Act would establish three new programs: the first would assist local educational agencies in meeting the special needs of Indian students; the second would provide funds for special programs and projects to improve Indian educational opportunities; and the third would support the improvement of adult Indian education. The act also establishes a National Board of Indian Education, and a Bureau of Indian Education in the Office of Education. Other provisions would include Indian schools and students in the Education Professions Development Act, and would provide support for community colleges on or near Indian reservations.

TITLE I.—REVISION OF IMPACTED AREAS PROGRAM AS IT RELATES TO INDIAN CHILDREN

The Special Subcommittee on Indian Education found that:

> While Indian education is receiving some financial assistance through Public Law 81-874, it is hardly enough to provide students with an equal education opportunity.

Many school districts use these funds as part of their operating budgets, and thus the direct benefit to Indian students is minimal. Indian districts are often in greater need of assistance than other eligible districts because of the special remedial problems of Indian children, yet Public Law 874 makes no distinction in their favor. Furthermore, while Public Law 874 has served as an inducement to public schools to accept Indian children, insufficient funding has left many districts with Indian children but no funds to educate them. Title I of the Indian Education Act is designed to correct these problems.

Title I would amend Public Law 874 by adding a new title to be known as

the Indian Elementary and Secondary School Assistance Act. Under this title, the Commissioner of Education is authorized to make grants to local educational agencies based on the number of Indian children in average daily attendance. The amount of the grant is determined by multiplying the agency's average per pupil expenditure by the number of Indian children in attendance. The number of Indian students enrolled in the school, not the number of children on or near the reservation, is the key figure. Grants may be used for both planning and pilot projects, and for the establishment and operation of programs. They are authorized during a 5-year period, from fiscal 1972 through 1977.

Grant applications must set forth a program for meeting the special educational needs of Indian children, provide for effective annual evaluation procedures, and insure that Federal funds will supplement and not supplant other available funds. In addition, parents of the children to be served, tribal organizations, and the State educational agencies, must have an opportunity to review and comment on the application. Even where the number of Indian children in the public school is small, it is important that the Indian people involved be afforded the opportunity to participate in the educational process affecting their children.

TITLE II—SPECIAL PROGRAMS AND PROJECTS TO IMPROVE EDUCATIONAL OPPORTUNITIES FOR INDIAN CHILDREN

The investigations of the Special Subcommittee on Indian Education revealed that Indian students in Federal schools are more than 2 years below national norms on achievement tests. Forty percent of the students drop out before graduation. Public schools enrolling Indians rarely include coursework which recognizes Indian history, culture, or language, and in fact often use materials and approaches which are derogatory toward Indians. Clearly the educational opportunities for Indian children are in desperate need of improvement.

Title II of the Indian Education Act will add a new section to title VIII of the Elementary and Secondary Education Act which will authorize the Commissioner of Education to make grants to:

State and local educational agencies and other public and private organizations—including federally supported Indian schools—for planning, pilot, and demonstration projects to improve educational opportunities for Indian children;

State and local educational agencies and the National Board of Indian Education for programs to provide educational services not available in sufficient quantity or quality for Indian children, and to establish exemplary programs and centers to enrich Indian education;

Institutions of higher education, and to State and local educational agencies in combination with such institutions, for the training or retraining of educational personnel serving Indian children;

Public and private nonprofit organizations for the dissemination of information on Indian education and the evaluation of federally assisted programs.

Grant applications must provide for the coordination of all available resources to insure a comprehensive program, the training of participating personnel, evaluation, and parent and tribal community participation in all facets of the program. For these grants, $25,000,000 is authorized in fiscal 1972 and $35,000,000 for each of the four succeeding fiscal years.

This title is basically an expanded version of S. 4059 which I introduced earlier this year. It is intended to provide the first steps toward fulfilling the recommendations of the Indian Education Subcommittee, that Indian education be exemplary, with outstanding innovative programs taking into consideration the emotional, social, and identity problems—as well as the educational problems—of Indian youth.

After June 1972, funds for library resources, supplementary educational centers and services, and education of the handicapped—title II, III, and VI of the Elementary and Secondary Education Act—which were formerly allotted to the Department of the Interior will be discontinued, as funds for these purposes will then be available under this section of title VIII. Schools serving Indian children will remain eligible to participate in bilingual programs under title VII.

TITLE III—SPECIAL PROGRAMS RELATING TO ADULT EDUCATION FOR AMERICAN INDIANS

About 75,000 Indian adults have not completed a fifth grade education. Less than one-fifth of the adult Indian population has completed high school. Functional illiteracy is one of the major causes of Indian poverty and unemployment, and almost nothing is being done about it. The Indian Education Subcommittee observed:

A major commitment should be made to the adult education programs for American Indians. The national need for such a commitment is all to evident in the low economic status, rise in alcoholism, lack of employment capabilities, the inability of too many Indian adults to read and write, and the general lack of fulfillment of Indian adults on reservations.

Title III of the Indian Education Act would add a new section to the Adult Education Act. It would authorize the Commissioner of Education to make grants to support planning, pilot and demonstration projects, the dissemination of information, and the evaluation of adult Indian education programs. In addition, the Commissioner is authorized to assist in the establishment and operation of Indian adult basic education programs, to support a major research and demonstration effort in this field, and to determine accurately the extent of illiteracy and lack of high school completion of Indian adults.

Applications must provide for evaluation and the participation by tribal communities and the persons to be served in all aspects of the program. Five million dollars is authorized for fiscal 1972 and $8,000,000 for each of the four succeeding fiscal years.

TITLE IV—NATIONAL BOARD OF EDUCATION; BUREAU OF INDIAN EDUCATION; MISCELLANEOUS

In order to mount effective, exemplary programs to improve Indian education, a reorganization of existing efforts is mandatory. The present lack of quality, quantity, and coordination in the provision of Indian educational opportunity is so severe that only a fresh and concerted approach, one which actively encourages Indian participation and control, can turn the tide.

The establishment of a National Board of Indian Education has been a key recommendation of every study of Federal Indian schools, including the final report of the Indian Education Subcommittee. The subcommittee suggested that the National Board "have oversight over the operations of the schools and have authority to set standards and criteria and determine policy within the framework of the law." The National Board could then be instrumental in the establishment of local school boards, giving substance to the objective of self-determination in Indian education.

The minority members of the subcommittee, who contributed significantly to its efforts, viewed as the most important recommendation the provision of the means to achieve "guidance by Indians themselves of the education of their own children through national and local Indian boards of education." And just this past July the President recognized that Indian control of Indian education should be a primary objective of our national policy.

Title IV of the Indian Education Act would establish a 15-member National Board of Indian Education, appointed by the President from nominees furnished by Indian tribes and organizations. Members will serve staggered terms of 3 years. The staff of the National Board will include an Executive Director and a Superintendent of Indian Education.

The National Board will be responsible for all functions relating to Indian education which were formerly carried out by other executive agencies—except for those of the Office of Education and the Office of Economic Opportunity. The Board may establish local school districts and authorize school boards, selected at the local level, for Federal Indian schools, and will advise the Commissioner of Education on the administration of titles I, II, and III of this act. It is also directed to investigate off-reservation boarding schools to determine which should be converted to therapeutic treatment centers, to examine Federal boarding schools with a view to change, and report their findings to the Congress by July 1, 1972.

The bill I am introducing leaves unresolved the relationship of the National Board of Indian Education to the Bureau of Indian Affairs insofar as the Bureau provides support services related to but not considered educational services. This area must be more fully explored in hearings on this bill, but what is assumed from the start, and what is etched in its history, is the incapacity of the BIA to provide satisfactory and relevant education for Indian children.

Thus the National Board will take over this function from the Bureau.

To administer the major provisions of the Indian Education Act, under the jurisdiction of HEW, a Bureau of Indian Education would be established in the Office of Education, headed by a Deputy Commissioner of Education to be appointed by the President from nominees submitted by the National Board.

TITLE V—MISCELLANEOUS PROVISIONS

Various provisions of the Education Professions Development Act—title V of the Higher Education Act—would be amended to reflect the educational personnel needs of Indian children and schools. Title III of the Higher Education Act, designed to strengthen developing institutions of higher education, would be amended so as to include recently created institutions on or near Indian reservations, in order to increase the availability of higher education for Indians.

The amendments to titles III and V of the Higher Education Act were recommended by the Indian Education Subcommittee and were proposed last year in two bills introduced by Senator DOMINICK. I have incorporated those bills into this title for convenience, but I would like to acknowledge the interest, involvement, and initiative of the Senator from Colorado in this area as reflected in his contributions to the work of the subcommittee and in his introduction of these bills.

The National Board of Indian Education is directed, in the final provisions of the title, to raise the Institute of American Indian Arts at Santa Fe, N. Mex., to the level of a 4-year college, to provide support for community colleges on or near Indian reservations, to study the feasibility of Indian community colleges and work toward their establishment, and to report to Congress on these matters by July 1, 1972.

The Special Subcommittee on Indian Education concluded, after extensive investigation, that—

> Our national policies for educating American Indians are a failure of major proportions . . . Past generations of lawmakers and administrators have failed the American Indian. Our own generation thus faces a challenge—we can continue the unacceptable policies and programs of the past or we can recognize our failures, renew or commitments, and reinvest our efforts with new energy.

The bill I have introduced today would provide us with the means to respond to that challenge. It would constitute a new and vital commitment to quality educational opportunity for the American Indian—a commitment which is essential to the restoration of this Nation's legal and moral integrity.

Mr. President, I ask unanimous consent that the Indian Education Act in its entirety and a section-by-section analysis of that bill be printed in the RECORD at the end of my statement.

The PRESIDING OFFICER (Mr. HANSEN). The bill will be received and appropriately referred; and, without objection, the bill and section-by-section analys's will be printed in the RECORD.

The bill (S. 4388) to amend the Act of September 30, 1950—(Public Law 874, 81st Congress)—and the Elementary and Secondary Education Act of 1965, so as to improve the quality of education of Indian children in elementary and secondary schools, and for other purposes, introduced by Mr. KENNEDY (for himself and Mr. MONDALE), was received, read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

S. 4388

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 "Indian Education Act".

TITLE I—REVISION OF IMPACTED AREAS PROGRAM AS IT RELATES TO INDIAN CHILDREN

SEC. 101. (a) The Act of September 30, 1950 (Public Law 874, Eighty-first Congress), is amended by redesignating title III, as title IV, by redesignating sections 301 through 303 and references thereto as sections 401 through 403, respectively, and by adding after title II the following new title:

"TITLE III—FINANCIAL ASSISTANCE TO LOCAL EDUCATIONAL AGENCIES FOR THE EDUCATION OF INDIAN CHILDREN

"SHORT TITLE

"SEC. 301. This title may be cited as the 'Indian Elementary and Secondary School Assistance Act'.

"DECLARATION OF POLICY

"SEC. 302. (a) In recognition of the special educational needs of Indian students in the United States, Congress hereby declares it to be the policy of the United States to provide financial assistance to local educational agencies to develop and carry out elementary and secondary school programs designed to meet these special educational needs.

"(b) During the period beginning July 1, 1972, and ending June 30, 1977, the Commissioner shall, in order to effectuate the policy set forth in subsection (a), carry out a program of making grants to local educational agencies which are entitled to payments under this title and which have submitted, and had approved, applications therefor, in accordance with the provisions of this title.

"GRANTS TO LOCAL EDUCATIONAL AGENCIES

"SEC. 303. (a) For the purpose of computing the amount to which a local educational agency is entitled under this title for any fiscal year in the period during which grants are to be made, as specified in section 302(b), the Commisisoner shall determine the number of Indian children who were in average daily attendance at the schools of a local educational agency, and for whom such agency provided free public education, during such fiscal year.

"(b)(1) The amount of the grant to which a local educational agency is entitled under this title for any fiscal year shall be an amount equal to (A) the average per pupil expenditure for such agency (as determined under paragraph (3)) multiplied by (B) the sum of the number of children determined under subsection (a).

"(2) A local educational agency shall not be entitled to receive a grant under this title for any fiscal year, unless the number of children under subsection (a), with respect to such agency, is at least ten.

"(3) For the purposes of this subsection, the average per pupil expenditure for a local educational agency shall be the aggregate current expenditures, during the second fiscal year preceding the fiscal year for which the computation is made, of all of the local educational agencies in the State in which such agency is located, plus any direct current expenditures by such State for the operation of such agencies (without regard to the sources of funds from which either of such expenditures are made), divided by the aggregate number of children who were in average daily attendance for whom such agencies provided free public education during such preceding fiscal year.

"USES OF FEDERAL FUNDS

"SEC. 304. Grants under this title may be used, in accordance with applications approved under section 305, for—

"(a) planning for and taking other steps leading to the development of programs designed to meet the special educational needs of Indian children, including pilot projects designed to test the effectiveness of plans so developed; and

"(b) the establishment, maintenance, and operation of programs, including, in accordance with special regulations of the Commissioner, minor remodeling of classroom or other space used for such programs and acquisition of necessary equipment, designed to meet the special educational needs of Indian children.

"APPLICATION FOR GRANTS; CONDITIONS FOR APPROVAL

"SEC. 305. (a) A grant under this title may be made only to a local educational agency or agencies, but only upon application to the Commissioner at such time or times, in such manner, and containing or accompanied by such information as the Commissioner deems necessary. Such application shall—

"(1) provide that the activities and services for which assistance under this title is sought will be administered by or under the supervision of the applicant;

"(2) set forth a program for carrying out the purposes of section 304, and provide for such methods of administration as are necessary for the proper and efficient operation of the program;

"(3) in the case of an application for payments for planning, provide that (A) the planning was or will be directly related to programs or projects to be carried out under this title and has resulted, or is reasonably likely to result, in a program or project which will be carried out under this title, and (B) the planning funds are needed because of the innovative nature of the program or project or because the local educational agency lacks the resources necessary to plan adequately for programs and projects to be carried out under this title;

"(4) provide that effective procedures, including provisions for appropriate objective measurement of educational achievement, will be adopted for evaluating at least annually the effectiveness of the programs and projects in meeting the special educational needs of Indian students;

"(5) set forth policies and procedures which assure that Federal funds made available under this title for any fiscal year will be so used as to supplement and, to the extent practical, increase the level of funds that would, in the absence of such Federal funds, be made available by the applicant for the education of Indian children and in no case supplant such funds;

"(6) 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 title; and

"(7) provide for making an annual report and such other reports, in such form and containing such information, as the Commissioner may reasonably require to carry out his functions under this title and to determine the extent to which funds provided under this title have been effective in improving the educational opportunities of Indian students in the area served, 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.

"(b) An application by a local educational agency or agencies for a grant under this title may be approved only if it is consistent with the applicable provisions of this title and—

"(1) meets the requirements set forth in subsection (a);

"(2) provides that the program or project for which application is made—

"(A) will utilize the best available talents and resources and will substantially increase the educational opportunities of Indian students in the area to be served by the applicant; and

"(B) has been made available for review and comment by the parents of the children to be served and by tribal organizations; and

"(3) the State educational agency has been notified of the application and been given the opportunity to offer recommendations.

"(c) Amendments of applications shall, except as the Commissioner may otherwise provide by or pursuant to regulations, be subject to approval in the same manner as original applications.

"PAYMENTS

"SEC. 306. (a) The Commissioner shall, subject to the provisions of section 307, from time to time pay to each local educational agency which has had an application approved under section 305, an amount equal to the amount expended by such agency in carrying out activities under such application.

"(b) (1) No payments shall be made under this title for any fiscal year to any local educational agency in a State which has taken into consideration payments under this title in determining the eligibility of such local educational agency in that State for State aid, or the amount of that aid, with respect to the free public education of children during that year or the preceding fiscal year.

"(2) No payments shall be made under this title to any local educational agency for any fiscal year unless the State educational agency finds that the combined fiscal effort (as determined in accordance with regulations of the Commissioner) of that agency and the State with respect to the provision of free public education by that agency for the preceding fiscal year was not less than such combined fiscal effort for that purpose for the second preceding fiscal year.

"ADJUSTMENTS WHERE NECESSITATED BY APPROPRIATIONS

"SEC. 307. (a) If the sums appropriated for any fiscal year for making payments under this title are not sufficient to pay in full the total amounts which all local educational agencies are eligible to receive under this title for that fiscal year, the maximum amounts which all such agencies are eligible to receive under this title for such fiscal year shall be ratably reduced. In case additional funds become available for making such payments for any fiscal year during which the first sentence of this subsection is applicable, such reduced amounts shall be increased on the same basis as they were reduced.

"(b) In the case of any fiscal year in which the maximum amounts for which local educational agencies are eligible have been reduced under the first sentence of subsection (a), and in which additional funds have not been made available to pay in full the total of such maximum amounts under the second sentence of such subsection, the Commissioner shall fix dates prior to which each local educational agency shall report to him on the amount of funds available to it, under the terms of section 306(a) and subsection (a) of this section, which it estimates, in accordance with regulations of the Commissioner, that it will expend under approved applications. The amounts so available to any local educational agency, or any amount which would be available to any other local education agency if it were to submit an approvable application therefor, which the Commissioner determines will not be used for the period of its availability, shall be available for allocation to these local educational agencies, in the manner provided in the second sentence of subsection (a), which the Commissioner determines will need additional funds to carry out approved applications, except that no local educational agency shall receive an amount under this sentence which, when added to the amount available to it under subsection (a), exceeds its entitlement under section 303.

"DEFINITION

"SEC. 308. As used in this title, the term 'Indian' means any individual who is an enrolled member of a tribe, band, or other organized group of Indians, or who is a descendant of any such enrolled member.".

(b) (1) Paragraph (1) of section 103(a) of title I of the Elementary and Secondary Education Act of 1965 is amended—

(A) by striking out subparagraph (B), and by striking out "(A)" where it appears after "SEC. 103. (a) (1)";

(B) in the fourth sentence thereof, by striking out "and the terms upon which payment shall be made to the Department of Interior"; and

(C) by striking out the third sentence thereof.

(2) Paragraph (1) of section 303 of the Act of September 30, 1950 is amended—

(A) in the second sentence, by striking out "(A) except for the purposes of section 6, real property held in trust by the United States for individual Indians or Indian tribes, and real property held by individual Indians or Indian tribes which is subject to restrictions on alienation imposed by the United States," and by redesignating clauses (B), (C), and (D) therein, and all references thereto, as clauses (A), (B), and (C), respectively; and

(B) in the fourth sentence, (i) by inserting before the period at the end thereof the following: ", or (C) Indian reservations, or other property held (i) in trust by the United States for individual Indians or Indian tribes or (ii) held by individual Indians or Indian tribes which is subject to restrictions on alienation imposed by the United States", and (ii) by striking out "and (B)" and inserting in lieu thereof ", or (B)".

TITLE II—SPECIAL PROGRAMS AND PROJECTS TO IMPROVE EDUCATIONAL OPPORTUNITIES FOR INDIAN CHILDREN

AMENDMENT TO TITLE VIII OF THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965

SEC. 201. (a) Title VIII of the Elementary and Secondary Education Act of 1965 is amended by adding to the end thereof the following new section:

"IMPROVEMENT OF EDUCATIONAL OPPORTUNITIES FOR AMERICAN INDIAN CHILDREN

"SEC. 810. (a) The Commissioner shall carry out a program of making grants for the improvement of educational opportunities for American Indian children—

"(1) to support planning, pilot, and demonstration projects, in accordance with subsection (b), which are designed to test and demonstrate the effectiveness of programs for improving educational opportunities for American Indian children;

"(2) to assist in the establishment and operation of programs, in accordance with subsection (c), which are designed to stimulate (A) the provision of educational services not available to American Indian children in sufficient quantity or quality, and (B) the development and establishment of exemplary educational programs to serve as models for regular school programs in which American Indian children are educated;

"(3) to assist in the establishment and operation of preservice and inservice training programs, in accordance with subsection (d), for persons serving Indian children as educational personnel; and

"(4) to encourage the dissemination of information and materials relating to, and the evaluation of the effectiveness of, education programs which may offer educational opportunities to American Indian children.

"(b) The Commissioner is authorized to make grants to State and local educational agencies and other appropriate public and private educational and research agencies, organizations, and institutions (including federally supported elementary and secondary schools for Indian children) to support planning, pilot, and demonstration projects which are designed to plan for, and test and demonstrate the effectiveness of, programs for improving educational opportunities for American Indian children, including—

"(1) innovative programs related to the educational needs of educationally deprived children;

"(2) bilingual and bicultural education programs and projects;

"(3) special health and nutrition services, and other related activities, which meet the special health, social, and psychological problems of Indian children; and

"(4) coordinating the operation of other federally assisted programs which may be used to assist in meeting the needs of such children.

"(c) The Commissioner is also authorized to make grants to State and local educational agencies and to the National Board of Indian Education to assist and stimulate them in developing and establishing educational services and programs specifically designed to improve educational opportunities for American Indian children. Grants may be used—

"(1) to provide educational services not available to such children in sufficient quantity or quality, including—

"(A) remedial and compensatory instruction, school health, physical education, psychological, and other services designed to assist and encourage Indian children to enter, remain in, or reenter elementary or secondary school;

"(B) comprehensive academic and vocational instruction;

"(C) instructional materials (such as library books, textbooks, and other printed or published or audiovisual materials) and equipment;

"(D) comprehensive guidance, counseling, and testing services;

"(E) special education programs for handicapped and preschool children;

"(F) bilingual and bicultural education programs; and

"(G) other services which meet the purposes of this subsection; and

"(2) for the establishment and operation of exemplary and innovative educational programs and centers, involving new educational approaches, methods, and techniques designed to enrich programs of elementary and secondary education for Indian children.

"(d) The Commissioner is also authorized to make grants to institutions of higher education and to State and local educational agencies, in combination with institutions of higher education, for carrying out programs and projects—

"(1) to prepare persons to serve Indian children as teachers, teacher aides, and ancillary educational personnel; and

"(2) to improve the qualifications of such persons who are serving Indian children in such capacities.

Grants for the purposes of this subsection may be used for the establishment of fellowship programs leading to an advanced degree, for institutes and, as part of a continuing program, for seminars, symposia, workshops, and conferences.

"(e) The Commissioner is also authorized to make grants to, and contracts with, public and private agencies, organizations, and institutions (except that no grant may be made to an agency, organization, or institution other than one which is nonprofit) for—

"(1) the dissemination of information concerning educational programs, services, and resources available to Indian children, including evaluations thereof; and

"(2) the evaluation of the effectiveness of federally assisted programs in which Indian children may participate in achieving the purposes of such programs with respect to such children.

"(f) Applications for a grant under this section shall be submitted at such time, in such manner, and contain such information, and shall be consistent with such criteria, as may be established as requirements in regulations promulgated by the Commissioner. Such applications shall—

"(1) set forth a statement describing the activities for which assistance is sought;

"(2) in the case of an application for the purposes of subsection (c), subject to such criteria as the Commissioner shall prescribe, provide for the use of funds available under this section, and for the coordination of other resources available to the applicant, in order to insure that, within the scope of the purpose of the project, there will be a comprehensive program to achieve the purposes of this section; and

"(3) in the case of an application for the purposes of subsection (c), make adequate provision for the training of the personnel participating in the project; and

"(4) provide for an evaluation of the effectiveness of the project in achieving its purposes and those of this section.

The Commissioner shall not approve an application for a grant under subsection (b) or (c) unless he is satisfied that there has been participation by tribal communities and parents of the children to be served in the planning and development of the project, and that there will be such a participation in the operation and evaluation of the project.

"(g) For the purpose of making grants under this section there are hereby authorized to be appropriated $25,000,000 for the fiscal year ending June 30, 1972, and $35,000,000 for each of the four succeeding fiscal years."

(b)(1) Effective after June 30, 1972, the Elementary and Secondary Education Act of 1965 is amended—

(A) in section 202(a)(1), by striking out "(A) the Secretary of the Interior the amount necessary for such assistance for children and teachers in elementary and secondary schools operated for Indian children by the Department of the Interior, and (B)" and by striking out "Secretary of the Interior and the".

(B) in section 302(a)(1), by striking out "(A) the Secretary of the Interior the amount necessary to provide programs and projects for the purpose of this title for individuals on reservations serviced by elementary and secondary schools operated for Indian children by the Department of the Interior, and (B)" and by striking out "Secretary of the Interior and the".

(2) Effective after June 30, 1972, the second sentence of paragraph (1) of section 612(a) of the Education of the Handicapped Act is amended to read as follows: "The Commissioner shall allot the amount appropriated pursuant to this paragraph among Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Island, according to their respective needs.".

TITLE III—SPECIAL PROGRAMS RELATING TO ADULT EDUCATION FOR AMERICAN INDIANS

AMENDMENT TO TITLE III OF THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965

SEC. 301. Title III of the Elementary and Secondary Education Amendments of 1966 (the Adult Education Act) is amended by redesignating sections 314 and 315, and all references thereto as sections 315, and 316, respectively, and by adding after section 313 the following new section:

"IMPROVEMENT OF EDUCATIONAL OPPORTUNITIES FOR ADULT AMERICAN INDIANS

"SEC. 314. (a) The Commissioner shall carry out a program of making grants to State and local educational agencies and other appropriate public and private educational and research agencies, organizations, and institutions to support planning, pilot, and demonstration projects which are designed to plan for, and test and demonstrate the effectiveness of programs for providing adult education for American Indians—

"(1) to support planning, pilot, and demonstration projects which are designed to test and demonstrate the effectiveness of programs for improving employment and educational opportunities for adult American Indians;

"(2) to assist in the establishment and operation of programs which are designed to stimulate (A) the provision of basic literacy opportunities to all nonliterate Indian adults, and (B) the provision of opportunities to all Indian adults to qualify for a high school equivalency certificate in the shortest period of time feasible.

"(3) to support a major research and development program to develop more innovative and effective techniques for achieving the literacy and high school equivalency goals;

"(4) to provide for basic surveys and evaluations thereof to define accurately the extent of the problems of illiteracy and lack of high school completion on Indian reservations;

"(5) to encourage the dissemination of information and materials relating to, and the evaluation of the effectiveness of, education programs which may offer educational opportunities to Indian adults.

"(b) The Commissioner is also authorized to make grants to, and contracts with, public and private agencies, organizations, or institutions (except that no grant may be made to an agency, organization, or institution other than one which is nonprofit) for—

"(1) the dissemination of information concerning educational programs, services, and resources available to Indian adults, including evaluations thereof; and

"(2) the evaluation of the effectiveness of federally assisted programs in which Indian adults may participate in achieving the purposes of such programs with respect to such adults.

"(c) Applications for a grant under this section shall be submitted at such time, in such manner, and contain such information, and shall be consistent with such criteria, as may be established as requirements in regulations promulgated by the Commissioner. Such applications shall—

"(1) set forth a statement describing the activities for which assistance is sought;

"(2) provide for an evaluation of the effectiveness of the project in achieving its purposes and those of this section.

The Commissioner shall not approve an application for a grant under subsection (a) unless he is satisfied that there has been participation by tribal communities and individuals to be served in the planning and development of the project, and that there will be such a participation in the operation and evaluation of the project.

"(d) For the purpose of making grants under this section there are hereby authorized to be appropriated $5,000,000 for the fiscal year ending June 30, 1972, and $8,000,000 for each of the four succeeding fiscal years."

TITLE IV—NATIONAL BOARD OF INDIAN EDUCATION; BUREAU OF INDIAN EDUCATION; MISCELLANEOUS

NATIONAL BOARD OF INDIAN EDUCATION

SEC. 401. (a) There is hereby established the National Board of Indian Education (referred to in this title as the "National Board"), which shall consist of fifteen members appointed by the President of the United States, with the advice and consent of the Senate. Such appointments shall be made by the President from lists of nominees furnished from time to time, by Indian tribes and organizations.

(b) Members of the National Board shall be appointed for terms of three years; except that the terms of office of the members first taking office shall expire, as designated by the President at the time of appointment, five at the end of one year, five at the end of two years, and five at the end of three

years. No member shall serve for more than two consecutive terms. Any person appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of that term. The President shall designate one of the members to serve as Chairman and one to serve as Vice Chairman. The Vice Chairman, during the absence or disability of the Chairman, shall act for, and exercise the powers of, the Chairman. The Vice Chairman shall perform such duties as the Chairman may prescribe from time to time.

(c) Members of the National Board shall be compensated at the rate prescribed for grade GS–18 of the General Schedule under section 5332 of title 5, United States Code.

STAFF OF NATIONAL BOARD

SEC. 402. Subject to such rules and regulations as may be adopted by the National Board, the Chairman shall be authorized to—

(1) appoint and fix the compensation of an Executive Director, and such additional staff personnel as the Chairman deems necessary, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classifications and General Schedule pay rates, but at rates not in excess of the maximum rate for grade GS–18 of the General Schedule under section 5332 of such title;

(2) appoint and affix the compensation of a Superintendent of Indian Education, without regard to the provisions of title 5, United States Code, governing appointments in competitive service, who shall be compensated at the rate prescribed for grade GS–18 of the General Schedule under section 5332 of such title, and who shall have such duties as the National Board shall prescribe; and

(3) procure temporary and intermittent services to the same extent as is authorized by section 3109 of title 5, United States Code, but at rates not to exceed $100 a day for individuals.

POWERS AND DUTIES OF NATIONAL BOARD

SEC. 403. The National Board is vested with the following powers and duties:

(1) to carry out the functions transferred to the National Board pursuant to section 304 of this title;

(2) to establish, in its discretion, local school districts comprising Federal Indian schools over which it has jurisdiction and control;

(3) to establish, in its discretion, local school boards, who shall be selected at the local level in accordance with regulations promulgated by the National Board, having administrative control and direction over Federal Indian schools located within districts established pursuant to clause (2) of this section; and

(4) to advise the Commissioner of Education with respect to the administration of title III of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), as added by this Act, and section 810 title VIII of the Elementary and Secondary Education Act of 1965, as added by this Act.

FUNCTIONS OF NATIONAL BOARD

SEC. 404. (a)(1) There are hereby vested in the National Board all functions which were carried out immediately before the effective date of this Act by the head of any agency in the executive branch of the Government relating to the education of Indians in any elementary, secondary, or vocational school, or any institution of higher education, including all such functions being administered through any agency, service, bureau, office, or other entity of any such agency.

(2) All functions of any agency of the United States, except the Office of Education and the Office of Economic Opportunity, relating to the education of Indians in any elementary, secondary, or vocational school, or any institution of higher learning, are hereby transferred to, and vested in, the National Board.

(3) All orders, determinations, rules, regulations, permits, contracts, grants, certificates, licenses, and privileges—

(A) which have been issued, made, granted, or allowed to become effective in the exercise of functions transferred by this section; and

(B) which are in effect at the time this section takes effect,

shall continue in effect according to their terms until modified, terminated, superseded, set aside, or repealed by the National Board, by any court of competent jurisdiction, or by operation of law.

(4) All personnel, assets, liabilities, contracts, property, and records as are determined by the Director of the Office of Management and Budget to be employed, held, or used primarily in connection with the functions transferred under this section are transferred to the National Board. Personnel engaged in functions transferred under this section shall be transferred in accordance with applicable laws and regulations relating to transfer of functions.

(5) As used in this section, the term "functions" includes powers and duties.

(b) The National Board is directed—

(1) to conduct, in concert with a team of professional consultants competent in areas of personality development and mental health, a detailed investigation of the off-reservation boarding schools to determine which ones should be converted into therapeutic treatment centers, and to cooperate with the Public Health Service to the extent necessary to bring about such conversion;

(2) to examine the present distribution and location of Federal boarding schools and the pattern of student placement, with the view to developing and implementing a new rationale and plan with regard to such schools; and

(3) to submit to the Congress on or before July 1, 1972, a report on its activities under this subsection.

BUREAU OF INDIAN EDUCATION

SEC. 405. (a) There is hereby established, in the Office of Education, a bureau to be known as the "Bureau of Indian Education" which, under the direction of the Commissioner, shall have the responsibility for administering the provisions of title III of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), as added by this Act, section 810 title VIII of the Elementary and Secondary Education Act of 1965, as added by this Act, and section 314 title III of the Elementary and Secondary Education Amendments of 1966, as added by this Act. The Bureau shall be headed by a Deputy Commissioner of Indian Education, who shall be appointed by the President of the United States from a list of nominees submitted to him by the National Board of Indian Education.

(b) Section 5316 of title 5, United States Code, is amended by adding at the end thereof the following new clause: "(130) Deputy Commissioner of Indian Education, Department of Health, Education, and Welfare."

TITLE V—MISCELLANEOUS PROVISIONS

AMENDMENT TO TITLE V OF HIGHER EDUCATION ACT OF 1965

SEC. 501. (a) Section 503(a) of the Higher Education Act of 1965 is amended (1) by inserting after "and higher education," the following: "including the need to provide such programs and education to Indians," and (2) by inserting after "the Department of Labor," the following: "the Department of the Interior,".

(b) Section 504(a)(1) of such Act is amended by inserting after "secondary schools" the following: "(including such schools operated by the Department of the Interior for Indians or by an agency of an Indian tribe.)".

(c) Section 505 of such Act is amended by inserting after "shall consult with" the following: "the Secretary of the Interior,".

(d) Subsections (a) and (d) of section 552 of such Act of 1965 are each amended by inserting after "in all the States" a comma and the following: "including such needs in schools operated by the Department of the Interior for Indians, or by an agency of an Indian tribe.".

(e) Section 553(a) of such Act is amended by inserting at the end thereof the following: "The Commissioner may also enter into arrangements with the Secretary of the Interior, or with an agency of an Indian tribe, and use funds appropriated for the purpose of this section with respect to schools operated by the Department of the Interior for Indians, or by an agency of an Indian tribe.".

AMENDMENT TO TITLE III OF HIGHER EDUCATION ACT OF 1965

SEC. 502. Section 302(d) of the Higher Education Act of 1965 is amended by inserting before the semicolon at the end thereof a comma and the following: "except that the Commissioner may waive the five-year requirement of this clause with respect to an institution located on or near an Indian reservation in any case in which he determines that such action will increase the availability of higher education to Indians".

INSTITUTE OF AMERICAN INDIAN ARTS

SEC. 503. The National Board of Indian Education is directed and authorized to raise the Institute of American Indian Arts at Santa Fe, New Mexico, to the level of a 4-year college.

COMMUNITY COLLEGES

SEC. 504. (a) The National Board of Indian Education is directed and authorized to provide continuing support for the community colleges on or near Indian reservations.

(b) The National Board is directed to conduct a study exploring the feasibility of Indian community colleges, to work toward the establishment of such Indian-controlled institutions, and to submit a report respecting such study to the Congress on or before July 1, 1972.

The section-by-section analysis, presented by Mr. KENNEDY, is as follows:

THE INDIAN EDUCATION ACT—SECTION-BY-SECTION ANALYSIS

TITLE I—REVISION OF IMPACTED AREAS PROGRAM AS IT RELATES TO INDIAN CHILDREN

Sec. 101—Amends P.L. 874 by redesignating Title III as Title IV and adding the following new Title III:

TITLE III—FINANCIAL ASSISTANCE TO LOCAL EDUCATIONAL AGENCIES FOR THE EDUCATION OF INDIAN CHILDREN

Sec. 301—This title may be cited as the "Indian Elementary and Secondary School Assistance Act."

Sec. 302—Declares it to be the policy of the United States to provide financial assistance to local educational agencies to develop and carry out elementary and secondary school programs to meet the special educational needs of Indian students in the United States.

Directs the Commissioner of Education to carry out this policy through a program of grants to eligible, local educational agency applicants beginning July 1, 1972 and ending June 30, 1977.

GRANTS TO LOCAL EDUCATIONAL AGENCIES

Sec. 303—To compute a local educational agency's yearly entitlement, the Commissioner is to determine the number of Indian children in average daily attendance for whom free public education is provided in the agency's schools in that fiscal year. An agency is not entitled to a grant unless there are at least ten such children.

The amount of the entitlement shall be equal to the agency's average per pupil expenditure multiplied by the number of Indian children in attendance.

The agency's average per pupil expenditure for any fiscal year is computed as follows: the total current expenditures of all agencies in the State two fiscal years ago, plus any direct current State expenditures for agency operations, divided by the total number of children in average daily attendance who received free public education from such agencies two fiscal years ago.

USES OF FEDERAL FUNDS

Sec. 304—Grant may be used for: planning, including pilot projects to test the effectiveness of plans developed; and the establishment, maintenance and operation of programs, including minor remodeling and acquisition of equipment to meet the special educational needs of Indian children.

APPLICATION FOR GRANTS; CONDITIONS FOR APPROVAL

Sec. 305—Grants may be made only to applying local educational agencies. Applications shall:

Provide that the activities for which assistance is sought will be administered or supervised by the applicant.

Act forth a program for meeting the special educational needs of Indian children, including proper and efficient methods of program administration;

In the case of planning applications, provide that planning is directly related to and will likely result in programs or projects to be carried out under this title, and that such funds are needed either because of the innovative nature of the program or because the agency lacks the necessary resources for adequate program planning;

Provide that effective annual evaluation procedures, including objective measurement of educational achievement will be adopted;

Assure that Federal funds will supplement, and in no case supplant, the funds that the applicant would make available for the education of Indian children in the absence of Federal funds;

Provide for the necessary fiscal control and accounting procedures; for making an annual report and other reports required by the Commissioner to determine the effectiveness of these funds in improving Indian educational opportunities; and for keeping accessible records verifying these reports.

Applicants which meet the above requirements must also:

Provide for the utilization of the best available talents and resources and substantially increase Indian educational opportunity;

Have been made available for the review and comment of tribal organizations and the parents of children to be served, and brought to the attention of the State educational agency for its recommendations.

Amendments of applications shall also be subject to these provisions, except as otherwise provided by the Commissioner.

PAYMENTS

Sec. 306—Directs the Commissioner to pay to each approved applicant an amount equal to its expenditures for activities under this title, but no payments shall be made if the State has taken these payments into consideration in determining the agency's eligibility for State aid. Nor shall payments be made if the combined State and local educational agencies' fiscal effort is less than that of two fiscal years ago.

ADJUSTMENTS WHERE NECESSITATED BY APPROPRIATIONS

Sec. 307—If insufficient funds are appropriated to pay the local educational agencies' full entitlement, the entitlements of all such agencies shall be ratably reduced. If additional amounts become available, entitlements shall be increased in the same manner.

If entitlements have been reduced and additional funds are not available, local educational agencies shall report their estimated expenditures to the Commissioner by certain dates. Any unused funds shall then be available for reallocation to agencies which need additional funds, but no agency shall receive an amount which exceeds its entitlement.

Sec. 308—In this title 'Indian' means any enrolled member of a tribe, band, or other organized group of Indians, or his descendant.

Sec. 103(a)(1) of the Elementary and Secondary Education Act is amended by deleting references to Indian children and allotments to the Department of the Interior in subparagraph (A) and striking out subparagraph (B), referring to Department of Interior payments to local educational agencies with out-of-State Indian children.

Sec. 303(1) of P.L. 874 is amended by removing Indian property from the definition of Federal property.

TITLE II—SPECIAL PROGRAMS AND PROJECTS TO IMPROVE EDUCATIONAL OPPORTUNITIES FOR INDIAN CHILDREN

Sec. 201—Amends Title VIII of the Elementary and Secondary Education Act of 1965 by adding the following new section:

IMPROVEMENT OF EDUCATIONAL OPPORTUNITIES FOR AMERICAN INDIAN CHILDREN

Sec. 810—Directs the Commissioner to carry out a program to improve Indian education by:

Making grants to State and local educational agencies and other public and private organizations (including federally supported elementary and secondary Indian schools) for planning, pilot, and demonstration projects including (1) innovative programs for the educationally deprived, (2) bilingual and bicultural education, (3) activities to meet the special health, nutrition, social and psychological problems of Indian children, and (4) coordination with other related Federal programs:

Making grants to State and local educational agencies and the National Board of Indian Education to assist and stimulate programs to provide educational services not available in sufficient quality or quantity for Indian children (including compensatory instruction and other services to encourage them to enter, remain in, or reenter school; comprehensive academic and vocational instruction; instructional materials and equipment; guidance, counseling and testing; programs for handicapped and preschool children; bilingual and bicultural education and other services), and to establish and operate exemplary and innovative programs and centers to enrich Indian education;

Making grants to institutions of higher education, and to State and local educational agencies in combination with such institutions, to prepare or improve the qualifications of educational personnel serving Indian children. Grants may be used for fellowships, institutes, and for other purposes which are part of a continuing program;

Making grants to and contracts with other public and private nonprofit organizations for disseminating information on Indian education and evaluating the effectiveness of federally assisted programs.

Grant applications shall describe the activities planned. Program grant applications will provide for: the use of available funds and the coordination of other resources to insure a comprehensive program; the training of participating personnel; and evaluation.

Parent and tribal community participation in project planning, development, and evaluation is required for approval.

For grants under this section, $25,000,000 is authorized for fiscal 1972 and $35,000,000 for each of the four succeeding fiscal years.

Effective June 30, 1972, amends Titles II and III of the Elementary and Secondary Education Act (relating to school library resources and supplementary educational centers and services) and the Education of the Handicapped Act to eliminate allotments to the Department of the Interior for Indian children in the Department's schools.

TITLE III—SPECIAL PROGRAMS RELATING TO ADULT EDUCATION FOR AMERICAN INDIANS

Sec. 301—Amends Title III (the Adult Education Act) of the Elementary and Secondary Education Amendments of 1966 by redesignating sections 314 and 315 as sections 315 and 316 and adding the following new section:

IMPROVEMENT OF EDUCATIONAL OPPORTUNITIES FOR ADULT AMERICAN INDIANS

Sec. 314—Authorizes the Commissioner of Education to

Make grants to State and local educational agencies and other public and private organizations to support planning, pilot, and demonstration projects to test the effectiveness of programs to improve employment and educational opportunities for American Indian adults, including bilingual and bicultural programs, and programs to coordinate the operation of related federally assisted programs;

Assist in the establishment and operation of programs to stimulate opportunities for adult Indians to acquire basic literacy skills and quality for a high school equivalency certificate; support a major research and development effort to find better ways of meeting these goals; and determine the extent of illiteracy and lack of high school completion on Indian reservations;

Make grants to and contracts with public and nonprofit private organizations to disseminate information on Indian adult educational programs and to evaluate the effectiveness of such federally assisted programs.

Grant applications shall describe the activities to be funded, provide for program evaluation, and shall not be approved unless the Commissioner is satisfied that there has been and will be participation by tribal communities and the individuals to be served in the planning, operation and evaluation of the project.

$5,000,000 is authorized for fiscal 1972 and $8,000,000 for each of the four succeeding fiscal years.

TITLE IV—NATIONAL BOARD OF INDIAN EDUCATION; BUREAU OF INDIAN EDUCATION; MISCELLANEOUS

NATIONAL BOARD OF INDIAN EDUCATION

Sec. 401—Establishes a fifteen-member National Board of Indian education, appointed by the President, with the advice and consent of the Senate, from nominees furnished by Indian tribes and organizations.

Members shall be appointed for three years, but the terms of the first appointees shall expire as follows: five at the end of one year, five at the end of two years, and five at the end of three years. No member shall serve more than two consecutive terms. Vacancies filled prior to the expiration of a term shall be filled for the term's remainder. The President shall designate one member as Chairman and another as Vice Chairman. Mem-

bers shall be compensated at the rate prescribed for grade GS–18.

STAFF OF NATIONAL BOARD

Sec. 402—Authorizes the National Board Chairman to appoint and fix the compensation of an Executive Director, a Superintendent of Indian Education, and additional staff without regard to provisions of the United States Code governing appointments in the competitive service, classifications and General Schedule pay rates, but rates must not exceed the maximum rate for a GS–18. The Chairman may also procure temporary and intermittent services at rates not to exceed $100 a day per person.

POWERS AND DUTIES OF NATIONAL BOARD

Sec. 403—Vests the National Board with these powers and duties: carrying out the former functions of all other executive agencies (except the Office of Education and the Office of Economic Opportunity) relating to Indian education; establishing local school districts of Federal Indian schools; establishing, at its discretion, local school boards selected at the local level in accord with National Board regulations, having administrative control over Federal Indian schools in such districts; and advising the Commissioner on the administration of Title III of P.L. 874 and Title VIII of the Elementary and Secondary Education Act, as added by this Act.

FUNCTIONS OF NATIONAL BOARD

Sec. 404—Vests in the National Board all functions which were formerly carried out by other executive agencies relating to Indian education at all levels.

Transfers all these functions, except for those of the Office of Education, and the Office of Economic Opportunity, to the National Board.

All outstanding orders, rules, contracts and the like shall continue until changed by the National Board, the courts, or the operation of the law.

All personnel, property, records and the like which are primarily concerned with the functions transferred shall also be transferred to the National Board.

Directs the National Board to: investigate off-reservation boarding schools to determine which should be converted to therapeutic treatment centers and to cooperate with the Public Health Service in their conversion; examine distribution, location, and student placement in Federal boarding schools with a view to change; and report to the Congress on these studies by July 1, 1972.

BUREAU OF INDIAN EDUCATION

Sec. 405—Establishes a Bureau of Indian Education in the Office of Education, with responsibility for administering the provisions added by this Act to P.L. 874 and the Elementary and Secondary Education Act. The Bureau shall be headed by a Deputy Commissioner of Education to be appointed by the President from nominees submitted by the National Board.

TITLE V—MISCELLANEOUS PROVISIONS

Sec. 501—Amends the following sections of Title V (the Education Professions Development Act) of the Higher Education Act of 1965:

Sec. 503, relating to the appraisal of education personnel needs, is amended to include a consideration of the educational needs of Indians;

Sec. 504, designed to attract qualified persons to the field of education, is amended to include Indian children in Department of Interior and other Indian schools in efforts to identify and encourage capable youth in secondary schools who may wish to pursue a career in education;

Sec. 505, which provides for consultation by the Commissioner of Education with other agencies to promote coordinated planning of educational personnel training programs, is amended to include the Secretary of the Interior.

Sec. 552, relating to leadership development awards for vocational educational personnel, is amended to include a consideration of the needs of Indian children in Department of Interior and other Indian schools, for qualified vocational education personnel.

Sec. 553 is amended to authorize the participation of Department of Interior and other Indian schools in exchange programs, institutes and inservice education for vocational education personnel.

Sec. 502—Amends Title III of the Higher Education Act—Strengthening Developing Institutions—to authorize the Commissioner of Education to waive certain requirements (relating to admissions policy, educational programs, and accreditation during the five years preceding the year for which assistance is sought) in institutions on or near Indian reservations if this action will increase the availability of higher education for Indians.

NATIONAL BOARD OF INDIAN EDUCATION

Sec. 503—Directs the National Board to raise the Institute of American Indian Arts at Santa Fe, New Mexico, to the level of a 4-year college.

Sec. 504—Directs the National Board to provide support for community colleges on or near Indian reservations, to conduct a feasibility study of Indian community colleges and work toward their establishment, and to report to the Congress on these matters on or before July 1, 1972.

Mr. MONDALE. Mr. President, it is with a great deal of pride that I join the distinguished senior Senator from Massachusetts today in introducing what I believe will become recognized as a landmark act in the field of Indian education.

For almost 2½ years the Senate Indian Education Subcommittee, first under the dedicated leadership of the late Senator Robert Kennedy and later under the equally dedicated chairmanship of Senator EDWARD KENNEDY, investigated the education received by Indian Americans. The subcommittee, which I was privileged to serve as a member, issued a shocking report. The report's title aptly described the subcommittee's findings: "Indian Education: A National Tragedy—A National Challenge."

We have witnessed the tragedy portion of that title. Indian people have been experiencing it for 400 years. Now it is time to take up the challenge portion. That is what we are doing today.

This bill represents the hope of thousands of Indians, many of whose opinions were heard by the Subcommittee in hearings and field investigations, for a quality education for their children. I only hope that this legislation will receive the expedient action which it deserves.

I was privileged to serve on that subcommittee, and in doing so, I became educated in the problems faced by our Nation's first Americans in seeking a first-rate education. Since the publication of the subcommittee's final report last November, thousands of Americans have read that report, and their eyes, like mine, have been opened to the horrors of Indian education:

Fifty percent dropout rates: 12,000 children not in school—and most of them severely physically or mentally handicapped; an average educational level of 5 school years for all Indians under Federal supervision.

The statistics are appalling. But one can become immune to statistics. One cannot become immune, though, to the stories of Indian schoolchildren being disciplined with handcuffs, of school counselors "counseling" students with jail referral slips, of teachers punishing Indian students for speaking their native languages, of teenagers committing suicide in order to escape the life they dread.

The Indian Education Subcommittee looked at these incidents. We studied the statistics. And we determined that the education afforded Indian Americans was "a national tragedy."

The subcommittee's final report listed 60 recommendations which would radically improve Indian education. A number of these recommendations have been implemented. For example, bilingual education efforts have been expanded considerably. The National Council on Indian Opportunity has been funded again. The Department of Health, Education, and Welfare and the Department of the Interior have begun devising a plan to better coordinate their Indian education activities. Public Law 81–815 has been amended so that public schools educating Indians will have higher priority in funding than they have in the past. And bills have been introduced to legislate a number of other proposals, including recommendations to hold a White House Conference on Indian Affairs, and to raise the BIA Commissioner to Assistant Secretary of the Interior status.

There were a number of other recommendations which can never be legislated. The impoverishment of Indian education will never change, for example, without a true commitment to excellence by all concerned with the education of Indian children, or without a recognition of the basic right of the Indian not only to equal educational opportunity, but to dignity and respect for his culture and heritage.

But there were many fundamental recommendations the Congress can act upon, and which we have incorporated into the bill that has been introduced today.

This bill is unique in two respects. First, it is an expression of the wishes of many Indian people. During its 2½ years, the Indian Education Subcommittee traveled to all parts of the country to listen to the Indian people. We held public hearings in Washington, D.C., California, Oklahoma, Arizona, South Dakota, Oregon, and Alaska, and conducted field investigations in Minnesota, Idaho, Maine, New York, and several other locations. We compiled over 4,000 pages of hearing testimony during that period. We heard from Indians throughout the country. We have taken their suggestions and put them together into this bill we are introducing today.

This bill is also unique among Federal education legislation. It is not an attempt, for example, simply to provide some funds and set up some new administrative machinery to do more of what has been done in the past. It is an attempt rather to change the very nature of what has historically passed for Indian education.

For too long, the education of Indian Americans has been the imposition of white American educational institutions upon American Indian communities. Indians were expected to attend the schools controlled by non-Indians. There they learned that Indians were savages and the white men who killed them were heroes. They learned that every time the cavalry won it was an heroic feat, but every time the Indians won it was a massacre. They were told their traditions were meaningless, archaic, and silly.

But now the Indian does not want that kind of Indian education. He wants an education that will tell him the truth about his tribe, his heritage, his traditions, his place in the world—an education over which he will have some control. That is what this bill is going to enable him to do.

I am not going into a lengthy explanation of the different titles of this legislation. Basically, title I provides for payments to schools educating Indian children. It includes funds for urban as well as reservation Indians, and the money is to be used for programs designed to meet the special educational needs of Indian children. Title II is a grant program for planning, pilot, and demonstration programs in a number of areas: bilingual, bicultural, health nutrition services, instructional materials, guidance and counseling services, and other such programs. Of special significance is the fact that grants can also be made for developing programs to prepare persons to teach Indian children, and to improve the qualifications of persons currently working with Indians in schools. One of the major findings of the Indian Education Subcommittee was that teachers of Indians were not attuned to the traditions and culture of the Indian child. They were not, in effect, culturally sensitive. This title approaches this problem through specialized preservice and in-service programs for teachers of Indian children. The bill authorizes $25 million for grants under this title in fiscal 1972, and $35 million for each of the succeeding years.

Title III provides special programs for educating American Indian adults. This title also provides programs for planning, pilot, and demonstration projects designed to improve employment and educational opportunities for Indian adults. The bill authorizes $5 million for this effort for fiscal 1972, and $8 million for each of the four succeeding years.

Title IV establishes a National Board of Indian Education and a Bureau of Indian Education within the Office of Education. It will be the function of the OE Bureau of Indian Education to administer the provisions of this legislation. That Bureau will be headed by a Deputy Commissioner of Education appointed by the President from nominees submitted by the National Board. I will discuss this National Board in more detail later.

Finally, title V makes funds available for the expansion and development of community colleges educating American Indians, and amends the Higher Education Act so as to encourage the development of Indian teachers.

There are two elements of this bill which I believe are of special significance and, for that reason, deserve elaboration. One is that funds in both the formula entitlement and grant programs will go toward the education of Indians in urban as well as Federal reservation schools. The other is that all programs and projects must be planned, operated, and evaluated by tribal communities and parents of the Indian children affected.

For years, the Bureau of Indian Affairs has refused to recognize the growing population of Indians in urban areas. It has maintained that it must concern itself almost exclusively with Indians living on or near reservations. As a result, Indian children living in urban areas have attended public schools which received no assistance from the BIA in providing for the special needs of educating Indian children.

Today there are almost as many Indians in the cities as on the reservations. In Minneapolis alone there are about 15,000 Indians. Many of the urban Indian students need special materials and special help if the 50-percent-plus Indian dropout rates so common in these cities is to be improved. We would provide per student payments to these school districts for programs aimed at meeting these special needs—as they are defined by the parents of the Indian children. The bill would also make available to these districts grants for funding special projects and programs to better meet the unique needs of Indians in our cities.

The second major feature of this comprehensive bill is that it puts Indian education into the hands of not Indian experts, but expert Indians. Local control has been the foundation of public education in this counrty from its inception, yet we continue to permit a Washington-based bureaucracy to control the education of thousands of Indian children. Every project authorized by this legislation is conditioned upon the approval of the parents of the Indian children affected. In the language of the bill:

> The Commissioner shall not approve an application for a grant . . . unless he is satisfied that there has been participation by tribal communities and parents of the children to be served in the planning and development of the project, and that there will be such participation in the operation and evaluation of the project.

Besides giving Indians basic control over special programs and projects, the bill creates a National Board of Indian Education which is authorized to establish local school districts and locally selected school boards for Federal Indian schools. Since 1968 when President Johnson told the Bureau of Indian Affairs to establish Indian school boards, we have been waiting for the BIA to respond to the President's order. Since that date, only three Federal schools have been turned over to the local communities. At that rate, it will be the year 2044 before the Bureau's 223 schools are locally controlled.

In the meantime, Indian people must be content with advisory boards, which have to sit idly by and watch their children being taught by civil service appointees, many of whom are totally ignorant of Indian language, customs, or traditions.

The National Board established by this bill is a 15-man board selected by the President from a list of nominees furnished him by Indian tribes and organizations. This Board would take over the education functions presently handled by the Bureau of Indian Affairs. It would appoint a superintendent for the Federal Indian schools. Among its responsibilities would be to investigate the reservation boarding schools and determine which should be converted to therapeutic treatment centers and how the placement of students in boarding schools can be improved. This was a subcommittee recommendation. But most importantly, the Board would be charged with the responsibility of establishing local school boards—a responsibility which the BIA has failed to meet but which a board of Indian parents is sure to accept more seriously.

I was delighted some weeks ago to see the President responding to some of the points raised by our subcommittee, and urging greater control of Federal programs by the Indians, themselves. I think the features of the legislation we are introducing today follow logically upon this concern, and I would hope that we could receive broad bipartisan support.

I believe enactment of this bill will go a long way toward improving the status of Indian education in this country. We have had enough speeches, studies, and surveys; it is time now for action.

Mr. President, I cannot express how deeply I feel the need to be for the adoption of this measure. The human tragedy visited upon the Indians of this country, and all of us as a result of the failure of our educational system in this area, is a national disgrace.

I am very hopeful that this legislation will be adopted. We have had enough speeches, studies, and surveys; it is time for action.

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

Mr. MONDALE. I yield.

Mr. HARRIS. Mr. President, I am very pleased to commend the distinguished Senator from Massachusetts (Mr. KENNEDY) and the distinguished Senator from Minnesota (Mr. MONDALE) for the excellent product of that work, which is in the form of the Indian Education Act. One of the single most important events so far as progress of American Indians in recent years was the establishment of the Special Subcommittee on Indian Education, first headed by the distinguished Senator from New York, the late Senator Robert F. Kennedy, and followed by the continuing efforts of Senator EDWARD KENNEDY and Senator MONDALE.

The new thrust, the new efforts that are involved in the work of that subcommittee, that are embodied in this legislation, can do much to right the wrongs of centuries.

Again, I commend the Senators for their work in this matter.

Several Senators addressed the chair.

Mr. MONDALE. Mr. President, I yield to the Senator from Texas.

Mr. YARBOROUGH. Mr. President, I commend the Senator from Massachusetts (Mr. KENNEDY) and the Senator from Minnesota (Mr. MONDALE) for their coauthorship of this bill. As a member of the Committee on Labor and Public Welfare, and as chairman of that committee for the past 2 years, I was a member of this Indian Subcommittee from the time it was first formed.

I participated in hearings in Washington when Robert Kennedy was chairman. I held hearings on the west coast, and I sat in on hearings concerning the Indian tribes in the Northwest, in the States of Oregon and Washington. Then it was my privilege to appoint the distinguished senior Senator from Massachusetts as chairman of the Indian Education Subcommittee later, when the chairmanship was changed.

Having been interested in the problem from the very beginning, having attended a number of hearings, having worked as diligently as possible to continue the Indian Subcommittee, although we had some jurisdictional problems with other committees, I congratulate the Senator on the progress in this field.

We in the Southwestern States have been much interested in this problem. There are not so many Indians in my State, but we live next door to New Mexico, which has a large population of Indians. In the 3½ years that I was in the practice of law in El Paso, Tex., I was in New Mexico many times and learned the need in this field. A survey was made by a professor of the University of New Mexico to show that in New Mexico only one-third as many dollars were spent on the average Indian in the pueblos on education as was spent in the Anglo counties of New Mexico. They were called the forgotten children.

That was as far back as 1940. I happen to have a copy of that report, which was autographed by Chief Justice Stone. He had sent a note to the author of that work commending him for it. So, as far back as 1940, we find discrimination, failure, and lack of programs to educate Indian children. This is a failure that has gone on for generations.

I am very proud of the fact that the committee on which I serve, the Committee on Labor and Public Welfare, which held hearings all through the West and in Alaska, has pinpointed the great need.

The Senator from Minnesota was speaking of the Chippawas in his State. He was a spokesman for the protection of the Chippewas when he was attorney general of Minnesota, when the Chippewas were being kicked around. As attorney general, he gave them protection they had never had. So he has been interested in this problem for a long time.

I commend all the Senators who have been concerned in this problem for their interest, leadership, imagination, and real study of the problem. I think this bill will do something in that direction.

Mr. MONDALE. Mr. President, I thank the Senator from Texas. No one has given more support and extended more support to the work of our committee and its objectives than has the Senator from Texas.

PUBLIC WORKS APPROPRIATION BILL, 1971—CONFERENCE REPORT

Mr. ELLENDER. Mr. President, I submit a 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. 18127) making appropriations for public works for water, pollution control, and power development, including the Corps of Engineers—Civil, the Panama Canal, the Federal Water Quality Administration, the Bureau of Reclamation, power agencies of the Department of the Interior, the Tennessee Valley Authority, the Atomic Energy Commission, and related independent agencies and commissions for the fiscal year ending June 30, 1971, and for other purposes. I ask unanimous consent for the present consideration of the report.

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

Mr. BAYH. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the report——

Mr. BAYH. Mr. President, reserving the right to object, the Senator from Indiana would like to address an inquiry to the Chair. Does the Senator from Indiana correctly interpret the rules of the Senate that such a conference report is privileged business before the Senate?

The PRESIDING OFFICER. All conference reports are privileged business.

There being no objection, the Senate proceeded to consider the report.

(For conference report, see House proceedings of Sept. 17, 1970, pp. H8925, CONGRESSIONAL RECORD.)

Mr. ELLENDER. Mr. President, I regret the Senate conferees were unable to sustain all of the programs we proposed, but I think that all in all we came out very well.

The House committee placed in the bill 10 new planning starts, and 19 new construction starts. The Senate provided 21 new planning starts and 21 new construction starts. In conference we ironed out the differences so that it is my belief the Senate came out of the encounter as well as did the House.

The conference agreement provides $5,239,324,000, which is $19,371,000 below the amount approved by the Senate; $2,516,000 above the House; $24,109,000 below the budget; and $470,556,500 above the appropriation for fiscal year 1970. Two hundred million dollars of this increase over fiscal year 1970 is for construction grants for waste treatment facilities.

Mr. President, there is a growing awareness of the need to protect and improve our environment. A major thrust of this effort is being directed toward the elimination of air and water pollution. One of the most important programs to improve our environment is the Construction Grants for Waste Treatment Works. This year, the authorization is $1¼ billion; the administration recommended new legislation including contract authority of $4 billion over a period of 4 years. Since that legislation has not been enacted, the Congress is providing in this bill new obligational authority—appropriations—of $1 billion.

Mr. President, I ask unanimous consent to have printed in the RECORD a summary table explaining the action of the conferees on the various items in the bill.

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

PUBLIC WORKS APPROPRIATIONS FOR FISCAL YEAR 1971—SUMMARY TABLE

Agency and item	New budget (obligational) authority, fiscal year 1970 [1]	Budget estimate of new (obligational) authority, fiscal year 1971	New budget (obligational) authority in House bill	New budget (obligational) authority in Senate bill	New budget (obligational) authority in conference bill
(1)	(2)	(3)	(4)	(5)	(6)
TITLE I—ATOMIC ENERGY COMMISSION					
Operating expenses	[2] $1,867,269,000	$2,010,900,000	$1,965,500,000	$1,919,070,000	$1,929,160,000
Plant and capital equipment	355,500,000	352,100,000	360,100,000	352,200,000	353,600,000
Total, title I, new budget (obligational) authority, Atomic Energy Commission	2,222,769,000	2,363,000,000	2,325,600,000	2,271,270,000	2,282,760,000
TITLE II—DEPARTMENT OF DEFENSE—CIVIL					
Department of the Army					
Corps of Engineers—Civil					
General investigations	41,191,000	39,597,000	38,559,000	41,616,000	39,597,000
Construction, general	711,992,000	821,398,000	825,689,000	871,808,000	851,256,000
Flood control, Mississippi River and tributaries	80,820,000	79,578,000	79,578,000	91,004,000	84,000,000
Operation and maintenance, general	[3] 259,905,000	292,600,000	290,000,000	292,600,000	292,600,000
Flood control and coastal emergencies	32,000,000	7,000,000	3,000,000	3,000,000	3,000,000
General expenses	[4] 24,680,000	25,800,000	25,350,000	25,800,000	25,480,000
Total, Corps of Engineers—Civil	1,150,588,000	1,265,973,000	1,262,176,000	1,325,828,000	1,295,933,000
Cemeterial expenses					
Salaries and expenses	15,125,000	17,434,000	18,184,000	18,184,000	18,184,000

Footnotes at end of table.

PUBLIC WORKS APPROPRIATIONS FOR FISCAL YEAR 1971—SUMMARY TABLE—Continued

Agency and item	New budget (obligational) authority, fiscal year 1970 [1]	Budget estimate of new (obligational) authority, fiscal year 1971	New budget (obligational) authority in House bill	New budget (obligational) authority in Senate bill	New budget (obligational) authority in conference bill
(1)	(2)	(3)	(4)	(5)	(6)
The Panama Canal					
Canal Zone Government:					
Operating expenses	[5] $41,663,000	$44,235,000	$43,800,000	$44,129,000	$44,129,000
Capital outlay	2,000,000	2,163,000	1,500,000	1,850,000	1,500,000
Panama Canal Company: Limitation on general and administrative expenses	[6] (15,305,000)	(15,977,000)	(15,977,000)	(15,977,000)	(15,977,000)
Total, the Panama Canal	43,663,000	46,398,000	45,300,000	45,979,000	45,629,000
Total, title II, new budget (obligational) authority, Department of Defense—Civil	1,209,376,000	1,329,805,000	1,325,660,000	1,389,991,000	1,359,746,000
TITLE III—DEPARTMENT OF THE INTERIOR					
Federal Water Quality Administration					
Pollution control operations and research	86,382,000	98,018,000	98,018,000	98,618,000	98,618,000
Construction grants for waste treatment works	800,000,000		1,000,000,000	1,000,000,000	1,000,000,000
Contract authority		1,000,000,000			
Total, Federal Water Quality Administration	886,382,000	1,098,018,000	1,098,018,000	1,098,618,000	1,098,618,000
Bureau of Reclamation					
General investigations	[7] 16,930,000	19,100,000	19,000,000	19,100,000	19,065,000
Construction and rehabilitation	[8] 142,818,500	[9] 171,678,000	181,810,000	187,931,000	186,793,000
Upper Colorado River storage project	28,240,000	[10] 20,695,000	21,260,000	23,175,000	22,375,000
Colorado River Basin project	960,000	750,000	1,950,000	750,000	1,950,000
Colorado River Basin project (appropriation to liquidate contract authorization)	[8] (6,803,000)	[11] (5,748,000)	(5,748,000)	(5,748,000)	(5,748,000)
Operation and maintenance	[12] 55,370,000	58,400,000	57,800,000	57,800,000	57,800,000
Loan program	5,650,000	4,400,000	8,550,000	8,550,000	8,550,000
Emergency fund	1,000,000	1,000,000			
General administrative expenses	[13] 13,670,000	13,652,000	13,652,000	13,652,000	13,652,000
Total, Bureau of Reclamation	264,638,500	289,675,000	304,022,000	310,958,000	310,185,000
Alaska Power Administration					
General investigations	600,000	700,000	600,000	600,000	600,000
Operation and maintenance	400,000	420,000	400,000	400,000	400,000
Total, Alaska Power Administration	1,000,000	1,120,000	1,000,000	1,000,000	1,000,000
Bonneville Power Administration					
Construction	96,500,000	93,522,000	90,500,000	91,600,000	91,600,000
Operation and maintenance	[14] 22,300,000	23,600,000	23,600,000	23,600,000	23,600,000
Total, Bonneville Power Administration	118,800,000	117,122,000	114,100,000	115,200,000	115,200,000
Southeastern Power Administration					
Operation and maintenance	700,000	830,000	800,000	800,000	800,000
SOUTHWESTERN POWER ADMINISTRATION					
Construction	3,100,000	[15] 950,000	950,000	950,000	950,000
Operation and maintenance	[16] 2,505,000	5,100,000	5,100,000	5,100,000	5,100,000
Continuing fund (definite appropriation of receipts)	2,800,000				
Total, Southwestern Power Administration	8,405,000	6,050,000	6,050,000	6,050,000	6,050,000
Underground electric power transmission research		1,000,000	750,000	1,000,000	750,000
Total, title III, new budget (obligational) authority, Department of the Interior	1,279,925,500	1,513,815,000	1,524,740,000	1,533,626,000	1,532,603,000
TITLE IV—INDEPENDENT OFFICES (EXCLUDING AEC)					
Atlantic-Pacific Interoceanic Canal Study Commission: Salaries and expenses	917,000				
Delaware River Basin Commission:					
Salaries and expenses	47,000	58,000	58,000	58,000	58,000
Contribution to the Delaware River Basin Commission	153,000	175,000	175,000	175,000	175,000
Total, Delaware River Basin Commission	200,000	233,000	233,000	233,000	233,000
Interstate Commission on the Potomac River Basin: Contribution to Interstate Commission on the Potomac River Basin	5,000	5,000	5,000	5,000	5,000
National Water Commission: Salaries and expenses	1,050,000	1,840,000	1,840,000	1,840,000	1,840,000
Tennessee Valley Authority: Payment to Tennessee Valley Authority fund	50,600,000	50,080,000	54,180,000	56,180,000	56,180,000
Water Resources Council: Water resources planning	3,925,000	4,655,000	4,550,000	5,550,000	5,150,000
Total, title IV, new budget (obligational) authority, independent offices (excluding AEC)	56,697,000	56,813,000	60,808,000	63,808,000	63,408,000
Total new budget (obligational) authority, titles II, III, and IV (excluding AEC)	2,545,998,500	2,900,433,000	2,911,208,000	2,987,425,000	2,955,757,000
Grand total, new budget (obligational) authority, titles I, II, III, and IV	4,768,767,500	5,263,433,000	5,236,808,000	5,258,695,000	5,238,517,000
Memoranda:					
Appropriation to liquidate contract authorizations	(6,803,000)	(5,748,000)	(5,748,000)	(5,748,000)	(5,748,000)
Total appropriations, including appropriations to liquidate contract authorizations	(4,775,570,500)	(5,269,181,000)	(5,242,556,000)	(5,264,443,000)	5,244,265,000

[1] Includes pay act supplemental.
[2] Includes $5,000,000 contained in Second Supplemental Appropriation Bill, 1970.
[3] Includes $6,905,000 contained in Second Supplemental Appropriation Bill, 1970.
[4] Includes $2,000,000 contained in Second Supplemental Appropriation Bill, 1970.
[5] Includes $963,000 contained in Second Supplemental Appropriation Bill, 1970.
[6] Includes an increase of $605,000 provided in Second Supplemental Appropriation Bill, 1970.
[7] Includes $900,000 contained in Second Supplemental Appropriation Bill, 1970.
[8] Reflects transfer of $6,563,000 from "Construction and Rehabilitation" to "Colorado River Basin Project" as contained in Second Supplemental Appropriation Bill, 1970.
[9] Reflects decrease of $3,013,000 contained in H. Doc. 91-305.
[10] Reflects decrease of $485,000 contained in H. Doc. 91-305.
[11] Reflects increase of $3,498,000 contained in H. Doc. 91-305.
[12] Includes $1,870,000 contained in Second Supplemental Appropriation Bill, 1970.
[13] Includes $970,000 contained in Second Supplemental Appropriation Bill, 1970.
[14] Includes $800,000 contained in Second Supplemental Appropriation Bill, 1970.
[15] Reflects decrease of $1,250,000 contained in H. Doc. 91-305.
[16] Includes $155,000 appropriated in Second Supplemental Appropriation Bill, 1970.

TITLE I, ATOMIC ENERGY COMMISSION

Mr. ELLENDER. Mr. President, in addition to the consideration of appropriations for pollution control, the committee considered all of the appropriations for the Atomic Energy Commission.

The conferees agreed on $1,929,160,000 for operating expenses of the Atomic Energy Commission. This is $36 million below the House allowance, and $29 million above the amount allowed by the Senate. Of this increase over the Senate amount, $9,700,000 is for the weapons program and associated selected resources. This increase is necessary as a result of wage increases and other increases required to compensate for delays in production resulting from strikes early this year. The remaining increase of $390,000 is for research on the isotopic-powered artificial heart. The increase over the Senate bill figure also reflects an adjustment of $18,770,000 to correct an error in the Senate bill total.

For plant and capital equipment, the conferees agreed on $353,600,000. This is $6.5 million below the House and $17.5 million above the Senate. The increase provides $500,000 for planning an addition to the physics building at Argonne National Laboratory, Ill.; $600,000 for the National Nuclear Science Information Center at Oak Ridge, Tenn.; and $300,000 for a radiotherapy linear accelerator at the Puerto Rico Nuclear Center. The increase also reflects an adjustment of $16,100,000 to correct an error in the Senate bill table.

TITLE II, DEPARTMENT OF DEFENSE—CIVIL

Mr. President, in title II, for general investigations, Corps of Engineers, the bill provides $39,597,000 which is $2,019,000 below the amount approved by the Senate, and $1,038,000 above the amount allowed by the House. The conference allowance is the same amount as the budget estimate.

I ask unanimous consent to have printed at this point in the RECORD a tabulation showing the details of the amount allowed for this item.

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

GENERAL INVESTIGATIONS, FISCAL YEAR 1971

Item	Reserve	Approved budget estimate for fiscal year 1971 (including reserve)	House allowance (including reserve)	Senate allowance (including reserve)	Conference allowance (including reserve)
(1)	(2)	(3)	(4)	(5)	(6)
1. Surveys:					
(a) Navigation studies	$513,000	$4,875,000	$4,670,000	$5,270,000	$5,069,000
(b) Flood control studies	365,000	11,173,000	11,293,000	11,693,000	11,573,000
(c) Beach erosion control studies	13,000	395,000	439,000	449,000	449,000
General reduction due to slippage		—500,000			
Subtotal, navigation, flood control, and beach erosion studies	891,000	15,943,000	16,402,000	17,412,000	17,091.000
(d) Comprehensive basin studies:					
Big Muddy River		45,000	45,000	45,000	45,000
California region		633,000	633,000	633,000	633,000
Columbia North Pacific region		270,000	270,000	270,000	270,000
Great Basin region		384,000	384,000	384,000	384,000
Great Lakes region		698,000	698,000	698,000	698,000
Lower Colorado region		118,000	118,000	118,000	118,000
Lower Mississippi region		676,000	676,000	676,000	676,000
North Atlantic region		410,000	410,000	410,000	410,000
Pascagoula River Basin		23,000	23,000	23,000	23,000
Red River of the North, Minn. and N. Dak		154,000	154,000	154,000	154,000
Upper Colorado region		102,000	102,000	102,000	102,000
White River Basin, Ark. and Mo		5,000	5,000	5,000	5,000
Subtotal, comprehensive basin studies		3,518,000	3,518,000	3,518,000	3,518,000
(e) Special studies:					
Chesapeake Bay model study		330,000	1,330,000	1,330,000	1,330,000
Coordination studies with other agencies (Public Law 566, Public Law 984)		700,000	700,000	700,000	700,000
Lake Erie-Ontario Waterway, N.Y		100,000	150,000	150,000	150,000
National shoreline study		400,000	400,000	400,000	400,000
Northeastern United States water supply		1,000,000	1,000,000	1,000,000	1,000,000
Texas coast hurricane		500,000	500,000	500,000	500,000
Texas water and pollution study	40,000	260,000	260,000	260,000	260,000
Water levels at Great Lakes		245,000	245,000	245,000	245,000
Subtotal, special studies	40,000	3,535,000	4,585,000	4,585,000	4,585,000
Subtotal, surveys	931,000	22,996,000	24,505,000	25,515,000	25,194,000
2. Collection and study of basic data:					
(a) Stream gaging (U.S. Geological Survey)		355,000	355,000	355,000	355,000
(b) Precipitation studies (U.S. Weather Bureau)		650,000	650,000	650,000	650,000
(c) Fish and Wildlife Coordination Act studies (U.S. Fish and Wildlife Service)		655,000	655,000	655,000	655,000
(d) International water studies		190,000	190,000	190,000	190,000
(e) Flood plain management services		6,250,000	6,250,000	6,250,000	6,250,000
Subtotal, collection and study of basic data		8,100,000	8,100,000	8,100,000	8,100,000
3. Research and development:					
(a) Coastal engineering research and development		3,250,000	3,250,000	3,250,000	3,250,000
(b) Hydrologic studies		249,000	249,000	249,000	249,000
(c) Civil works investigations		4,208,000	4,208,000	4,208,000	4,208,000
(d) Mississippi Basin model:					
(1) Maintenance		65,000	65,000	65,000	65,000
(2) Computer application studies		150,000	150,000	150,000	150,000
(e) Nuclear explosives studies for civil construction		960,000	960,000	960,000	960,000
(f) International hydrological decade program		550,000	550,000	550,000	550,000
Subtotal, research and development		9,432,000	9,432,000	9,432,000	9,432,000
General reduction due to savings and slippages			—500,000	—500,000	—500,000
Anticipated additional unobligated carryover balances			—2,047,000	0	—1,698,000
Less fiscal year 1970 budgetary reserve funds included in amounts for above studies		—931,000	—931,000	—931,000	—931,000
Total, general investigations	931,000	39,597,000	38,559,000	41,616,000	39,597,000

Mr. ELLENDER. Mr. President, for construction, general, Corps of Engineers, the conference agreement provides $852,063,000 which is $19,745,000 below the amount approved by the Senate; $26,374,000 above the House; $30,665,000 above the budget estimate; and $140,071,000 above the 1970 appropriation.

The construction items approved by the House included 10 unbudgeted planning items, 19 unbudgeted construction starts, and two new land acquisition items; all of which were approved by the Senate. In conference, the House conferees agreed to 10 of the 21 new planning starts added by the Senate. The House conferees also agreed to 10 of the 21 new construction starts added by the Senate; and, in addition, to land acquisition on three reservoir projects for which the Senate had approved a construction start.

For increases in construction, the Senate approved an additional $27,503,000, and the House conferees agreed to $17,758,000 of these increases.

Mr. President, the Senate restored the budget estimate of $807,000 for continuation of planning on the Dickey-Lincoln School Dam and reservoirs project in Maine. When the bill was up for consideration in the House, an amendment to provide the planning funds for this project was defeated on a teller vote—60 yeas and 90 nays. The conference agreement included the Senate allowance for this project. The House conferees, however, felt that they had to take the amendment including these funds back to the House for a separate vote. I regret that the House again refused to agree to the Senate restoration of these funds.

I might say, Mr. President, that this is the third consecutive time that this worthy project has been turned down by the House of Representatives. I am very hopeful that next year we can put it back into the bill, and that it will be approved by Congress.

After the conference report is agreed to, we will have for consideration the House amendment to the Senate amendment No. 4. Their amendment provides $851,256,000 for construction, general, of the Corps of Engineers, and provides the amounts shown in the printed conference report except for the $807,000 set out therein for the Dickey-Lincoln project.

Mr. President, for Mississippi River and tributaries, the conference bill provides $84 million, which is $4,422,000 above the House allowance and the budget estimate, and $7,040,000 below the amount allowed by the Senate.

This is an extremely important project, affording protection to parts of seven States. Because of budget restrictions of last year, there was a total of $13,848,458 of carryover and reserve funds. Actual obligations last year were only $72,967,839, and with the funds provided in the conference bill, together with the carryover funds, there will be about $98 million available for obligation in fiscal year 1971.

Mr. President, I ask unanimous consent to insert at this point in the RECORD the tabulation showing the details of the amount allowed for the Mississippi River and tributaries program.

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

FLOOD CONTROL, MISSISSIPPI RIVER AND TRIBUTARIES, FISCAL YEAR 1971

Project	Reserve	Approved budget estimate for fiscal year 1971 (including reserve)		House allowance (including reserve)		Senate allowance (including reserve)		Conference allowance (including reserve)	
		Construction	Planning	Construction	Planning	Construction	Planning	Construction	Planning
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1. General investigations:									
(a) Examinations and surveys	$62,000	[1] $1,210,000		[1] $1,250,000		[1] $300,000		[1] $1,300,000	
(b) Collection and study of basic data		110,000		110,000		110,000		110,000	
Less fiscal year 1970 budgetary reserve		−62,000		−62,000		−62,000		−62,000	
Subtotal general investigations	62,000	1,258,000		1,298,000		1,348,000		1,348,000	
2. Construction and planning:									
Mississippi River levees	950,000	[1] $3,400,000		[1] $3,400,000		[1] $4,440,000		$3,400,000	
Channel improvement	1,000,000	[1] 32,639,000		[1] 32,639,000		[1] 34,639,000		33,889,000	
Old River		200,000		200,000		200,000		200,000	
St. Francis Basin	1,000,000	[1] 5,300,000		[1] 5,300,000		[1] 7,300,000		6,550,000	
Lower White River:									
Big Creek and tributaries			$70,000		$70,000		$140,000		$70,000
Clarendon levee			45,000		45,000		45,000		45,000
Cache Basin	50,000	[5] 50,000		[2] 150,000		[2] 150,000		[2] 150,000	
West Tennessee tributaries		500,000		500,000		500,000		500,000	
Tensas Basin:									
Boeuf and Tensas Rivers, etc		950,000		950,000		1,475,000		950,000	
Red River backwater		850,000		850,000		850,000		850,000	
Yazoo Basin:									
Greenwood		25,000		[3] 225,000		[3] 225,000		[3] 225,000	
Upper auxiliary channels	60,000	[5] 60,000		[2] 260,000		[2] 260,000		[2] 260,000	
Main stem		110,000		110,000		110,000		110,000	
Tributaries	40,000	[1] 1,260,000		[1] 1,260,000		[1] 1,260,000		[1] 1,260,000	
Big Sunflower River, etc		550,000		550,000		700,000		550,000	
Yazoo backwater		1,687,000		1,687,000		1,687,000		1,687,000	
Control structure in Muddy Bayou (Eagle Creek)				[4] 100,000		[4] 100,000		[4] 100,000	
Lower Red River, south bank		120,000		120,000		[1] 120,000		[1] 120,000	
Atchafalaya Basin	1,000,000	[1] 6,109,000		[1] 6,109,000		[1] 11,000,000		8,109,000	
Mississippi Delta region (salinity control structures)			80,000		80,000		80,000		80,000
Tech Vermilion Basin			75,000		75,000		75,000		75,000
West Kentucky tributaries				[4] 100,000		[4] 100,000		[4] 100,000	
Subtotal, construction and planning	4,100,000	53,810,000	270,000	54,510,000	270,000	65,076,000	340,000	59,010,000	270,000
Reduction for anticipated savings and slippages		−1,450,000		−2,190,000		−1,450,000		−2,318,000	
Less fiscal year 1970 budgetary reserve		−4,100,000		−4,100,000		−4,100,000		−4,100,000	
Total, construction and planning	4,100,000	48,260,000	270,000	48,220,000	270,000	59,526,000	340,000	52,592,000	270,000
Maintenance	2,210,000	[1] 32,000,000		[1] 32,000,000		[1] 32,000,000		[1] 32,000,000	
Less fiscal year 1970 budgetary reserve included in maintenance above		−2,210,000		−2,210,000		−2,210,000		−2,210,000	
Grand total	6,372,000	(79,578,000)		(79,578,000)		(91,004,000)		(84,000,000)	

[1] Total includes funds placed in budgetary reserve during fiscal year 1970 which will be released for use in fiscal year 1971.
[2] Reflects availability of carryover funds held in budgetary reserve in fiscal year 1970 and an unbudgeted addition approved by the House committee.
[3] Increase in budget.
[4] Unbudgeted.
[5] Financed from fiscal year 1970 congressional add on held in budgetary reserve.

TITLE III, DEPARTMENT OF THE INTERIOR

Mr. ELLENDER. Mr. President, for title III, the conference bill provides $1,532,603,000, which is $1,023,000 below the amount approved by the Senate; $7,863,000 above the House allowance; $18,788,000 above the budget; and $252,677,500 above the appropriation for 1970.

With respect to the Federal Water Quality Administration, for construction grants for waste treatment works, the bill provides $1 billion, which is $200 million above the amount approved for fiscal year 1970.

Mr. President, for the Bureau of Reclamation, the conferees agreed on an increase of $65,000 for general investigations. The conferees agreed to $4,983,000 of the $6,121,000 increase recommended by the Senate for construction and rehabilitation; and allowed $1,115,000 of the $1,915,000 Senate increase for the Upper Colorado River storage project.

I ask unanimous consent that tabulations showing the details of the conference agreement for construction and rehabilitation, and for the Upper Colorado River storage project, be printed in the RECORD at this point.

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

BUREAU OF RECLAMATION, FISCAL YEAR 1971
CONSTRUCTION AND REHABILITATION

Construction, general, State and project	Budgetary reserve	Approved budget estimate for fiscal year 1971, as amended		House allowance [1]		Senate allowance [2]		Conference allowance [1]	
		Construction	Planning	Construction	Planning	Construction	Planning	Construction	Planning
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Arizona:									
Colorado River front work and levee system		$1,250,000		$1,250,000		$1,250,000		$1,250,000	
Pacific Northwest-Pacific Southwest intertie		700,000		700,000		700,000		700,000	
California:									
Central Valley project:									
Trinity River division		142,000		142,000		142,000		142,000	
Sacramento River division		7,040,000		7,040,000		7,040,000		7,040,000	
San Luis unit	[3] $4,111,000	[12] 13,828,000		[13] 23,828,000		[13] 23,828,000		[13] 23,828,000	
(Westlands distribution and drainage system)	(3,829,000)	[13] (6,840,000)		[13] (16,840,000)		[13] (16,840,000)		[13] (16,840,000)	
(San Luis drain)		(4,524,000)		(4,524,000)		(4,524,000)		(4,524,000)	
Auburn-Folsom South unit		21,200,000		21,200,000		23,200,000		23,200,000	
All other project facilities	850,000	[1] 2,020,000		[1] 2,020,000		[1] 2,020,000		[1] 2,020,000	
San Felipi division			$300,000		$300,000		$300,000		$300,000
Total, Central Valley project	[3] 4,961,000	[13] 44,230,000	300,000	[13] 54,230,000	300,000	[13] 56,230,000	300,000	[13] 56,230,000	300,000
Colorado River front work and levee system. (See Arizona.)									
Pacific Northwest Pacific-Southwest intertie. (See Arizona.)									
Colorado: Fryingpan-Arkansas project	3,600,000	[1] 20,000,000		[1] 20,000,000		[1] 20,000,000		[1] 20,000,000	
Idaho:									
Irrigation facilities, Corps of Engineers projects			13,000		13,000		13,000		13,000
Teton Basin project, lower Teton division		1,575,000		1,575,000		1,575,000		1,575,000	
Nevada:									
Pacific Northwest-Pacific Southwest intertie. (See Arizona.)									
Southern Nevada water project	1,500,000	[1] 18,000,000		[1] 18,000,000		[1] 18,000,000		[1] 18,000,000	
Oklahoma: Mountain Park project		1,000,000		1,000,000		1,000,000		1,000,000	
Oregon:									
Irrigation facilities, Corps of Engineers projects. (See Idaho.)									
Tualatin project (land acquisition)		1,000,000		1,000,000		1,600,000		1,400,000	
Texas: Palmetto Bend project	200,000		[2] 200,000		300,000	[2] 200,000	300,000		300,000
Washington:									
Chief Joseph Dam project, Manson unit	62,500	[2] 62,500		[1] 562,500		[1] 562,500		[1] 562,500	
Chief Joseph Dam project, Whitestone Coulee unit		370,000		370,000		370,000		370,000	
Columbia Basin project	850,000	[1] 78,000,000		[1] 77,700,000		[1] 77,700,000		[1] 77,700,000	
Irrigation facilities, Corps of Engineers projects. (See Idaho.)									
Various:									
Drainage and minor construction program:									
All-American Canal system, California		2,000		2,000		2,000		2,000	
Boulder Canyon project, Arizona-Nevada		100,000		100,000		100,000		100,000	
Buffalo Rapids project, Montana		15,000		15,000		15,000		15,000	
Chief Joseph Dam project, Foster Creek division, Washington		10,000		10,000		10,000		10,000	
Eden project, Wyoming		193,000		193,000		193,000		193,000	
Gila project, Arizona		1,210,000		1,210,000		1,210,000		1,210,000	
Kendrick project, Wyoming		211,000		211,000		211,000		211,000	
Klamath project, Oregon, California		190,000		190,000		190,000		190,000	
Michaud Flats project, Idaho		48,000		48,000		48,000		48,000	
Parker-Davis project, Arizona-California-Nevada		440,000		440,000		440,000		440,000	
Pecos River Basin water salvage project, New Mexico-Texas		300,000		300,000		300,000		300,000	
Recreation facilities at existing reservoirs, various States		184,000		184,000		184,000		184,000	
San Angelo project, Texas		30,000		30,000		30,000		30,000	
Technical records and as-built drawings, Colorado		7,000		7,000		7,000		7,000	
Washita Basin project, Oklahoma		30,000		30,000		30,000		30,000	
Washoe project, Nevada-California		70,000		70,000		255,000		255,000	
Total, drainage and minor construction		3,040,000		3,040,000		3,225,000		3,225,000	
Rehabilitation and betterment of existing projects:									
All-American Canal system, Coachella division, California		157,000		157,000		157,000		157,000	
Carlsbad project, New Mexico		900,000		900,000		900,000		900,000	
Cascade Irrigation District, Ellensberg, Wash						5,000		5,000	
Salt River project, Arizona		773,000		773,000		773,000		773,000	
Shoshone project, Garland division, Wyoming						2,000		200,000	
Tucumacari project, New Mexico		111,000		111,000		111,000		111,000	
Tumalo Irrigation District, Oregon				5,000		5,000		5,000	
Uncompahgre project, Gunnison Tunnel, Colorado						133,000		133,000	
Westland Irrigation District, Oregon				5,000		5,000		5,000	
Yakima project, Outlook Irrigation District, Washington		136,000		136,000		136,000		136,000	
Total, rehabilitation and betterment of existing projects		2,077,000		2,087,000		2,425,000		2,425,000	
Subtotal, exclusive of Missouri River Basin project	11,173,050	171,304,500	513,000	181,514,500	613,000	184,837,500	613,000	184,437,500	613,000

Footnotes at end of table.

BUREAU OF RECLAMATION, FISCAL YEAR 1971—CONSTRUCTION AND REHABILITATION—Continued

Construction, general, State and project	Budgetary reserve	Approved budget estimate for fiscal year 1971, as amended		House allowance [1]		Senate allowance [2]		Conference allowance [1]	
		Construction	Planning	Construction	Planning	Construction	Planning	Construction	Planning
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
MISSOURI RIVER BASIN PROJECT									
Montana: Yellowtail unit		$1,480,000		$1,480,000		$1,480,000		$1,480,000	
Nebraska: Mid-State division			$200,000		$400,000		$400,000		$400,000
North Dakota:									
Garrison diversion unit		11,100,000		11,100,000		12,500,000		12,100,000	
Garrison diversion unit Minot extension (not authorized)						470,000		470,000	
South Dakota:									
Garrison diversion unit. (See North Dakota.)									
Garrison diversion unit Minot extension. (See North Dakota.)									
Oahe unit (land acquisition)			500,000		500,000	350,000	500,000	350,000	
Wyoming: Yellowtail unit. (See Montana.)									
Various:									
Transmission division		6,616,000		6,616,000		6,716,000		6,616,000	
Drainage and minor construction program:									
Ainsworth unit, Nebraska		160,000		160,000		160,000		160,000	
Bostwick division, Nebraska-Kansas		475,000		475,000		475,000		475,000	
Cedar Bluff unit, Kansas		80,000		80,000		80,000		80,000	
Glen Elder unit, Kansas		324,000		324,000		324,000		324,000	
East Bench unit, Montana		380,000		380,000		380,000		380,000	
Farwell unit, Nebraska		226,000		226,000		226,000		226,000	
Frenchman Cambridge division, Nebraska		500,000		500,000		500,000		500,000	
Hanover Bluff unit, Wyoming		30,000		30,000		30,000		30,000	
Helena Valley unit, Montana		210,000		210,000		210,000		210,000	
Owl Creek unit, Wyoming		50,000		50,000		50,000		50,000	
Technical records and as-built drawings		3,000		3,000		3,000		3,000	
Total, drainage and minor construction		2,438,000		2,438,000		2,438,000		2,438,000	
Subtotal, construction (Missouri River Basin)		21,634,000	700,000	21,634,000	900,000	23,954,000	900,000	23,454,000	900,000
Investigations (Missouri River Basin)		1,720,000		1,720,000		1,820,000		1,820,000	
Other Department agencies		3,080,000		2,940,000		3,080,000		3,080,000	
Total, Missouri River Basin project		26,434,000	700,000	26,294,000	900,000	28,854,000	900,000	28,354,000	900,000
Subtotal, construction and rehabilitation	$11,173,500	198,951,500		209,321,500		215,204,500		214,304,500	
Undistributed reduction based on anticipated delays		−16,100,000		−16,338,000		−16,100,000		−16,338,000	
Less amount appropriated in fiscal year 1970 in addition to the budget request which was placed in budgetary reserve in fiscal year 1970 scheduled for use in fiscal year 1971	−11,173,500	−11,173,500		−11,173,500		−11,173,500		−11,173,500	
Total, construction and rehabilitation		171,678,000		181,810,000		187,931,000		186,793,000	

[1] Total includes congressional add-ons placed in budgetary reserve during fiscal year 1970 to be released for use in fiscal year 1971.

[2] Financed from fiscal year 1970 budgetary reserve.

[3] Includes non-Federal advances.

UPPER COLORADO RIVER STORAGE PROJECT—UPPER COLORADO RIVER BASIN FUND

Construction, general, State and project	Budgetary reserve	Approved budget estimate for fiscal year 1971, as amended		House allowance [1]		Senate allowance [1]		Conference allowance [1]	
		Construction	Planning	Construction	Planning	Construction	Planning	Construction	Planning
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
COLORADO RIVER STORAGE PROJECT									
Colorado:									
Curecanti unit		$2,850,000		$2,850,000		$3,000,000		$3,000,000	
Various:									
Transmission division		2,163,000		2,163,000		2,163,000		2,163,000	
PARTICIPATING PROJECTS									
Colorado:									
Animas-La Plata project	[3] $15,000		[3] $15,000		[3] $140,000		[3] $240,000		$240,000
Bostwick Park project		1,214,000		1,214,000		1,214,000		1,214,000	
Dallas Creek project	130,000		[4] 130,000		[1] 230,000		[1] 230,000		[1] 230,000
Dolores Creek project	110,000		[4] 110,000		[1] 200,000		[1] 200,000		[1] 200,000
Fruitland Mesa project			165,000		165,000		165,000		165,000
San Juan-Chama project		1,272,000		1,272,000		1,747,000		1,747,000	
San Miguel project							50,000		50,000
Savery-Pot Hook project			50,000	[5] 250,000	50,000	[5] 250,000	50,000	[5] 250,000	50,000
New Mexico:									
Aniams-La Plata project. (See Colorado.)									
San Juan-Chama project. (See Colorado.)									
Utah:									
Central Utah project, Bonneville unit		10,900,000		10,900,000		10,900,000		10,900,000	
Central Utah project, Jensen unit		500,000		500,000		500,000		500,000	
Central Utah project, Upalco unit						300,000			
Lyman project. (See Wyoming.)									
Wyoming:									
Lyman project		1,453,000		1,453,000		1,953,000		1,453,000	
Savery-Pot Hook project. (See Colorado.)									
Various:									
Drainage and minor construction program:									
Colorado River Storage project:									
Glen Canyon unit, Arizona-Utah		258,000		258,000		258,000		258,000	
Participating projects:									
Central Utah project, Vernal unit, Utah		233,000		233,000		233,000		233,000	
Emery County project, Utah		175,000		175,000		175,000		175,000	
Hammond project, New Mexico		300,000		300,000		300,000		300,000	
Seedskadee project, Wyoming		225,000		225,000		225,000		225,000	
Construction revenues		[6] −37,000		[6] −37,000		[6] −37,000		[6] −37,000	
Total, drainage and minor construction program		1,154,000		1,154,000		1,154,000		1,154,000	
Subtotal		21,506,000	470,000	21,756,000	785,000	23,181,000	935,000	22,381,000	935,000

Footnotes at end of table.

Construction, general, State and project	Budgetary reserve	Approved budget estimate for fiscal year 1971, as amended		House allowance [1]		Senate allowance [1]		Conference allowance [1]	
		Construction	Planning	Construction	Planning	Construction	Planning	Construction	Planning
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Undistributed reduction based on anticipated delays		—$1,831,000		—$1,831,000		—$1,831,000		—$1,831,000	
Less amount appropriated in fiscal year 1970 in addition to the budget request which was placed in budgetary reserve in fiscal year 1970 scheduled for use in fiscal year 1971	—$255,000	—255,000		—255,000		—255,000		—255,000	
Total, Upper Colorado River Basin fund		19,890,000		20,455,000		22,030,000		21,230,000	
RECREATIONAL AND FISH AND WILDLIFE FACILITIES									
National Park Service		578,000		578,000		578,000		578,000	
Bureau of Sport Fisheries and Wildlife		227,000		227,000		567,000		567,000	
Total, recreational and fish and wildlife facilities		805,000		805,000		1,145,000		1,145,000	
Total, Upper Colorado River storage project		20,695,000		21,260,000		23,175,000		22,375,000	

[1] Total includes congressional add-ons placed in budgetary reserve during fiscal year 1970 to be released for use in fiscal year 1971.
[2] Fiscal year 1970 program financed from non-Federal advances placed in budgetary reserve for use in fiscal year 1971.
[3] Includes fiscal year 1970 non-Federal advances.
[4] Financed from fiscal year 1970 budgetary reserve.
[5] Unbudgeted.
[6] Construction revenues included in Glen Canyon program.

Mr. ELLENDER. For the Colorado River Basin, the Senate agreed to the House allowance of $1,950,000 instead of $750,000 approved by the Senate.

TITLE IV, INDEPENDENT OFFICES

Mr. President, for title IV, the conference bill provides $63,408,000 which is $2,600,000 above the amount allowed by the House, and $400,000 below the Senate-approved bill: $6,595,000 above the budget; and $6,711,000 above the appropriations for fiscal year 1970.

The increase allowed by the conferees for the Tennessee Valley Authority provides $2,000,000 for the Mills River Reservoir in North Carolina, of which $600,000 is for planning and $1,400,000 for land acquisition. I am very glad that we were able to agree on retaining funds for the Mills River Reservoir in North Carolina.

For the Water Resources Council, the conferees agreed on $5,150,000 which is $600,000 above the amount allowed by the House, and $400,000 below the amount approved by the Senate; $495,000 above the budget estimate; and $1,225,000 above the appropriation for fiscal year 1970.

The increase of $600,000 is for planning grants to States under title III, providing a total of $3,600,000, an increase of $1,225,000 over the amount available for this purpose in fiscal year 1970.

Mr. President, I move that the conference report be agreed to.

Mr. JAVITS. Mr. President, before we act on that motion, I would like to ask the Senator from Louisiana a question. Does the Senator mind? Of course, I will agree to approving the report, but I think this is a good time to comment, if the Senator had come to a stopping point.

In the first place, let me say that I think the committee and the Senator from Louisiana have done magnificently by New York, and we have no complaints about the way in which New York's public works projects have been handled.

We did have one project, which the Senator was very gracious to speak with me about, concerning a preconstruction survey, for the proposed dredging of Port Jefferson Harbor.

Mr. ELLENDER. That is on Long Island.

Mr. JAVITS. Yes, on Long Island. May I explain to the Senator its importance, and why I asked the question? I will be very brief.

Long Island is, as the Senator knows a very vital, growing community, with approximately 2½ million people.

The question is whether this particular harbor, which is a port on Long Island Sound, should or should not have some commercial utility.

Leaving aside for the moment the argument as to whether, if the harbor were commercially useful, it could also be useful for recreation, it does not necessarily follow that it has to be some foul-smelling port. I have leaned, myself, to the idea that a growing community immediately contiguous to New York City needs material such as oil supplies, which is one of the major products received in Port Jefferson Harbor.

That is why I urged the committee, and the Senator from Louisiana was most gracious in including it for me in the Senate bill, to act affirmatively on approving $50,000 of the authorized Port Jefferson Harbor dredging program for a preconstruction survey.

We understand that the local Representative from that area takes quite a contrary position, but I think it would be very helpful, to know why the House conferees felt they could not concur with the Senate conferees.

Mr. ELLENDER. There were no reasons given by the House conferees. The House conferees simply respected an objection made by Representative Pike.

Mr. JAVITS. And that was it?

Mr. ELLENDER. And that was it. We insisted, but to no avail.

Mr. JAVITS. I thank the Senator very much.

Mr. ELLENDER. I am very hopeful that it will be reconsidered next year, and I can promise the Senator that if I am still in the Senate, as I hope to be—

Mr. JAVITS. I hope so, too.

Mr. ELLENDER. We will try again to secure planning funds for this project.

Mr. JAVITS. May I say to the Senator from Louisiana that I really have an objective feeling about this proposed project. I think that this information from the Senator from Louisiana, which is very public spirited and constructive, can be useful to the local people. They can persuade their Representative. If they agree with what he says, I will not be troubling the Senator any more. If they do not, we will hear about it.

Mr. ELLENDER. As the Senator recalls, while the conference was going on, I advised him of the objection of the Representative.

Mr. JAVITS That was most generous.

Mr. ELLENDER. At that time I suggested that you prod him a little.

Mr. JAVITS. Which I did.

Mr. ELLENDER. I am sorry, though, that even the Senator's admonitions did not do much good.

I am very grateful to the Senator. He has been very helpful.

Mr. ELLENDER. Mr. President, I renew the motion.

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

The motion was agreed to.

The PRESIDING OFFICER. The clerk will report the amendment in disagreement.

The assistant legislative clerk read the amendment, as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 4 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum proposed, insert: *$851-256,000*

Mr. ELLENDER. Mr. President, the House amendment to Senate amendment No. 4 for construction, general, Corps of Engineers, is $807,000 less than the conference agreement, which is the amount deleted for the Dickey-Lincoln project. That amendment provides $851,256,000 which is $20,552,000 below the amount

approved by the Senate; $25,567,000 above the House; $29,858,000 above the budget estimate; and $139,264,000 above the 1970 appropriation.

Mr. President, I move that the Senate agree to the House amendment to Senate amendment No. 4.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Louisiana to concur in the House amendment to the Senate amendment.

The motion was agreed to.

Mr. ELLENDER. Mr. President, I ask unanimous consent to have printed at this point in the RECORD the tabulation showing the details of the amount allowed under "Construction, general."

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

CONSTRUCTION, GENERAL, FISCAL YEAR 1971

	Construction, general, State and project	Reserve	Approved budget estimate for fiscal year 1971 (including reserve)		House allowance (including reserve)		Senate allowance (including reserve)		Conference allowance (including reserve)	
			Construction	Planning	Construction	Planning	Construction	Planning	Construction	Planning
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	Alabama:									
N	Alabama River channel improvement		$792,000		$792,000		$792,000		$792,000	
N	[Clairborne lock and dam]	$600,000	[2] 2,802,000		[2] 2,802,000		[2] 2,802,000		[2] 2,802,000	
R	John Hollis Bankhead lock and dam		5,000,000		5,000,000		5,000,000		5,000,000	
MP	Jones Bluff lock and dam	1,000,000	[2] 6,400,000		[2] 6,400,000		[2] 6,400,000		[2] 6,400,000	
MP	[Millers Ferry lock and dam]		2,544,000		2,544,000		2,544,000		2,544,000	
FC	(Montgomery)					$50,000		$50,000		$50,000
N	(Tennessee-Tombigbee Waterway, Ala. and Miss)		1,000,000		1,000,000		1,000,000		1,000,000	
	Tombigbee River and tributaries, Alabama and Mississippi. (See Mississippi.)									
	West Point Dam, Ala. and Ga. (See Georgia.)									
	Alaska:									
FC	(Chena River Reservoirs, Fairbanks)			$950,000		950,000		950,000		950,000
N	(Kake Harbor)			50,000		50,000		100,000		100,000
N	(King Cove Harbor)	60,000		[3] 60,000	100,000	[3] 60,000	100,000	[3] 60,000	100,000	[3] 60,000
N	(Sergius and Whitestone Narrows)		200,000		200,000		200,000		200,000	
MP	Snettisham power project		12,000,000		12,000,000		12,000,000		12,000,000	
	Arizona:									
FC	Gila River Camelsback Reservior Site to Salt River		500,000		500,000		500,000		500,000	
FC	(Gila River and tributaries downstream from Painted Rock Reservoir)	1,715,000		[3] 1,715,000	1,000,000	[3] 1,715,000	1,000,000	[3] 1,715,000	1,000,000	[3] 1,715,000
FC	(Indian Bend Wash)			40,000		40,000		40,000		40,000
FC	(Phoenix and vicinity)		300,000		300,000		300,000		300,000	
FC	Santa Rosa Wash (Tat Momolikot Dam)	50,000	[2] 1,000,000		[2] 1,000,000		[2] 1,000,000		[2] 1,000,000	
FC	Winslow	450,000	[2] 1,390,000		[2] 1,390,000		[2] 1,390,000		[2] 1,390,000	
	Arkansas:									
N	Arkansas River and tributaries, Arkansas and Oklahoma: Navigation locks and dams		25,333,000		25,333,000		25,333,000		25,333,000	
FC	(Bayou Bartholomew (1950 and 1966 acts), Ark. and La.)			260,000		260,000		260,000		260,000
FC	(Bell Foley Reservoir)	150,000		[3] 160,000		[3] 160,000		[3] 160,000		[3] 160,000
MP	De Gray Reservoir		8,500,000		8,500,000		8,500,000		8,500,000	
FC	De Queen Reservoir		1,030,000		1,030,000		1,030,000		1,030,000	
FC	Dierks Reservoir		1,600,000		1,600,000		1,600,000		1,600,000	
FC	[Garland City]		135,000		135,000		135,000		135,000	
FC	Gillham Reservoir	500,000	[2] 900,000		[2] 900,000		[2] 900,000		[2] 900,000	
FC	(Little Rock Levee)				433,000		433,000		433,000	
MP	[Narrows Dam (3d unit)]		150,000		150,000		150,000		150,000	
N	Ouachita and Black Rivers, Ark. and La.	560,000	[2] 5,750,000		[2] 5,750,000		[2] 5,750,000		[2] 5,750,000	
MP	Ozark lock and dam		11,700,000		11,700,000		11,700,000		11,700,000	
FC	Red River levees and bank stabilization below Denison Dam, Ark., La., and Tex.	200,000	[2] 2,600,000		[2] 2,600,000		[2] 3,200,000		[2] 2,900,000	
	California:									
FC	Alameda Creek, Del Valle Dam		2,800,000		2,800,000		2,800,000		2,800,000	
FC	(Alhambra Creek)							100,000		
FC	Buchanan Reservoir	350,000	[3] 350,000		[2] 1,550,000		[2] 1,550,000		[2] 1,550,000	
FC	(Butler Valley Reservoir)			900,000		900,000		900,000		900,000
FC	(Chester, Feather River)					50,000		50,000		50,000
FC	Corte Madera Creek		1,100,000		1,100,000		1,100,000		1,100,000	
N	(Crescent City Harbor)			85,000		85,000		85,000		85,000
FC	(Cucamonga Creek)	400,000		[2] 430,000		[2] 620,000		[2] 620,000		[2] 620,000
FC	Dry Creek (Warm Springs) Reservoir	1,000,000	[2] 8,000,000		[2] 8,000,000		[2] 8,000,000		[2] 8,000,000	
FC	Hidden Reservoir	240,000	[3] 240,000		[2] 2,040,000		[2] 2,040,000		[2] 2,040,000	
FC	Klamath River		853,000		853,000		853,000		853,000	
FC	(Lakeport Reservoir, Scotts Creek)			225,000		225,000		225,000		225,000
FC	Los Angeles County drainage area		750,000		750,000		750,000		750,000	
FC	(Lower San Joaquin River)				720,000		720,000		720,000	
FC	(Lytle and Warm Creeks)				1,500,000		1,500,000		1,500,000	
	Martis Creek Reservoir, Calif. and Nev. (See Nevada.)									
MP	(Marysville Reservoir (Land acquisition))			894,000		894,000	500,000	894,000		894,000
FC	[Merced Reservoir (New Exchequer) (Reimbursement)]		390,000		390,000		390,000		390,000	
FC	Mojave River Reservoir (West Fork)		7,060,000		7,060,000		7,060,000		7,060,000	
N	(Monterey Harbor)			150,000		150,000	300,000	150,000	300,000	150,000
FC	Napa River				400,000		400,000		400,000	
FC	[New Bullards Bar Reservoir (reimbursement)]		751,000		751,000		751,000		751,000	
FC	New Don Pedro Reservoir (reimbursement)		2,200,000		2,200,000		2,200,000		2,200,000	
MP	New Melones Reservoir	1,770,000	[2] 11,900,000		[2] 11,900,000		[2] 11,900,000		[2] 11,900,000	
N	Oakland Harbor		3,400,000		3,400,000		3,400,000		3,400,000	
FC	[Oroville Reservoir (reimbursement)]		3,213,000		3,213,000		3,213,000		3,213,000	
FC	(Pajaro River (1966 act))			200,000		200,000		200,000		200,000
N	(Port Hueneme Harbor)	50,000		[3] 60,000		[3] 60,000		[3] 60,000		[3] 50,000
FC	Russian River Basin (Coyote Valley Dam)		300,000		300,000		300,000		300,000	
FC	Sacramento River and major and minor tributaries		500,000		500,000		500,000		500,000	
FC	Sacramento River bank protection		2,600,000		2,600,000		2,600,000		2,600,000	
N	(San Diego Harbor)	100,000		[3] 120,000		[3] 150,000		[3] 150,000		[3] 150,000
FC	(San Diego River and Mission Valley)			558,000		558,000		558,000		558,000
N	San Francisco Bay to Stockton (John F. Baldwin and Stockton ship channels)	250,000	[2] 1,000,000		[2] 1,000,000		[2] 1,000,000		[2] 1,000,000	
N	Santa Paula Creek	250,000	[3] 250,000		[2] 500,000		[2] 500,000		[2] 500,000	
FC	(Sonoma Creek)			210,000		210,000		210,000		210,000
FC	(Sweetwater River)			575,000		575,000		575,000		575,000

Footnotes at end of table.

	Construction, general, State and project	Reserve	Approved budget estimate for fiscal year 1971 (including reserve)		House allowance (including reserve)		Senate allowance (including reserve)		Conference allowance (including reserve)	
			Construction	Planning	Construction	Planning	Construction	Planning	Construction	Planning
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	California—Continued									
FC	Tahquitz Creek	$250,000	[2] $250,000		[2] $500,000		[2] $500,000		[2] $500,000	
FC	Walnut Creek		1,500,000		1,500,000		1,500,000		1,500,000	
	Colorado:									
FC	(Bear Creek (Mount Carbon) Reservoir (Land Acquisition))			$400,000		$400,000	400,000	$600,000	400,000	$600,000
FC	(Boulder)							50,000		50,000
FC	Chatfield Reservoir	2,500,000	[2] 13,200,000		[2] 13,200,000		[2] 13,200,000		[2] 13,200,000	
FC	Trinidad Reservoir	250,000	[2] 3,400,000		[2] 3,400,000		[2] 3,400,000		[2] 3,400,000	
	Connecticut:									
FC	Ansonia-Derby		5,600,000		5,600,000		5,600,000		5,600,000	
FC	Derby	600,000	[2] 2,700,000		[2] 2,700,000		[2] 2,700,000		[2] 2,700,000	
FC	New London Barrier		1,150,000		1,150,000		1,150,000		1,150,000	
FC	(Park River)					100,000		100,000		100,000
FC	(Stratford)			250,000		250,000		250,000		250,000
FC	(Trumbull Pond Reservoir)		250,000		250,000		250,000		250,000	
	Delaware:									
FC	(Delaware coast)			50,000		50,000		50,000		50,000
	Delaware River, Philadelphia to sea, anchorages, Del.; Pa. and N.J. (See New Jersey.)									
N	Inland waterway, Delware River to Chesapeake Bay (Chesapeake and Delaware Canal), pt. II, Delaware and Maryland	500,000	[2] 9,200,000		[2] 9,200,000		[2] 9,820,000		[2] 9,200,000	
	Florida:									
N	[Apalachicola River channel improvement]		1,110,000		1,110,000		1,110,000		1,110,000	
BE	(Brevard County)			50,000		50,000		50,000		50,000
N	Canaveral Harbor		450,000		450,000		450,000		450,000	
FC	Central and Southern Florida	500,000	[2] 9,400,000		[2] 9,400,000		[2] 10,500,000		[2] 10,500,000	
N	Cross-Florida Barge Canal	1,500,000	[2] 6,000,000		[2] 6,000,000		[2] 8,000,000		[2] 7,000,000	
FC	Four Rivers basins	500,000	[2] 5,000,000		[2] 5,000,000		[2] 5,000,000		[2] 5,000,000	
N	(Gulf Intracoastal Waterway St. Marks to Tampa Bay (Ecological Study).)	20,000		[2] 20,000		[2] 200,000		[2] 200,000		[2] 200,000
N	Jacksonville Harbor (1965 act)	500,000	[2] 2,300,000		[2] 2,300,000		[2] 2,500,000		[2] 2,500,000	
N	(Miami Harbor)	140,000		[2] 150,000		[2] 210,000		[2] 210,000		[2] 210,000
BE	Mullet Key		100,000		100,000		100,000		100,000	
BE	Pinellas County, Treasure Island		50,000		50,000		50,000		50,000	
	Georgia:									
MP	Carters Dam	400,000	[2] 13,400,000		[2] 13,400,000		[2] 13,400,000		[2] 13,400,000	
N	Savannah Harbor, 40 feet (widening and deepening)	350,000	[2] 2,060,000		[2] 2,060,000		[2] 2,060,000		[2] 2,060,000	
N	Savannah Harbor (sediment basin)	600,000	[2] 2,300,000		[2] 2,300,000		[2] 2,300,000		[2] 2,300,000	
MP	(Spewrell Bluff Dam)	750,000	[2] 750,000		[2] 1,000,000		[2] 1,800,000		[2] 1,800,000	
MP	(Trotters Shoals Reservoir, Georgia and South Carolina (L.A.))						1,000,000		500,000	
MP	West Point Reservoir, Ala. and Ga		13,000,000		13,000,000		13,000,000		13,000,000	
	Hawaii:									
N	(Heeia-Kea Harbor)							49,000		49,000
N	(Honolulu Harbor)						30,000			
N	(Kawaihae Harbor)	750,000	[2] 750,000		[2] 1,852,000		[2] 1,852,000		[2] 1,852,000	
N	(Lahaina Harbor)			41,000		41,000		41,000		41,000
N	(Nawiliwili Harbor (sec. 107))		(211,000)		(211,000)		(211,000)		(211,000)	
N	(Reeds Bay Harbor)							50,000		
BE	Waikiki Beach	500,000	[2] 500,000		[2] 700,000		[2] 700,000		[2] 700,000	
	Idaho:									
FC	(Blackfoot Reservoir)						350,000			
MP	Dworshak (Bruces Eddy) Reservoir	1,650,000	[2] 57,400,000		[2] 57,400,000		[2] 57,400,000		[2] 57,400,000	
FC	Ririe Reservoir	100,000	[2] 4,800,000		[2] 4,800,000		[2] 4,800,000		[2] 4,800,000	
FC	(Stuart Gulch Reservoir)							75,000		75,000
FC	(Weiser River (restudy))			40,000		40,000		40,000		40,000
	Illinois:									
N	Calumet River and Harbor (1962 and 1965 acts)		290,000		290,000		290,000		290,000	
FC	(East Moline)			30,000		30,000		30,000		30,000
FC	(East St. Louis and vicinity)	29,000		[2] 379,000		[2] 379,000		[2] 379,000		[2] 379,000
FC	England Pond Levee		200,000		200,000		200,000		200,000	
FC	Freeport		1,000,000		300,000		300,000		300,000	
FC	(Fulton)			120,000		120,000		120,000		(120,000)
FC	(Helm Dam and Reservoir)							75,000		
N	[Horse Island and Crescent Bridge (Mississippi River), Ill. and Iowa.]		367,000		367,000		367,000		367,000	
N	Illinois Waterway, Calumet-Sag modification, pt. I, Illinois and Indiana		3,364,000		3,364,000		3,364,000		3,364,000	
N	(Illinois Waterway, Calumet-Sag modification, pt. II, Illinois and Indiana.)			100,000		100,000		100,000		100,000
N	(Illinois Waterway Duplicate Locks)			400,000		400,000		400,000		400,000
N	Kaskaskia River (navigation)	1,623,000	[2] 12,317,000		[2] 12,317,000		[2] 12,317,000		[2] 12,317,000	
FC	(Levee District 23 (Dively), Kaskaskia River)				60,000		60,000		60,000	
FC	(Levee unit No. 1, Wabash River (restudy))			50,000		50,000		50,000		50,000
FC	(Lincoln Dam and Reservoir)	500,000	[2] 500,000		[2] 1,100,000		[2] 1,100,000		[2] 1,100,000	
N	(Lock and dam, 26, Alton, Ill. and Mo)			200,000		1,000,000		1,000,000		1,000,000
FC	Louisville Dam and Reservoir	75,000		[2] 90,000		[2] 90,000		[2] 90,000		[2] 90,000
FC	(McGee Creek Drainage and Levee District)						200,000			
FC	(Milan)	30,000		[2] 40,000		[2] 40,000		[2] 40,000		[2] 40,000
N	Mississippi River between Ohio and Missouri Rivers, Ill. and Mo.:									
	(a) Chain of rocks		750,000		750,000		750,000		750,000	
	(b) Regulating works	500,000	[2] 1,340,000		[2] 1,340,000		[2] 2,340,000		2,340,000	
N	(Mount City lock and dam, Illinois and Kentucky (L.A.)						1,000,000		200,000	
FC	(Oakley Reservoir (land acquisition))		298,000		298,000		298,000		298,000	
FC	(Peoria)			100,000		100,000		100,000		100,000
FC	Rend Lake Reservoir		9,825,000		9,825,000		9,825,000		9,825,000	
FC	Rocester and McCleary's Bluff Levee		400,000		400,000		400,000		400,000	
FC	Rock Island		1,000,000		1,000,000		1,000,000		1,000,000	
FC	Saline River and tributaries	150,000	[2] 1,800,000		[2] 1,800,000		[2] 1,800,000		[2] 1,800,000	
FC	Shelbyville Reservoir	150,000	[2] 3,700,000		[2] 3,700,000		[2] 3,700,000		[2] 3,700,000	
N	Smithland locks and dam, Illinois and Kentucky	250,000	[2] 8,200,000		[2] 8,200,000		[2] 8,200,000		[2] 8,200,000	

Footnotes at end of table.

CONSTRUCTION, GENERAL, FISCAL YEAR 1971—Continued

	Construction, general, State and project	Reserve	Approved budget estimate for fiscal year 1971 (including reserve)		House allowance (including reserve)		Senate allowance (including reserve)		Conference allowance (including reserve)	
			Construction	Planning	Construction	Planning	Construction	Planning	Construction	Planning
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	Indiana:									
FC	(Big Blue Dam and Reservoir)							$50,000		
FC	(Big Pine Dam and Reservoir (land acquisition))						$100,000		$100,000	
FC	Brookville Reservoir		$3,240,000		[3]3,240,000		3,240,000		3,240,000	
N	Cannelton locks and dam, Indiana and Kentucky		8,000,000		8,000,000		8,000,000		8,000,000	
FC	(Clifty Creek Reservoir (land acquisition))				150,000		150,000		150,000	
FC	(Greenfield Bayou Levee)						100,000		100,000	
	Illinois Waterway, Calumet-Sag modifications, pts. I and II, Illinois and Indiana. (See Illinois.)									
FC	Island levee		660,000		660,000		660,000		660,000	
FC	(Lafayette Dam and Reservoir)	$400,000	[3]400,000		[2]800,000		[2]800,000		[2]800,000	
FC	(Mason J. Niblack (pumping facilities))	40,000		[2]$50,000		[2]$50,000		[2]50,000		[2]$50,000
N	Newburgh locks and dam, Indiana and Kentucky	1,100,000	[2]6,900,000		[2]6,900,000		[2]6,900,000		[2]6,900,000	
FC	(Patoka Dam and Reservoir (land acquisition))		525,000		525,000		525,000		525,000	
N	Uniontown locks and dam, Indiana and Kentucky		5,300,000		5,300,000		5,300,000		5,300,000	
FC	West Terre Haute		495,000		495,000		495,000		495,000	
	Iowa:									
FC	(Ames Reservoir)	400,000	[3]400,000		[2]600,000		[2]600,000		[2]600,000	
FC	(Bettendorf)			30,000		30,000		30,000		30,000
FC	(Big Sioux River at Sioux City, Iowa and S. Dak.)	70,000		[2]80,000		[2]150,000		[2]150,000		[2]150,000
FC	(Clinton)			176,000		176,000		176,000		176,000
FC	(Davids Creek Reservoir)	100,000		[2]110,000		[2]110,000		[2]110,000		[2]110,000
FC	Des Moines		600,000		600,000		600,000		600,000	
FC	Dubuque	450,000	[3]3,500,000		[3]3,500,000		[3]3,500,000		[3]3,500,000	
N	(Fort Madison Harbor)		100,000		100,000		100,000		100,000	
FC	Guttenberg	100,000	[2]800,000		[2]1,100,000		[2]1,100,000		[2]1,100,000	
	[Horse Island and Crescent Bridge, Mississippi River, Ill. and Iowa. (See Illinois.)]									
FC	[Iowa River Flint Creek Levee District No. 16]	50,000	[2]987,000		[2]987,000		[2]987,000		[2]987,000	
FC	Marshalltown		900,000		900,000		900,000		900,000	
FC	Missouri River levee system, Iowa, Kansas, Missouri, and Nebraska	300,000	[3]3,700,000		[3]3,700,000		[3]3,700,000		[3]3,700,000	
N	Missouri River, Sioux City to mouth, Iowa, Kansas, Missouri, and Nebraska	750,000	[3]5,000,000		[3]5,000,000		[3]7,000,000		[3]6,000,000	
FC	[Rathbun Reservoir]	400,000	[3]2,706,000		[3]2,706,000		[3]2,706,000		[3]2,706,000	
FC	[Red Rock Dam and Lake Red Rock]		1,570,000		1,570,000		1,570,000		1,570,000	
FC	Saylorville Reservoir		3,250,000		3,250,000		3,250,000		3,250,000	
FC	Waterloo	200,000	[2]200,000		[2]500,000		[2]500,000		[2]500,000	
	Kansas:									
	(Arkansas—Red River chloride control, Texas, Oklahoma, and Kansas (see Texas)).									
FC	(Cedar Point Reservoir)	75,000		[2]90,000		[2]125,000		[2]125,000		[2]125,000
FC	(Clinton Reservoir (land acquisition))		1,960,000		1,960,000		1,960,000		1,960,000	
FC	Cow Creek, Hutchinson	100,000	[2]850,000		[2]850,000		[2]850,000		[2]850,000	
FC	(Dodge City)						500,000		500,000	
FC	(El Dorado Reservoir)	700,000	[3]700,000		[2]1,100,000		[2]1,100,000		[2]1,100,000	
FC	(Garnett Reservoir (restudy)			75,000		75,000		75,000		75,000
FC	(Grove Reservoir)							150,000		150,000
FC	(Hays)		200,000		200,000		200,000		200,000	
FC	(Hillsdale Reservoir)			225,000		225,000		225,000		225,000
FC	Kansas City (1962 mod)	75,000	[2]1,300,000		[2]1,300,000		[2]1,300,000		[2]1,300,000	
FC	Lawrence	200,000	[2]2,000,000		[2]2,000,000		[2]2,000,000		[2]2,000,000	
FC	Melvern Reservoir		7,000,000		7,000,000		7,000,000		7,000,000	
	Missouri River levee system, Iowa, Kansas, Missouri, and Nebraska. (See Iowa.)									
	Missouri River, Sioux City to mouth, Iowa, Kansas, Missouri, and Nebraska. (See Iowa.)									
FC	(Onaga Reservoir)			325,000		325,000		325,000		325,000
FC	[Perry Reservoir]	200,000	[2]2,281,000		[2]2,281,000		[2]2,281,000		[2]2,281,000	
FC	Topeka		1,000,000		1,000,000		1,000,000		1,000,000	
FC	(Towanda Reservoir)							100,000		
	Kentucky:									
	Cannelton locks and dam, Indiana and Kentucky. (See Indiana.)									
FC	Carr Fork Reservoir	1,250,000	[2]6,500,000		[2]6,500,000		[2]6,500,000		[2]6,500,000	
FC	Cave Run Reservoir		6,425,000		6,425,000		6,425,000		6,425,000	
FC	(Falmouth Reservoir)			50,000		50,000		50,000		50,000
FC	[Fishtrap Reservoir]		1,600,000		1,600,000		1,600,000		1,600,000	
FC	[Frankfort-North Frankfort]		314,000		314,000		314,000		314,000	
FC	[Green River Reservoir]		1,643,000		1,643,000		1,643,000		1,643,000	
FC	(Kehoe Reservoir)			200,000		200,000		200,000		200,000
MP	Laurel River Reservoir		4,300,000		4,300,000		4,300,000		4,300,000	
FC	Martin	150,000	[2]150,000		[3]300,000		[3]300,000		[3]300,000	
FC	(Martins Fork Reservoir)	300,000	[3]300,000		[2]700,000		[2]700,000		[2]700,000	
	(Mound City Lock and Dam, Ill. and Ky. (see Illinois))									
	Newburgh locks and dam, Indiana and Kentucky. (See Indiana.)									
FC	(Paintsville Reservoir)						900,000		900,000	
	Smithland lock and dam Illinois and Kentucky. (See Illinois.)									
FC	(Southwestern Jefferson County)			170,000		170,000		170,000		170,000
FC	(Taylorsville Reservoir)			90,000	300,000	90,000	300,000	90,000	300,000	90,000
	Uniontown locks and dam, Indiana and, Kentucky. (See Indiana.)									
FC	(Yatesville Reservoir)			75,000		75,000		75,000		75,000
	Louisiana:									
N	(Atchafalaya River, Bayous Chene, Boeuf, and Black)			10,000		70,000		70,000		70,000
	(Bayou Bartholomew, Ark. and La. (See Arkansas.))									
FC	Bayou Bodcau and tributaries	100,000	[3]100,000		[2]150,000		[2]150,000		[2]150,000	
N	Bayou LaFourche and LaFourche Jump Waterway	150,000	[2]930,000		930,000		930,000		[2]930,000	

Footnotes at end of table.

	Construction, general, State and project	Reserve	Approved budget estimate for fiscal year 1971 (including reserve)		House allowance (including reserve)		Senate allowance (including reserve)		Conference allowance (including reserve)	
			Construction	Planning	Construction	Planning	Construction	Planning	Construction	Planning
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	Louisiana—Continued									
FC	[Cqddo Dam]		687,000		687,000		687,000		687,000	
FC	Lake Pontchartrain, and vicinity	2,500,000	[2] 10,750,000		[2] 10,750,000		[2] 14,500,000		14,500,000	
N	Mermentau River (Lake Arthur Bridge)	500,000	[2] 500,000		[2] 1,000,000		[2] 1,000,000		[2] 1,000,000	
N	(Michoud Canal)						$50,000		$50,000	
N	Mississippi River, gulf outlet		$2,000,000		$2,000,000		2,000,000		2,000,000	
N	(Mississippi River Outlets, Venice)			$50,000		$50,000		$50,000		$50,000
FC	(Monroe Floodwall)				30,000		30,000		30,000	
FC	Morgan City and vicinity	$25,000	[2] 1,000,000		[2] 1,100,000		[2] 1,100,000		[2] 1,100,000	
FC	New Orleans to Venice hurricane protection	900,000	[2] 3,500,000		[2] 4,400,000		[2] 4,400,000		[2] 4,400,000	
	Ouachita and Black Rivers, Ark. and La. (See Arkansas.)									
FC	(Ouachita River Levees)						80,000		80,000	
N	Overton-Red River Waterway (lower 31 miles only)	400,000	[2] 1,000,000		[2] 1,000,000		[2] 1,500,000		1,000,000	
N	Red River Emergency Bank Protection	1,900,000	[2] 1,900,000		[2] 1,900,000		[2] 1,900,000		[2] 1,900,000	
N	(Red River Waterway, La., Ark., Okla., and Texas)							600,000		600,000
	Red River levees and bank stabilization below Denison Dam, Ark., La., and Tex. (See Arkansas.)									
N	(Vermilion lock (replacement)			100,000		100,000		100,000		100,000
	Maine:									
MP	(Dickey-Lincoln School Dam and reservoirs)			$807,000				807,000		
	Maryland:									
FC	(Anacostia River (Northeast and Northwest Branches) (Sec. 205))				(450,000)		(450,000)		(450,000)	
N	Baltimore Harbor and Channels		400,000		400,000		400,000		400,000	
FC	Bloomington Reservoir, Md. and W. Va.	100,000	[2] 4,800,000		[2] 4,800,000		[2] 4,800,000		[2] 4,800,000	
	Inland waterway, Delaware River to Chesapeake Bay, Del. and Md. (C. & D. Canal), pt. II. (See Delaware.)									
	Massachusetts:									
FC	(Charles River Dam)			450,000		450,000		450,000		450,000
N	(Fall River Harbor, Mass. and R.I.)	50,000		[2] 125,000	325,000	[2] 125,000	325,000	[2] 125,000	325,000	[2] 125,000
FC	(Nookagee Reservoir)			200,000		200,000		200,000		200,000
N	Provincetown Harbor	150,000	[2] 1,300,000		[2] 1,300,000		[2] 1,300,000		[2] 1,300,000	
FC	(Saxonville)					50,000		50,000		50,000
BE	[Wessagussett Beach (Reimbursement)]		175,000		175,000		175,000		175,000	
N	Weymouth Fore and Town Rivers	900,000	[2] 3,600,000		[2] 3,600,000		[2] 3,600,000		[2] 3,600,000	
FC	(Whitmanville Reservoir)			100,000		100,000		100,000		100,000
	Michigan:									
N	(Cedar River Harbor)						200,000			
N	Great Lakes Connecting Channels		1,800,000		1,800,000		1,800,000		1,800,000	
N	(Lexington Harbor)	45,000		[2] 55,000		[2] 70,000		[2] 70,000		[2] 70,000
N	Point Lookout Harbor, Au Gres River		1,100,000		1,100,000		1,100,000		1,100,000	
FC	River Rouge		3,500,000		3,500,000		3,500,000		3,500,000	
FC	Saginaw River (flood control)		1,200,000		1,200,000		1,200,000		1,200,000	
R	[South Haven Harbor]		275,000		275,000		275,000		275,000	
	Minnesota:									
FC	(Big Stone Lake-Whetstone River, Minn. and S. Dak.)	200,000	[2] 685,000		[2] 685,000		[2] 900,000		[2] 685,000	
FC	Mankato and North Mankato		1,000,000		1,000,000		1,000,000		1,000,000	
FC	Roseau River				150,000		150,000		150,000	
FC	(Zumbro River)				50,000		50,000		50,000	
	Mississippi:									
FC	[Jackson and East Jackson]		600,000		600,000		600,000		600,000	
FC	(Tallahala Reservoir)	200,000		[2] 240,000		[2] 300,000		[2] 300,000		[2] 300,000
	(Tennessee-Tombigbee Waterway, Ala. and Miss. (See Alabama.))									
FC	Tombigbee River and tributaries, Alabama and Mississippi	350,000	[2] 1,700,000		[2] 1,700,000		[2] 1,700,000		[2] 1,700,000	
N	(Yazoo River)							275,000		
	Missouri:									
FC	(Brookfield Reservoir)	100,000		[2] 110,000		[2] 200,000		[2] 200,000		[2] 200,000
FC	(Chariton-Little Chariton Basins)						400,000		400,000	
FC	Chariton River (1944 act)	100,000	[2] 1,400,000		[2] 1,400,000		[2] 1,400,000		[2] 1,400,000	
MP	Clarence Cannon (Joanna) Reservoir	175,000	[2] 5,400,000		[2] 5,400,000		[2] 5,400,000		5,400,000	
FC	(Dry Fork and East Fork Reservoir (restudy))					50,000		50,000		50,000
MP	Harry S. Truman Reservoir (formerly Kaysinger Bluff Reservoir)	3,000,000	[2] 13,000,000		[2] 13,000,000		[2] 15,000,000		[2] 14,000,000	
FC	(Little Blue River Channel)			50,000		50,000		50,000		50,000
FC	(Little Blue River Reservoirs (land acquisition))	150,000	[2] 2,180,000		[2] 2,180,000		[2] 4,000,000		[2] 4,000,000	
	(Lock and Dam 26 Alton, Ill. and Mo. (See Illinois.))							60,000		
FC	(Lower Grande River)									
FC	(Meramec Park Reservoir (land acquisition))		1,450,000		1,450,000		1,450,000		1,450,000	
FC	(Mercer Reservoir)					150,000		150,000		150,000
FC	(Mississippi River Agricultural Area No. 8 (Elsberry drainage district))					120,000		120,000		120,000
	Mississippi River between Ohio and Missouri Rivers Ill. and Mo. (See Illinois.)									
	Missouri River levee system, Iowa, Kansas, Missouri, and Nebraska. (See Iowa.)									
	Missouri River, Sioux City to mouth, Iowa, Kansas, Missouri, and Nebraska. (See Iowa.)									
FC	(Pattonsburg Reservoir (town relocation only))							50,000		50,000
FC	(Pattonsburg Reservoir—Highway I-35 Crossing)						1,000,000			
FC	St. Louis	100,000	[2] 2,700,000		[2] 2,700,000		[2] 2,700,000		[2] 2,700,000	
FC	(Smithville Reservoir)			396,000		296,000		396,000		396,000
MP	Stockton Reservoir		5,000,000		5,000,000		5,000,000		5,000,000	
FC	(Union Reservoir)			422,000		422,000		422,000		422,000
FC	(Union Reservoir (advance participation, highway bridge))	300,000	[3] 300,000		[2] 600,000		[2] 600,000		[2] 600,000	
FC	(Upper Grand River)							75,000		
	Montana:									
FC	Great Falls	400,000	[2] 1,200,000		[2] 900,000		[2] 900,000		[2] 900,000	
MP	Libby Reservoir		55,000,000		55,000,000		60,000,000		57,500,000	
FC	(Miles City (restudy))			35,000		35,000		35,000		35,000

Footnotes at end of table.

CONSTRUCTION, GENERAL, FISCAL YEAR 1971—Continued

	Construction, general, State and project	Reserve	Approved budget estimate for fiscal year 1971 (including reserve)		House allowance (including reserve)		Senate allowance (including reserve)		Conference allowance (including reserve)	
			Construction	Planning	Construction	Planning	Construction	Planning	Construction	Planning
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	Nebraska:									
FC	Little Papillion Creek		$373,000		$373,000		$373,000		$373,000	
	Missouri River levee system, Iowa, Kansas, Missouri, and Nebraska. (See Iowa.)									
	Missouri River, Sioux City to mouth, Iowa, Kansas, Missouri and Nebraska. (See Iowa.)									
FC	Papillion Creek and Tributaries (land acquisition)	$225,000		[2] $515,000	1,000,000	[2] $515,000	2,710,000	[2] $515,000	1,850,000	[2] $515,000
	Nevada:									
FC	Martis Creek Reservoir, Calif. and Nev		2,400,000		2,400,000		2,400,000		2,400,000	
	New Hampshire:									
FC	(Beaver Brook Reservoir)			150,000		150,000		150,000		150,000
	New Jersey:									
FC	Elizabeth		1,500,000		1,500,000		1,500,000		1,500,000	
N	Newark Bay, Hackensack and Passaic Rivers	1,500,000	[2] 2,550,000		[2] 3,500,000		[2] 3,500,000		[2] 3,500,000	
FC	Raritan and Sandy Hook Bays		1,000,000		1,000,000		1,000,000		1,000,000	
N	(Shrewsbury River Inlet)			140,000		140,000		140,000		140,000
FC	South Orange, Rahway River	125,000	[3] 125,000		[2] 295,000		[2] 295,000		[2] 295,000	
	(Tocks Island Reservoir, Pa., N.J., and N.Y. (See Pennsylvania).)									
	New Mexico:									
FC	Albuquerque diversion channels		200,000		200,000		700,000		700,000	
FC	Cochiti Reservoir		6,850,000		6,850,000		6,850,000		6,850,000	
FC	(Los Esteros Reservoir and modification of Alamogordo Dam)		200,000		200,000		200,000		200,000	
	New York:									
N	(Cattaraugus Harbor)							30,000		30,000
FC	(East Rockaway Inlet to Rockaway Inlet and Jamaica Bay)			180,000		180,000		180,000		180,000
BE	Fire Island Inlet to Jones Inlet	500,000	[3] 500,000		[2] 550,000		[2] 550,000		[2] 550,000	
FC	Fire Island Inlet to Montauk Point	190,000	[2] 1,500,000		[2] 1,500,000		[2] 1,500,000		[2] 1,500,000	
N	(Hamlin Beach Harbor)	40,000		[2] 50,000		[2] 50,000		[2] 50,000		[2] 50,000
N	Irondequoit Bay	100,000	[3] 100,000		[2] 200,000		[2] 200,000		[2] 200,000	
N	(Moriches Inlet)			114,000		114,000		114,000		114,000
N	New York Harbor (anchorages)	1,200,000	[2] 3,600,000		[2] 3,600,000		[2] 3,600,000		[2] 3,600,000	
FC	Nichols		525,000		525,000		525,000		525,000	
FC	North Ellenville		1,250,000		1,250,000		1,250,000		1,250,000	
N	(Oak Orchard Harbor)				200,000		200,000		200,000	
N	(Port Jefferson Harbor)							50,000		
FC	(Red Creek)			135,000		135,000		135,000		135,000
FC	[Rosendale]		657,000		657,000		657,000		657,000	
FC	[Salamanca]		330,000		330,000		330,000		330,000	
FC	(Staten Island (Fort Wadsworth to Arthur Kill))			120,000		120,000		120,000		120,000
	(Tocks Island Reservoir, Pa., N.J., and N.Y. (See Pennsylvania.))									
FC	(Yonkers)	25,000		[2] 35,000		[2] 90,000		[2] 90,000		[2] 90,000
	North Carolina:									
FC	(Brunswick County Beaches)							110,000		
BE	Carolina Beach and vicinity		487,000		487,000		487,000		487,000	
N	(Drum Inlet (Section 107))				(90,000)		(90,000)		(90,000)	
FC	(Falls Reservoir)	500,000	[2] 800,000		[2] 800,000		[2] 800,000		[2] 800,000	
FC	(Howards Mill Reservoir)							100,000		100,000
FC	New Hope Reservoir	2,200,000	[2] 6,500,000		[2] 6,500,000		[2] 6,500,000		[2] 6,500,000	
FC	(Randleman Reservoir)	100,000		[2] 125,000		[2] 210,000		[2] 210,000		[2] 210,000
FC	(Reddies River Reservoir)	150,000		[2] 175,000		[2] 175,000		[2] 175,000		[2] 175,000
	North Dakota:									
R	Garrison Reservoir Lake Sakakawea (embankment repair)		1,480,000		700,000		700,000		700,000	
	Oahe Reservoir, S. Dak. and N. Dak. (See South Dakota.)									
FC	(Minot)	75,000		[2] 75,000		[2] 300,000	100,000	[2] 300,000	100,000	[2] 300,000
FC	Missouri River, Garrison Dam to Lake Oahe		1,200,000		1,200,000		1,200,000		1,200,000	
FC	(Pembina (Section 205))						(300,000)		(300,000)	
FC	Pipestem Reservoir		450,000		1,000,000		1,000,000		1,000,000	
	Ohio:									
FC	Alum Creek Reservoir	100,000	[3] 3,100,000		[2] 4,400,000		[2] 4,400,000		[2] 4,400,000	
FC	[Athens]		2,078,000		2,078,000		2,078,000		2,078,000	
FC	(Bellaire) (restudy)			100,000		100,000		100,000		100,000
FC	Caesar Creek Reservoir	450,000	[2] 2,800,000		[2] 2,800,000		[2] 2,800,000		[2] 2,800,000	
FC	(Chillicothe)					75,000		75,000		75,000
FC	Clarence J. Brown Dam and Reservoir		3,300,000		3,300,000		3,300,000		3,300,000	
N	Cleveland Harbor		1,500,000		1,500,000		1,500,000		1,500,000	
FC	East Fork Reservoir		3,500,000		3,500,000		3,500,000		3,500,000	
FC	(East Lake Chargin River)					60,000		60,000		60,000
FC	Fremont	200,000	[2] 1,000,000		[2] 1,000,000		[2] 1,000,000		[2] 1,000,000	
N	Hannibal locks and dam, Ohio and West Virginia		15,200,000		15,200,000		15,200,000		15,200,000	
N	Lorain Harbor		1,000,000		1,000,000		1,000,000		1,000,000	
FC	(Mill Creek Reservoir)			288,000		288,000		288,000		288,000
FC	(Newark)	75,000		[2] 85,000		[2] 85,000		[2] 85,000		[2] 85,000
FC	North Branch Kokosing River Reservoir	500,000	[2] 2,300,000		[2] 2,300,000		[2] 2,300,000		[2] 2,300,000	
FC	Paint Creek Reservoir		2,500,000		2,500,000		2,500,000		2,500,000	
N	[Racine locks and dam, Ohio and West Virginia]		3,350,000		3,350,000		3,350,000		3,350,000	
FC	(Salt Creek Reservoir) (and acquisition)						500,000		400,000	
FC	(Utica Reservoir)			225,000		225,000		225,000		225,000
N	(Vermilion Harbor)			30,000		30,000		30,000		30,000
N	Willow Island locks and dam, Ohio and West Virginia	1,500,000	[2] 15,200,000		[2] 15,200,000		[2] 15,200,000		[2] 15,200,000	
FC	Youngstown, Crab Creek		900,000		900,000		900,000		900,000	
	Oklahoma:									
	(Arkansas Red River chloride control, Texas, Oklahoma, and Kansas.) (See Texas.)									
	Arkansas River and tributaries, Arkansas and Oklahoma. (See Arkansas.)									
FC	(Birch Reservoir)						500,000		500,000	
FC	(Clayton Reservoir)			238,000		238,000		238,000		238,000
FC	(Copan Reservoir)	600,000	[3] 600,000		[1] 1,500,000		[2] 1,500,000		[2] 1,500,000	
FC	Crutcho Creek	200,000	[2] 1,200,000		[2] 1,200,000		[2] 1,200,000		[2] 1,200,000	

Footnotes at end of table.

	Construction, general, State and project	Reserve	Approved budget estimate for fiscal year 1971 (including reserve)		House allowance (including reserve)		Senate allowance (including reserve)		Conference allowance (including reserve)	
			Construction	Planning	Construction	Planning	Construction	Planning	Construction	Planning
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	Oklahoma—Continued									
FC	Hugo Reservoir		$6,100,000		$6,100,000		$6,100,000		$6,100,000	
FC	(Joe Creek) (section 205)		(300,000)		(300,000)		(300,000)		(300,000)	
FC	Kaw Reservoir	$450,000	[2] 11,550,000		[2] 11,550,000		[2] 11,550,000		[2] 11,550,000	
FC	Lukfata Reservoir	525,000	[3] 525,000		[3] 525,000		[3] 525,000		[3] 525,000	
FC	Oologah Reservoir		700,000		700,000		700,000		700,000	
FC	Optima Reservoir		1,300,000		1,300,000		1,300,000		1,300,000	
MP	[Robert S. Kerr (Short Mountain) lock and dam]		5,986,000		5,986,000		5,986,000		5,986,000	
FC	(Sand Reservoir)							$50,000		
FC	(Skiatook Reservoir)						1,000,000			
FC	Waurika Reservoir		1,100,000		1,100,000		1,100,000		1,100,000	
MP	Webbers Falls lock and dam		11,500,000		11,500,000		11,500,000		11,500,000	
	Oregon:									
MP	(Bonneville lock and dam (2d power unit) Oregon and Washington)			$400,000		$400,000		400,000		$400,000
MP	Bonneville lock and dam (mod. for peaking) Oregon and Washington	50,000	[2] 6,500,000		[2] 6,500,000		[2] 6,500,000		[2] 6,500,000	
FC	(Cascadia Reservoir)						400,000			
FC	(Catherine Creek Reservoir)			250,000		250,000		250,000		250,000
N	Columbia River and lower Willamette River, 35- and 40-foot projects, Oregon and Washington		3,000,000		3,000,000		3,900,000		3,450,000	
FC	(Elk Creek Reservoir)		400,000		400,000		1,000,000		1,000,000	
MP	[Green Peter Reservoir (including Foster Reregulating Dam)]		1,394,000		1,394,000		1,394,000		1,394,000	
MP	John Day lock and dam, Oregon and Washington		7,200,000		7,200,000		7,200,000		7,200,000	
FC	John Day River		380,000		380,000		380,000		380,000	
MP	Lost Creek Reservoir		6,100,000		6,100,000		6,100,000		6,100,000	
FC	Lower Columbia River bank protection, Oregon and Washington	175,000	[2] 400,000		[2] 400,000		[2] 400,000		[2] 400,000	
MP	McNary lock and dam, Oregon and Washington		1,420,000		1,420,000		1,420,000		1,420,000	
MP	The Dalles lock and dam, Oregon and Washington (additional power units)	1,000,000	[2] 13,000,000		[2] 13,000,000		[2] 13,000,000		[2] 13,000,000	
N	Tillamook Bay (south jetty)		1,700,000		1,700,000		2,100,000		2,100,000	
FC	[Willamette River Basin bank protection]		230,000		230,000		230,000		230,000	
N	Yaquina Bay and Harbor	225,000	[2] 2,200,000		[2] 2,200,000		[2] 2,200,000		[2] 2,200,000	
	Pennsylvania:									
FC	[Beltzville Reservoir]		2,318,000		2,318,000		2,318,000		2,318,000	
FC	Blue Marsh Reservoir (land acquisition)		640,000		640,000		640,000		640,000	
FC	Chartiers Creek		5,700,000		5,700,000		5,700,000		5,700,000	
	Delaware River Philadelphia to Sea Anchorages, Del., Pa., and N.J. (see New Jersey).									
FC	DuBois	100,000	[3] 100,000		[2] 200,000		[2] 200,000		[2] 200,000	
FC	[Foster Joseph Sayers Dam (Blanchard)]		824,000		824,000		824,000		824,000	
FC	[Kinzua Dam and Allegheny Reservoir]		1,625,000		1,625,000		1,625,000		1,625,000	
BE	Presque Isle Peninsula (reimbursement)		350,000		350,000		350,000		350,000	
FC	Raystown Reservoir	200,000	[2] 13,900,000		[2] 13,900,000		[2] 13,900,000		[2] 13,900,000	
FC	(Tioga-Hammond Reservoir)		1,750,000		1,750,000		1,750,000		1,750,000	
MP	(Tocks Island Reservoir, Pa., N.J., and N.Y.)		8,250,000		8,250,000		11,850,000		11,850,000	
FC	Union City Reservoir		2,905,000		2,905,000		2,905,000		2,905,000	
FC	Woodcock Creek Reservoir		4,750,000		4,750,000		4,750,000		4,750,000	
	Rhode Island:									
BE	Cliff Walk, Newport		50,000		50,000		50,000		50,000	
	(Fall River Harbor, Mass. and R.I. (See Massachusetts.)).									
N	Providence River and Harbor	1,000,000	[2] 4,800,000		[2] 4,800,000		[2] 4,800,000		[2] 4,800,000	
	South Carolina:									
N	(Cooper River-Charleston Harbor)			25,000		150,000		150,000		150,000
BE	Hunting Island Beach		284,000		284,000		284,000		248,000	
	(Trotters Shoals Reservoir, Georgia and South Carolina (See Georgia.))									
	South Dakota:									
MP	Big Bend Dam-Lake Sharpe	200,000	[2] 1,700,000		[2] 1,700,000		[2] 1,700,000		[2] 1,700,000	
	(Big Sioux River at Sioux City, Iowa and S.D. (See Iowa.))									
	(Big Stone Lake-Whetstone River, Minn. and S. Dak. (See Minnesota.))									
MP	Oahe Reservoir, S. Dak. and N. Dak	300,000	[2] 900,000		[2] 900,000		[2] 900,000		[2] 900,000	
	Tennessee:									
MP	Cordell Hull lock and dam		9,500,000		9,500,000		9,500,000		9,500,000	
MP	J. Percy Priest Reservoir (Nashville Davidson County Bridge)				839,000		839,000		839,000	
	Texas:									
FC	(Aquilla Creek Reservoir)					100,000		100,000		100,000
FC	(Arkansas-Red River chloride control (pt. I), Texas, Oklahoma, and Kansas.)			250,000		250,000		250,000		250,000
FC	(Arkansas-Red River chloride control (supplemental studies, Texas, Oklahoma, and Kansas.))							410,000		410,000
FC	(Aubrey Reservoir)	150,000		[2] 175,000		[2] 300,000		[2] 300,000		[2] 300,000
FC	Belton Reservoir (raise water level)	100,000	[2] 1,688,000		[2] 1,688,000		[2] 1,688,000		[2] 1,688,000	
FC	(Big Pine Reservoir)							40,000		40,000
R	[Brazos Island Harbor]		770,000		770,000		770,000		770,000	
FC	Buffalo Bayou and tributaries		1,000,000		1,000,000		1,000,000		1,000,000	
N	(Cedar Bayou (deferred))	15,000		[3] 15,000		[2] 60,000		[2] 60,000		[2] 60,000
FC	Cooper Reservoir and channels	1,080,000	[2] 2,500,000		[2] 2,900,000		[2] 2,900,000		[2] 2,900,000	
N	(Corpus Christi ship channel)	35,000		[3] 35,000	350,000	[3] 35,000	350,000	[3] 35,000	350,000	[3] 35,000
FC	(Duck Creek channel improvement)			182,000		182,000		182,000		182,000
FC	(Elm Fork Floodway)			220,000		220,000		220,000		220,000
FC	El Paso	50,000	[2] 2,800,000		[2] 2,800,000		[2] 2,800,000		[2] 2,800,000	
FC	Freeport and vicinity		2,000,000		2,000,000		2,000,000		2,000,000	
N	(Gulf Intracoastal Waterway, New Orleans to Houston 16 ft. channel, La. and Tex.)						200,000		200,000	
FC	Highland Bayou	200,000	[2] 1,000,000		[2] 1,000,000		[2] 1,000,000		[2] 1,000,000	
FC	Lake Kemp Reservoir		1,300,000		1,300,000		1,300,000		1,300,000	
FC	(Lakeview Reservoir (land acquisition))			112,000		112,000	1,000,000	112,000		112,000
FC	Lavon Reservoir modification and channel improvement	1,250,000	[2] 8,400,000		[2] 8,400,000		[2] 8,400,000		[2] 8,400,000	
FC	(Millican Reservoir)			50,000		50,000		150,000		150,000
N	(Mouth of Colorado River)	75,000		[2] 90,000		[2] 185,000		[2] 185,000		[2] 185,000
FC	(Navasota Reservoir)			100,000		100,000				

Footnotes at end of table.

	Construction, general, State and project	Budgetary reserve	Approved budget estimate for fiscal year 1971, as amended		House allowance		Senate allowance [2]		Conference allowance	
			Construction	Planning	Construction	Planning	Construction	Planning	Construction	Planning
(1)		(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
N	(Port Aransas (sec. 107))		($365,000)		($365,000)		($365,000)		($365,000)	
N	(Port Isabel, side channel (sec. 107))		(15,000)		(15,000)		(15,000)		(15,000)	
FC	Port Arthur and vicinity (hurricane flood protection)		6,840,000		6,840,000		6,840,000		6,840,000	
	Red River levees and bank stabilization, below Denison Dam, Ark., La., and Tex. (See Arkansas.)									
N	Sabine-Neches Waterway 40 feet and channel to Echo	$300,000	[2] 5,400,000		[2] 5,400,000		[2] 5,400,000		[2] 5,400,000	
FC	San Antonio Channel	300,000	[2] 1,000,000		[2] 1,000,000		[2] 1,000,000		[2] 1,000,000	
FC	(San Gabriel River tributary to Brazos River)	150,000	[2] 2,000,000		[2] 4,000,000		[2] 4,000,000		[2] 4,000,000	
FC	Taylors Bayou	250,000	[3] 250,000		[3] 250,000		[3] 250,000		[3] 250,000	
FC	Texas City and vicinity hurricane protection		1,200,000		1,200,000		1,200,000		1,200,000	
N	Trinity River bridges	100,000	[2] 2,750,000		[2] 2,750,000		[2] 2,750,000		[2] 2,750,000	
N	(Trinity River project)			$500,000		$500,000		$500,000		$500,000
FC	Vince and Little Vince Bayous		1,000,000		1,000,000		1,000,000		1,000,000	
N	Wallisville Reservoir, Trinity River		2,500,000		2,500,000		2,500,000		2,500,000	
MP	Whitney Reservoir	300,000	[3] 300,000		[3] 300,000		[3] 300,000		[3] 300,000	
	Utah:									
FC	(Little Dell Reservoir)			25,000		150,000		150,000		150,000
	Vermont:									
FC	[Bennington]		250,000		250,000		250,000		250,000	
	Virginia:									
FC	(Four Mile Run)							175,000		175,000
FC	Gathright Reservoir	400,000	[2] 3,300,000		[2] 3,300,000		[2] 3,300,000		[2] 3,300,000	
N	Hampton Roads	1,200,000	[2] 6,100,000		[2] 6,100,000		[2] 6,100,000		[2] 6,100,000	
MP	(Salem Church Reservoir)			600,000		600,000		600,000		600,000
BE	Virginia Beach (reimbursement)		90,000		90,000		90,000		90,000	
	Washington:									
	(Bonneville lock and dam (2d power unit), Oregon and Washington. (See Oregon.))									
MP	(Chief Joseph Dam (additional units))					650,000		650,000		650,000
	Columbia River and lower Willamette River, 35- and 40-foot projects, Oregon and Washington. (See Oregon.)									
N	(Everett Harbor and Snohomish River)						500,000			
MP	(Ice Harbor lock and dam (additional units))		600,000		600,000		600,000		600,000	
	John Day lock and dam, Oregon and Washington. (See Oregon.)									
MP	[Little Goose lock and dam]		9,570,000		9,570,000		9,570,000		9,570,000	
MP	(Little Goose lock and dam (additional units))							150,000		150,000
	Lower Columbia River bank protection, Oregon and Washington. (See Oregon.)									
MP	Lower Granite lock and dam	2,000,000	[2] 21,150,000		[2] 21,150,000		[2] 21,150,000		[2] 21,150,000	
MP	Lower Monumental lock and dam		2,250,000		2,250,000		2,250,000		2,250,000	
	McNary lock and dam, Oregon and Washington. (See Oregon.)									
FC	(Pullman (restudy))			20,000		20,000		20,000		20,000
	The Dalles lock and dam, Oregon and Washington. (See Oregon.)									
FC	(Vancouver Lake)	50,000		[2] 65,000		[1] 150,000		[2] 150,000		[2] 150,000
FC	Wynoochee River Reservoir	1,250,000	[2] 6,250,000		[2] 8,150,000		[2] 8,150,000		[2] 8,150,000	
	West Virginia:									
FC	Beech Fork Lake		2,400,000		2,400,000		2,400,000		2,400,000	
	Bloomington Reservoir, Md. and W. Va. (See Maryland.)									
FC	(Burnsville Lake)	150,000	[2] 570,000		[2] 570,000		[2] 1,050,000		[2] 1,050,000	
FC	East Lynn Lake		2,100,000		2,100,000		2,100,000		2,100,000	
	Hannibal locks and dam, Ohio and West Virginia. (See Ohio.)									
FC	(Leading Creek Lake)							150,000		150,000
FC	R. D. Bailey (Justice) Lake		10,700,000		10,700,000		10,700,000		10,700,000	
	[Racine locks and dam, Ohio and West Virginia. (See Ohio.)]									
FC	(Rowlesburg Lake (land acquisition))	900,000	900,000		[1] 1,250,000		[1] 1,800,000		[1] 1,500,000	
FC	(Stonewall Jackson Lake)	600,000	[1] 1,050,000		[1] 1,700,000		[1] 1,700,000		[1] 1,700,000	
FC	(West Fork Lake)			200,000		200,000		200,000		200,000
	Willow Island lock and dam, Ohio and West Virginia. (See Ohio.)									
	Wisconsin:									
N	Green Bay Harbor (1962 act)		1,200,000		1,200,000		1,200,000		1,200,000	
R	Kenosha Harbor		240,000		240,000		240,000		240,000	
FC	(La Farge Reservoir, Kickapoo River)		1,280,000		1,280,000		1,280,000		1,280,000	
N	(Manitowoc Harbor)		200,000		200,000		200,000		200,000	
R	Racine Harbor		630,000		630,000		630,000		630,000	
	Miscellaneous:									
N	Small navigation projects not requiring specific legislation costing up to $500,000 (sec. 107)		3,000,000		3,090,000		3,090,000		3,090,000	
FC	Small projects for flood control and related purposes not requiring specific legislation (sec. 205)		10,000,000		10,450,000		10,750,000		10,750,000	
FC	Emergency bank protection		200,000		200,000		200,000		200,000	
FC	Snagging and clearing		200,000		200,000		200,000		200,000	
	Recreation facilities, completed projects	548,000	[2] 7,000,000		[2] 7,742,000		[2] 8,000,000		[2] 8,000,000	
	Land acquisition fund		2,000,000		2,000,000		2,000,000		2,000,000	
	Fish and wildlife studies (U.S. Fish and Wildlife Service)		625,000		625,000		625,000		625,000	
	Acquatic plant control (1965 act)	500,000	[1] 1,400,000		[2] 1,400,000		[2] 1,400,000		[2] 1,400,000	
	Employees compensation		925,000		925,000		925,000		925,000	
	Reduction for anticipated savings and slippages		−66,700,000		−70,125,000		−66,700,000		−70,125,000	
	Reduction based on anticipated additional carryover balances				−25,168,000		−25,168,000		−25,168,000	
	Less fiscal year 1970 budgetary reserve included above		−67,836,000	−4,464,000	−67,836,000	−4,464,000	−67,836,000	−4,464,000	−67,836,000	−4,464,000
	Grand total, construction, general	72,300,000	804,720,000	16,678,000	805,808,000	19,881,000	847,846,000	23,962,000	829,096,000	22,160,000
			821,398,000		825,689,000		871,808,000		851,256,000	

[1] Restudy funds only.
[2] Total includes congressional add-on in 1970 placed in budgetary reserve which will be released for use in fiscal year 1971.
[3] Financed from fiscal year 1970 budgetary reserve.

Note.—Profects shown in parentheses are new projects or modification of projects on which construction has not started and projects in brackets are those projects to be completed with the amount in the approved budget.

Mr. ELLENDER. Mr. President, in view of the action just taken by the Senate in agreeing to the House amendment to the Senate amendment No. 4, the conference bill as finally agreed to provides $5,238,517,000, which is $20,178,000 below the amount approved by the Senate; $1,709,000 above the House; $24,916,000 below the budget; and $469,749,500 above the appropriation for fiscal year 1970.

Mr. YOUNG of North Dakota. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. YOUNG of North Dakota. Mr. President, I should like to take a moment to commend the distinguished Senator from Louisiana and his committee for the very careful consideration they have given to this bill and the very fair treatment accorded all proposed projects around the United States.

Also, I commend Representative JOE EVINS, the chairman of the House Committee, and his committee for the very careful consideration they gave this matter.

The bill wound up approximately $25 million below the budget, which I think is very commendable. I have only the highest praise for all concerned in this matter.

Mr. ELLENDER. Mr. President, I yield the floor.

ORDER FOR ADJOURNMENT FROM FRIDAY TO 11 A.M. ON MONDAY, SEPTEMBER 28, 1970

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

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

ORDER FOR ADJOURNMENT FROM MONDAY TO 11 A.M. ON TUESDAY, SEPTEMBER 29, 1970

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that when the Senate completes its business on Monday next, it stand in adjournment until 11 a.m. on Tuesday next.

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

ORDER FOR ADJOURNMENT FROM TUESDAY TO 10 A.M. ON WEDNESDAY, SEPTEMBER 30, 1970

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that when the Senate completes its business on Tuesday next it stand in adjournment until 10 o'clock on Wednesday next.

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

COMMITTEE ON BANKING AND CURRENCY DISCHARGED FROM CONSIDERATION OF H.R. 16710

Mr. BYRD of West Virginia. Mr. President, H.R. 16710, to amend chapter 37 of title 38, United States Code, to remove the time limitations on the use of entitlement to loan benefits, to authorize guaranteed and direct loans for the purchase of mobile homes, to authorize direct loans for certain disabled veterans, and for other purposes, was received from the House yesterday and was referred to committee. The companion bill to H.R. 16710 will be reported later today. So I have been requested to ask unanimous consent that the Committee on Banking and Currency be discharged from its consideration of H.R. 16710 and that it be placed on the calendar.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

DIRECT POPULAR ELECTION OF THE PRESIDENT AND THE VICE PRESIDENT

The Senate continued with the consideration of the joint resolution (S.J. Res. 1) proposing an amendment to the Constitution of the United States relating to the election of the President and the Vice President.

Mr. TALMADGE. Mr. President, most of us are in agreement on the need to reform the electoral college system of electing the President and the Vice President of the United States. It has several major deficiencies that should be corrected.

For example, the "winner-take-all" practice of allotting electoral votes is grossly unfair. I personally see no justice in giving a candidate a State's total electoral vote simply because he happens to carry that State by a plurality of one. Moreover, under the present system, a President can be elected with less than a majority of the popular vote.

However, I feel the proposed amendment calling for a direct popular vote overshoots the mark. It is far too drastic, and it would invite complete destruction of the American political system and our republican form of government as we know it today.

In my judgment, we can bring about needed reform of the electoral college and embrace the "one-man one-vote" principle without undermining the entire system. The allotment of electoral votes on a proportionate basis seems to me to be the soundest and the most practical approach. Of all the proposals put forth, the proportionate system comes the closest to electing the President by popular vote, while at the same time preserving the integrity of the Constitution and Federal-State relations.

Mr. President, there appeared in Monday's edition of the Washington Evening Star a very fine editorial column by Richard Wilson that points to the dangers inherent in the direct popular vote approach. Mr. Wilson does a splendid job of summarizing the concern about the direct vote that is felt by many of us in this body, and I bring it to the attention of the Senate and ask unanimous consent that it be printed in the RECORD at the conclusion of my remarks.

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

DIRECT ELECTION: A CLEAR AND PRESENT DANGER

(By Richard Wilson)

Some people have formed the conclusion that the Senate's refusal to approve an amendment for the direct election of presidents is a stubborn, illiberal act of an old establishment trying to protect itself.

And that, save for illiberality, is quite true. The reason the Senate's action is good is that it affords an opportunity for people who have blindly accepted direct election as an expression of pure democracy to study the matter further and find out what the American system of government is all about.

It is not a pure democracy, never was intended to be and probably never will be. If people wish to change the form of government to go in that direction they at least should know what they are doing. It is a fair guess that not one person out of ten has the slightest conception of what the amendment would finally mean.

There is a far greater chance that the American system would end up—literally end—in riotous confusion if this amendment is ever adopted than that the time-honored electoral system would foist on the country a president who had not won election by popular vote.

This amendment is far worse than the women's rights amendment so cavalierly adopted by the House in the sense that its effect would be more damaging than the condition it is intended to correct.

Women will lose rights under the women's rights amendment and the American electoral system will lose its representative character if the direct election amendment ever goes into the Constitution.

Instead of polarizing (that's a good word) opposing views of political leadership into a reasonably clear choice between two candidates, the direct election amendment would fragment the process of election of a president, inflict a runoff, ultimately destroy the present method of composing the U.S. Senate, and doom a two-party system which is the political wonder of the world.

A multiplicity of presidential candidates and parties and the sure necessity of a runoff between the top two is enough in itself, without all the other complications, to show that direct election is a poor way to select a leader for four or eight years.

The leadership selection process has, in fact, worked remarkably well under the electoral system and this was never better illustrated than in 1968. The two major political parties, after great travail, picked the two men best fitted by training and experience—Humphrey and Nixon—and despite the third party candidate, Wallace, made a clear choice between Humphrey and Nixon.

Make no mistake about Wallace's bid for the presidency. If an election is ever to be thrown into the House of Representatives, in modern times it would certainly be under the conditions of Wallace's candidacy.

And, for that matter, what is so bad about picking a president through the House of Representatives? All of its members are subject to direct election; they sit in the House in proportion to the population of the country. There would be deals. But who says there wouldn't be deals among a dozen parties offering candidates for president in a direct election, much as there are deals now in New York State, which has four parties so fragmenting the vote that this year there is grave doubt a majority candidate can be elected?

The worst that could happen under the electoral system would be the House of Representatives choice of a president. But the worst that could happen under direct election would be the choice of a president who really did not represent anybody or anything, without political discipline and coherent con-

viction, but the creature solely of his ability to use and pay for exposure in the mass media.

Why do you suppose it is that we are lately getting so many United States senators who have little natural aptitude for their jobs?

This is not a case of opposing change for the usual conservative reason that change itself is to be shunned. This is a case of clear and present dangers of "the most deeply radical amendment which has ever entered the Constitution of the United States."

Merely as an afterthought, there would be no reason in constitutional logic for a Senate made up of two members per state if the direct election amendment is ever adopted. Under that theory the biggest state, California, ought to have 15 or 20 senators, or whatever figure represented its proportion of the nation's population.

Mr. HARRIS. Mr. President, there are strong and compelling reasons for abolishing the electoral college and choosing our President through a direct popular vote of the people.

The electoral college system is outdated, full of inequities, and it endangers our political stability. On three occasions the runner-up in the popular vote has been elected President of this democratic Nation. In 1968, we narrowly averted what could have been a grave constitutional crisis, had the selection of the President been thrown into the House of Representatives, a possibility which for a time seemed likely.

In my opinion, the present system violates our democratic principles, since American citizens still do not have the right to elect their own President and Vice President. The voters now elect electors, who in turn name the President and who, in most States, are not even required to vote in accordance with the majority will. If no candidate receives a majority of the electoral colleges votes, the selection of the President is turned over to the U.S. House of Representatives.

It takes approximately 400,000 citizens in California to equal the voting power of 75,000 in Alaska. In 1968 Vice President Humphrey won the eight electoral votes of Connecticut on the strength of 616,000 popular votes. Mr. Nixon received the same number of electoral votes in South Carolina, although his popular vote there totaled only 261,000.

While a number of different plans for choosing the President have been proposed and there is some merit to all of them, I believe the only one which meets all of the requisite tests is direct election.

Some have argued that votes in rural States would be diluted by direct elections, while others have argued that the influence of urban States would be lessened. These conflicting arguments, it seems to me, do not carry much weight. Under direct popular election, each person's vote would count the same, and communities of the same size would have the same influence, whether in a large State or a small one. There should not be a privileged class of voters in this country.

Ours is a system of government in which the Government derives its powers from the consent of the governed. Unfortunately, we have not adhered to this principle as closely as we should have. We are long overdue in changing the rules to make our Nation more truly democratic.

There is great urgency, I believe, in the need to act now to make the Presidency subject to the direct and equal control of all the people.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. GURNEY. Mr. President, in an article entitled "Direct Elections: An Invitation to National Chaos," published in Life magazine on January 30, 1970, the distinguished journalist and political analyst, Mr. Theodore H. White, wrote:

Last September, in a triumph of noble purpose over common sense, the House passed and sent to the Senate a proposal to abolish the Federal system.

Mr. White is not alone in his concern for our institutions and the well-being of the Nation. Our Judiciary Committee heard testimony from various constitutional scholars and experts full of equally dire and gloomy prophecies.

Professor Black, of Yale Law School said:

I think a case can be made for the proposition that this amendment, if it passes, will be the most deeply radical amendment that has ever entered the Constitution of the United States.

I repeat, for the benefit of the Senate, what the distinguished professor of Yale Law School said:

I think a case can be made for the proposition that this amendment, if it passes, will be the most deeply radical amendment that has ever entered the Constitution of the United States.

This is the reason why a great many Senators are concerned about the proposal, Senate Joint Resolution 1.

I listened to a colloquy this morning when the Senator from Indiana was discussing Senate Joint Resolution 1. Particularly did I listen to part of his statement concerning the opponents of Senate Joint Resolution 1. In fact, I thought the Senator from Indiana hit the opponents of Senate Joint Resolution 1 pretty hard. He did direct much of his comments, of course, to those who are perhaps managing the opposition to the resolution, particularly those who engaged in the Judiciary Committee work so far as the resolution is concerned. However, he did indicate that other Members of the Senate were engaged in obstructing and frustrating the resolution, and I do want to comment to that, at least so far as the Senator from Florida is concerned, and I think many other Senators, also.

We are deeply concerned about this direct election amendment. We do have deep reservations about it. Many of us are not engaged in the leadership of the opposition.

We know that they have some plan in opposition to the amendment, but many of us are not concerned with that at all. We are simply concerned with the fact that we do not think a direct election is the way to go about the election of a President.

I know, for example, that many Senators on this side of the aisle—and I expect on the other side of the aisle, also—do want to talk to this proposition. For example, I have been in the Chamber at least four times that I can recall, ready, willing, and able to speak to the amendment, but no opportunity came. As a matter of fact, most of the time that I was in the Chamber the Senator from Indiana was doing the talking. So I simply mean to point out that there are other Senators who do want to be heard on this subject and that the Senator from Indiana perhaps is unduly criticizing a great many Senators who are genuinely opposed to the amendment and have grave reasons for questioning its practicability.

Let me go on with other quotations from other distinguished Americans who have studied this subject.

Similar quotations from Prof. Alexander Bickel of the Harvard Law School and Prof. Ernest Brown of the University of Pennsylvania, are already in the record, thanks to our distinguished colleague from North Carolina (Mr. ERVIN). I must candidly state that the arguments advanced by the minority of the Judiciary Committee have confirmed my own doubts and reservations about the wisdom of Senate Joint Resolution 1. It seems to me that the minority has carefully and systematically documented a case against direct election.

One of the most telling arguments from my point of view is that the advocates of direct election should necessarily have the burden of demonstrating the need for change. Why, in the words of Congressman CLAY quoted in the minority report, should "the burden of proof in this debate (be) assigned to those of us who defend the electoral system which has served us well" rather than to the advocates "of direct election, which is untried and necessarily unproven."

One of the strongest criticisms that can be leveled against Senate Joint Resolution 1 and, in my judgment, constitutes a fatal flaw, is the runoff provision. The presence of a runoff provision would make it almost notable that third party and splinter groups would spring up. Our present system discourages this phenomenon.

Irving Kristol and Paul Weaver in their New York Times magazine piece for November 23, 1969, saw this danger, analyzed and examined it:

As Professor Alexander Bickel of the Yale Law School has eloquently argued, direct election of the President and the establishment of a runoff system (to replace the current procedure of sending an inconclusive election to the House of Representatives) will destroy many of the incentives supporting a two-party system, in which, precisely because of the gulf between the parties is not too vast, the transfer of power can be accomplished without social convulsion or civil strife. The runoff provision, for example, gives every extremist leader the hope which the electoral college's winner-take-all system denied him: that of being able, by bargaining prior to the runoff, to exert some leverage in the final choice of the President. Presidential elections are quite close, more often than not; and there would have been many occasions in the past century when, under direct election, a runoff would have been probable and

bargaining with minority candidates inevitable. In contrast, under the present system, no election has been thrown into the House during all that time.

And the direct-election system will have its own direct effects on the parties. It could happen that protest candidates who are animated by the demands of conscience, and who fail to win their party's nomination, might in the name of conscience nevertheless present themselves to the electorate in the November election.

The current system makes such a strategy extremely difficult technically and, usually, suicidal politically. The direct-election method would remove the technical necessity of meeting the different requirements of each State for getting on the ballot, and it would also render the option of running in the general election, despite failing of nomination, far more appealing.

In short, Mr. President, the runoff provisions, if enacted, would easily destroy the American two-party system as we know it today.

Mr. President, I ask unanimous consent to have printed in the RECORD at the conclusion of my remarks an article written by Arlen J. Large entitled "Party Decline Clouds Election Reform," published in the Wall Street Journal for September 17, 1970.

The PRESIDING OFFICER (Mr. SCHWEIKER). Without objection, it is so ordered.

(See exhibit 1.)

Mr. GURNEY. Mr. President, let me stress that the runoff provision is the real villain here. I can understand why the runoff provision has been included and the understandable reluctance to turn the reins of Government over to a candidate who in the general election has commanded less than 40 percent of the popular vote.

It has been suggested by advocates of Senate Joint Resolution 1 formula that the runoff would be a rarity and they cite the fact that in our history only Abraham Lincoln reached the Presidency while commanding less than 40 percent of the popular vote. This reasoning, I think, is incorrect because the present electoral system discourages splinter parties unless those factions have a substantial regional base.

In 1948, Henry Wallace commanded 2.4 percent of the popular vote but received no electoral votes.

Mr. President, STROM THURMOND, our distinguished senior colleague from South Carolina, who had a regional base, commanded about the same percentage of the popular vote in his effort at the Presidency. He garnered 39 electoral votes because he had a regional base.

Henry Wallace lacked that regional base and knew he could not win. He was merely a spoiler hoping to detract from the popular vote which would normally have gone to the Democratic candidate in that election year of 1948.

The present system made such a candidacy as Henry Wallace an absurdity because people who voted for him realized from the inception of the campaign that they were throwing away their votes.

This entire set of facts would be reversed if direct election with its runoff provisions were enacted into law. Splinter groups would be encouraged to field candidates, the more the merrier, in the hope that by so doing they could drain off votes from the front runners of either the Republican or the Democratic Party. By depriving either of the leaders of a 40-percent tally, the factionalists could force a runoff and thereby immeasurably increase their bargaining power and their leverage and their influence.

Of course, under the electoral college system as we see it now, there is absolutely no incentive to do this because, lacking a regional base, their votes are concentrated as they were in the case of the Strom Thurmond election. In the case of the Henry Wallace effort in 1948, there is an incentive, because there no electoral votes may be garnered, but in a direct election method, of course, where there are no electoral votes, all sorts of people would be influenced to run for public office, in the event they garnered enough votes to spoil the 40-percent margin and force some kind of runoff. I venture to predict that if this amendment were enacted, runoffs would become the rule and not the exception.

I think we can draw a very good analogy or argument in support of that factor when we consider what is going on now in the State of New York where already we have splinter parties besides the two major parties. In every election of any major consequence in New York, there are at least four contending parties. And probably there will be more in the future. That same state of affairs would happen on the national scene if we went to a direct election method of choosing our President.

Direct election has other serious drawbacks which were duly noted and cogently stated by our Judiciary Committee colleagues in their minority report. They have suggested, and I agree, that its enactment would seriously undermine or even destroy the federal concept of government. We recognize that Federal standards would necessarily have to be developed to determine the qualifications of all voters. Indeed the amendment language clearly calls for this:

> Congress may adopt uniform residence and age requirements for voting in such elections.

That may be a very simple statement in a very few words. But that means a whole drastic change for all of the election systems in the 50 States of the United States. It is again a destruction of the whole concept of the 50 States joining together in a Federal Republic and again concentrating more power in the Federal Government, and downgrading and abolishing the sovereignty of the States.

Let me quote again from the Kristol and Weaver article on this subject:

> At the heart of this mythical history lies the belief, repeated again and again by men who ought to know better, that the electoral college has intended to be an explicitly elitist and antidemocratic institution, an assembly of wise establishmentarians who, with cool deliberation, would make a choice too important and too difficult to be left to the common man. Just how mythical this image is can be judged from two simple facts. First, under the Constitution, the electoral college never assembles to deliberate as a body—the electors go to their respective State capitols, and no farther. Secondly, the Constitution leaves it to the States to decide how the electors are to be chosen—they can be appointed by the Governor, elected by the State legislature, or elected by the people as a whole, either as a slate, or individually, or by proportional representation, or in any other way.
>
> Indeed, the one thing that practically all the delegates to the Constitutional Convention were clear on was that they were establishing a "popular government", or a system of representative democracy. It is true that they believed mankind to be weak and easily corrupted. But their solution to this problem was not peremptorily to exclude any part of the population from participation in political life. In fact, the Founding Fathers' distinctive contribution to the theory of constitutional democracy was the idea that the best way to correct for the weaknesses of human judgment was to open up the political process to every group, large and small, and that the more groups there are with access to governmental institutions, and the more various the modes of access, the wiser and more just a popular government would be.
>
> But the founders were further intent on assuring that this system of popular government would also be a system of liberal government—one in which the individual would enjoy massive protection against unjust infringement by government of his rights and liberties. The "popular" character of the new government insured that no minority could easily use public power to such an end. But what of tyrannical actions taken by a temporary majority? The Convention's answer to this possibility was to divide sovereign power among various institutions so that not one but several majorities, each differently constituted, would have to concur before a law could be enacted. That is why the House, the Senate and the Presidency are all elected in different ways. And that is the general idea—not any dark, antidemocratic intention—behind the original constitutional procedures for electing the Presidents, and is still the effective import of those procedures, as adapted through almost two centuries' evolution, today.

Perhaps one of the most telling criticisms of the direct election amendment is that it involves the constant threat of disputed elections. Under our existing system such challenges are rare even when the popular vote tallies are extremely close. The direct election proposal invites such challenges, delaying results for weeks or even months. This failing is compounded by the threat of disputes in any runoff election, as well as the first general election. Here is what Theodore White has to say:

> Still, anyone who trusts the precise count in Gary, Ind.; Cook County, Ill.; Duval County, Texas; Suffolk County, Mass.; or in half a dozen border and southern states is out of touch with political reality. Under the present electoral system, however, crooks in such areas are limited to toying with the electoral vote of one state only; and then only when margins are exceptionally tight. Even then, when the dial riggers, ballot stuffers, late counters and recounters are stimulated to play election-night poker with the results, their art is balanced by crooks of the other party playing the same game.

As a matter of fact, I think that if we look back at the 1968 election, we realize that there were instances in which that game was being played in at least

one State that I know of. Mr. White has a good point. But his point is that under that system chicanery is limited in one area or one State. Under the general election, we would have this problem nationwide in order to dispute the election and reach the 40-percent magic total. The election could be contested and the whole election thrown into a state of confusion so that small minority parties could then make their weight felt in any bargaining in a runoff in such a close election.

Arguments have been made that direct election would destroy the advantage now enjoyed by the small, less populous States—I can see the validity of such arguments; because certainly under the electoral system the weight of a State with a small population like Nevada or Vermont, with three electoral votes, is considerably greater percentagewise than a large State like New York, California, or my own State of Florida.

At the same time it has been pointed out that direct election would dilute the power and influence of the larger States—by mingling those votes in the same pot. Though it might at first seem a contradiction, there may be validity in this argument also.

Arguments are made that small States would be hurt by the direct election and that large States would also. However, it seems to me the very fact that both large and small States make this claim ardently and honestly and that one must be right and one must be in error leads to the confusion surrounding this direct election proposal and points up the uncertainty of the proposal and buttresses the argument that we need to proceed cautiously in this most fundamental of constitutional changes on the method of electing our President, and in a different direction.

Taken as a whole, the amendment stands to offend and dilute the votes in all States, large and small. It is, as Mr. White has suggested, "the triumph of noble purpose over commonsense."

Maybe he has a good point there.

Finally, I think I should touch briefly on one of the most potentially dangerous phenomenon which the enactment of direct election might trigger: that is, turning of our electoral processes over to image-makers and Madison Avenue types.

Perhaps it is noteworthy to comment on this today since just a short time ago we passed a law which would limit the amount of money we could spend on television in political campaigns. I think that buttresses the argument that there has been too much imagemaking on television in political campaigns.

We already hear talk about the image-makers—the huckster-advisers who promise to elect anyone—regardless of credentials, merit, or ability on the basis of packaged advertising campaigns. They tell their clients not to open their mouths. The constituency is scientifically canvassed, the issues isolated and positions on those issues are formulated, not on the basis of a mature judgment as to the merits, not on the basis of the equities, not the basis of philosophy, principle, or moral standard but on the basis of selling appeal. If these hucksters can package candidates like soapsuds with jingles and slogans and cute ad copy—and they say they can do it successfully—we are liable to find ourselves one day with a man in the White House with little ability or aptitude for the Presidency, perhaps a man even devoid of convictions or principle—devoid even of opinion—whose position on public issues is dictated by a computer printout of the latest public opinion polls. That is a bleak picture, but it may not be overstated.

I contend it might not be overstated at all because we have actually seen that process in action in candidacies affecting Congress in this very election year. I can think of candidates in at least two States whose nominations to their respective political party's banner this year has been attributed solely to the campaign packaging of their political campaigns over the television media.

The prize of the White House in a direct election system could very well go to a glamorous but shallow individual who has mounted the best advertising campaign and hired the best media men.

We are all concerned, and rightfully so, about the staggering costs of election campaigns today. If the present costs are astronomical, they stand to go through the roof if direct election were enacted. Here is what Messrs. Christol and Weaver have to say about costs:

> Consider first the presidential campaign itself. Under the current electoral system, candidates concentrate their time, money and personal effort in the big states. But with direct election, all this will change. A vote in California or New York will be no more valuable than a vote in Alaska or Nevada. One result will be that the cost of a presidential campaign—it is already extremely high, around $20- or $30-million—will rise to astronomical proportions. Big money—whether the President's own or someone else's—will become even more influential in presidential elections than it now is.
>
> Certainly another result will be to accelerate the trend toward campaigning through television, with all that implies about the substitution of the artfulness of Madison Avenue for the more traditional arts of political persuasion. Personal appearances by candidates' knowledge of or care for special local conditions and problems. One can almost imagine that we will witness a revival of the old front-porch presidential campaign, except that instead of staying at home, candidates will ensconce themselves in a television studio in New York from which they will have more equal "access" to the candidate and the campaign—which is to say that everyone will have equally little access to a campaign of minimal political substance. Things will be "fairer," but will they really be better?"

I think we know the answer: Things would be for worse.

The opposition which I have expressed for Senate Joint Resolution 1 is not to say or imply that the present electoral system is perfect or flawless. It is not. We need to and should correct the flaws. As I see it, the major drawback which our present system has is the winner-take-all feature of the existing system, which, with the possibility of throwing the election into the House of Representatives where the unit rule applies, seems to me to be unwise and in need of reform. I would prefer to have the electoral votes divided proportionally and allotted to candidates within the party.

Suppose a State had 10 electoral votes and one candidate received 60 percent of the vote and another candidate received 40 percent of the vote. The electoral votes in that case would be divided six to one candidate and four to the other candidate. I think this proposal has a great deal of merit.

In a way it involves the popular election concept in that it would do away with the winner-take-all and divide the electoral votes in proportion to the popular votes received in any one State. This would not only preserve the system the Founding Fathers started out with but still, of course, it would give added weight to the electoral system of a small State in order to protect them, if we can put it that way, from being overwhelmed by the larger States in the election for the Presidency.

That is what the Founding Fathers had in mind in one respect when they invented the electoral college system. If that system made sense 200 years ago it makes more sense now when there is a much greater and much wider division of population between the small States and the large States.

Mr. President, such a proportional division of electoral votes would make the likelihood of the election of one failing to receive a majority of the votes remote. It would retain what we have seen in the electoral college method, and that is the two-party system, with very little splinter parties all during those 200 years and almost always with one man coming up with the majority of the vote. There was always the possibility one candidate would not receive the majority of the electoral college vote.

That is what many of us were concerned with in the last presidential election we had in 1968. That still could occur under a proportional breakdown in the electoral college votes to the respective candidates. However, in that event we can come up with some method to determine the winner.

Already it has been proposed—I know of favorable reception by many States—that in the event there is not a majority, Congress would decide who should win the contest, and not by the unit rule in the house, but with each of the Senators and Representatives meeting in concert and having one vote each.

That certainly would be a method by which we could resolve an election where there was not a majority in the proportional electoral college proposal but still resolve the presidential election.

Again, if we look back into the history of our country, the likelihood of one candidate not receiving a majority is very slim indeed.

I digress a moment to comment on this point. I wish the distinguished Senator from Indiana were on the floor now. At one point during his discussion of Senate Joint Resolution 1 earlier in the day, he made the point that he did not see why the Senate could not vote on this matter since no other proposals had been made by any Senator. I am not sure that is exactly true. I think other proposals have

been made. I know I personally have sat down and talked with other Senators and with the distinguished Senator from Indiana and proposed to him why he did not talk around and see if the proportional breakdown of electoral votes might be a compromise that the Senate might be interested in. In fact, I suggested that to him because one of the Senators who is ardently backing Senate Joint Resolution 1 suggested I do it in the hope that we might be able to resolve the deadlock.

I must say I found no enthusiasm for my idea, but I do make the comment that at least that idea was offered by this Senator from Florida, hoping that the votes of some Senators from some of the smaller States could be picked up, in an effort to break the deadlock. So others of us have had ideas which might work if they were pursued.

If we retain, however, the existing system, it seems to me the minimum reform we should require is the elimination of the faithless elector. In 1968, we will all recall, Dr. Lloyd Bailey, elected to vote for Richard Nixon, broke his pledge and voted instead for George Wallace. We had no recourse but to tally that electoral vote for Wallace. Happily, these occurrences are rare: Out of the approximately 15,000 electoral votes cast between 1824 and 1964 only about 12 faithless electors have broken their word. And, happily again, in no case did the dishonorable elector's vote affect the outcome of a presidential election.

The electoral college, while not perfect, has served our Republic well. It has given our country a gift that precious few other countries can boast: an orderly system for the peaceful and coherent transfer of power. It has been successful. We have had threats of constitutional crisis—but they were threats only. Twice since 1824 it has misfired, in 1876 and 1888, by giving us a President who had fewer popular votes than his rival; but, as Professor Bickel points out, circumstances outside of the electoral made the Tilden-Hayes election in 1876 unique.

Though not infallible, it is successful, it has proven its worth and its utility. It has the virtue of being a known quantity, a mechanism that functions. It should not be lightly or cavalierly dismissed or abolished.

This debate on this very vital subject has not been wasted. It has caused us all to think, to examine our positions, our feelings and prejudices, to marshal arguments to justify our positions. The arguments very ably advanced by the proponents of Senate Joint Resolution 1 cannot be dismissed with a sweep of the hand. They have been argued well and cogently. At the same time, our colleagues who opposed this amendent have come forward with very serious and substantial objections.

As I have indicated, the objections to the amendment far outweigh the advantages.

I think one thing of interest, during the time the Senate has debated Senate Joint Resolution 1, is to read what columnists and other feature writers, especially on politics, writing in the news media are commenting, as well as on radio and television. I cannot say I have seen or heard all the comments on Senate Joint Resolution 1. I have read a considerable number in the Washington Post, whatever appears there daily, because I read it every day. I usually read the Wall Street Journal every day. I read several of the newspapers from back home. I must say, to my recollection, I have not read a single article or a single editorial that has had much favorable to say about Senate Joint Resolution 1. The amazing thing is that there has been so much opposition again and again and again by many of the people——

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

Mr. GURNEY. If the Senator will wait until I complete my sentence, I shall be glad to yield.

And most of the comment has questioned the value of a direct election and posed the many dangers that are involved in it.

Now I yield to the Senator from Indiana.

Mr. BAYH. I have just one question. The Senator mentioned that he read the Washington Post. Did he read the Washington Post this morning?

Mr. GURNEY. As a matter of fact, I read only the front page. I cannot say I read the rest of it.

Mr. BAYH. Would the Senator from Florida have any objection if the Senator from Indiana asked unanimous consent that an editorial from the Washington Post be printed in the RECORD at this particular place?

Mr. GURNEY. I would not have any objection. I must say it is not going to influence many Members in this Chamber, but the Senator is welcome to put it in.

Mr. BAYH. Mr. President, I ask uanimous consent that the editorial be printed in the RECORD. I thank the Senator. I rose only because he referred to the Washington Post. I thought he and others who might read the RECORD and read his speech would be interested in hearing what the Washington Post had to say.

Mr. GURNEY. Is the Senator placing the editorial in the RECORD at the end of my speech or remarks?

Mr. BAYH. Wherever the Senator prefers. I only interrupted because the Senator mentioned the Washington Post, and I thought it would be interesting to see what the Washington Post had to say about it.

Would the Senator prefer that the editorial appear at the end of his remarks, rather than appear contiguously with the debate here?

Mr. GURNEY. Yes.

Mr. BAYH. Mr. President, I make that request.

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

(See exhibit 2.)

Mr. BAYH. I appreciate the Senator's courtesy.

Mr. GURNEY. I thank the Senator from Indiana, who has managed the joint resolution so well.

Before we leave mention of the Washington Post, however, I would like to remark about something that appeared today, because it might explain some tendencies on the part of the Washington Post and matters it considers major or minor. I was very interested to see where it placed the story about the joint meeting of Congress yesterday.

One thing, certainly, that the Senate has been extremely interested in, and so has the House of Representatives, and the Nixon administration as well, is the treatment of American prisoners of war. We have been trying to emphasize over and over again, this year and last, the inhumane treatment of American prisoners of war, and focus world opinion on it.

Yesterday we had a joint session of Congress, and the President's personal ambassador in charge of the prisoner of war effort to educate nations around the world appeared before the House of Representatives and the Senate.

I was amazed to have to look and find that particular story way back on page 11. It seems to me it should have been headlined on page 1, not only in the Washington Post but in all the other newspapers of the United States, to point out this extremely important matter as far as American servicemen who are prisoners of war are concerned.

Now to get back to this discussion on direct election. As I say, I do not think the debate on this very vital subject has been wasted. It has caused us all to think, to examine our positions, our feelings and prejudices, to marshal arguments to justify our positions. The arguments very ably advanced by the proponents of Senate Joint Resolution 1 cannot be dismissed with a sweep of the hand: They have been argued well and cogently. At the same time, our colleagues who opposed this amendment have come forward with very serious and substantial objections. As I have indicated, I think the drawbacks to the amendment far outweigh its advantages.

If Senate Joint Resolution 1 fails passage in this Congress, I think we can safely predict that there will nevertheless be meaningful reform revision of the electoral system in the future.

If history is any guide, we can say with certainty that there are additional proposals for reform; since 1824, when Senator Thomas Hart Benton first sought its abolition, there have been more than 500 amendments introduced into Congress to alter or abolish it. And this is good. But let us deliberate and not act precipitously. As Hamlet said: "It is better to bear the ills we have, than fly to others we know not of."

In this same vein, let me conclude with a quotation from Time magazine. I am not in the habit of quoting Time, but I think this is appropriate:

> The sad truth seems to be that no solution can satisfy all the objections and reconcile all conflicts. The sadder truth, however, is that the whole question has been given nothing like the serious consideration it deserves, either by Congress or the public. Changing the method of electing a President will not merely change how votes are counted. It will help determine what kind of man will be elected and a major factor in determining whether he is liberal or conservative, and how he views his constituency. Beyond that, there is a possibility, not yet fully appreciated, that the entire political makeup of the country might be affected in ways yet unanticipated and unexplored. That alone should be consideration enough to

send Congress back to the drawing board in pursuit of the best plan possible.

That was a quotation from an article published earlier this year. I do not recite that quotation as one of any great profound remark, but I say that it does raise the question that has been raised by so many people of late who have thought about this matter of direct election.

As I pointed out earlier in the colloquy with the distinguished Senator from Indiana, all kinds of people have all kinds of questions about the wisdom of the direct vote in selecting a President of the United States. I would say if any one thing has been precipitated by the debate we have carried on here, now, for several days on the Senate floor—and I suppose earlier in the deliberations of the Committee on the Judiciary on this matter—one valuable thing that I think has come out of it is the almost unanimous questioning by so many people as to whether this direct electoral method is wise, or to put it another way, the questions all seem to imply that it is unwise; and, as Time magazine pointed out, instead of plunging into this political thicket or these deep unexplored and unknown waters, perhaps the best thing Congress could do is exactly what it is doing now—taking considerable time to examine this whole thing, break it apart, and find out just how sound or unsound it is.

Anything that has worked reasonably well for 200 years, I do not see any great, precipitous reason to throw out. I think we had better make sure that whatever other method we are going to come up with in preference to what we now have is indeed sound and workable, before we enact it into law.

Mr. President, one of the interesting things, I think, about this matter is the debate that has occurred in previous years on this very subject. I have often thought that one could learn a great deal from history if one is willing to read it and be apprised of the lessons involved in the past. I think Santayana or someone once said, many years ago, that one who refuses to learn from the mistakes in history is doomed to repeat them. I think there is a good deal in that.

I had occasion recently to read the debates which took place on the floor of the Senate in March of 1956 concerning the subject of electoral reform. It is true that the suggested reform then up for discussion was the proposal to leave to the States the choice of selecting either the district or the proportional method for designating electoral votes. Nonetheless, the debates contain much relevant material. Indeed, much of the discussion bears on the major proposal before us today—direct election—and is therefore worthy of comment.

I was struck in reading those debates, first, by the great significance that the speakers attached to the matter of electoral reform. It was assumed without question that the revision of our presidential election system would have a profound effect on our constitutional and political system as a whole. Hardly a man on the floor who spoke to the issue, whether in support of, or in opposition to, the pending proposals, felt that the presidential election system could be changed without deep and far-reaching effects. The issue, in short, was placed in a larger perspective, and the debate took place within the understanding that our political structure was an integral whole of mutually and delicately balanced parts. It is unimportant for the moment whether various partisans of one position or another thought the constitutional system would be fundamentally changed for better or for worse. What is important is that they thought it would be fundamentally changed in some way. What is important is the full and comprehensive nature of the perspective in which the matter was discussed. And, I might add in passing that the man chiefly responsible for articulating that larger perspective was Senator John F. Kennedy. I doubt whether the electoral college ever had a more eloquent defender. No one dared to suggest—and with good reason—that mathematical equality at the ballot box was the final word on the conduct of representative government. On the contrary, it was implicity understood that there is more to politics than mathematics and that presidential elections are much, much more than a simple process of adding and subtracting votes.

I was impressed also by the fact that direct election had such little support. The matter came up for a vote twice, once on a proposal by Senator Langer, which, in addition to establishing direct election, would have set up a nationwide presidential preference primary. Among those present and voting, this measure was soundly defeated, 69 to 13—March 27, 1956, volume 102, part 4, page 5637. Yet again, on an amendment by the Senator from New York, Mr. Lehman, direct election of the President was defeated overwhelmingly by a vote of 66 to 17—page 5657. The overwhelming size of these votes against direct election can be attributed, I think, to the widespread awareness of what direct election would entail. I thought it particularly interesting that one of those who voted for Senator Lehman's plan for direct election, Senator Hennings of Missouri, remarked that direct election appears to be the most democratic and therefore the fairest and best method of all. But he went on to say the following, and this is significant:

> But in coming to this conclusion *I am very conscious of the drastic and radical nature of this proposal.* It is, indeed, a long step toward pure democracy, and a long step away from those ideas of a republican form of government of limited powers, organized through a Federal union of States, which were held by those men who framed our Constitution. (pp. 5664–5665)

I submit that that is a remarkable statement, coming as it did from one of those who voted for direct election at that time. He was in favor of direct election. He thought that was the way to go. But at least he was honest enough to say—I am not sure that many of the advocates of direct election we have heard in the debate here in the last few days have been honest to admit, as Senator Hennings did—that he was "very conscious of the drastic and radical nature of this proposal" and that it is "a long step toward pure democracy, and a long step away from those ideas of a republican form of government of limited powers" with which we started out.

I might also point out at this time that these are the same reservations that many of the learned students of government in the United States have with respect to direct election today. We read them again and again—their comments, in articles, in the newspapers, almost daily.

Here we have a full and frank avowal of the very charges that were made so well, I thought, by the minority views of the Judiciary Committee in this session. Here we have, for all the world to see, a bold-face statement of what is fully and finally involved in the proposal for direct election. The merits of the proposal are not immediately in issue; Senator Hennings was certainly entitled to his opinion. As it happens, I happen to believe that he was ill advised to embrace such a scheme. But I congratulate him for his forthrightness, and for making abundantly clear that direct election is a "drastic and radical" proposal, "a long step away from * * * a republican form of government of limited powers * * *." Senator Hennings, apparently, was prepared to make such a step. But this Senator from Florida is not prepared to take such a step, and many other Senators have the same reservations. But if such a step is to be made, I would like the RECORD to demonstrate very clearly what is involved. I do not want direct election to be voted for on the ground that it is a mere housekeeping detail, or on the ground that its full implications were not brought out in debate.

Senator Hennings was not alone in seeing direct election for what it was. Senator Payne of Maine, although he did not support direct election, was equally clear sighted in his appraisal of the impact of direct election. His statement, I think, is worth quoting at length. He said:

> [The] direct election of the President and Vice President would symbolize a basic change in our theory of constitutional government. Just as the States as units were to have equal representation in one House of the legislative branch of the Federal Government, so it was intended that they should have a distinct voice in the election of the President and Vice President. Geographic and minority interests have always played an important and legitimate role in the formation of our national policy, and they do today. The President of the United States is the representative of the American people both as individual citizens and as citizens of their respective States. This dualism of the citizen's role as a member of a State community and of a national community was carefully established in the Constitution. To prevent the interest of the individual citizen as a member of the State community from being completely overridden by the majority interest of the citizens acting as individual members of the national community, the Founding Fathers provided for the Senate in the legislative branch, giving the citizens of the smaller States representation in the Federal legislature beyond their numerical importance. This has meant that the citizens of a small State such as Maine can still be heard and their interests taken into account in the councils of the Federal Government.

He goes on to say, and I invite particular attention to this:

> The intention to preserve the role of the small and thinly populated States in the executive branch . . . was embodied in the formation of the electoral college.

At this point, Mr. President, I should like to point out that if we adopt this amendment of direct election, we may well be putting ourselves in jeopardy as a legislative body, at least in the present makeup that we enjoy. I remind Senators of the very profound, important, earth-shaking decision of the U.S. Supreme Court a few years ago, the so-called one-man, one-vote rule. We know what that did within the States. What that did was to put many States, so far as their senate was concerned, in the same classification and category as their house of representatives. Many of the States were made up, so far as the senate is concerned, in a fashion a good deal like the U.S. Senate. Some Senators represented small constituencies and some represented larger constituencies. But under the one-man, one-vote rule, of course, the senate within the State legislatures was treated exactly the same as was the house of representatives in those State legislatures.

I am not contending here whether that was right or wrong, or whether the Supreme Court, in my view, rendered an opinion that was sound or unsound.

I simply say that the decision they rendered completely changed the makeup of State legislatures throughout the 50 States of this country and downgraded the senates of those State legislatures to pretty much the same status of the house of representatives. That was undoubtedly one of the most drastic and radical and fundamental decisions affecting politics and government in the United States.

Having rendered that decision and having changed the complexion of State legislatures, suppose we go to this direct election method and abolish the electoral college system in the United States. It seems to me that what we have done is to take another step forward in buttressing the one-man, one-vote decision. We have destroyed the idea of the U.S. Senate and its influence so far as national elections are concerned. We have taken away from the small States, such as Nevada, Vermont, and the other States that have only one or two Representatives, the full impact of their two Senators so far as their vote within the electoral college system is concerned in electing the President of the United States.

Having established the one-man, one-vote rule, then going to the direct election system and abolishing the status of the Senators within that system, why should not the next logical step to be made in the politics and government of the United States be to say that the Senate should also be proportioned much like the House of Representatives? What is wrong with people who want this one-man, one-vote rule carried to its extreme saying, for example, that the less-populous States, such as Nevada and Vermont, shall have one Senator and that every other State in the United States shall have Senators in proportion to the population that exists within those smaller States, and in effect here have a body pretty much like the House of Representatives. I do not think that idea is at all impossible of thinking if we go ahead with this direct election method. I might warn the Senate that if we persist in this sort of constitutional amendment, we may find ourselves putting ourselves out of business, at least as we know the Senate of today.

The electoral vote system, Mr. President, is here rightly recognized as being part and parcel of the federal system. The maintenance of the federal system, in short, requires not only the retention of State equality in the Senate, but also the retention of the State role in the presidential election process. As Senator Payne and others well knew, to defend federalism in the Senate, but to deny it in presidential elections, simply does not make sense. The principle by which federalism is defended in the Senate, is the same principle by which it is defended in the electoral college. To approve it in the one case is necessarily to approve it in the other; to deny it in the one case is necessarily to deny it in the other. Senator HRUSKA was quite to the point the other day when he said that if the federal principle were denied in the electoral college, and if direct election were to pass, the Senate might well be next to go.

We already have the principle of one man, one vote, as decided by the Supreme Court.

For better or worse, that decision precipitated profound political change in this Nation.

If this direct popular election amendment passes it will fortify and broaden, the one-man, one-vote rule. It will further weaken, the federal principle. The logical next step would be to do away with the two Senators for each State, pending a change of one Senator for the small States with proportional greater numbers to the large and populous States. The Senate would be well warned to bear this possibility in mind as they approach a vote on this pending amendment.

The case against direct election was further underscored on March 27, 1956, by the now senior Senator from Colorado, Mr. ALLOTT. His remarks are also worth quoting in full. He said:

> The principle of a national popular plebiscite, which seems to have almost no support among my colleagues, appears to be the only method of accomplishing the desirable effect of making each person's vote count on an equal basis with another's. Aside from the fact that one of the reasons this approach is unsaleable is because it would tend to decrease the importance of certain geographic areas, there is another reason why the American people have not yet indicated any significant approval of this extreme approach. This is also the reason why the junior Senator from Colorado did not support it; namely, that it would completely reject the great compromise which has served this Nation so well for these 167 years. How else could this country, with all its numerous economic, geographic, racial, social, and religious groups, have withstood the strains of the years. No one has clearly shown that a completely nationalized popular election would be an improvement over the present method which recognizes both the individual citizen and the individual State as important in a national election not only of the Congress but of the President and Vice President.
>
> . . . The ideal of making every person's vote count on an equal basis is commendable. But is it so precious as to necessitate revolutionizing our entire form of Government? Is the present method that bad?

Senator ALLOTT in 1956, I believe, put his finger on the dilemma; namely, that direct election is one of those ideas that sounds good in theory, but would be disastrous in practice. Senator ALLOTT's question is worth repeating: is the achievement of mathematically equal voting power so precious that, in order to achieve it, we must revolutionize our entire form of Government?

The 1956 debate, Mr. President, is a veritable gold mine of insight and information. It repays well the time spent reading it, and not in the least because the debate was animated by a broad constitutional perspective, by a perspective in which the presidential election system was seen as only part of a complex and intertwined constitutional and political system. It is sad to have to record, however, that in the short space of only 14 years, this larger perspective has been seriously undermined. As the minority views of the Judiciary Committee point out, the present passion for direct election is something of a new phenomenon, in that it is the product of what can only be called a fetish for the mathematical abstractions of the one-man, one-vote dogma. The 1956 debate shows no such obsession with mathematics. Representative government and democratic elections were understood to be profoundly more important than a numbers-game analysis will ever reveal. The 1956 debate makes clear that there are many other considerations at stake than the superficial attachment to mathematical equality. The maintenance of the two-party system, for example, was given primary attention, and it was understood that direct election would seriously undermine it. The now senior Senator from New Jersey (Mr. CASE) was quite explicit in stating that direct election would not be so good as the present system in maintaining the two-party structure. Nor did he reveal any superficial attachment to the simplicities of the one-man, one-vote rationale. Speaking of the necessity for consensus as overriding the narrow concern for mathematics, Senator CASE stated:

> I do not regard the fact that a candidate does not receive the largest number of votes on a single day as being the test as to the best way to elect the President of the United States.
>
> In the United States we have accomplished this consensus, not only in the case of the election of candidates, but in the case of the solution of great problems, by a system which is very difficult to explain logically, but which I think is understood by those who have to operate under it. I think the existence of a few difficulties and a few logical inconsistencies, if you will, in a system which in practice has worked so well, does not constitute sufficient ground for changing that system lightly. It seems to me that to change the system under those circumstances would be the height of folly. (March 20, 1956, p. 5152)

Senator CASE was equally level-headed in rejecting some of the more specious

claims put forward by the advocates of direct election. In response to the old chestnut that voters are effectively disfranchised by the unit rule of the electoral college, Senator CASE had this to say:

Really, Mr. President, this argument amounts to no more than saying that because a choice has to be made between two candidates, when the candidate who received one more than half of the votes is declared elected, those who voted for the losing candidate are disenfranchised. Such an argument does not make sense.

My people in New Jersey gave me a majority of only approximately 3,500. In other words, almost a majority of the voters in New Jersey did not vote for me. Yet I do not regard them as disenfranchised, and I do not think they regard themselves as disenfranchised. The same is true in this case. (P. 5153)

Mr. President, I think that is also true as far as the President is concerned. I do not think that the majority of the people who did not vote for a presidential candidate regard themselves as being disenfranchised by the winning candidate.

I think there are probably a few in the country, because their man lost, who regard the election as a great catastrophe and that all sorts of dire results will follow. I think a great many of the people accept the results of the electorate and are willing to have the winning candidate get on with the business of the country. I think that the point made by the Senator from New Jersey (Mr. CASE) in 1956 has a good deal of merit and, indeed, represents a very sensible conclusion.

But it is not only the quality of particular arguments that interests me about the 1956 debates. I am disturbed, in reading those debates, and comparing them to the arguments now being put forward on behalf of direct election, by the tremendous loss of what, for the want of a better term, I can only call commonsense. Many of the proponents of direct election back in 1956—as the statement of Senator Hennings makes clear—were quite fully aware of the radical implications of their proposal.

This stands in sharp contrast to the present day, when we are told that direct election involves no fundamental change at all. One would think that the slightest reflection would confirm the commonsense insight of Senator Hennings, to it, that a major part of the Constitution cannot be changed without having its effects felt elsewhere throughout the system. One would think that the proponents of direct election today would see that, and acknowledge it, instead of beating around the bush. Why do they not come right out with it and say it, so that the Senate will be fully apprised of what is at stake?

This point—that there is more to direct election than meets the eye—was rather dramatically brought home the other day, I thought, in an exchange between the Senator from Michigan and the Senator from Mississippi. Senator GRIFFIN had this to say:

Although the distinguished Chairman and I do not reach the same conclusions concerning the merits of the pending resolution, I must say that I share his view that it will be necessary and logical if we are to elect the President by direct popular vote, for Congress to establish uniform voter qualifications and procedures for conducting such elections. Indeed, I believe Congress would be derelict in its duty if it did not establish such uniform standards in connection with, or directly following, adoption of a constitutional amendment to elect the President by popular vote. (CONGRESSIONAL RECORD, p. 31149.)

He goes on to say what the Senator from Indiana is at great pains to deny:

Furthermore, I can agree that *the people of the several States should realize, as we consider this popular vote amendment, that uniform voter qualifications and election procedures will be a necessary and logical result. No one should be fooled on that point.* (CONGRESSIONAL RECORD, p. 31149.)

I congratulate the Senator from Michigan for his forthright declaration of the problem. I am happy to see that one of the most articulate proponents of direct election is prepared to discuss its full impact. It will be necessary, as he says, to establish uniform national standards governing everything from voter qualifications to the conduct of the balloting at the precinct level. This will include, among other things, regulations governing standards of eligibility for listing on the ballot, and the whole matter of minor party activity. But as to the nature of these new uniform national standards, we hear nary a word. All of these matters are now governed by State law, and the regulations imposed by the several States vary widely from place to place. No one, as far as I am aware, has made any concerted effort to compare the wide variance among State regulations in these matters. Senator GRIFFIN is satisfied that the differences are not so great as to prevent the establishment of a single national rule that would be equitable for all concerned. But I, for one, am not so cheerful about that prospect—not, at least, until a full and comprehensive study of State electoral regulations has been undertaken.

I agree with the Senator from Michigan that Congress would be derelict in its duty if it failed to enact such a uniform national standard if it were to enact direct popular election. But I do not see that we are at all prepared for that eventuality. I think it worthy of note that the rules and regulations governing only the matter of selecting delegates to the national conventions fill out the major part of a 261-page volume prepared by the Legislative Reference Service. Moreover, the extant regulations affecting the place of minor parties on the ballot are the subject of an extensive monograph covering nearly 100 pages. This problem has not been studied in any depth by the Senate and will not be, I fear, before a vote is taken on direct election. These are complex and knotty problems. They deeply affect the delicate balance of power between the States and the National Government. And representative of the several States ought properly to have their day before Congress takes it upon itself to legislate for the entire Nation.

So, just as a matter of side interest, in the colloquy we have had thus far in the debate these matters that have been raised about ballots and the fact that we are not at all prepared as a Nation to go ahead with this direct election at the moment until we extensively revise the ballot procedures of the several States.

Now, if ever I saw a situation where the cart has been put before the horse, this is it in Senate Joint Resolution 1.

The proponents of this measure have become so persistently motivated by this idea that we must have a direct popular election that they have completely blinded themselves to all of the side effects that this constitutional amendment would entail.

I suggest that the very complex matter of just the ballots in the various 50 States, the problem of getting those into some sort of uniformity, only serves as an illustration of the many pitfalls that this direct popular election has in store for us if the Senate of the United States acts upon this matter at this time.

I would say that even if we are going ahead with this direct election—and I am not one who favors it; I would rather stick to some modification of the plan the Founding Fathers had—these are problems, the ballots, minor parties, and all of these things would have to be explored prior to that time. And these matters should have been resolved long before we had this issue before the Senate.

If for no other reason, we are not prepared as a Senate to go ahead at this time. Neither are we prepared as a Congress to enact this constitutional amendment, to send it to the President, and then in turn to send it to the 50 States for ratification.

We need to do a whole lot more homework on Senate Joint Resolution 1 and the proposition that it entails before we go ahead at this time.

Mr. President, I yield the floor.

EXHIBIT 1

[From the Wall Street Journal, Sept. 17, 1970]

PARTY DECLINE CLOUDS ELECTION REFORM

(By Arlen J. Large)

WASHINGTON.—The proposed Constitutional amendment to scrap the Electoral College and elect Presidents by direct popular vote would shake up the nation's traditional two-party system, both supporters and opponents agree.

But as Senate debate on the amendment nears completion, there's very little agreement on whether the effect would be to strengthen that system or weaken it. On balance, however, the Senators who predict the latter result seem to have the more convincing argument.

For the debate comes at a time of increasing doubt about the future of the political party as a meaningful institution. Quite aside from the impact of the proposed amendment, the trend today already is pretty clearly away from parties as an all-important force in politics—toward the emergence of candidates who run on their personalities, not their party labels. And this trend can only complicate the task of governing, however the Constitution is changed.

AN AMENDMENT ARGUMENT

Examples of the decline in party influence are all around.

More and more voters now call themselves independents. Two sitting Democratic Senators—Harry Byrd of Virginia and Thomas Dodd of Connecticut—are running as independents this fall, hoping that personal loyalties of constituents will carry them through. Increasingly, young politicos no longer need established party organizations as a stepladder to office—not if they can afford enough television time. And in the Deep South, the race issue has so splintered state

Democratic parties as to make them almost unrecognizable to "national" party leaders in Washington.

The real questions, then, are how far this trend will go and what effect the proposed amendment would have upon the trend. In trying to answer them, the Senators are well aware that historically Constitution-writers have a poor record on predictions about national political parties.

It was the 18th Century Founding Fathers, after all, who forecast there would be no national parties. "The influence of factious leaders may kindle a flame within their particular states, but will be unable to spread a general conflagration through the other states," predicted James Madison before the new Constitution took effect. Presidential electors would, like today's suburban housewife, vote for "the best man." But after only four Presidential elections the Constitution had to be changed to accommodate what Mr. Madison called "the mischiefs of factions;" the electors were voting according to party label.

"From the very moment of their inception the major parties as we know them had as their central organizing purpose the capturing of the Presidency," assert six anti-amendment Senators—three Democrats, three Republicans—in a Judiciary Committee minority report. That only two major parties ever developed isn't just chance: "Public opinion in this great and diversified land has no inherent tendency to divide itself into two, and only two, major political groupings. The ultimate causes of two-party politics are to be found in the requirements of the Presidential election system under which parties have operated for nearly a century and a half."

To a big extent, these Senators say, this is due to the extra-Constitutional custom of awarding all of a state's electoral votes to its popular vote winner. Formerly damned by many, the custom now is seen to have an important virtue.

Says the minority report: "Because of winner-take-all, a party is under a strong inducement to extend its platform as widely as possible within each state; it must expand its base of support to carry a popular plurality." Third parties historically haven't been able to make such a broad appeal, nationwide, over a long period of time. Their single-issue causes eventually evaporate or are absorbed by the established parties.

In short, the minority report's argument runs, if you put Presidential races through the electoral vote system, you get just two parties—both tending to be centrist and ideologically mixed. Remove the electoral-vote filter and the parties weaken and proliferate, giving way to individual single-issue spokesmen who get on the ballot without big-party nominations.

Even inside the existing system, party proliferation appears to be increasing, spurred by today's super-publicized quarrels that make almost everybody an extremist on something. George Wallace threatens another run in 1972; Eugene McCarthy seems to be toying with the idea of a fourth party.

If the Judiciary Committee minority is right, however, such splintering can be expected to become just another victim of the electoral vote system's moderating dynamics. Whether with a "Southern strategy" or some other appeal, the Republican Administration may absorb Mr. Wallace's movement by stealing his voters. The Democrats—both at the state and Congressional levels—are fast moving toward the foreign policy views upheld by Sen. McCarthy in 1968, leaving behind the World War II orientation of Lyndon Johnson and his immediate predecessors. Retain the concept of state-by-state electoral votes, the Judiciary Committee minority predicts, and the absorbing process will work every time.

AN INCREASE IN INDEPENDENTS

Amendment advocates argue, however, that a popular-vote Presidential election would actually strengthen the two-party system. The winner take-all custom, they contend, is the real villain responsible for one-party rule in states; it's hard for the minority party to grow when its votes are never reflected in Presidential contests. Sen. Howard Baker of Tennessee, for example, complains his state's Republicans were ignored for years because they couldn't crack the electoral vote barrier. Democratic Sen. Birch Bayh of Indiana insists a popular-vote election would boost party morale: "It is the only plan that would guarantee to the Democratic or Republican precinct workers that they should get out and hustle the votes because the votes will count."

But these arguments just aren't very convincing. Even under the status quo, Tennessee has emerged from one-party rule and is a real battleground in contests for President on down. City political machines, the home of precinct workers that Sen. Bayh wants to cheer up, have practically disappeared. Increasingly the canvassing and get-out-the vote tasks are performed by zealous volunteers who get fired up by an issue or a personality, but have little interest in the fate of party organizations. Parties simply are less important than they used to be, and a wide-open field of candidates running for President with or without major-party nominations would almost surely hasten this trend.

The core of the dispute, then, is whether this trend as reinforced by the popular vote amendment could lead to political conditions more chaotic than a potential breakdown of the existing electoral vote system, a prospect that helped produce the pro-amendment drive in the first place.

Democratic Sen. Sam Ervin of North Carolina and others of the Judiciary Committee minority think weakening the incentive of two parties to establish broad bases of support would "radicalize" American public opinion. Hoping to capture electoral votes from as many states as they can, the two parties now try at state and national conventions to work out compromises that partially satisfy many interest groups. The amendment would require a national runoff if nobody in the field of candidates get 40% of the total popular vote the first time around. Amendment opponents believe all the laborious compromising and deal-making that now come before the election would be compressed frantically between the amendment's first election and the runoff.

"The compromises," says the minority report, "would be both hastily contrived and inherently unstable. The winning coalition, however numerous, would have difficulty governing."

A FRIGHTENING PROSPECT

One proposed alternative to a popular runoff would leave the last-ditch choice of a President to a joint session of Congress, with each of the 535 members having one vote. But if it's frightening to leave human electors as potential pawns in a deal-making contest between candidates (a possible result of the present system), it's no less frightening to give the same job to human Congressmen. As under the present system, the Presidency could go to a candidate who failed to get the most popular votes in the initial election.

This has happened only three times in the past, but the potential is still there: "If the man who wins the popular vote is denied the Presidency," Mr. Nixon said in 1968, "the man who gets the Presidency would have very great difficulty in governing."

Of course, it is also impossible to predict what turmoil the existing system could cause some day in light of declining two-party influence. A maverick Wallace-type candidate plus a maverick McCarthy-type entrant could well emerge from an enflamed nation in some future year, denying anyone—major party candidates included—the majority of the electoral vote required under existing rules. The possible dangers of such a situation are far from theoretical; George Wallace really was planning ways to wring concessions on race policy from Richard Nixon if the Electoral College hadn't produced a Republican majority in 1968.

But this is not a reason to ignore the worry of Sen. Ervin and the other opponents of the popular vote amendment that the amendment's likely erosion of two-party dominance would make governing more difficult. The larger point is that political parties are fading anyway, whether the Constitution is changed or not. As voters get more independent-minded, just about everybody predicts, governing is going to become more difficult no matter how the President is picked.

EXHIBIT 2

[From the Washington Post, Sept. 23, 1970]

A WELCOME SHOWDOWN IN THE SENATE

A threat to tie up the Senate is rarely viewed sympathetically in this space especially at a time when that body has an immense backlog of unfinished business and is rushing to adjourn before election day. But in the case of Senator Bayh, who is seeking a vote on his constitutional amendment for direct election of the President, there is no realistic alternative. He is merely saying that if there is to be a filibuster, let it be an honest one, in which the Senate, and the country, is obliged to accept the full consequences; only that way can the issue be put to a fair test.

What the Senator from Indiana is arguing is that if the Senate is unwilling to vote on electoral reform, which is the official business before it, he will object to the transaction of other business and to committee meetings under the unanimous consent rule. That is only poetic justice. Until now the opponents of electoral reform have been using filibuster tactics to kill it without really carrying the burden of a filibuster (around the clock speeches on the floor) and without sacrificing other legislation in which they are interested.

On Monday Senator Bayh pleaded in vain for agreement on a time to vote on amendments to his resolution. Senator Ervin even objected to voting on amendments offered by himself. Under the archaic rules of the Senate, such obstruction can be fought only by further obstruction. If the net result is complete chaos, that is the price the country has to pay for allowing the Senate to operate as if it were still in the nineteenth century.

Nothing is to be gained by temporizing with this kind of fiasco in our legislative system. The blunt fact is that a minority in the Senate is using a crude device to sabotage a reform that has been approved by the House and is favored by a majority in the Senate and an immense majority in the country. It would be a disgrace to the Senate to allow this undemocratic gesture to succeed. Sponsors of the amendment now feel that they have an excellent chance of passing the Bayh resolution by the required two-thirds vote if the Senate is willing to face the issue. So the question is whether democracy or obstructionism is to prevail.

It is important to note that Senator Bayh and his supporters do not intend to filibuster. Rather, they are demanding that the opposition stick to the issue officially before the Senate until a vote on its merits has been taken. That is the essence of reasonableness and of sound procedure. If the opponents wish further debate, they will have the opportunity, at least until next Tuesday when Majority Leader Mansfield plans to seek a vote on another cloture petition. But the Senate cannot permit them to defeat this vital reform by mere obstruction without shaking the foundations of our system.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. HANSEN. Mr. President, I wish to bring to the attention of Senators an

editorial from the Wyoming State Tribune in Cheyenne, Wyo. Editor James Flichum, whose views on electoral reform I happen to share, has done an excellent job of pointing out to his readers just what will be lost and what harm will result if proponents of the amendment requiring direct popular election of the President and Vice President are able to achieve approval by Congress and by the required number of State legislatures.

Wyoming shares with other sparsely populated States a particularly critical concern with the outcome of this debate. The State stands to lose its traditional role as a State in the national election process, and the Nation stands to lose the merits and the benefits of a time-honored and effective electoral system deficiencies.

Mr. President, for the benefit of Senators I wish to read the editorial entitled "Shall the States Commit Suicide?" written by Mr. Flichum.

SHALL THE STATES COMMIT SUICIDE?

The Senate now is debating one of the most momentous issues of our times, a proposed constitutional amendment that would provide for direct, popular election of the President and Vice President, instead of through the present electoral college system in which each state casts a prescribed number of votes based on the outcome of an election within its precincts.

The proposed article, as presently drawn in Senate Joint Resolution No. 1, reads as follows:

"Section 1. The people of the several states and the district constituting the seat of government of the United States shall elect the President and Vice President. Each elector shall cast a single vote for two persons who shall have consented to the joining of their names as candidates for the offices of President and Vice President. No candidate shall consent to the jointer of his name with that of more than one other person.

"Section 2. The electors of President and Vice President in each state shall have the qualifications requisite for electors of the most numerous branch of the state legislature, except that for electors of President and Vice President, the legislature of any state may prescribe less restrictive residence qualifications and for electors of President and Vice President may establish uniform residence qualifications.

"Section 3. The pair of persons having the greatest number of votes for President and Vice President shall be elected, if such number be at least 40 per centum of the whole number of votes cast for such offices. If no pair of persons has such number, a runoff election shall be held in which the choice of President and Vice President shall be made from the two pairs of persons who received the highest number of votes.

"Section 4. The times, places, and manner of holding such elections and entitlement to inclusion on the ballot shall be prescribed in each state by the legislature thereof; but the Congress may at any time by law make or alter such regulations. The days for such elections shall be determined by Congress and shall be uniform throughout the United States. The Congress shall prescribe by law the time, place and manner in which the results of such elections shall be ascertained and declared.

"Section 5. The Congress may by law provide for the case of the death, inability, or withdrawal of any candidate for President or Vice President before a President or Vice President have been elected, and for the case of the death of both President-elect and Vice President-elect.

"Section 6. The Congress shall have power to enforce this article by appropriate legislation.

"Section 7. This article shall take effect one year after the 15th day of April following ratification."

The problems and perils this proposal poses for the federal system in this country are far-reaching and filled with grave implications. In the foreword to their report, the minority members of the judiciary committee, Sens. James Eastland, D., Miss.; John McClellan, D., Ark.; Sam J. Ervin Jr., D., N.C.; Roman Hruska, R., Neb.; Hiram Fong, R., Hawaii; and Strom Thurmond, R., S.C.; quote Charles Black, professor of jurisprudence at the Yale Law School: "I think a case can be made for the proposition that direct election, if it passes, will be the most deeply radical amendment which has ever entered the Constitution of the United States."

In their own introduction to their report, the minority senators on the judiciary committee speak as follows:

"No more important business has come before the Senate in recent years than the consideration of our system of presidential election . . . We believe that the judiciary committee, in recommending the destruction of the electoral-vote system in favor of direct election, has embraced a scheme that will adversely affect the entire constitutional and political structure of the United States.

"We realize that the present systems has its defects. We believe, however, that remedies are available short of its wholesale destruction . . .

"Direct election of the President, we believe, would—

"Destroy the two-party system and encourage the formation of a host of splinter parties;

"Undermine the federal system by removing the states as states from the electoral process;

"Remove an indispensable institutional support for the separation of powers;

"Radicalize public opinion and endanger the rights of all minorities by removing incentives to compromise;

"Create an irresistible temptation to electoral fraud;

"Lead to interminable recounts and challenges;

"Necessitate national direction and control of every aspect of the electoral process."

The proposed constitutional amendment offers a peril to the time-honored place of the states in the federal system of government, as the senators point out in their objections cited above; it is a peril that is especially acute for small states such as Wyoming, and even those that are of medium size. It places an undue emphasis on population alone which is a false premise in relationship to the federal system, as we have consistently pointed out in the one-man one-vote theory enunciated by the Supreme Court.

The falsity of this premise can best be illustrated by the fact that under the Constitution, the adoption of this proposed amendment must be carried out by the state legislatures themselves.

Three-fourths of the states must ratify the amendment for it to become a part of the Constitution.

Mr. President, there is obviously a misprint in the editorial at this point. What is printed as "two-thirds" should be "three-fourths."

I will continue to read the editorial:

Will this process of amending the Constitution also be the next phase of our federal system to be dropped in the drive to negate the political voice of the individual states in favor or total national direct election? It would seem so, in order to be consistent.

As the minority senators point out, the present electoral college has its faults; but this is no reason to rush to adopt a means of election that may undermine the bastions of the federal government of the United States which still means a federal system even though the common connotation is centralized government.

Hopefully this amendment shall not pass the Senate; but if it does, then more hopefully it shall fail of ratification by the states. For these latter to approve such a proposal would be to seal the doom of federal government in this nation through a balanced interplay of states with the central government in Washington.

Mr. President, since this debate began several weeks ago, I have been deeply interested in the events which have taken place in this Chamber. I have followed the debate on Senate Joint Resolution 1, which provides for the direct election of the President and Vice President of the United States, very closely. I can think of no subject which has come to the floor of the Senate since I have been a Member of this body which I consider more important or which could have greater impact on our Nation, our tradition, our institutions, and our way of life.

It is impossible for me to express the high regard I have for my colleagues who have engaged in this debate. I have great respect for the Senators who have argued both for and against the constitutional amendment which is before us today. And I have tried to learn from the colloquys which have taken place over the last week. Indeed, this subject has been of prime interest to most of us over the past 2 years, throughout the 91st Congress. The outstanding work done by the Judiciary Committee is most appreciated and has been of tremendous help to those of us who have sought a greater knowledge of this complicated subject.

The thorough preparation of the junior Senator from Indiana and both of the Senators from Nebraska who have led this debate has given all of us a firm statement of the case on which to analyze the amendment before us.

Mr. President, revamping of the process for electing the President of the United States has long been a subject of debate, and many proposals have been made over the years. However, this subject became of widespread interest during and after the election of 1968. The serious consideration which is now being given to revamping the system which has served us so long must result from the strong third-party bid which occurred in 1968. For this appears to be the event which sets the 1968 election apart from other elections of recent years.

Not since 1912 had there been such a strong third-party bid for the Presidency. The third-party bid in that year—1912—received over twice as much support as the third-party bid in 1968 and more support than did one of the major parties of 1912. Since that time, we have experienced closer elections than 1968; we have experienced many elections in which the winner has received a plurality rather than an absolute majority; we have experienced many third-party candidates.

However, it must be pointed out, in all fairness, that the present electoral system has worked. It has always picked a President to govern these United States. It has always picked a President who had enough broad public support that he was able to govern efficiently throughout his term. It has always picked a President whose support was broad enough to govern a Nation widely dispersed geographically and of varying regional interests. It has provided stability in the face of charges of fraud. The one President that this system did pick who did not have the broad public support to govern the entire Nation effectively for 4 years was Abraham Lincoln; and the Civil War resulted. But Abraham Lincoln did receive a plurality of the popular vote. That plurality, however, was only 39.79 percent of the popular vote. Therefore, although the present electoral system made Lincoln President of the United States, the system proposed by Senate Joint Resolution 1 would have called for a runoff between Lincoln and Douglas. Perhaps Douglas would have been elected in the runoff and the Civil War might have been avoided. It is interesting to ponder whether this Nation might have been benefited or perhaps been rendered injury by such an occurrence. It is interesting to wonder where we would be today if such a thing had happened. I admit that all of this is conjecture. But I find it as relevant to discuss what might have been under the proposed system in 1860 as it is to discuss what might happen under the present electoral college system in the future. In fact, it is probably more relevant to discuss the past because we do have an approximate idea of the direct popular vote in past elections and the events surrounding those elections. Applications of the present or proposed electoral systems on the future of our country are total guesswork, of course.

I have been impressed with the statistics and other information which the distinguished junior Senator from Indiana has provided to support his arguments for changing the electoral system. It shows that he has done his homework. I know that the Senator can tell me how many votes, if changed, would have changed the results of past elections and what a small percentage that number of votes is to the total number of votes cast in the election. I know that he can tell me the minimum number of states a man must win in order to be elected President of the United States under the present system. These events did not happen in the past; but I assume the Senator finds them relevant because he fears they will happen in the future.

I share the Senator's concern about the system in the future. I want to eliminate as much risk as possible that future elections under the present system might go wrong. The "faithless elector" is a great example of the need for change. But that problem which I believe almost all agree should be corrected, can be corrected, simply without revamping the entire electoral system. In revamping the entire system we create the opportunity of a more probable breakdown of the system. We must be careful not to create greater risk in an attempt to eliminate all risk.

While the Senator from Indiana has given us some very interesting statistics on what might have happened in the past, and has challenged us to meet the problems which would be created if they occurred in the future, I must note that the Senator's statistics are most precise. To change the outcome of the 1968 election by changing fewer than 42,000 votes, one would have to change all of the votes in just the right States. While this is easy to do on paper, it is hard to apply in reality. While we can point to a few States which, if won, could make a man President even though he lost all of the other States, I know of no politician with the confidence to attempt such a strategy. In reality, interests in the States are varied enough that the interest of a great many more States and more people are actually reflected.

While it is a challenge to consider what might happen if a very precise set of facts did occur, it is also of great concern to consider what might happen if the proposed revamping of the present system of electing the President of the United States is adopted.

I was very interested in the discussion on the floor the other day about the runoff election which is provided in Senate Joint Resolution 1. The question was raised about the difficulties which would be created by the runoff. Concern was expressed over the length of time which would be required to determine the runoff candidates and prepare for and hold the runoff election. It may have appeared that a runoff was not traditional in American politics. I commend the distinguished Senator from Indiana for his response to these questions. He challenged us to have the courage to face change. He has provided a list of 12 States which hold runoff elections, at least in primary elections. We think of France as a major power which chooses its political leader by means of a runoff election, if necessary.

Some States have chosen to use runoff elections. But a State is only one of 50 governmental units which make up the United States. The much larger scale also make the procedures more complicated. A State runs its own elections and certifies its own votes. The United States runs elections through the States and the States certify the results to the Congress. The Senator from Nebraska raised some practical questions about holding a runoff. What procedure would be used? What length of time would be needed between the first election and the runoff? I challenge the Senate to face up to these questions now. If we must change the entire system rather than one or two glaring problems, let us decide now how we will change the system. Let us not postpone the hard decisions. Do we intend to have the Federal Government supervise elections? Will the votes be tabulated by Federal employees and sent to Washington to be added together? Will all certification of elections be in Washington? Is that what must be in order to compile the results of an election quick enough to provide for a runoff within a reasonable period of time?

Would a third-party candidate like George Wallace have to collect signatures in every State to get on the ballot throughout the Nation, or could he collect 500,000 signatures in Alabama, bring them to Washington, and be placed on the ballot throughout the United States?

The fact that I do not have answers to these questions is what disturbs me about adopting Senate Joint Resolution 1. It may be that someone has an answer. But we should have the answer before we are asked to make a judgment on changing the entire electoral system which has been used for almost 200 years. I do know what happens with the present electoral system. I do know that the system has some difficulties and problems could be created under certain precise sets of circumstances. But the questions regarding procedure which concern me have been answered by the present system. I can look at the system, weigh the probabilities that a problem will arise, and take action accordingly. Until the proponents of the proposed electoral system answer these questions, it is impossible to weigh the probability of a crisis resulting from an election. Until it is possible to make this judgment, I cannot consider supporting legislation which might well revamp the entire Federal system, as well as the procedure for choosing the President of the United States.

We can look to France as a world power which provides for a runoff election in choosing its political leader. But I can think of no other major power using the runoff system. France has used its system for 12 years. The system there has worked up to this time. But 12 years is hardly sufficient time to make a determination that the system does not have built-in problems of its own. While the United States has used the present system for choosing a man to govern a much larger country than France, France has experienced five Republics and numerous monarchies. For the United States to scrap its method of choosing a political leader and say the new system will work because it has worked in France for 12 years might be equated with Great Britain adopting our present system in 1800 after it had worked well for the United States for 12 years. This is hardly the course for a great power to follow. Indeed, to this day, Great Britain has not found it necessary to adopt the system used in the United States or France.

In this day and age, there is nothing that is more important than a great world power being able to accomplish an orderly transition of power within itself. This ability is essential to the peace and stability of the entire world as well as the peace and stability of the Nation itself. It is important not to have gaps of power. We need to know who the leader is. We need to have a system of election which insures that the man chosen as President is recognized by the people and the Government as the legitimate holder of the powers of the Chief Executive.

The electoral college we use today has been criticized because of the possibility that the election may be thrown into the

House of Representatives and delay, and doubt could be created in choosing a President. We must recognize that this could happen. We must also recognize that it has not happened since 1824. We must remember that there are many alternatives to sending an election to the House of Representatives. And then, we must turn to the matter at hand and look into results which would or might occur if we adopt the alternative provided by Senate Joint Resolution 1.

While the electoral college system we now have might occasionally throw an election into the House of Representatives, although that is even doubtful because such a thing has not occurred since 1824, the alternative we consider today raises the prospect of most elections being bogged down in charges of fraud and demands for recounts. Of the two sets of circumstances, it appears to me that the present system by far will be most able to guarantee the orderly transition of power between Presidents.

Let us look at what might have happened in 1960 when President Kennedy received .16 percent more of the popular vote than did presidential candidate Nixon if the procedures of Senate Joint Resolution 1 applied at that time. There was talk of vote fraud in Illinois. But the possibility of fraud in that State was not permitted to contaminate the entire election because of the electoral college system. Fraud in one State does not affect the vote in another State. However, under the proposed system, such fraud would contaminate the entire country and affect the vote in every State. Because the election in 1960 was so close, and for that matter so was the election in 1968, the orderly transition of power may have been severely hampered or indefinitely postponed because of charges of fraud, if we had operated under the direct election proposal. Or, possibly a special electoral commission would have been appointed—as was done in 1876 in the Hayes-Tilden election when there were charges of fraud. But some might charge that the commission was "packed" just as they did in 1876 and 100 years from now someone might try to revamp the direct election procedure pointing to the election in which fraud played a major role just as the Senator from Indiana points to the election of 1876 as a reason for revamping the electoral college system.

Because I believe that the question of the opportunity for fraud is so important when considering the adoption of the direct election plan, I wish to read to my colleagues on this subject from the minority views which are part of the Senate report on Senate Joint Resolution 1:

DIRECT ELECTION WOULD BE AN INVITATION TO FRAUD

One of the most calamitous and probable consequences of direct popular election will be the increased incidence of election fraud. At present, whenever and wherever fraud occurs, its impact is limited to determining the winner of a State's electoral vote. The incentive to steal votes is now restricted to close contests in States which have a sufficiently large electoral vote to alter the final result. Thus, fraud can be profitable only in a few States, and is seldom capable of affecting the national outcome.

In his testimony during the Judiciary Committee hearings, Mr. Theodore White described this limitation on the impact of fraud. He said:

"Right now what you have in the country is a system of self-sealing containers. Again, I speak the language of the press. If the crooks in Illinois, if the crooks in Cook County are going to steal votes, each State has built up some sort of antibody system, so that it seals the theft, the stealing, the rigging of elections. There are certain States like Minnesota, or Connecticut, California, Oregon, where I think the votes are counted with scrupulous honesty. But if the margin is going to be as thin as they were in 1960 and 1968, I can see the majority of honest States crumbling just like that."

Under direct election, a premium would be placed on stealing every vote in every precinct in every State. There would be no mechanism to prevent voting fraud from having a direct impact on the choice of the President. As votes are tabulated and reported in the Eastern States, for example, great pressure will develop in Western States to get every possible vote—even for a candidate who has no chance of winning—in order to offset early election returns from the East.

Mr. White cautioned:

"There is an almost unprecedented chaos that comes in the system where the change of one or two votes per precinct can switch the national election of the United States.

"Now we have 180,000 voting boxes in the precincts in the United States, and if by 10 or 11 o'clock it is going to be as close as 1960 and 1968, I hesitate to think of what is going to happen in the Western precinct boxes and some of the Southern precinct boxes."

In the case of a close popular election, such as in 1960 and in 1968, the determination of the presidential candidates and their ardent supporters to win will place great temptations before every election official in the country. Those who control the polling places, whether they are State or Federal officials, may succumb to the pressure to obtain the largest popular vote margin for their favorite candidate.

Recalling the partisan nature of the deliberations of the National Election Commission established to resolve the Hayes-Tilden controversy of 1876, Professor Bickel told the Judiciary Committee:

"* * * it seems to me inevitable if you go to the popular election system to set up, not only on an ad hoc basis, but on a permanent basis, national vote-counting, and I for one . . . am not at all that happy about central vote-counting. Honest men, when centrally in charge of a computer in Washington may be even more tempted than honest men in this or that county in the western part of the country or in the eastern part of the country."

Mr. White dramatically described what might occur on election night under direct elections:

"I wonder whether you can imagine what the scenario of election night might be with the entire Nation hanging awake for the returns if we had another election as close as 1960 or 1968 with no one knowing what was happening.

"You all remember how in 1960 when the Connecticut vote was coming in strong for John F. Kennedy. Eisenhower took to the air to plead with the people of California to get out there and vote. Connecticut closes 3 hours earlier than California; I think about 8 hours earlier than Hawaii. Once those eastern votes start piling up from the big cities one way or another, the pressure, the urge to—and if it is a close election—you can't steal a real election, a real majority, but if it is a close election, that election night would be an invitation to have militia out guarding the ballot boxes the next morning."

The likelihood of an increase in minor party presidential candidacies and the probability, therefore, that a runoff will become a common occurrence under direct election, make even more likely the prospect of election fraud. The encouragement which direct popular election would give to fraud could very well turn American presidential elections into nightmares of charges and countercharges, of chaos and crisis. During the days following a presidential election, the determination of a winner could become the regular and expected focus of political turmoil.

When we abandon the system we now have and adopt a direct election system, we expose the electoral process to demands for nationwide recounts for the first time. Under our present system for electing a President, even when that election is very close, there is an incentive to ask for a recount only in the particular State where a very narrow margin separates the candidates. But, by destroying the "system of self-sealing containers," as Theodore White so vividly described the States under the electoral college system, a direct election would encourage the recount of every single vote cast in the election. This no doubt would provide even greater opportunity for voter fraud.

The minority views of the Senate report on Senate Joint Resolution 1 are particularly descriptive of what we might expect under the direct election system, and I would like to again read from those views:

DIRECT ELECTION WOULD ENCOURAGE CHALLENGES AND RECOUNTS

One of the most serious threats to our national stability under direct election would be the probability of contested elections. A contested election under any system is certainly dangerous. But as Ernest Brown, Langdell Professor of Law at Harvard, testified, under direct election "the mere fact of contest is a disaster."

Under the present system, the popular vote in most States most of the time is insulated against challenge and recount. Only extremely close and bitter contests in certain strategic States would ever tempt one of the major parties to call for a recount. Under direct election, however, the popular vote in every State would be open to the perpetual threat of challenge. Whether a candidate wins or loses a State by a large or small margin of votes, recounted votes in that State under direct election could still affect the national result. As Professor Brown explained:

"Close elections lead to contest. And with direct election, the contest would be nationwide. Every ballot box, every voting machine, would be subject to contest."

He went on to illustrate how nationally contested elections would develop under direct election:

"If one candidate contests a certain area, his opponent, to protect himself, warns of a contest where he thinks something might have been adverse to him. And in a little while the whole electorate is involved."

The uncertainties surrounding a recount to determine the outcome of a close presidential election could paralyze our Nation. Even the mechanical aspects of a sizable recount would be dangerous enough, but if legal questions concerning voter qualifica-

tions and other matters were to be raised, as they surely would be, the period of the recount would be nothing short of chaotic.

To Theodore H. White, the spectre of the recount under direct election is a "nightmare." He put it this way:

"I do not think direct election would have worked. It would have failed us twice in the last election. In the 1960 election—I have never been able to get the full story—Mr. Nixon spent several hours wondering whether he should challenge or not, and they began to examine the laws of the various States. You could not have a recount in Missouri until some time in early spring. The laws as to recounts were different everywhere. It is a nightmare to me that we should live through 1960 and 1968 under the proposed amendment."

Prof. Charles Black explained to the committee how he felt the professional politicians would call for recounts under direct election in close contests:

"It would become the duty of the manager of anybody's campaign that might be advantaged by a recount to search very carefully in good faith for fraud, irregularity, and the sort of technical objections to voting that you refer to, so that even without those willful obstruction elements, I should think that in a close election, it would be almost inevitable that the vote everywhere would be scrutinized and contested, and every possible irregularity sought after, whereas, under the present system, it usually does not matter and people just do not bother with it."

Mr. Richard Goodwin outlined to the committee his thoughts on the recount problem under direct election:

"Eliminating the electoral college can, as many have pointed out, transform the frequent and inevitable charges of election irregularity and fraud into demands for a nationwide recount. Since voting is now by State those charges are made with passion and they are allowed to lapse because even a change in a particular State would rarely affect the national electorate result. However, if only the popular vote counted, then a recount in a few States could change the result. After all, two of our last three Presidents had popular vote margins smaller than 5 percent of the vote in the State of Illinois alone. In such a situation there would be incentive to pursue reasonable charges of irregularity and fraud. Counter charges would be inevitable. And if there was any substance to the allegations a nationwide recount would not be merely likely but inevitable. Such a protest could continue for months, in election commissions and in the courts, while the country waited to find out who had been elected."

There can be no doubt that the present system protects the Nation from the paralysis of recounts. Professor Brown characterized the protection this way:

"* * * the present system insulates the States. When the vote is counted by the States, those lines insulate the area of contest and keep it local, and they insulate the significance of the contest."

Professor Black also testified at length on the protections which the present system offers against the possibility of recounts and contests. He said:

"We have now a compartmentalization of the recount problem, like the compartmentalization of a ship. If it springs a leak in one part, that part is sealed off from the others. The recount problem is an infrequent incident, because very often the State in which fraud is charged or error is charged will be one which, on inspection of the electoral totals, does not matter anyway."

It is clear that recounts will be a disastrous problem for the United States should direct election of the President become law. Too many thoughtful experts have mentioned the recount problem for it to be only the idle speculation of those who would oppose direct election for political reasons. We believe the political stability of this Nation is the issue at stake; the Senate, before voting on the direct election proposal, should try to imagine this Nation, gripped by controversy, having to undergo a national recount every time there is a close election.

Mr. President, we must ask ourselves if we wish to exchange a system which has served us well for almost 200 years but which could, under very extreme circumstances, fail us in the future for a direct election system, which raises the specter of elections for President constantly plagued with charges of fraud resulting in the selection of one man over another or the demands for recounts of the entire Nation.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Leonard, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Berry, one of its reading clerks, announced that the House had passed, without amendment, the following joint resolutions of the Senate:

S.J. Res. 218. Joint resolution providing for the designation of a "Day of Bread" and "Harvest Festival Week"; and

S.J. Res. 228. Joint resolution to authorize the President to designate the period beginning October 5, 1970, and ending Otcober 9, 1970, as "National PTA Week."

The message also announced that the House had agreed to the amendments of the Senate to the joint resolution (H.J. Res. 1178) authorizing the President to proclaim the month of May 1970 as "Project Concern Month."

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

SOME ADVICE TO YOUTH

Mr. MANSFIELD. Mr. President, I have read with interest a letter to the editor of the New York Times from K. Ross Toole, a professor of history at the University of Montana, on the faculty of which, incidentally, I still happen to be a member.

While I may not agree with all the points in the letter, I do think a couple are worth pondering. One is that continued violence from the left in the country could spawn a repressive wave from the center and right. The other deals with the enormous energy potential of American youth working within the existing political system.

I ask unanimous consent to have the letter printed in the RECORD.

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

LETTER TO A STUDENT

(By K. Ross Toole)

MISSOULA, MONT.

DEAR WAITING STUDENT: If you haven't discovered it yet, now is the time. Upon what meat does the violent, rockthrowing, building-burning campus militant feed? On yours, Sir, your very own flesh. You, the standers-by; the doubters concerning the question of whether the American system can work.

It is very late and there are some things you should know—and you should know them whether you like them or not.

You are standing by basically because you say you are frustrated; the channels are plugged; you cannot make your voices heard. You are idealistic and you love your country, but maybe the violent ones are right. Maybe you will join because the only course left to you, you say, may be violence.

It so happens that you are wrong, dead wrong.

Across America there is a growing wrath about college violence. Not anger; wrath. Call it middle America, call it "those people out there," call it the "silent majority"—call it what you will, but every act of violence by the left on any campus in America feeds the fires on the right. And the power's there on the right; the power will *force* legislatures and Boards or Regents to devise iron-clad rules of conduct for students and faculty; a suppression which will put the 1920's to shame. It will destroy academic freedom and it will destroy your own opportunity to get an education.

I am sick to death of your drumbeat, overblown rhetoric, the monotonous litany, "We cannot make our voices heard. No one will listen to us." The violent left is heard. But you are correct in thinking that very few people listen. That is because the violent ones have nothing to say.

So the channels are plugged? You have no way to go? The wires are cut? You are powerless? Here again, the bull horn rhetoric.

The channels to change in America are not plugged. You simply do not know how to use them. I, for one, am sick of the fact that you haven't done your homework or tried very hard.

Just as a simple example: There are 31,000,000 voters in America under thirty. As former Chief Justice Warren put it, "Youth can lead a crusade anytime it wants to." If the 18-year-old vote stands the test of constitutionality, 11,000,000 more youths will be added to the rolls. That is 41,000,000 out of 120,000,000 registered voters.

Consider Eugene McCarthy and his supporting youth: It was largely the power of youth that forced an incumbent President, in effect, to resign. And what then? Did you go on working? Did you apply yourselves to the hard pragmatism of political power? Indeed not. You slunk off because you had been defeated.

You have no power? Tell me, how many of you went to Woodstock? Nearly 460,000. What did you do there? What you really did was indulge yourselves, *en masse*. What if, instead of an orgy of self-indulgence, you had appeared 400,000 strong in a slum with scrub brushes, and each with a bottle of one-a-day vitamins?

What if you had joined one fawn-eyed man named Cesar Chavez, picked the grapes and given the proceeds to his union? What if you gathered to help the migrant workers in Florida?

And if the giant citrus companies had refused to let you work, could they stand there naked in the light of your effort and in the bright eye of television? I think not. Why Woodstock and not Watts?

How about facing up to the fact that what stands athwart man's chances for a better life is not technology, machines and the military-industrial complex—it is man himself who stands there. It is you.

Get the facts and forgo the rhetoric. Stop confusing bloviation with the truth. And, remember, the building you burn will be your own.

TREATY OF COOPERATION BETWEEN THE UNITED STATES AND THE UNITED MEXICAN STATES, AND CONVENTION WITH NICARAGUA—REMOVAL OF INJUNCTION OF SECRECY

Mr. MANSFIELD. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from Executive K, 91st Congress, second session, the Treaty of Cooperation Between the United States of America and the United Mexican States Providing for the Recovery and Return of Stolen Archeological, Historical, and Cultural Properties; and Executive L, 91st Congress, second session, a Convention of July 14, 1970, with Nicaragua terminating the Bryan-Chamorro Treaty of 1914; transmitted to the Senate today by the President of the United States, and that the treaty and convention, together with the President's messages, be referred to the Committee on Foreign Relations and ordered to be printed, and that the President's messages be printed in the RECORD.

The PRESIDING OFFICER (Mr. SCHWEIKER). Without objection, it is so ordered.

The messages from the President are as follows:

To the Senate of the United States:

I am pleased to transmit to the Senate, for your advice and consent to ratification, the Treaty of Cooperation between the United States and Mexico providing for the recovery and return of stolen archaeological, historical and cultural properties, signed at Mexico City on July 17, 1970.

In recent years the despoilation of archaeological sites in Mexico and thefts of art objects from churches and collections has reached serious proportions. The illicit export of national art treasures to art markets here and in Europe has become a matter of serious concern to the Government of Mexico. In 1967, when President Diaz Ordaz of Mexico visited the United States, it was agreed to explore possible methods of controlling the authorized movement between the United States and Mexico of articles of archaeological significance and historical value.

The Treaty which has now been signed would provide for cooperation in law enforcement measures aimed at halting the depredation of historic sites and facilitating the recovery of stolen cultural properties. It would commit the United States and Mexico to employ the legal means at their disposal to recover and return to the country of ownership historical, cultural and archaeological properties of outstanding importance to their national patrimony which have been stolen and removed from one country to the other. In addition, the two governments would establish a framework to strengthen communications between scientists and scholars in the two countries and to encourage archaeological research by scholars of both countries. The Treaty further contemplates the circulation and exhibit in each country of archaeological and historical properties from the other and a legitimate commerce in art objects.

The Treaty with Mexico should provide a strong deterrent to the illegal export of stolen cultural properties as well as promote mutual understanding and appreciation of the artistic and cultural heritage of our two countries.

I recommend that the Senate give early and favorable consideration to this law enforcement treaty.

RICHARD NIXON.

THE WHITE HOUSE, *September 23, 1970.*

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the convention signed at Managua on July 14, 1970, between the United States of America and the Republic of Nicaragua for the termination of the convention respecting a Nicaraguan canal route signed at Washington on August 5, 1914.

For the information of the Senate, I transmit also the report of the Secretary of State with respect to the recently signed convention.

Agreement to terminate the 1914 convention, popularly known as the Bryan-Chamorro Treaty, which entered into force on June 22, 1916, was reached after the two Governments had decided, following extensive consultations, that in light of changed circumstances and present-day needs it was time to reexamine the 54-year-old convention. The Government of Nicaragua wanted to proceed with plans for developing the San Juan River Basin, the prospective site for an interoceanic canal through Nicaragua. For its part, the United States Government, which had not exercised any of its rights under the 1914 convention, had concluded it was unlikely to do so in the future, particularly in view of the relatively high cost of constructing a canal on the Nicaragua route.

Termination of the 1914 convention is a positive, effective, and essential step in continunig the excellent relations that have existed between the two countries.

It is provided in the new convention that, upon its entry into force, the 1914 convention shall terminate, with the consequence that all the rights and options accorded by the 1914 convention to the United States Government shall cease to have effect. Such rights and options include "the exclusive proprietary rights" in regard to the construction, operation and maintenance of a canal across Nicaraguan territory; leases to Great Corn Island and Little Corn Island; and the option to establish and maintain a United States naval base on Nicaraguan territory on the shores of the Gulf of Fonseca. The United States has, as previously noted, never exercised any of the rights or options granted by the 1914 convention.

I recommend that the Senate give early and favorably consideration to the convention terminating the Bryan-Chamorro Treaty.

RICHARD NIXON.

THE WHITE HOUSE, *September 23, 1970.*

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

HOUSING AND URBAN DEVELOPMENT ACT OF 1970

Mr. MANSFIELD. Mr. President, I am quite sure I make this statement with the approval of the distinguished Senator from Indiana (Mr. BAYH) in view of his earlier remarks relative to business today.

I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1234, S. 4368.

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

The legislative clerk read as follows: A bill (S. 4368) to extend and amend laws relating to housing and urban development, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

Mr. GRAVEL. Mr. President, reserving the right to object—I feel I can make this point on behalf of the leaders and other Senators—if a Senator wants to continue the debate on Senate Joint Resolution 1, could that Senator step forward now and continue to discuss the issue?

Mr. MANSFIELD. If he wants to. But this procedure has been cleared, as I recall, with the Senator from Indiana, and we have been leaning over backward to work it out.

Mr. BYRD of West Virginia. Mr. President, reserving the right to object—and the majority leader knows that I am not about to object—does he mean that Senate Joint Resolution 1 will be put aside and remain in that temporary status until tomorrow?

Mr. MANSFIELD. The Senator is correct.

Mr. JAVITS. Mr. President, will the Senator yield? I do not reserve the right to object. I agree with the Senator. Can the Senator give us some idea what would happen if we were not to finish this measure tonight?

Mr. MANSFIELD. We will make every effort to finish it tonight, if it is not an all-night session.

Mr. JAVITS. And with Senators being present so that we can have a quorum to vote?

Mr. MANSFIELD. Yes, indeed; always.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

The Senate proceeded to consider the bill.

Mr. CURTIS. Mr. President, are we operating under limited time?

The PRESIDING OFFICER. There is no controlled time.

PRIVILEGE OF THE FLOOR

Mr. SPARKMAN. Mr. President, I ask unanimous consent that additional staff members of the Committee on Banking and Currency be accorded the privilege of the floor during the consideration of the pending bill.

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

Mr. SPARKMAN. Mr. President, the committee bill, S. 4368, is essentially a bill to extend and fund existing Federal housing programs authorized by previous acts of Congress. The committee is recommending a 3-year extension of programs which would otherwise expire this fiscal year. However, only a 1-year provision was agreed to on funding authorizations. The principal programs covered are the Federal Housing Administration programs, urban renewal, model cities, and public housing.

In addition to extending the programs,

the committee is recommending a number of amendments to existing programs to make them more workable and more effective in carrying out the intent of Congress.

Although no new programs are being recommended by the committee, significant changes are being proposed in four existing programs—public housing, urban property insurance, new community, and mass transit programs.

In title II of the bill several significant changes are being recommended into the public housing program which authorizes Federal assistance to local housing authorities to house low-income families. Most important of these is new statutory language authorizing HUD to supersede or amend annual contributions contracts to make provisions for additional grants to local housing authorities to meet existing deficits and to achieve adequate operating and maintenance services. The basic statutory change to permit Federal payments in excess of the amount needed for debt service was made in the Housing and Urban Development Act of 1969 but it was unclear as to how it was used. The action taken this year by the committee is intended to clarify HUD's authority to make payments for deficits in operations, maintenance, and reserves caused by a failure of rental income to meet operating expenses.

Another significant change in the public housing program is the deletion of existing room cost ceilings and the substitution of a new prototype formula which will provide considerable flexibility for the Secretary to develop construction ceilings for public housing based on local cost factors rather than on national standards.

The crime insurance provisions in title VI of the bill would amend existing urban property insurance provisions to authorize a direct Federal crime insurance program in any State where a critical need exists and no effective solution is provided under State law by August 1, 1971, or one full State legislative session, whichever is later.

The urban growth and new community title in the bill, title VII, has as its prime and most essential goal the establishment of a national urban growth policy and the means for implementing such a policy. Part of carrying out such a policy is the development of new communities which would be encouraged by the liberal financing devices and authorizations in the bill. States, as well as the Federal Government, would be involved in developing and carrying out urban growth plans and new community programs. Federal assistance would be provided to the States for this purpose. Additional Federal assistance is also provided to help the cities in an expanded urban revitalization program.

Under title VIII of the bill mass transit subsidies are being recommended for operating losses and to meet existing deficits incurred by the prior issuance of obligations to finance the cost of capital improvements. Existing legislation limits such subsidies to finance the cost of proposed capital improvements.

A significant part of the bill is the dollar authorizations being recommended for 12 existing programs for 1 year. The committee is recommending funding levels for housing assistance programs adequate to meet the national housing goal of 6 million assisted housing units to be constructed or rehabilitated in 10 years. Levels for urban renewal, model cities, and several other programs were made to continue existing program levels plus the amounts needed to meet part of the backlog of applications pending before HUD. The committee is very much aware of the need for economy in Government and is recommending program funding at the lowest possible level needed to meet the most urgent demands and to make further progress toward meeting the national housing goal of a decent home and suitable living environment for every American family.

The committee bill has 10 titles covering a wide variety of Federal programs. Several of these titles contain language identical with sections of S. 3639, the far-ranging consolidation bill developed by the administration to standardize and simplify existing laws. The committee accepted several parts of the administration's proposal, but generally felt compelled to defer action on the more complex and involved subjects until the next Congress when an early start can be had on the major revamping program asked for by the administration.

The short time remaining in this legislative session did not allow, for example, sufficient time to consider in necessary depth title I and title II of S. 3639, involving the FHA and public housing programs. Those programs have been on the law books since the 1930's and have built long years of experience involving State legislation and program precedent. While the committee agrees that the simplification and consolidation of the programs is both desirable and necessary, a hurried effort to solve a complicated problem would not insure a desirable result. The committee looks forward to timely action next year.

This bill would also provide additional funding of $25 million for this fiscal year and $250 million for fiscal year 1972 for the FHA 235 homeownership program. This program, which was conceived in the Senate Banking and Currency Committee during the summer and fall of 1967 and enacted by the Congress as a major part of the Housing and Urban Development Act of 1968, has now been fully operational for almost 2 years.

The 235 homeownership program has proven to be a very popular and a very successful program for housing those thousands of our citizens who cannot afford to purchase a decent home on their own. The latest reports from the Department of Housing and Urban Development indicate that in excess of 70,000 lower income families are now occupying homes that they have bought with assistance under this program. Mr. President, for a new program to have had such a major impact on the housing problems of this country in such a short period of time is an outstanding accomplishment.

The 235 program has helped families in all parts of the nation to purchase both new and existing homes. Although the program is directed primarily at encouraging the construction of new homes for lower income families, it is interesting to note that almost 50 percent of the homes now occupied with assistance under this program were not newly constructed. This is as it should have been. It takes time to build new homes, and we want this program to have as fast an impact on America's housing problems as possible.

It also should be pointed out that in some places in this country where there is a housing surplus it would be foolish to insist that only new homes be made available under this program. Therefore, a reasonable portion of the contract authority under this program should be available for existing, standard housing. In keeping with this concept your committee has recommended continuing the existing provision in the law permitting up to 30 percent of the funds under this program to be used to help in the purchase of existing homes. Naturally, we have made this discretionary in order to permit the administrators of the program to adjust the actual amount used to reflect changing circumstances.

As with any program, Mr. President, which is new and which involves many people, your committee has received some complaints on the homeownership program. These complaints have generally dealt with the price level at which homes are made available to lower income families under this program. In some cases these complaints are justified. The maximum permissible mortgage amounts under this program have to be relatively high in order to reflect the rather substantial disparity in cost levels around the country. But the maximum amounts must be set somewhat lower in those areas where costs are lower. The committee expects that HUD will continue its present policy of requiring that the maximum mortgage amount in a community properly reflects the cost of producing a home in that community.

Some complaints have also been received that the families receiving assistance under this program have incomes higher than seem proper. Mr. President, unfortunately the runaway inflation we have been experiencing in the last couple of years, along with astronomical mortgage interest rates, have served to drive up the cost of housing to levels unthought of just a few short years ago. This has made it difficult for larger and larger numbers of American families to afford decent housing. Your committee is aware of this problem and has recommended much legislation in the last year aimed at both controlling inflation and making mortgage money more freely available at more reasonable interest rates. Implementation of this legislation, which the Congress has approved, will help to reduce the cost of housing and thereby remove the necessity for subsidizing many families now in need of subsidy.

Mr. President, I would also like to

point out that we have received many, many letters praising the homeownership program and pointing out how beneficial it is to those who most need it. These letters demonstrate how successful the program has been in making available housing to families who otherwise would not have been capable of achieving that desire of most Americans—homeownership. On balance, Mr. President, I believe that the support for this program far outweighs any distress because of a few irregularities or mistakes that might have occurred. This program represents the best means yet devised of housing quickly and adequately thousands of American families who otherwise would have never been able to obtain decent housing.

Mr. President, to illustrate the strong support for this program from the lower income beneficiaries. I ask unanimous consent to have printed in the RECORD several letters that have been sent to me on this matter.

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

BUILDERS HOMES, INC.,
Dothan, Ala., September 17, 1970.

Mr. CARL COAN, Sr.,
Senate Office Building,
Washington, D.C.

DEAR MR. COAN: Enclosed are some letters from our customers who are able to own a home because of the 235 program.

One woman sent us a poem. Another man sent the names of friends he had told about the program.

We wanted you to see some of the positive things about the program. These are the people that come in our door every day.

Sincerely,
BUILDERS HOMES, INC.,
DAVE HANNAH,
Government Housing Programs.

DOTHAN, ALA.,
SEPTEMBER 11, 1970.

To Whom It May Concern:

We tried for several years to buy us a home and the down payment was too high, and the monthly payments was too high for us to meet.

Until we went to Builder's Home to see about buying one under the 235 program. And we didn't have any trouble getting one. Our down dayment and our monthly payments are reasonably if it hadn't been for them we would not have a home of ours today.

We are truly satisfied with our home and it wasn't any trouble for us to get a loan.

We would recommend Builder's Homes to anyone wanting to buy them a home under the 235 program.

They have done everything and more than they said they'd do. They sure have been nice to us. You couldn't ask for better people to deal with.

Yours very truly,
Mr. and Mrs. W. M. WOODHAM.

September 10, 1970.

BUILDERS HOMES,
Dothan Ala.

DEAR SIRS: Just a line to tell you how much my family enjoys our new home. We never had a bathroom inside before. My wife loves the hot water right at her hand every morning.

I been working a long time, but we never knew we could have something like this.

Thank you so much.

JOHN HENRY JONES.

Mr. ETHRIDGE: Here is the name and addresses of three family of people who are interested in a house of their own, and would like for Builders Home to build them. The names below would like for you to come over and talk house to them.

(Names not printed in RECORD.)

I guess you remember me.

LESTER NEAL.

MY FRIENDS

Let me tell you of some friends of mine,
They are a group of guys, with one thing in mind
They work hard to do their "thing"
Building new homes that make you sing
There is George and Jack and Danny too
And Cecil and Terry and maybe a "Sue"
And Bill and Joe and maybe more
All you need do, is knock on the door
They will build you a home to make you proud
You will feel as though you live on a cloud
Your home is beautiful and the payments are low
So you can see, you don't need much "doe"
I know all about this which I do speak
I have the home, the one I did seek
And it was made possible by these new friends
Now aren't you proud this junk is at an end?

Mr. CURTIS. Mr. President, will the Senator from Alabama yield for a question or two?

Mr. SPARKMAN. Mr. President, I yield to the distinguished Senator from Nebraska.

Mr. CURTIS. Mr. President, I should like the RECORD to show how public housing is financed. Is it not true that in the past when public housing has been built, the initial cost of construction, the initial debt obligation, has been paid totally by Federal subsidy?

Mr. SPARKMAN. Does the Senator mean the whole public housing program?

Mr. CURTIS. No. I mean the money with which to finance the debt obligation.

Mr. SPARKMAN. Let me see if I can state the method.

Mr. CURTIS. State it the way it is.

Mr. SPARKMAN. First of all, the primary debtor is a local political subdivision entity operating through a housing authority duly authorized by State and local laws. That authority issues bonds.

Those bonds are sold on the open market. The Federal Government guarantees that the bonds and debt service thereon will be paid. The primary means of paying for these bonds and the interest thereon is through the collection of rents from tenants who occupy units in the projects built with the proceeds of the bond sale. When rents are insufficient to meet debt service, the Federal Government makes up the deficit.

Mr. CURTIS. How much appropriated money is annually given to a housing authority? Is it not the amount needed to meet the debt obligation payments?

Mr. SPARKMAN. It is the amount needed to fulfill the guarantee that the Government makes, as I indicated.

Mr. CURTIS. So the Government does not just guarantee to pay the deficiency; the Government annually makes the payment to retire the bonds; is that right; the bonds that fall due that year or the payments on them?

Mr. SPARKMAN. As to the details of the operation I cannot say, but I do not understand that to be correct. Certainly, it is not the way the guarantee runs.

Mr. CURTIS. I think the Senate should know. Is it true that the cost of carrying the debt loan, principal and interest, is borne entirely by the Federal Government?

Mr. SPARKMAN. The Federal Government pays whatever is needed over and above what the rent incomes provide to make the program a successful financial operation.

Mr. CURTIS. What public housing projects does the Senator know of where the Federal Government does not pay the full debt loan?

Mr. SPARKMAN. I do not think the Government ever pays the full debt loan. I know some housing authorities where the Government did not pay anything. That is not the usual case.

Mr. CURTIS. Can the Senator cite any housing authorities where they have not used that which is available for them in Federal subsidies to pay the entire costs of their bond programs?

Mr. SPARKMAN. I just think the Senator is wrong when he says that the Federal Government pays the entire bond indebtedness. It does not. The rental incomes from the project are used to pay the debt service of the bonds and if there is a deficit between that and the amount required for debt service, then the Federal Government guarantee that.

Mr. CURTIS. I will leave that point, and perhaps before the bill is completed we can ascertain from the books who is right and who is wrong.

Up until a year ago it was the responsibility of the local housing authority to collect enough money to pay for their maintenance. Is that correct?

Mr. SPARKMAN. They certainly were expected to, yes.

Mr. CURTIS. There was no Federal subsidy provided for them; is that right?

Mr. SPARKMAN. There was not for certain that services were added last year.

Mr. CURTIS. Have those been implemented—the action of last year?

Mr. SPARKMAN. They have. As I mentioned here, we had amendments last year offered by the distinguished Senator from Massachusetts (Mr. BROOKE), known as the Brooke amendment. Those amendments did seek to take care of some of the operating expenses. It was in the implementation of those amendments that this question that I referred to in my statement was raised.

Mr. CURTIS. The Senator is talking about limiting the rent to 25 percent of the income.

Mr. SPARKMAN. That was one feature of it, yes.

Mr. CURTIS. Is it not true that up until 1 year ago the Federal subsidy commitment was limited to carrying the dept; and the local people, the local housing authority, was responsible for their maintenance and operating costs without a Federal subsidy? Is that right?

Mr. SPARKMAN. That is correct, yes.

Mr. CURTIS. Is it not true that partly by the changes made a year ago and now reaffirmed in this bill, because 1 year ago I understand the language was

somewhat unclear and has not been utilized very much—

Mr. SPARKMAN. Yes.

Mr. CURTIS. That now in this bill before us we clearly do what was started last year of obligating the Federal Government for the operation and maintenance of housing facilities that the Federal Government has paid for and has given, for all practical purposes, to the local housing authority, and that is a new departure?

I realize it started partly last year but it is clearcut in this bill that that is what we are in for. Is that correct?

Mr. SPARKMAN. The Federal Government is responsible—it does promise to assist the local authority in making public housing operations adequate.

I wish to call to the Senator's attention the language in the bill on page 18. Perhaps I should yield to the Senator from Masachusetts who was the author of this amendment and who assisted last year in straightening it out in order that this unclear language, as someone has said, might be cleared up. If the Senator from Massachusetts would care to comment, I would be glad to yield.

If the Senator from Nebraska would read the language on page 18, lines 19 through 26, that is a very clear statement. It allows the contribution on the part of the Federal Govrenment such as may be required to assure the low rent character of the projects involved. That is so the low-income people might actually use the project and to achieve and maintain adequate operating and maintenance services and reserve funds including payment of outstanding debts.

Mr. CURTIS. Yes. That is what I asked about.

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

Mr. SPARKMAN. I yield.

Mr. BROOKE. That is quite correct. That is the purpose. The Senator is correct that last year it was started. There was a question as to the intent of the language and the language this year is clear and the purpose of the language which was read by the distinguished Chairman was for clarification.

Mr. CURTIS. I thank the distinguished Senator from Massachusetts. That was what I wanted the record to show. I believe it is a correct statement, as I understand it.

I would like to ask the distinguished Senator one further question. Was that particular section implemented last year; was it put into effect?

Mr. BROOKE. Yes. The section was put in last year, but there was some question about it and some confusion among housing authorities across the country as to what it did mean and how far they could go, and that was the necessity for the clarification.

Mr. CURTIS. I know the law was in effect, but were they using it?

Mr. BROOKE. Yes.

Mr. CURTIS. On any wide scale?

Mr. BROOKE. I would say yes. The rent reduction went completely into effect.

Mr. CURTIS. The 25 percent?

Mr. BROOKE. Yes.

Mr. CURTIS. But these were two different propositions, were they not?

Mr. BROOKE. Yes.

Mr. President, I rise today in support of the Housing and Urban Development Act of 1970. This piece of legislation represents another milestone along the road toward producing a decent home and a suitable living environment for every American family. I commend the distinguished chairman of our committee, Senator SPARKMAN, and the distinguished ranking member, Senator BENNETT, for their untiring leadership in this field. In the short time since Congress adopted the monumental Housing and Urban Development Act of 1968, they have guided two equally significant pieces of legislation through the Senate and deserve the support and admiration of this august body for their efforts.

One cannot question the commitment of your Banking and Currency Committee to the goal of a decent home for every American family. I am hopeful that the Senate will endorse the committee proposals and that House action will further ratify the farsighted proposals contained therein. Most of these proposals were drafted by the committee and represent the product of intensive hearings relating to all aspects of housing production and management.

I cannot fail to praise the assistance which Secretary Romney and his colleagues have provided regarding these measures. Many of the programs were authored by HUD or received its careful scrutiny prior to adoption. While the committee did not see fit to adopt the consolidation proposals presented by HUD, it deferred action on these suggestions without prejudice until next year when interested parties will have had sufficient time to consider their impact. The committee did not differ with Secretary Romney's goal of streamlining and consolidating existing departmental programs; however, it was hesitant to embark on a complete restructuring of federally assisted housing programs at a time when the new HUD area offices are being established and 1968 housing programs are being fully accepted.

Highlights of the 1970 bill include:

Clarification of an amendment to the 1969 Act to insure that adequate funds are provided to improve public housing; added flexibility for construction cost ceilings in public housing; a national crime insurance program which complements State action; and urban growth and new community program which offers the hope of reordering our national urban priorities involving housing and land use; operating subsidies for mass transit to prevent the reduction of essential transportation services; and an experimental housing allowance program which may foretell the shape of future housing a significant contribution toward solving our urban needs and addressing inequities which have been allowed to exist far too long in our society.

While each of these programs is extremely important and should be addressed in depth, I will confine my remarks to low-income housing programs which are so vitally needed throughout the country. In doing so, I cannot ignore pressing needs in all segments of our society for decent housing at reasonable costs. The Emergency Home Financing Act of 1970 which was recently adopted by the Congress and signed into law should stimulate the production of much-needed housing on a broad scale. This piece of legislation adds further impetus to the drive toward meeting our housing goals both in terms of production and in terms of the quality of housing being provided.

On July 15 of this year, I introduced several proposals dealing with housing for low-income families. I am pleased to note that many of these proposals have been accepted by your Banking and Currency Committee and are included in the legislation which is before us today.

Last year, Chairman SPARKMAN and I introduced legislation designed to alleviate intolerable conditions which have been allowed to exist far too long in public housing. The Sparkman amendment made it clear that Federal assistance to local public housing authorities was not limited to debt service requirements, but could be extended to cover operating needs as well. At the same time, I introduced legislation which authorized HUD to contract with local housing authorities to make payments for three purposes: First, to eliminate operating deficits which existed in public housing authorities when the Housing and Urban Development Act of 1969 was signed into law; second, to assure that local housing authorities have sufficient funds to maintain adequate operating and maintenance services and reserve funds; and third, to make up the loss in rental revenues caused by reducing tenants' rents to 25 percent of their incomes. At the same time, the 1969 act placed a ceiling equal to 25 percent of their incomes on the rent which public housing tenants pay.

Seventy-five million dollars in contract authority was authorized for these three purposes; however, congressional intent was clear as to HUD's ability to provide funding in excess of this amount—up to the annual statutory maximum as specified in the Housing Act of 1937, as amended—if the newly authorized funds were insufficient to meet the urgent needs which existed. It was also clear that Congress committed itself indefinitely to fund the three activities specified and did not place time constraints on the assistance program embodied therein.

Thus, sufficient funds were provided to make public housing authorities "whole" by eliminating part operating deficits; to insure that public housing tenants were not forced to pay disproportionate shares of their incomes for rent at a time when inflationary pressures were driving the operating costs of public housing projects higher each month; and to insure that, in the future, public housing authorities would have sufficient funds to provide essential services, repairs, and training programs.

These two pieces of legislation held the promise for reversing serious trends in public housing; however, the Brooke

amendment was later subjected to a narrow administrative interpretation which limited its effectiveness. Accordingly, I introduced legislation this year which was designed to remove any uncertainties as to congressional intent regarding this program.

Specifically, the Secretary of Housing and Urban Development is required to amend annual contributions contracts to provide payments for the three purposes previously enumerated, pursuant to section 204 of the Senate bill. Thus, sufficient funds will be available to insure that public housing tenants are not forced to pay a disproportionate share of their incomes for rent; to insure that public housing authorities will have sufficient funds to achieve and maintain adequate operating and maintenance services; and to make public housing authorities "whole" by eliminating past operating deficits.

As pointed out in the committee report, Federal subsidies will be available for the following operating and maintenance services: tenant counseling on family budgets and on care and upkeep of property; guard and other costs relating to the physical security of project residents; tenant access to available community services relating to employment, health, welfare, education, and personal counseling; effective management-tenant liaison on all aspects of housing administration, management, and maintenance; recreational equipment and facilities; and adequate and timely repairs to structures, including the removal of any code violations.

Thus, adequate funds should be available to restore public housing projects to adequate levels of operating and maintenance services and to insure that a sound physical and social environment is maintained. Clearly, neither tenants nor housing authorities can be expected to provide sufficient revenues to attain these goals—given the present state of decay in public housing and inflationary pressures in our economy. Therefore, Federal subsidies are vital if we are to achieve and maintain a suitable living environment for low-income families.

In this respect, section 201 of the bill increases annual contributions contract authority by $150 million upon enactment and by $275 million on July 1, 1971. Half of the first figure is specifically earmarked for the Brooke amendment and thus brings the total of annual contributions contract money set aside for this requirement to $150 million per annum.

The increase in funds for this program has been prompted by revised HUD estimates of need. Specifically, unofficial HUD staff estimates indicate that approximately $200 million per year will be required for rent reductions, improved operating and maintenance services and adequate reserve funds. Inasmuch as the staff estimates were only preliminary, the committee increased the authorization to $150 million; however, if HUD experience in this area justifies additional funding next year the committee will be receptive to its proposals.

It should be emphasized that the committee is not giving a blank check to local housing authorities which will enable them to spend extravagantly or irresponsibly. On the contrary, the committee has been more than receptive to the urgent and legitimate needs of public housing authorities and the tenants that reside therein. These groups must act in a responsible manner and must insure that the additional funding is used to upgrade the quality of living in public housing and to improve legitimate services which contribute to a sound living environment.

Last year's Housing Act withheld rent reduction benefits under the Brooke amendment if such would result in reductions in welfare—or public assistance—payments. This provision was designed to insure that the payment of HUD subsidies did not enable local welfare agencies to cut back on their commitments. At the same time, the Secretaries of HUD and HEW were charged with the responsibility of establishing policies within their respective Departments which would aid in the implementation of this provision. To date, confusion reigns at the local level with respect to the ability of welfare tenants to benefit from the provisions of the 1969 act.

I therefore introduced a provision earlier this year which was designed to prevent local welfare agencies from reducing public assistance payments as the payment of Brooke subsidy funds. Section 202 of the instant bill contains such a provision which should serve as a guideline for local welfare agencies. I further urge the Secretaries of HUD and HEW to report to the Senate Banking and Currency Committee concerning actions taken by their Departments to agree on common policies regarding public housing rents paid by welfare recipients and to effectuate congressional intent regarding the Brooke amendment as set forth in last year's Housing Act and the pending legislation.

In considering clarifying amendments relating to last year's Brooke amendment, the committee adopted an income definition which is to be used by local housing authorities in computing the rent ceiling pursuant to the Brooke amendment. This income definition will be tested during the ensuing months and may serve as the basis for a standard income definition which would apply to public housing eligibility and to the proposed rent-to-income ratio.

The committee considered several proposals concerning a national rent-to-income ratio which would govern the minimum rent contributions provided by public housing tenants. It deferred action on this matter, however, because adequate information was not available to justify the enactment of a rent-to-income ratio which would be equitable to public housing tenants. The committee concluded that imprudent action on this matter could produce tragic results in public housing. Thus, the committee has requested the Secretary of HUD to make recommendations concerning a national rent-to-income ratio by April 1st of next year. I am hopeful that interested housing organizations and tenant groups will cooperate in this effort and will provide the committee with responsible recommendations on this subject. It was the committee's feeling that action should be taken next year on this subject and I concur with that decision. Local flexibility can be maintained by utilizing a reasonable income definition that will enable local housing authorities to meet individual needs and circumstances. In that respect, I urge local housing authorities to consider the applicability of the income definition contained in section 202.

I should point out that the income definition discussed above was devised with the cooperation of local authorities and, I have been informed, provides the flexibility desired. Thus, my concerns regarding adequate deductions for such things as extraordinary expenses have been met.

The provision authorizing payments to assure the low-rent character of the projects involved does not mean that public housing tenants should be required to pay 25 percent of their incomes for rent. It does mean, however, that payments in excess of 25 percent represent a disproportionate share of tenants' incomes which cannot be tolerated and which are prohibited since the enactment of the Housing and Urban Development Act of 1969.

It should also be noted that the payment of subsidy funds is not conditioned on satisfactory standards of management and tenant responsibility nor any other vague or unenforceable standard. While I certainly agree with the need for management and tenants to act responsibly, I do not believe the payment of funds for improving the quality of tenants' living accommodations can or should be made dependent on the performance of absentee managers or that vague and possibly unconstitutional standards should be allowed to govern or possibly intimidate legitimate actions on the part of tenants.

I introduced a provision earlier this year involving flexible construction cost limits for public housing; however, the Committee accepted a modified version of the HUD proposal utilizing the prototype concept. I have been assured that the prototype concept provides sufficient flexibility on a regional basis so that public housing construction will not be curtailed and so that local requirements can be responded to more efficiently than under present statutory guidelines. I accept Secretary Romney's decision concerning this matter; however, I urge his Department to err on the side of flexibility in the development of initial prototypes so that public housing construction will not be delayed while the concept is being perfected.

The committee also adopted my proposal to remove any uncertainty concerning HUD's ability to extend the section 23 leasing program to newly constructed housing as well as existing units. In addition, the committee concurred with my recommendation that the term

of section 23 leases be extended to 10 years with an option to renew for an additional 10 years. I have received very favorable reports concerning this program and believe it deserves broad congressional support. The extension of the lease term should facilitate the construction of new buildings in which units can be leased for occupancy by public housing tenants. This development should provide additional flexibility to the public housing program in many localities.

The committee also adopted my recommendation concerning the removal of any uncertainty as to the right of tenants to serve as commissioners of local housing authorities. Certainly those residing in public housing are in the best position to understand the needs and concerns of local residents and respond accordingly. Any inhibition on such practices merely prevents participation on the part of those persons whose well-being is being decided.

While the committee has not yet taken action on my proposal to deal with the problem of abandoned buildings, I am confident that the demonstration program which Senator GOODELL and I will be introducing later today adequately addresses this vital issue. The committee received considerable testimony concerning this matter and recognizes the gravity of the situation. The committee was, however, justifiably reluctant to spend large sums of money until the root causes of abandonment in our core cities are given greater study.

Tools are presently available—such as urban renewal—which address some of my concerns; however, it would be imprudent to enact a comprehensive program at this time until information is available from the demonstration program. I am hopeful that the committee will have sufficient information at its disposal when it considers next year's housing legislation to act intelligently on this subject.

I am extremely pleased that your Banking and Currency Committee has adopted the experimental housing allowance program which I proposed earlier this year. Thus, the Secretary of HUD will be authorized to provide low-income families with housing allowances to assist them in obtaining existing standard rental housing of their choice. The housing allowance would not exceed the difference between 25 percent of a tenant's monthly income and the maximum fair market rental for standard housing in the community involved. The benefits provided for public housing tenants last year under the Brooke amendment would thereby be extended to those persons who qualify for public housing but are unable to obtain it for a myriad of reasons.

This concept must, however, be distinguished from the rent supplement program under which assistance payments are tied to specific dwellings. Under this proposal, housing allowance payments would be tied to specific families. Thus, purchasing power would be provided directly to poor families, thereby enhancing their personal dignity and reducing their economic dependence on slum housing. The housing allowance program would reach areas where new construction is simply not forthcoming, rural poverty areas where housing authorities do not exist, as well as those communities where public housing is not available either because the community refuses to build it or existing projects are filled to capacity.

The experimental program would be limited to those tenants who qualify for public housing and to those communities where the Secretary of HUD determines that an adequate supply of standard housing exists. The requirement for an adequate supply of standard housing prevents the payment of housing allowance funds in communities where few vacancies exist and where the only effect of such a program would be to force up rents and line the pockets of slum landlords. Where an adequate supply of housing exists—as determined by the Secretary of HUD—tenants will be able to shop around for decent housing.

While public housing as we know it today will change immeasurably over the next few years in response to urban and rural requirements and to the infusion of funds under the Sparkman and Brooke amendments, we must also begin thinking of alternative programs to address the needs of the poor. The housing allowance program which is contained in section 504 of this legislation may represent the pattern for future housing programs. There is much to be gained from experimental programs of this nature as we seek to answer our housing needs. The Kaiser Committee and the Douglas Commission provided us with valuable insights regarding the housing allowance program and I am hopeful that this experiment will bear out their optimism.

The committee has provided $15 million in contract authority for each of the fiscal years 1972, 1973, and 1974. While this authorization falls short of my original proposal, I have been assured that a housing allowance experiment can be conducted utilizing 15,000 families at a cost of approximately $1,000 per family each year for 3 years. Section 504 embodies such a "bare bones" proposal and I am hopeful that Secretary Romney will seek additional assistance from Congress if such is necessary.

In conclusion, the Housing and Urban Development Act of 1970 which is pending before you today constitutes another monumental piece of legislation designed to make further progress toward meeting the national housing goal of a decent home and a suitable living environment for every American family. Your Committee on Banking and Currency has worked hard to produce a reasonable and responsible piece of legislation and I urge my colleagues in the Senate to lend their support to Chairman SPARKMAN in this matter.

Mr. TOWER. Mr. President, the proposal now pending before us covers a subject area that seems to be expanding in scope more every year—housing and urban affairs.

Under this jurisdictional heading, we are dealing with just about everything that makes our communities and cities function. The subject must be said to be very complex, and diverse in its effect upon all of our citizens. Over the years as law has been added to law, and program after program has been created we have approached the point where it is difficult even for the administrators to follow every detail of every program. Those that are involved in the day-to-day use of these programs are sometimes frustrated by the magnitude of that which they have chosen to deal with and labor under. Thus, there is a strong need for program simplification and consolidation.

To answer this need, the administration devoted much time and effort toward sorting through all the existing laws and programs administered by the Department of Housing and Urban Development to come up with simpler and more understandable means to deal with the complicated problems of our cities. This called for consolidation of programs where appropriate, and revamping where necessary.

The extensive administration proposal was taken up by our housing subcommittee, but with the press of this legislative session being as it is, we felt compelled to go ahead and report out a basic bill containing some of the more essential and pressing matters before us. Of course, I want to emphasize that it is essential that the administration's proposal be taken up for further consideration early during the next Congress.

Mr. BENNETT. Mr. President, I wonder if the Senator from Alabama, the manager of the bill, would let me ask him a question.

On page 104 of the bill, lines 1 through 4, is a definition of the term "lead-based paint." Those of us who are interested in this problem are very anxious to make sure the definition we use is identical with the definition used by the House in its bill, H.R. 19172.

In order to bring this language into conformity with the language in the House bill, the word "or" on line 3, after the word "acetate," should be changed to the word "and."

On line 4, the phrase in our bill "1 per centum" appears in the House bill as "1 per cent," without the "um" on the end. And the word "form", which is the last word on line 4, does not appear in the House language.

I wonder if the chairman would agree that these technical language changes might be made in our bill so that there would be no necessity for a conference on these language variations with the House when we get to conference.

Mr. SPARKMAN. Yes. As I see the Senator's amendment, it does not change the substance of the provision at all.

Mr. BENNETT. It does not change the substance.

Mr. SPARKMAN. I am certainly willing to agree to the Senator's amendment and I am sure the Senator from Texas (Mr. TOWER), who is the ranking minority member of the subcommittee, would agree to it.

Mr. TOWER. Mr. President, I would not think of disagreeing.

Mr. SPARKMAN. It is a technical amendment and I agree that the change be made.

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

The PRESIDING OFFICER. Will the Senator send his amendment to the desk so it can be read by the clerk?

The amendment will be read.

The legislative clerk read the amendment, as follows:

On page 104, line 3, strike the word "or" and insert the word "and."

On page 104, line 4, strike the words "per centum," and insert "per cent."

On page 104, line 4, strike the word "form."

The PRESIDING OFFICER. The question is on agreeing to the amendments.

The amendments were agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. CURTIS. Mr. President, I send an amendment to the desk and ask that it be read.

The PRESIDING OFFICER. The amendment will be read.

The legislative clerk read the amendment, as follows:

On page 16, beginning with line 18, strike out all through the comma in line 21, and insert the following:

"(1) by striking out the period at the end of the second paragraph and inserting in lieu thereof the following: ':*Provided*, That the public housing agency may, in its discretion, fix rents for any low-rent housing project which is solely for elderly families and has not more than 200 dwelling units without regard to the one-fourth of family income limitation set forth above. In defining income for purposes of applying that limitation,'."

Mr. CURTIS. Mr. President, before I discuss my amendment in detail, I would like to resume my colloquy with the distinguished and able Senator from Massachusetts (Mr. BROOKE). I would like to ask the Senator to explain the situation as to what additional subsidies were actually provided—by that, I mean reached the housing authorities—last year that were new in nature.

Mr. BROOKE. The provision which provided for a ceiling of 25 percent of tenant income for rent was put into effect on March 24th of this year. The provision which provided funds for improved operating and maintenance services was not put into effect, and no money was spent for that by the authorities.

Mr. CURTIS. I thank the distinguished Senator for clearing that matter up.

Mr. President, as I understand it, over the years since 1937 the Federal Government has been subsidizing public housing by carrying the debt charge. The housing is built, bonds are sold, the Government appropriates money to pay those bonds as they come along.

Last year we added an additional subsidy to pay part of the rent to some of the people, and attempted a third subsidy to help them pay their operating and maintenance costs. There was some question about the measure, so no payment was actually made as incorporated in the bill.

So, for all practical purposes, that is a new subsidy, to start out now. But I am not going to discuss that further, because my amendment here deals with something else. I felt that it was necessary that we establish in the RECORD the manner in which public housing is financed, and the extent to which it is subsidized, in order to understand all of these amendments.

The amendment I have sent to the desk is very limited in nature. It would bring about a modification of the Brooke amendment of last year. The Brooke amendment said, in substance, that a housing authority could not charge tenants a rent that exceeded one-fourth of their income. I would modify that, and not make it mandatory, for a very small group—a narrow modification, if you please. I am referring to those small rural communities where the situation is much different than it is in a high-cost city.

Mr. TOWER. Mr. President, will the Senator yield for a question?

Mr. CURTIS. I yield.

Mr. TOWER. It seems to me that what the Senator is suggesting here is reasonable. This makes it discretionary on the part of the Secretary, and not mandatory, as I understand.

Mr. CURTIS. I think not. It was my intention that discretion be with the local housing authority.

Mr. TOWER. That is what I say; it is discretionary rather than mandatory.

Mr. CURTIS. But not with the Secretary.

Mr. TOWER. Yes, with the local housing authority.

Mr. CURTIS. With the local housing authority.

Mr. TOWER. This is based on the Senator's experience, as I understand, with some public housing in his State, where, in many instances, the tenants are happy to pay in excess of that proportion of their income, and the solvency of the whole operation is maintained through that means.

Mr. CURTIS. That is correct. If the committee decides to take my amendment, I do not want to make a speech here and talk them out of it, but I do wish to take a moment to call to the attention of the distinguished Senator from Massachusetts, who has such an excellent knowledge of this whole program, and has contributed so much, that I am confining this to only small rural areas, because the discretion does not proceed where they have more than 200 units. I am also confining it to rent for projects for the elderly, and there is quite a difference.

In general public housing projects, there are families. There are children to feed and clothe. Some of those families will stay in public housing all their days. With the housing for the elderly, it is housing for a few years. They have passed that period of supporting children, of buying life insurance. Their expenditures for clothing are not as great, and probably they have children to assist them.

So what I am asking for here is the right of people who want to, to collect enough rent to pay their obligations, and not have to ask for an additional subsidy.

Did the Senator from Massachusetts wish me to yield?

Mr. BROOKE. Yes.

I can understand that what the distinguished Senator from Nebraska has said is a result of some of the cases which have come to his attention from his State of Nebraska. But the purpose of the so-called Brooke amendment was to place a ceiling of one-quarter of a tenant's income for public housing.

This was universally applauded by tenants who are living in public housing projects, across the country. It was particularly of benefit to the elderly, because the elderly are living on fixed incomes in most instances, and have been, in many instances, paying more than 25 percent of their income for rent.

The distinguished Senator's amendment, even though it is narrow in scope and would apply solely to the elderly, and only in cases where there are 200 dwelling units or less, would affect approximately 500 housing projects across the country, not only in the State of Nebraska, but in the States of New York, Arkansas, Maryland, and Massachusetts as well.

I can certainly appreciate and applaud that some few of the elderly may think that, because their children are contributing to their support, therefore they do not need and do not want help from the Federal Government. That is commendable.

But, in the main, that is not the case. Many of these elderly persons are living in public housing projects, paying out 30 to 35 percent and more of their income for rent, which leaves them only a pittance for food, for any sort of recreation, or anything else that they might have to spend their money for.

So I would have to oppose the amendment of the distinguished Senator from Nebraska. I, for example, have received numerous letters from across the country from persons who have been benefiting by this amendment. I shall read just one or two, and ask to put some others in the RECORD. One comes from a dear lady who says:

I want to thank you, and appreciate for reducing the rent in the Federal Housing for the Senior Citizens.

Now I will be able to buy things, for which I was unable to do on my low income.

I have so much to be thankful for what you are doing for me and all the Senior Citizens.

Thank you.

This letter is signed by Mrs. Gertrude Marcus, who is from my State: Suffolk Manor, Malden, Mass.

But another lady—and I think this is an important letter—says:

DEAR SENATOR: My name is Mrs. Edith Bethel, and I just had to write, to say very humbly, Thank you.

I have just received my official notice of a reduction in my monthly rent from the Brickenwood Housing Authority where I live. My husband, 78 years old, passed away last February, which of course left me with a reduced income. I will be 81 years old come Sept. and I have never asked for charity in my life. We had no children to help out, and after a married life of 47 years I was alone, left with small amount of savings having used up some 4–500 dollars during his illness and a little bewildered. Thanks to your foresight, I can manage now; at last something has been done for people who have honestly

tried to help themselves all their lives, without being parasites on the cities and towns where they live. My name means the House of God, may you dwell in it forever.

Sincerely,

EDITH BETHEL.

There were a large number of letters from people who were similarly benefited by this amendment.

The 25-percent limit is a standard which we have used across the country in saying that a person should not pay a disproportionate share of his income for rent. This amendment has been, as I say, very beneficial to people across the country, in Nebraska as well as in Massachusetts. I ask the distinguished Senator from Nebraska if he has any documenation that anyone has been harmed by my amendment. If he has, I would like to know about it.

I ask unanimous consent that two similar letters be printed in full in the RECORD.

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

PORTLAND, OREG., *July 14, 1970.*

DEAR SENATOR BROOKE: I would like to thank you for your efforts in getting the rent lowered for people living in public housing.

I'm blind and live alone with my two boys. We had lived on my blind pension and aid of dependent children. I know we get a little more money than some people on welfare. Even so, this is not great fortune by any means.

Having our rent lowered will mean we will have a little more money to spend for other things.

I've talked to several people and asked them to write and thank you for your effort in behalf of low income people. . . . I know it makes everyone feel good to get a thank you for their work once in a while.

Sincerely,

Mrs. ELAINE SMITH.

JUNE 27, 1970.

Hon. EDWARD W. BROOKE.

DEAR SIR: Thank you so much for your assistance in having the rents lowered for housing units. It is very much appreciated by we seniors. I am a widow and a tenant in the Foley Apts. in South Boston at Columbia Road and H st. It is for seniors only.

Thank you again, and my prayers for you.

Sincerely,

Mrs. JOHN F. DOHERTY.

JUNE 26, 1970.

Senator BROOKE.

DEAR SENATOR BROOKE: Thank you so much for your interest in us older persons, in your passage of the Brooke amendment.

It will be a little easier for me in the near future. At the present I am 76 years of age.

Thank you again.

Very truly,

CARRIE FIELD.

Mr. CURTIS. Very well. I shall develop this as I go along. I say to the distinguished Senator from Massachusetts that he has stated the facts most fairly, and he has well stated his position, and I respect him for it.

I invite his attention to this. The adoption of my amendment will not compel the raising of anybody's rent in the State of Massachusetts.

Mr. BROOKE. I understand that.

Mr. CURTIS. Because all we are saying here is that in these small communities, small projects, we are going to have the local housing authority make a decision, rather than a legislative decision which is binding.

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

Mr. CURTIS. I yield.

Mr. BROOKE. If a local housing authority determined that the 25-percent rent ceiling would not be in effect, would that then not serve to increase the rent of tenants who are now paying no more than the 25 percent?

Mr. CURTIS. It would, but the local authority does not have to do that. The local authority is not compelled to raise rents.

Mr. BROOKE. But in their discretion they can raise rents.

Mr. CURTIS. Yes. What I am saying is that somebody on the local scene can do better than Congress can by one rigid rule for across the country. When we undertake to fix a minimum rent, a percentage rent, it applies equally all over the country. The situation is not equal all over the country, and the problems are different.

But, Mr. President, I shall go on and make the justification for this amendment.

I have the privilege of living in a small county-seat town with a population of around 2,400 or 2,500 people. The people are industrious. They are honest. They have pride. They not only love our country, they are concerned about its financial solvency and they resent unwanted, unneeded, and unasked-for subsidies from their government, particularly when that government is operating at a huge deficit.

Some months ago I was home for a weekend. A meeting was held with some individuals greatly concerned about the operation of this provision of the law which limits the amount that can be charged to 25 percent of the person's income. This particular project for the elderly in my home town has 30 apartments. The lowest rent charged is $30 per month, and I believe the highest rent is $45 per month. All utilities are paid. There are no transportation expenses or other expenses of any kind. In a great city, transportation expenses amount to a great deal. There is none in this town, because we do not have a transportation system. The local chamber of commerce provides a bus two or three times a week that runs free of charge. That cannot be done in a great city.

One particular case was called to my attention. This lady was most happy to be permitted to occupy one of these new, well-kept apartments for $30 a month. Actually, her total annual income is only $720. She, however, felt fortunate in having this apartment for $30 a month, with everything paid. Her children preferred to make a sacrifice and assist their mother in paying the rent because they wanted to. It added the feeling of well-being for both them and their mother.

Under the terms of the Brooke amendment, this rent would be greatly reduced. As a matter of fact, the application of this amendment to the entire 30 units would amount to an annual shortage for the local housing authority of $4,500. The housing authority is expected to reduce the rents even though the tenants are willing to pay, and then the housing authority must make application for a Federal subsidy for $4,500 from the U. S. Government. This they did not want to do.

Mr. President, here is a local unit of government that does not want to ask for $4,500 from the Federal Government, but we are operating under a hard and fast coast-to-coast rule.

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

Mr. CURTIS. I yield.

Mr. BROOKE. I understand what the Senator is trying to do by his amendment. I think I understand it thoroughly, and I am in sympathy with what the Senator is trying to do.

Might I suggest to the Senator some language which might take care of the situation he is trying to correct, and at the same time not deny the elderly across the country, who are living in some of these projects where there are 200 or less dwelling units, the benefits of the so-called Brooke amendment. The language I would propose would read as follows:

Provided, That any tenant resident in public housing shall have the option of refusing a reduction in rent resulting from the imposition of national requirements, if he has been duly informed of the pertinent facts concerning such reduction and if he certifies that he has made his decision with knowledge of the consequences thereof in writing to the local agency.

In other words, if one of these tenants does not wish to avail himself of the benefit of this amendment and does not want a Government subsidy—again, I commend and applaud them for the spirit, and I am very grateful that some of them are in the condition that they can do this—he would then have the right to waive it and not take it. But it would not be denied to the thousands and thousands of elderly across the country who do not have that wonderful economic condition and to whom this 25-percent ceiling on their rent is something that is essential.

Would that be a position which the Senator could accept?

Mr. CURTIS. Mr. President, over the months I have given thought to a number of possible remedies. I do not think that would work, to put that responsibility upon an individual tenant. He or she would get advice from many sources.

All I am asking here is that a local government unit in these small communities should make the decision and not Congress. And the only way they can make that decision is for the benefit of the United States. That is the only possible way. I realize that to most people having their community apply for a $4,500 subsidy is just peanuts. Well, it is.

Mr. BYRD of West Virginia. Mr. President, would the Chair ask staff members to take seats in the rear of the Chamber and remain seated?

The PRESIDING OFFICER. The Senator is correct.

Mr. BYRD of West Virginia. There is a great deal of running from one side of the Chamber to the other. Some of it may be necessary, but I am constrained to believe that not all of it is necessary.

The PRESIDING OFFICER. The Senator is correct.

Mr. CURTIS. How can one go home and justify voting to stand with the President on the veto of an appropriation bill and then say, "Here is a subsidy you did not ask for; you do not want it; you do not need it; you are embarrassed about it; but you have to take it—no discretion"?

There is a compelling reason for this. I not only read the daily Treasury reports, I do not even file them in my office, but I keep them on my desk. Here is what the national debt is, the last published statement, which is September 15—the national debt is $383 billion.

What was it a year ago on that date? Three hundred and sixty-five billion dollars—an $18 billion increase in the national debt in 1 year. Yet we have people begging to pay their own way.

Now, further to answer the distinguished Senator from Massachusetts. At one time I gave serious consideration to the idea of letting it be an individual decision with the tenant. I think that would lead to many problems, crosscurrents, advice to the elderly to do this or not to do this, that so-and-so is taking it so why should not I. This complaint does not come just from one community.

I am happy now to yield to the Senator from Illinois.

Mr. PERCY. I thank the distinguished Senator from Nebraska for yielding to me.

Mr. President, I know what the Senator is trying to get at. I am delighted that there are rugged individualists who want to pay their own way. I am sure that there are. I feel that the suggested modification by the distinguished Senator from Massachusetts would take care of that situation. But I know, speaking on behalf of some of the communities in my State, there are small communities, where the income for the elderly, when they pay more than 25 percent of income for rent, is inadequate. For the elderly, health costs alone are far higher than the average family. The transportation costs in a small community without mass transportation, if they want to go anywhere, it is expensive for them to move about. For them to be put in the position where Congress discriminates against people living in small towns, many economically depressed, and discriminates against the elderly, that would, I think, be a very difficult thing for the committee to accept.

Mr. CURTIS. Now, just a minute. If the Senator will read my amendment, he will see that it does not compel them to raise rents. It merely provides that the local housing authority shall make the decision and if the circumstances are such that they want to go on continuing to avail themselves of the 25-percent limit, they can, under this method. The amendment does not compel any local housing authority to raise or collect rents beyond the Brooke amendment. It does permit them to make the decision.

Mr. President, I should like now to call attention to the situation in a number of other communities.

I hold in my hand a letter from the chairman of the Board of Commissioners of the State Housing Authority in Auburn, Nebr., which was written to a Mr. Goodrich, in the Housing Urban Development office in Chicago.

It reads:

DEAR SIR: As chairman of the Board of Commissioners of the Housing Authority of the City of Auburn I must report the feeling of the board in regard to the Brooke Amendment.

The Board of Commissioners wish to go on record as declining to approve the Implementation of Sec. 212 and Sec. 213 of the Brooke Amendment to the Housing and Urban Renewal Act of 1969.

This, the Commissioners feel abridges the authority of said local board: Wherein the local board knows the local situation far better than either Washington or Chicago. Whereas we feel that our rental structure is far below any possible amortization of Project NEB-65-1, also since the value of the dollar is decreasing we should be increasing our rent rather than decreasing it.

Very truly yours,

ALICE ROTHERT,
Chairman.

Mr. BROOKE. Mr. President, may I ask the distinguished Senator from Nebraska, what would be the harm to the local authority by the so-called Brooke amendment?

Mr. CURTIS. It would be unable to collect the rents that it is now collecting. It would have to reduce rents and then make appplication to the Federal Government for a rent subsidy.

Mr. BROOKE. Which subsidy has been funded and has been approved by Congress, and which subsidy they are entitled to and can get, so it certainly would not in any way adversely affect their budget or their operation. The housing authority would get the money. They have been getting the money. It has worked well in community after community. If we were to check, I am sure that we would find for every one housing authority that even questioned it, there would be hundreds and hundreds of other housing authorities all across the country who are grateful for it. It certainly does not hurt them at all but helps the housing project tenant and does not hurt the housing authority at all.

As I have said, and as the Senator from Illinois (Mr. PERCY) has said, it is commendable that some individuals do not want to accept a Government subsidy, but we are talking about a small amount of money in most instances. Most of these people have incomes of $100 a month, some less, some $125 a month. They pay a rent of $25 a month which leaves them $75 a month for transportation, for medicine, for clothing, and whatever recreation they can get. It is merely a pittance. The housing authority is not injured at all. It still has local authority to do whatever it wants to do. It says in this amendment that we cannot charge more than 25 percent of the tenant's income for rent and we will make up the difference, whatever that difference happens to be.

Mr. CURTIS. My answer to that is that we do not have any money to make up the difference. I just cited the figures a minute ago where the national debt had increased $18 billion last year. We are borrowing the money. We are increasing inflation. We are holding up interest rates by huge Government borrowing. We are forcing them to go into an unsound proposition.

The question is raised, how are they hurt? I submit there are things more important than a few dollars to an individual. I submit that if because of the subsidy that goes into the construction, because of the fact that we have a local housing authority that serves without pay, because of the fact that community services are given by volunteers, including transportation, that if someone is paying $30 a month and because their children are helping them and they are forced to have their rent reduced, say, to $14, knowing that a bill would have to be presented to a debt-ridden Federal Government in Washington for the difference, that they would lose a sense of well-being that is worthwhile.

Mr. TOWER. Mr. President, will the Senator from Nebraska yield, without losing his right to the floor, so that we may put the Senate on notice that there will be another vote tonight.

Mr. President, I ask for the yeas and nays on final passage.

The yeas and nays were ordered.

Mr. TOWER. I thank my distinguished friend from Nebraska.

Mr. CURTIS. Mr. President, I want to clarify the record. The distinguished Senator from Texas just stated that there would be another vote this evening.

That is the understatement of the year.

Mr. TOWER. I just wanted to get it nailed down.

Mr. CURTIS. Mr. President, I yield now to the Senator from California.

FIXING OF TIME FOR FILING REPORTS ON CERTAIN BILLS

Mr. CRANSTON. Mr. President, I am grateful to the Senator from Nebraska for yielding to me.

Mr. President, I ask unanimous consent that the Committee on Labor and Public Welfare may have until midnight to file reports on the following four veterans bills: S. 3656; S. 3657; S. 3785; and H.R. 370.

The PRESIDING OFFICER (Mr. GRAVEL). Without objection, it is so ordered.

VITIATION OF PREVIOUS UNANIMOUS-CONSENT AGREEMENT RELATING TO THE REPORTING OF S. 3656

Mr. CRANSTON. Mr. President, I am today reporting from the Committee on Labor and Public Welfare a number of bills, including S. 3656, which I introduced on March 31, 1970.

When I introduced this bill, based upon a prior agreement with the Committee on Banking and Currency which has jurisdiction over the V.A. Direct Home Loan program, I asked for and received unanimous consent that when S. 3656 was reported from the Committee

on Labor and Public Welfare it be then referred to the Committee on Banking and Currency for its consideration.

However, as a result of staff coordination between our two committees, the chairman of the Committee on Banking and Currency, the Senator from Alabama (Mr. SPARKMAN), has graciously agreed that referral to his committee is no longer necessary in view of the provisions included in the reported bill dealing with the jurisdiction of his committee.

Thus, Mr. President, I now ask unanimous consent that the prior unanimous-consent agreement be vitiated.

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

Mr. CRANSTON. Mr. President, I also ask unanimous consent that a September 14, 1970, letter from Senator SPARKMAN to the chairman of the Committee on Labor and Public Welfare, the Senator from Texas (Mr. YARBOROUGH), which explains the Banking and Currency Committee's positions on certain portions of S. 3656 as reported from the Committee on Labor and Public Welfare, be printed in the RECORD at this point.

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

U.S. SENATE,
COMMITTEE ON BANKING AND CURRENCY,
Washington, D.C., September 14, 1970.

Hon. RALPH YARBOROUGH,
Chairman, Labor and Public Welfare Committee, New Senate Office Building, Washington, D.C.

DEAR RALPH: This letter is in reference to the legislation pending before your Committee to amend the veterans housing laws. I understand that you are considering two bills, S. 3656 and S. 3683, which are being combined into one bill to be reported soon. I have a copy of the Committee print for S. 3656 which contains the proposed legislation. I understand that the Committee print will be submitted to the Veterans Subcommittee this week and it is proposed that it be reported by the full Committee before the end of the week.

As you know, our Committee has had legislative jurisdiction over the Veterans Direct Loan Program since it was enacted. A number of times the Committee has amended the direct loan legislation and only this year has reported to the Senate and the Senate has passed a bill involving direct loan assistance to paraplegic veterans.

When S. 3656 was introduced into the Senate and referred to your Committee, there was a unanimous consent agreement that the bill would be referred to our Committee before it was taken up in the Senate. I believe if we can work out several amendments to your Committee print that it will not be necessary to follow the procedure of having the bill referred to this Committee. I am, therefore, suggesting that your Committee consider the following changes:

Under subsection (i) of section 4 of the Committee print—this contains language with reference to paraplegic veterans. I should like to remind you that the language in your Committee print is not the language finally passed by the Senate in S. 3775. I understand from your Committee staff that this was probably an oversight and that you would have no objection to incorporating the language of S. 3775 as passed.

Item 6 of subsection 4 would strike out subsection (i)(1) and (i)(2) of paragraph 1811 of existing law. Each of these subsections refers to builder commitments in connection with direct loans for veterans in credit shortage areas. I understand that the reason given for striking these subsections is that the Veterans Administration has not used these provisions in several years. The Housing Subcommittee feels that even though these provisions have not been used in recent years, they are potentially productive provisions and could be very helpful if once the Veterans Administration obtains adequate direct loans funds so that the Direct Loan Program can once more become effective as it was originally intended when it was first passed. The Committee objects to these subsections being omitted.

I note that the Committee print does not provide for a termination date of the Direct Loan Program. Our Committee approves this with the thought that the Direct Loan Program has considerable merit and should be continued along with the Guarantee Program until such time as credit is equally available in all parts of the United States.

With reference to the new section 1819 which would provide for financing of mobile homes both under the Direct Loan Program and the Guarantee Loan Program, you may want to know that our Committee has approved legislation for financing mobile homes last year and is considering additional legislation this year. In general we agree with the Federal Government involving itself in the financing of mobile homes, but we have a very strong concern that such financing does not unduly emphasize the mobile home housing for low-income people. We feel that the Federal agencies should be very careful to fully advise the applicants on the merits of permanent housing versus mobile housing.

The Committee is also concerned about the planning and environment factors in connection with mobile homes and wants the Government agencies to insist that the mobile home sites be in environments that are consistent with local plans and that every effort be made to make these homes attractive and a boom to the neighborhood rather than a blight—as some people are fearful may happen.

If the Committee has any objections to my Committee's recommendations, I wish you would let me know.

With best wishes and kind personal regards, I am

Sincerely,

JOHN SPARKMAN.

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

Mr. CRANSTON. I yield.

Mr. SPARKMAN. Mr. President, in the letter to which the Senator refers which I wrote as chairman of the Banking and Currency Committee, I made certain recommendations as to amendments that should be written in the bill, S. 3656.

Mr. CRANSTON. The Senator is correct.

Mr. SPARKMAN. Are those amendments included in the bill?

Mr. CRANSTON. I believe the substance of what the Senator requested is now incorporated in the bill.

Mr. SPARKMAN. Mr. President, I think the amendments were necessary or, at least, certainly highly desirable. I do trust that the amendments will be carried out.

Mr. CRANSTON. The Senator is correct. We did incorporate them.

HOUSING AND URBAN DEVELOPMENT ACT OF 1970

The Senate continued with the consideration of the bill (S.4368) to extend and amend laws relating to housing and urban development, and for other purposes.

Mr. CURTIS. Mr. President, the distinguished Senator from Massachusetts raised a question—these are not his words—concerning what these people have to lose by the operation of the Brooke amendment.

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

Mr. CURTIS. I yield.

Mr. BROOKE. I said the housing authority.

Mr. CURTIS. Mr. President, they have this to lose. They have no assurance that these appropriations for rent supplements will be made year after year. I cite a case to support that statement in which there are—I cannot recall whether there are 37 or 17—Hill-Burton projects scattered all over various parts of the country—there are three in Nebraska—who rely on the Federal Government to make the appropriation for their grant. They have carried out their local commitment, and to this day the Congress has not appropriated money.

With a national debt that is $18 billion greater than it was a year ago, I am not too sure that the delivery on Government money for various programs will come as easy as it is to talk about it or to vote for it here. So there is no assurance that at a later time Congress and the country both might not have to make some choices, some priorities in payments.

I was surprised that my Government failed to make good on a commitment with reference to hospitals. But they have. I think it could happen to housing.

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

Mr. CURTIS. I yield.

Mr. BROOKE. Mr. President, I think there is that same danger for any Government program. None of us knows what the economic picture will be, how much money we will have to spend, where the money will have to be spent, where the priorities will be. But the money for this program has already been appropriated.

Mr. CURTIS. Not for more than a year at a time. It may be authorized.

Mr. BROOKE. Mr. President, I do not want to mislead the distinguished Senator from Nebraska. Contract authority has been set for more than a year's time.

Mr. CURTIS. But the appropriations of money, those obligations, I think, are made on a year-to-year basis.

Mr. BROOKE. Mr. President, that is not subject to appropriations. But if we have problems with our economy, Congress can always change that. I agree with the Senator. We do have some serious problems. But do we want to take this away from the elderly and the poor people who are living in public housing projects and paying 30, 40, and 50 percent of their income for rent? That is the question.

Mr. CURTIS. Mr. President, here is what I wish the committee, as well as the Senate generally, would stop and think about. Public housing was subsidized in the first instance by paying the

cost of bringing it into being. It seems to be admitted that the Federal Government pays the full cost of paying the debt load, which are the bonds that built the public housing. It was given.

It went along that way for several years. Within the last 12 months, there was added not only the subsidy to give them the public housing, but also a rent subsidy. Then, in the pending bill, there are the clarifications so that they can finally initiate subsidies for the operation of the local housing projects.

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

Mr. CURTIS. Mr. President, I will be happy to yield in a moment.

Think what that can mean to the housing authority in a great city where they are paying larger salaries and own some cars and drive them around. They determine the expenses. We have no control over that.

I think the pending bill gives them a blank check. We will pay the deficit.

Oh, sure, we owe something to the old and poor people. But we owe something to the old people who are not living in public housing. We owe something to the elderly people who are living on less money than some of the people who have the benefit of public housing.

I say that the matter of repealing the subsidy for housing should cause us to pause and consider it.

All I am asking for is that in a little rural community, Congress not make the rule as to what could be the maximum rent, but that the unit of local government do it.

What on earth is wrong with local government? What on earth is wrong with having some decisions made by public-spirited citizens who serve without pay and who know every intimate detail of their local area?

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

Mr. CURTIS. Mr. President, I yield to the Senator from Massachusetts.

Mr. BROOKE. Mr. President, first let me say that I do not believe that persons living in rural public housing projects should be discriminated against and should have any less benefit than those who are living in urban public housing projects.

I have had an opportunity to visit some of the public housing projects across this country. Perhaps the Senator from Nebraska has as well.

Anyone visiting such public housing projects would see the deplorable conditions existing in public housing projects in the country today. They are run down and are deteriorating. The Federal Government is being called the worst slum landlord in the country. They do not even measure up to the conditions and regulations that have been established by local governments.

I do not want to get into the whole question of public housing and why it was originated. That would take far too long. The fact remains that this Government has committed itself to public housing. We are not building enough low or moderate housing projects in the country today. There are literally thousands of people who are on the rolls and still waiting to get in public housing projects—the elderly as well as the poor.

This amendment the Senator has been talking about is an amendment which was just designed to limit the amount of rent that a person living in a public housing project would pay. That was based upon long investigation to determine what was fair and what was equitable, and we came up with the standard that a person living in a public housing project should not pay more than 25 percent of his income for rent. The second purpose of it was to improve the quality of living in public housing projects by granting a subsidy for improved operating and maintenance costs.

Some of these elderly people are living in public projects today and they are living in fear of their lives. There are no security guards or arrangements for them at all. There are broken windows, and deteriorating housing, and the Federal Government is associated with it.

The Senator from Nebraska raises the question whether we have the money to do it. All I say to him is that Congress has done this.

The purpose of the language in the bill now is merely to clarify the intent at the time this was passed by Congress in 1969, and I think that this is important legislation, needed legislation, and legislation which has benefited thousands of elderly people and thousands of poor people in rural and urban areas. Why, at this time, discriminate against those who are living in rural public housing projects? I submit that there is no justification for it.

I would agree that if there are persons in his State, as the Senator pointed out, and I do not think he has called to the attention of the Senate any area outside of his State, but there may be, where they do not wish to have the benefits of this amendment, where they want to pay more than 25 percent of their income for rent, they can waive it.

I have suggested to the Senator that this would be the proper manner in which we might take care of his objection to this legislation and at the same time not injure those who are living in public housing projects, both in rural and urban centers. If they want to waive their rights, provided they know what their rights are, that they should not pay more than 25 percent of their incomes for rent, that is left up to them, but why put the discretion in a public housing authority that might arbitrarily raise the rents 30 percent, or 35 percent of the tenant's income. Why should we have that disparity? There should be a national standard. We are talking about Federal money. It should go across the country. That is what the clarifying language would do.

I submit to the Senator that if he has individual cases let them waive and turn the money back to the Federal Government or not accept it in the first instance.

Mr. CURTIS. Much could be said in argument against the entire idea embodied in the amendment of a year ago that rents could not exceed 25 percent, but I know how ardently the distinguished Senator from Massachusetts believes in that measure. I do not question his judgment at all that that is good for Massachusetts. I do not question that there are many cities that have a different problem. But the junior Senator from Nebraska is not here asking repeal of the Brooke amendment.

I am asking, with respect to the Brooke amendment, that in the smaller communities the decision whether to avail themselves of it or part of it be left to the local governing body. I do not think for 1 minute that the housing authority in any city or town in Massachusets or any city or town in Nebraska has any less compassion for the poor than Congress. We have voted for billions of dollars so long we are imbued with the idea that we are the only Santa Claus.

I think that these local agencies will do justice. I do not subscribe to the doctrine at all that if you let a decision be made outside of Washington it will not reflect the public good and that it will not reflect the opinion in the local area involved.

I received a very strong letter from Mr. Charles H. Beatty, counsel for the housing authority in Kearney, Nebr. The letter is addressed to me and it states:

DEAR SENATOR CURTIS: At a recent meeting the Kearney Housing Authority discussed problems relating to the Brooke Amendment and requested that I communicate these problems to you.

Almost without exception the elderly occupants at Kearney Housing Authority greatly resent the imposition of mandatory rent supplements. They are independent, able to pay the existing rental charges without hardship, and prefer to do so rather than become the object of enforced governmental subsidy.

Mr. President, why does a Senator have to stand here and beg for the right of his people to reject the subsidy? I cannot understand it. The letter continues:

The Authority is hopeful that some legislation might be enacted whereby the 25 percent of income limitation on rents paid could be avoided where the Housing Authority made a finding that there would be no resulting hardship.

Mr. President, in order that the Senator may have a full picture of this problem, I would like to present some additional letters.

This letter is from the same housing authority. It is from Mr. Arnold H. Ender, chairman of the housing authority. It is addressed to the junior Senator from Nebraska, and it reads as follows:

HON. CARL T. CURTIS,
U.S. Senate,
Washington, D.C.

DEAR CARL: Among my other civic projects, I have been working on the Kearney Housing Authority since its inception over ten years ago and am the current Chairman of this group.

We have just completed the work necessary to implement the so-called Brooke Amendment on rent subsidy for low rent housing.

We can see some definite problems in this implementation because we cannot follow our own definition of income. People with assets somewhat higher than normal in our low rent housing project for the elderly may get subsidy, where people with no assets at all may not. I am sure this is going to lead to some hard feelings and problems in the administration here at the Kearney Manor, which is the low rent housing project for elderly people in Kearney. We can correct

some of the deficiencies by changing our admission policies, but this does not solve the problem of the current tenants of our one-hundred and thirty apartments.

We really prefer a method by where the City or County Welfare Department would supplement the income of the low income elderly to bring their income up to a point where they could pay the very minimal rents we currently charge. The feeling of the Board of Directors of the Kearney Housing Authority is that in this type of a project, where tenants do have assets of greater than a certain amount, say $3,000.00, they should invest these at a higher return in an annuity or some other type of investment to bring their income up to the rate where they could pay twenty-five percent. Without doing this, what they are doing is building an estate and this, of course, is not why we are in business. Where such investment practices are not used, it is possible under our own policy to encourage rather forcefully people who are going to benefit from the estate to make up the difference in income so that the people can take care of themselves. This is the place where I believe if we set up our own income policies such as we have had in the past, we would be able to avoid some management problems which we are sure are going to occur by following the Brooke Amendment to the letter.

If you want more of our ideas and opinions on this particular matter, feel free to contact us and we will be very happy to give you more detail.

* * * * *

Sincerely yours,
KEARNEY HOUSING AUTHORITY,
ARNOLD L. ENDER, *Chairman.*

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

Mr. CURTIS. I yield.

Mr. BROOKE. Will the Senator give the date of that letter?

Mr. CURTIS. That letter was dated June 20, 1970.

Mr. BROOKE. I asked that question because I admit there was some confusion as to the language of the amendment. The purpose of the present bill is to clarify the language. HUD has worked on this from the 24th of March 1969.

With respect to confusion, they had little or no difficulty with the 25-percent rent ceiling subsidy. I am sure that the the fears of the writer of this letter would have been allayed since that time.

If the Senator has any recent communication from the chairman of that housing authority, I think it might be important to read it to the Senate.

Mr. CURTIS. I have a communication from another housing authority within 20 miles of there. Just a few weeks ago the Chicago HUD office told them that they did not know how they should report on the Brooke amendment.

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

Mr. CURTIS. I yield.

Mr. BROOKE. Were they referring to the operating and maintenance provision or the 25-percent income provision?

Mr. CURTIS. The 25 percent.

Mr. BROOKE. It is clearly stated that no tenant living in a housing project shall pay more than 25 percent of his income for rent. I do not know where there is ambiguity in the language. There never was an ambiguity in that part of the language. That provision has benefited many people across the country, for which they have been very grateful.

I had an opportunity to speak to the convention of housing authority representatives in Chicago recently. They were strong in their support of this amendment and the benefits that had been derived by the tenants living in public housing projects. I just cannot see where there really is any opposition from any housing authority at all to this amendment, which does not affect them adversely.

Mr. CURTIS. Mr. President, I thank the distinguished Senator for his comment.

I have a very high regard for the distinguished Committee on Banking and Currency, but I am afraid that decisions arrived at in that committee are brought to the floor, members of the committee get up and say a bill is good, and we pass it, as this bill would have been passed an hour ago if I had not given notice that I wanted to say something about it and had some amendments to propose.

The question of whether or not we should have a 25-percent limitation on rents was never debated on the floor of the Senate. It was never pointed out that here was a new departure. So far as I know, I never heard of any local housing authority notified about it or asked to comment on it.

Again, I repeat, Mr. President, what has come to pass that we have to plead for a change in the law for local people to have a right not to avail themselves of a subsidy?

I am not suggesting that any housing authority has to charge a certain amount for rent. I am asking that, with reference to this one rule, the local housing authority can make the decision.

I want to read from a letter from the Housing Authority of the City of Neligh, Nebr. Before I read the letter I want to call attention to a practice that is followed and has to be followed. There are people who come to these housing projects who have some capital but perhaps not very much income. It is my understanding that in cases like that they use some sort of rule to decide how the capital can be converted into income, how many years it will last, and what the life expectancy is, and so arrive at some arbitrary decision as to what the income amounts to. This letter is addressed to the Senator now speaking:

We wish to take this opportunity to thank you for your concern and help on behalf of the Housing Authority of the City of Neligh.

Since the implementation of the Brooke's Amendment we have lost most of our enthusiasm for more units as it has upset the tenants to the point some are looking elsewhere for housing. It is most embarrassing for tenants with the maximum of $15,000.00—

I am sure she means assets—

to have their rents subsidized. Most of the elderly take pride in knowing they have been able to meet their own needs without Public Assistance and now finding when they do not need or want it, it is being forced upon them.

In my opinion it is a very poorly written law. There should have been some provision made for asset limits written into the law. We have an 87 year old lady that was eligible because some of her asset was prorated into income. According to the Brooke Amendment—

And I am not passing on it; I am just reading the letter—

this can no longer be done. She only receives $64.00 income per month; therefore, she is eligible for subsidy where a couple living beside her has an asset of $500.00, but income enough to pay regular rent.

We just returned from a 3 day Nebraska Housing Association Meeting in Kearney and it appeared the problem is not a Local one, but is State wide.

That is signed by Mrs. Myrtle Rethmeier, executive director, Housing Authority of the City of Neligh.

I would like to call attention to a letter from Mr. Morris C. Snyder, of Pawnee City, Nebr., dated April 24, 1970:

Enclosed is a copy of a Resolution considered by the Executive Directors of Chapter No. 1. We realize that the inequalities mentioned are much easier to recognize than anticipate and while we sympathize with the intent of the Brooke Amendment we do feel that we will be criticized for some individual cases.

For instance: We have admitted into this project a couple whose assets, consisting mostly of unproductive land and some cash, totaled $3,000.00 over the admission limits. However the total family income was below $700.00 annually and there was considerable foreseeable medical expense. We pro-rated their assets, in accordance with our published policies, so as to provide an income of about $1800.00 per year.

Since then the husband has died and the widow has converted some of the assets to more profitable investments but her income from investments and Social Security still total less than $100.00 per month. Her assets are still close to $10,000.00. (Apt. 109)

The next door neighbor has a slightly larger income from Social Security but no assets. In fact, her pride is all that keeps her from accepting Old Age Assistance. (Apt. 110)

Both of these ladies agree with me that it would not be fair for the first lady mentioned to pay less and be able to preserve her estate for her children while the second lady must deprive herself to live.

Mr. President, that is what happens when we try to make a decision in Washington determining income. Here is an individual whose regular monthly cash income is small, but she has some assets. They prorate them to make up the difference. I say that the place to conduct justice on a decision like this is a local unit of government.

The letter continues:

On the other hand we do not favor lowering the asset limit because, even, $10,000.00 does not go far these days, particularly if the client should be forced into a nursing home. The facilities, services and neighborliness we offer enable many of our clients to live here and retain their pride and dignity far longer than they could under any other circumstances.

In closing I urge you to consider the proposal set forth in our Resolution and to take such action as you find possible.

Their resolution would like to see this whole 25-percent limitation go out. I am not asking for that. I do wish that the committee would take the amendment to conference.

I am not unaware that it is late. It is a quarter to 7; Senators are engaged in activities elsewhere. They have no op-

portunity to hear what the opponents have to say about my amendment, or what I have to say.

Here is all it amounts to: We have enacted into law a provision that no one can be charged more than 25 percent of his income for rent in public housing. The situation is different in the small projects in rural cities, and I am asking that, in situations where a housing project is of less than 200 units, the decision as to whether or not to implement this limitation be left to the local housing authority.

What is wrong with having a local unit of government have something to say about this, when there is no possible way that they could make a decision adverse to the Government of the United States?

We are in a rather ridiculous light. We are saying to community after community, "You must take this subsidy," at a time when we are also saying, "Hold the line; support the President on a veto." At the present time, as I pointed out a bit ago, the national debt is $18 billion higher than it was a year ago.

Mr. President, if the committee will not accept the amendment, I shall ask for a rollcall. I feel so strongly about the injustices of this bill that I am convinced that there are millions of people in various categories all over this land who are living on less income than the occupants of public housing, and those people have a stake in the inflationary trends, while we go glibly by, voting billions and billions of dollars for additional subsidies every week.

That is what we have been doing. We raise the debt limit. We raise the competition for money. We raise the interest rates. We keep the fires of inflation going.

We owe something to the poor of this country who do not enjoy public housing, and never will.

Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

The PRESIDING OFFICER (Mr. GRAVEL). The question is on agreeing to the amendment of the Senator from Nebraska (Mr. CURTIS). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Indiana (Mr. BAYH), the Senator from Virginia (Mr. BYRD), the Senator from Mississippi (Mr. EASTLAND), the Senator from North Carolina (Mr. ERVIN), the Senator from Tennessee (Mr. GORE), the Senator from Indiana (Mr. HARTKE), the Senator from Iowa (Mr. HUGHES), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Louisiana (Mr. LONG), the Senator from Washington (Mr. MAGNUSON), the Senator from Minnesota (Mr. MCCARTHY), the Senator from Wyoming (Mr. MCGEE), the Senator from New Mexico (Mr. MONTOYA), the Senator from Utah (Mr. Moss), the Senator from Maine (Mr. MUSKIE), the Senator from Rhode Island (Mr. PELL), the Senator from Georgia (Mr. RUSSELL), the Senator from Missouri (Mr. SYMINGTON), the Senator from Maryland (Mr. TYDINGS), and the Senator from New Jersey (Mr. WILLIAMS) are necessarily absent.

I further announce that, if present and voting, the Senator from Iowa (Mr. HUGHES), the Senator from Washington (Mr. MAGNUSON), the Senator from Maine (Mr. MUSKIE), the Senator from Missouri (Mr. SYMINGTON), the Senator from New Jersey (Mr. WILLIAMS), and the Senator from North Carolina (Mr. ERVIN) would each vote "nay."

Mr. GRIFFIN. I announce that the Senators from Arizona (Mr. FANNIN and Mr. GOLDWATER), the Senator from California (Mr. MURPHY), the Senator from Oregon (Mr. PACKWOOD), the Senator from Illinois (Mr. SMITH), and the Senator from Pennsylvania (Mr. SCHWEIKER) are necessarily absent.

The Senator from Vermont (Mr. AIKEN) and the Senator from Oklahoma (Mr. BELLMON) are absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Kentucky (Mr. COOPER) and the Senator from Kansas (Mr. DOLE) are detained on official business.

If present and voting, the Senator from South Dakota (Mr. MUNDT) would vote "yea."

On this vote, the Senator from Kansas (Mr. DOLE) is paired with the Senator from California (Mr. MURPHY). If present and voting, the Senator from Kansas would vote "yea" and the Senator from California would vote "nay."

The result was announced—yeas 9, nays 59, as follows:

[No. 326 Leg.]

YEAS—9

Baker	Gurney	Thurmond
Cotton	Holland	Tower
Curtis	Hruska	Williams, Del.

NAYS—59

Allen	Gravel	Nelson
Allott	Griffin	Pastore
Bennett	Hansen	Pearson
Bible	Harris	Percy
Boggs	Hart	Prouty
Brooke	Hatfield	Proxmire
Burdick	Hollings	Randolph
Byrd, W. Va.	Inouye	Ribicoff
Cannon	Jackson	Saxbe
Case	Javits	Scott
Church	Jordan, N.C.	Smith, Maine
Cook	Jordan, Idaho	Sparkman
Cranston	Mansfield	Spong
Dodd	Mathias	Stennis
Dominick	McClellan	Stevens
Eagleton	McGovern	Talmadge
Ellender	McIntyre	Yarborough
Fong	Metcalf	Young, N. Dak.
Fulbright	Miller	Young, Ohio
Goodell	Mondale	

NOT VOTING—32

Aiken	Gore	Murphy
Anderson	Hartke	Muskie
Bayh	Hughes	Packwood
Bellmon	Kennedy	Pell
Byrd, Va.	Long	Russell
Cooper	Magnuson	Schweiker
Dole	McCarthy	Smith, Ill.
Eastland	McGee	Symington
Ervin	Montoya	Tydings
Fannin	Moss	Williams, N.J.
Goldwater	Mundt	

So Mr. CURTIS' amendment was rejected.

Mr. EAGLETON. Mr. President, I want to commend the Banking and Currency Committee for including in the bill before us provision for additional Federal assistance to local mass transportation systems.

I had the privilege of appearing before the committee last spring during its hearings on the bills introduced by the Senator from New Jersey (Mr. WILLIAMS) and the Senator from Illinois (Mr. PERCY). At that time I outlined the problems facing public transportation in the two largest cities in my State—St. Louis and Kansas City. Both of these cities, as are so many others, are caught up in the operating deficit cycle where an increase in fares is followed by a decline in patronage, further deficits, and the necessity for an even higher fare.

Neither the State of Missouri nor local units of government now provide operating subsidies for public transportation in St. Louis and Kansas City. Therefore, these cities will not be immediately assisted by the provisions contained in this bill which require one-third matching from local sources.

I am hopeful, however, that the availability of this kind of assistance by the Federal Government will provide an incentive for local governments to make available matching funds.

By enacting the provisions contained in this bill, we recognize the financial plight of our urban public transportation systems and the desirability of providing Federal assistance on an emergency and interim basis to assure that these systems do not collapse.

Again, I commend the Senator from Alabama (Mr. SPARKMAN), the Senator from New Jersey, the Senator from Illinois, and the other members of the committee for their leadership in this effort to maintain essential urban transportation services.

Mr. CRANSTON. Mr. President, the Congress has committed itself unequivocally to the goal of decent homes for every American. While that goal is a dream for some, it has turned into a nightmare for others. It is a dream for those of us who believe that this country in the years ahead will funnel enough of its resources to meet the housing needs of its citizens. But the unfulfilled goal is a nightmare for those of our fellow Americans who must spend their days and nights in slums or in rural shacks.

Federal money now being spent on the Nation's housing needs is totally inadequate. If the housing goals set by the Congress in 1968 are to be met, the Congress must insist that spending levels for federally assisted housing programs are commensurate with the housing needs of the country. In short, more money is clearly needed for such programs as 235, 236 and for urban renewal.

Unfortunately, the administration has not exerted the necessary muscle to shake loose these funds. Quite to the contrary, the President's veto of the housing appropriations bill has had the effect of freezing funds for these vital programs.

Now we consider S. 4368, the Housing and Urban Development Act of 1970.

Potential homeowners are being squeezed by inadequate spending in the public sector and to make matters worse,

the state of the economy and the shortage of mortgage money, have made it almost impossible for urban and rural poor to find a decent place in which to live.

Not only the poor are suffering. It has become increasingly difficult for the medium income family to buy a suitable home. Even if a man and wife are both working and together can earn $10,000 per year, they are unable to afford a home in most areas of the country. Even families near the top of the economic ladder are finding it tough to purchase a home; those in the middle and those near the bottom, are finding it impossible.

It is totally unacceptable for the richest nation in the world to deny to a large segment of its citizenry the right to live in safe, decent housing.

I sponsored two amendments which are now a part of S. 4368 presently before the Senate. Both amendments will make it easier for low- and moderate-income families to get decent homes.

The first amendment deals with the popular and successful 235 homeownership program. Under that program, the Government pays all but 1 percent of the interest on the home mortgage of a qualified purchaser. Homes may be purchased with no more than $200 down, and the Government interest subsidy keeps monthly payments low.

Several weeks ago, Congressman WRIGHT PATMAN revealed that certain speculators were selling substandard homes at tremendous profits under this program. Many of the homes had unreliable electrical systems, no running water, and leaky roofs. A Government program designed to help people was being used instead to saddle them with old dilapidated houses.

I have proposed that HUD may compensate a buyer of a 235 home for the correction of any latent or structural defect that a competent appraiser should have detected, and which affects the use or livability of his home. I believe this amendment will cut to a minimum the number of homes in poor repair being sold under section 235.

The other amendment will assist families who do not qualify for Government subsidies to get decent homes. These families include many young couples with good salaries who also find it impossible to purchase a home in today's housing market.

A big obstacle facing these couples is their inability to come up with the necessary cash for a downpayment. Since the price of the average house has increased drastically in the last couple of years, the required downpayment also has increased.

Last year I introduced legislation which was signed into law which lowered the downpayment required on an FHA-approved mortgage. It was expected that with lower downpayments, an increased number of young couples would be able to purchase homes.

But since last year, home prices have been on a steady increase, due to inflation.

The administration recognized this problem in submitting its housing package to the Congress. Under the administration proposal, no downpayment would be required on a $20,000 mortgage; 10 percent on any amount between $20,000 and $25,000, and 20 percent on all over $25,000.

I favor the administration's proposal to drastically reduce downpayments, and I am disappointed that the administration did not push it more vigorously. Without stronger administration efforts, the proposal had little or no chance of being reported out of the Banking and Currency Committee. Thus, I decided to introduce my own proposal. Though my amendment is more modest than the administration's plan, it will nonetheless provide significant relief to the middle-income home buyer.

Under the amendment, adopted by the committee, the buyer would be required to pay 2 percent down on the first $15,000 of an approved mortgage or $300; 10 percent on the next $15,000, and 20 percent on all over $30,000. Under the present law, a person buying a $30,000 home would need a downpayment of $2,450. Under the amendment, he could buy the same home with $1,800 cash.

I believe that these two provisions along with the other provisions contained in S. 4368 deserve your support. Hopefully, the Congress will pass this much needed legislation and in the very near future send it to the President for his signature.

UNANIMOUS-CONSENT AGREEMENT

Mr. BYRD of West Virginia. Mr. President, at the request of the able majority leader, I propound the following unanimous-consent request:

Mr. President, I ask unanimous consent that during further consideration of the bill, debate on any amendment, motion, or appeal, with the exception of a motion to lay on the table, be limited to 30 minutes, the time to be equally divided between the mover of the amendment and the manager of the bill, with two exceptions; one exception being the amendment which will be offered by the Senator from New York (Mr. JAVITS) on the United Nations Development Corporation, to be limited to 1 hour, to be equally divided between the Senator from New York (Mr. JAVITS) and the manager of the bill, and the other exception being the remaining amendments to be offered by the Senator from Nebraska (Mr. CURTIS); and that time on the bill be limited to 1 hour, to be equally divided between the manager of the bill and the ranking minority member, the Senator from Texas (Mr. TOWER).

Mr. JAVITS Mr. President, will the Senator from West Virginia yield?

Mr. BYRD of West Virginia. I yield.

Mr. JAVITS. Two things. One, I think we should provide for amendments to amendments.

Mr. BYRD of West Virginia. That has been done.

Mr. JAVITS. The Senator did not say that.

Mr. BYRD of West Virginia. Yes, when I said "any amendment, motion, or appeal."

Mr. JAVITS. All right. Are we to understand, then, that there is no limitation on the Curtis amendments?

Mr. BYRD of West Virginia. That is correct.

Mr. JAVITS. No time limitation on those amendments?

Mr. BYRD of West Virginia. That is correct.

Mr. JAVITS. We would like it, if the Senator would be kind enough to indulge us all, because we are all loaded down with work, if he could give us a little idea as to whether we can or cannot finish the bill tonight. The Senator is more than within his rights, but it would be nice if we could all know.

Mr. BYRD of West Virginia. In response to the Senator from New York, the able and distinguished majority leader has just indicated that we are going to try to finish the bill tonight. The Senator from Nebraska (Mr. CURTIS), maybe a little later, would agree to the time limitation on his amendments but, at the moment, this is the best we can do.

The PRESIDING OFFICER (Mr. GRAVEL). Is there objection to the request of the Senator from West Virginia? The Chair hears none, and it is so ordered.

Mr. PERCY. Mr. President, will the Senator from Alabama yield me 5 minutes on the bill?

Mr. SPARKMAN. I yield 5 minutes on the bill to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois is recognized for 5 minutes.

Mr. HANSEN. Mr. President, will the Senator from Illinois yield to me?

Mr. PERCY. I am happy to yield to the Senator from Wyoming.

DEATH OF JUDGE J. J. "JOE" HICKEY, FORMER MEMBER OF THE SENATE FROM WYOMING

Mr. HANSEN. Mr. President, it saddens me to take the floor of the Senate today to express the sorrow of the people of the State of Wyoming and, indeed, of the entire Nation on the death of Judge J. J. "Joe" Hickey, a former Member of the Senate.

Judge Hickey was one of Wyoming's outstanding sons, and I know that my grief is shared by the Members of this body who served in the Senate at the same time as Joe Hickey.

Joe Hickey was a native son of Wyoming, born in Rawlins 59 years ago. Following his graduation from the University of Wyoming College of Law, he began the practice of law in his hometown where he also began his public service as city treasurer and as county prosecuting attorney.

Joe Hickey then moved to Cheyenne, the State capital, and served as U.S. attorney for the State of Wyoming and conducted a very successful law practice.

In 1959, Joe Hickey assumed the office of Governor of the State of Wyoming. During this time, I had the opportunity to work very closely with Joe Hickey. He was Governor of the State, and I was president of the Board of Trustees of the University of Wyoming. The leadership which he gave to the

State and his devotion to and interest in the university benefited all the people of our State. The knowledge I gained from this association with Joe Hickey was later to be of great help to me when I assumed the office of Governor of Wyoming in 1963 and continues to aid me in my duties as a Senator.

In 1962, Joe Hickey resigned the governorship and was appointed to represent Wyoming in the U.S. Senate. He served in this body with distinction. The people of Wyoming benefited from his hard work and his attention to their problems.

Joe Hickey's public service did not end when he left the Senate in 1962. After a short period of time in the private practice of law, his country called again on Joe Hickey and the President appointed him a judge on the U.S. 10th Circuit Court of Appeals.

It is a great tribute to the outstanding qualities and superlative ability of this man that he served efficiently and effectively in the highest offices of all three branches of government: the legislative, the executive, and the judiciary.

The death of J. J. Hickey in Cheyenne on Tuesday, September 22, casts a shadow across the State of Wyoming. He was held in high esteem by all who knew him. He was an outstanding man and a faithful public servant. All of us who had the privilege of knowing and working with him gained from that relationship.

I know all of my colleagues join my wife, Martha, and me in extending our condolences to his wife, Winifred, and their sons, John and Paul.

Mr. MANSFIELD. Mr. President, I join my distinguished colleague from Wyoming in expressing my deep regret and sadness at the passing of "Joe" Hickey, who served here with such distinction and integrity, and who served before that as Governor of Wyoming, as did the Senator from Wyoming (Mr. HANSEN).

I know that I can speak for all Democrats who knew "Joe" Hickey, and for all of us in the Rocky Mountain region, in expressing our sorrow at his passing.

May I, on behalf of my family, send my sympathy to Mrs. Hickey and the family, and express the hope that his soul will rest in peace.

Mr. HANSEN. I thank the distinguished majority leader.

Mr. YARBOROUGH. Mr. President, will the Senator from Illinois yield to me for a unanimous-consent request?

Mr. PERCY. I am happy to yield to the Senator from Texas for that purpose.

REREFERRAL OF AMERICAN FOLK LIFE FOUNDATION BILL

Mr. YARBOROUGH. Mr. President, I ask unanimous consent that on the reporting of S. 1591, the American Folk Life Foundation bill, from the Committee on Labor and Public Welfare, it be immediately rereferred to the Committee on Rules and Administration.

The PRESIDING OFFICER (Mr. GRAVEL). Without objection, the bill will be rereferred to the Committee on Rules and Administration.

HOUSING AND URBAN DEVELOPMENT ACT OF 1970

The Senate continued with the consideration of the bill (S. 4368) to extend and amend laws relating to housing and urban development, and for other purposes.

Mr. PERCY. Mr. President, I wish, first, to commend the distinguished chairman of the Committee on Banking and Currency, the Senator from Alabama (Mr. SPARKMAN), and the ranking minority member, the distinguished Senator from Utah (Mr. BENNETT), for once again leading the committee in putting together an outstanding housing bill.

The ranking minority member on the Housing and Urban Affairs Subcommittee, the Senator from Texas (Mr. TOWER), has once again been in the forefront of this issue. Although he is looked upon as a conservative, and he is a conservative, he has always demonstrated his deep and full understanding of the needs of the people and his responsiveness to those needs as is exemplified in this bill.

The pending bill was looked upon as being virtually noncontroversial. The committee did not intend that a great many controversial issues be raised this year. However, it contains some interesting and beneficial provisions with respect to mass transportation, with respect to mortgage credit, public housing, urban renewal, model cities, and for the first time, we provide crime insurance for small businessmen.

Mr. President, I have had the privilege of working closely with the Senator from New Jersey (Mr. WILLIAMS) on the mass transit end of the bill. He is a distinguished colleague of ours who understands and knows the needs of the people in the urban areas and their need for safe, efficient, low cost transportation.

Because of his absence today on business, and his inability now to be in the Chamber to make his statement, I ask unanimous consent that it be printed in the RECORD at this point.

There being no objection, the statement of Senator WILLIAMS of New Jersey was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR WILLIAMS OF NEW JERSEY

Mr. President, Title 8 of the Housing and Urban Development Act of 1970 would provide operating subsidies on an interim basis to state and local governments to assure adequate mass transportation in urban areas. It would also provide for emergency grants to state and local bodies for the purpose of helping mass transit systems pay interest charges and other annual obligations which have been incurred in order to provide essential services.

Over the past decade our mass transit systems have incurred ever increasing operating deficits which have required fare increases for which the harried rider has received no benefits either in improved services or better equipment.

S. 3154, the Urban Mass Transportation Assistance Act, which passed the Senate in February by an 82 to 4 vote provides long range answers to our nation's urban transit crisis.

It is a program intended to provide long range benefits.

It will build carefully planned programs of capital improvements for our nation's transit systems over the next 10 years. However, such programs will take time as they properly should. A modern transit system such as the one in San Francisco or the one planned for Washington, D.C. takes at least 10 years from the initial exploratory steps to final completion. And, while the first steps are being taken toward building these transit systems of the future, today's commuters are faced with today's problems.

But one fact is crystal clear—adequate mass transportation facilities are an immediate, absolute necessity for America's millions of commuters. Existing commuter services must be kept in operation until the large sums of money contemplated in S. 3154 begin to flow to state and local mass transportation agencies.

Commuter railroads such as the Jersey Central, the Long Island Railroad and the Pennsylvania Railroad go further and further into debt each year. The result is bankruptcy and a curtailment of existing services. Deteriorating equipment is not replaced.

At the present time the burden of maintaining these essential commuter services fall entirely upon the taxpayers of the States. These taxpayers cannot afford to carry the burden alone.

Over the last 10 years, New Jersey has paid out $31 million to the Jersey Central in operating subsidies. During the years 1967 to 1969, Massachusetts has paid operating subsidies in the amount of $12 million to commuter railroads. Connecticut between 1965–1969 provided the New Haven Railroad with $3 million per year and in 1970 gave the Pennsylvania Railroad a $7 million exemption from State taxation. In 1970, New York provided an operating subsidy of $16.3 million for the Long Island Railroad and Pennsylvania has paid out almost $6 million a year for the past 4 years to the Reading and Penn-Central Railroads.

Obviously the situation has become critical. The Penn-Central and the Jersey-Central are bankrupt. The State of New York owns the Long Island Railroad and Massachusetts has taken over the operation of the commuter lines formally serviced by the Boston and Maine. Recently there even was a question as to whether or not the Jersey-Central could meet its payroll. The legislation before us today would prevent these crises from occurring. Under Title 8 funds for operating subsidies would be made available on a 5 year emergency basis to all forms of mass transportation. They would be channelled to state and other public bodies.

Before approving the grant which would be made on a 2/3rds Federal 1/3rd local matching formula, the Secretary of Transportation would have to determine that the service was essential to the community. In addition, the state or public body applying for the grant along with the transit company involved must submit a plan to the Secretary setting forth a program for capital improvements which would be undertaken for the purpose of providing more efficient and economic commuter service and for placing the commuter operations of the system on a sound financial basis. These safeguards would guard against windfall profits by private promoters and provide adequate insurance that the operating subsidy will not pay for existing inefficiency and poor service.

While operating subsidies do not build new facilities or buy desperately needed new equipment in these instances a blood transfusion is called upon before curative surgery can be performed.

Given the current state of our nation's mass transit systems such a temporary transfusion as contained in this legislation is necessary.

Transportation systems are too vital a part of the continued healthy growth of urban

centers for their future operations to be governed solely by balance sheet considerations. Profitability and return on investment cannot and must not outweigh the social dividends which all of our citizens receive from good public transportation. Therefore, I strongly urge your support not only of the operating subsidy provisions contained in this title, but of the emergency grant provisions to pay interest charges and other annual obligations which have been incurred by transit systems in order to provide essential services.

Such grants would be made only when the debt burden threatens the curtailment of needed commuter services or would increase fares to such a degree that low income groups who use the service are unfairly penalized.

An increase in transit fares or a curtailment of transit service works undue hardships on citizens earning less than $4,000 a year. As industry and business move to the suburbs, the tragic isolation of the inner city ghetto increases. Here is the most pressing need for low cost, efficient mass transit systems to take people to the jobs they so desperately demand. An increase in transit fares or a curtailment of service works undue hardships on these citizens.

The debt service provisions of this legislation would allow transit lines to continue to provide their essential services without the fare increases which all too frequently penalize the inner city dweller.

If existing commuter lines are allowed to collapse from financial weakness, severe hardships will result. The thousands of commuters who depend on these services to get them to and from work will be left stranded. And, in addition, these commuter lines will be far more costly to rebuild in the future than to preserve today.

Mr. President, Title 8 of the Housing and Urban Development Act is an absolute necessity if we are to provide short term Federal assistance to our nation's struggling transit systems. Action is imperative if we are to preserve these systems while we are at the same time fulfilling tomorrow's transit needs.

Another major provision in the 1970 Housing bill is my proposal to provide food services for elderly persons in public housing.

Today many aged individuals are forced to leave their homes and move into nursing homes—not because they are ill but simply because they are unable to move around well enough to shop for food or to cook for themselves.

Many potential applicants for public housing fail to qualify for this very reason.

Yet, most older persons would prefer to live in their own housing if at all possible.

This potentially far-reaching measure will make it easier for low-income individuals to live in a home, rather than a nursing home.

It will do this by broadening public housing coverage to include central dining facilities for the elderly poor.

With these facilities, it will now be possible for public housing officials to serve low-cost, hot meals to older Americans.

For these needy persons, this can also provide a new alternative to unnecessary institutionalization.

Moreover, with this innovative approach we can be more confident that more urgently needed housing for the elderly will be built—not merely to store them—but to restore them to an active life in their community.

Mr. President, in conclusion the Housing and Urban Development Act of 1970 also contains many beneficial provisions relating to mortgage credit, public housing, urban renewal, model cities and for the first time would provide crime insurance for our nation's small businessmen. This legislation is a necessity and I wholeheartedly urge its prompt enactment.

Mr. PERCY. Mr. President, the Senator from New Jersey (Mr. WILLIAMS) has addressed himself to the importance of urban mass transportation. What the bill has done is to take an innovative and creative step that should be given the full attention that it deserves. The time for taking action to improve mass transportation and urban incentives is now. We face a possible crisis not only in Washington, D.C., which we all know about, but in many other cities across the country.

We have heard, at a time of great need and of deep concern about the quality of our environment, when our mass transportation systems are failing, how our country and its citizens could be placed in great jeopardy.

Mr. President, we have also heard, over and over again, that mass transportation is needed to deal with poverty and unemployment and to improve the quality of urban life and of our environment. An adequate mass transportation system would enable the unemployed to move about and have a better opportunity to seek employment. The antipollution features of mass transportation are apparent to all of us. But, up until now, we have done very little. We have an incongruous situation, where we have a highway trust fund which has a $2 billion surplus in it, but we have mass transportation systems which are starving for assistance and help.

The pending bill would help keep the transit wheels of our buses, streetcars, and commuter trains rolling. It would prevent the reduction of critically needed transportation services in the cities by providing emergency help.

These emergency grants, which will require at least a one-third local contribution, would be provided to State and local public bodies, to enable them to assist local transportation companies to pay for outstanding indebtedness and operating deficits incurred while maintaining service. A total of $750 million is authorized for this assistance in the period 1971 to 1975.

This includes an amendment which I had the privilege of offering in committee, which would make grants for mass transit to pay indebtedness up to $75 million a year for 5 years. Also an amendment offered by the distinguished and able Senator from New Jersey (Mr. WILLIAMS), which would enable grants to cover operating deficits up to $75 million per year for a period of 5 years.

The committee, in reporting the bill, chose to act to meet the emergency need while, at the same time, calling for the prompt study and development of a more permanent and comprehensive program, to insure provision of essential transportation services in our rapidly growing urban areas.

Once again, Mr. President, I wish to commend the committee which found that immediate and substantial Federal assistance for urban mass transit systems is necessary now, and it has acted.

I know that in my State of Illinois, which is typical of many others, we have a mass transportation system in Chicago which has a deficit of $25 million this year. If that system should fail, we would have to build automobile highways 50 lanes wide in order to get the people to the "Loop" at night and to get them to work in the morning.

Mr. President, the pending bill is also necessary and urgently needed for smaller communities where bus lines are failing. The pending bill will enable us to take proper and appropriate action.

Mr. GOODELL. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 40 insert the following new section after line 16.

DEMONSTRATIONS WITH RESPECT TO ABANDONED PROPERTIES

"Section 505 (a) In carrying out activities under Section 501, the Secretary shall undertake programs to demonstrate the most feasible means of providing assistance to localities in which a substantial number of structures are abandoned or are threatened with abandonment for the purpose of arresting the process of housing abandonment in its incipiency or in restoring viability to blighted areas in which abandonment is pervasive. For this purpose, the Secretary is authorized to make grants, subject to the limitations of this section, to assist local public bodies in planning and implementing demonstration projects for prompt and effective action in alleviating and preventing such abandonment in designated demonstration areas.

"(b) In administering this section, the Secretary shall give preference to those demonstration projects which in his judgment can reasonably be expected to arrest the process of abandonment in the demonstration area within a period of two years and which provide for innovative approaches to combating the problem of housing abandonment. Such projects may include, but shall not be limited to (1) acquisition by negotiated purchase, lease, receivership, tax lien proceedings, or other means authorized by law and satisfactory to the Secretary, of real property within the demonstration area or areas which is abandoned, deteriorated, or in violation of applicable code standards; (2) the repair of streets, sidewalks, parks, playground, publicly owned utilities, public buildings to meet needs consistent with the revitalization and continued use of the area; (3) the demolition of structures determined to be structurally unsound or unfit for human habitation of which contribute adversely to the physical or social environment of the locality involved; (4) the establishment of recreational or community facilities including public playgrounds; (5) the improvement of garbage and trash collection, street cleaning and other essential services necessary to the revitalization and maintenance of the area; (6) the rehabilitation of privately and publicly owned real property by the locality; and (7) the establishment and operation of locally controlled, nonprofit housing management corporations, municipal repair programs.

Subject to such conditions as the Secretary may prescribe, real property held as part of a project assisted under this Act may be available to (1) a limited dividend corporation, nonprofit corporation, or association, cooperative or public body or agency, or other approved purchaser or lessee, or (2) a purchaser who would be eligible for a mortgage insured under section 221 (d) (3) or (d) (4), section 221 (h) (1), section 235 (i) or (j) (1), or section 236 of the National Housing Act, for purchase or lease at fair value for use by such purchaser or

lessee, as, or in the provision of, new or rehabiliated housing for occupancy by families or individuals of low or moderate income.

"(d) Grants under this section shall be in amounts which do not exceed 90 per centum of the net project cost as determined by the Secretary. There are authorized to be appropriated for demonstration grants under this section not to exceed $25,000,000 for the fiscal year ending June 30, 1971. Any amounts appropriated shall remain available until expended in amounts authorized but not appropriated may be appropriated for any succeeding fiscal year commencing prior to July 1, 1972. Not more than one-third of the aggregate amount of grants made in any fiscal year under this section shall be made with respect to projects undertaken by one locality.

"(e) The provisions of sections 106, 114 and 115 of Title I of the Housing Act of 1949, and section 312 of the Housing Act of 1964, shall apply to projects assisted under this Act as if such projects were being carried out in urban renewal areas as part of urban renewal projects within the meaning of section 110 of the Housing Act of 1949.

"(f) The Secretary shall report annually to the Congress with respect to the status of demonstration projects funded by him and shall make such recommendations to the Congress as he deems necessary to further the purposes of this section.

"(g) Section 221(d)(3)(iii) of the National Housing Act is amended by striking out the comma in the second proviso after the words "Housing Act of 1949" and inserting in lieu thereof "or by a public body with Federal financial assistance pursuant to the Abandoned Properties Act of 1970".

Mr. GOODELL. Mr. President, the amendment is a compromise of the proposals that were made before our full committee to deal with the problem of housing abandonment—a problem that has reached crisis proportions in many of the cities of this Nation. It certainly has reached crisis proportions in New York City.

The amendment would affect many other cities of our Nation. The amendment I offer is cosponsored by the Senator from Massachusetts (Mr. BROOKE) and the senior Senator from New York (Mr. JAVITS). It is a compromise. We had testimony before our committee concerning the desperate need for some kind of a program to deal with individual houses that were abandoned on a block under circumstances where money was not available—for whatever reason—under urban renewal or other Federal programs to cope with the problem.

When a house is abandoned on a block, rats infest it. Derelicts come in to live there. Addicts come in and live there. It becomes a major fire hazard because of the addicts heating their equipment to use heroin.

It becomes a serious problem in terms of deterioration with respect to the entire neighborhood.

I think that most of my colleagues are well aware of this tremendous problem. We have talked about it in the committee. I think that we have essential agreement in the committee with reference to this compromise language.

I proposed in my testimony a major emergency approach with an authorization of $300 million. I think that amount of money is conservative if we are going to arrest the trend of abandoned housing, particularly in our major cities.

I do not want this session to pass without our getting underway with a program to demonstrate effective results in arresting the decay of our cities, particularly as evidenced by abandoned housing.

I am offering this amendment which would set up a demonstration research type of program in the research technology division of HUD. It involves a total authorization of $25 million. It would enable HUD to move forward and experiment with a whole variety of flexible tools in trying to cope with the abandonment problem.

The problem of housing abandonment has reached crises proportions in many of the cities of this Nation.

THE PROCESS OF ABANDONMENT

The process of abandonment usually begins in an outdated structure in a slum neighborhood. Because of its obsolescence, it is difficult and expensive to maintain in proper order. Because of the low income of its tenants, its rental yield is limited.

The landlord tries to keep costs down by skimping on repairs. This, however, only accelerates the vicious cycle. Because of lack of repairs, the building deteriorates faster. Because of the deterioration, it can be rented to none but the most indigent. Because of the impoverishment of the tenants, the prospects of an adequate and steady return on the investment diminishes.

Eventually, the landlord finds himself faced with a losing proposition—where the costs of operating the building exceed the rental income. No one else wants to buy the building—or even take it over free. Finally, the landlord simply walks away, unwilling to pay the taxes, make the repairs or bear the operating costs.

The following week, the superintendent is not paid and he quits. There is no more heat for the building. Other utilities and services give out, one by one.

For a time, the tenants may try to unite and organize to manage the building themselves. Too soon they discover that—because they lack legal title to the building—they can obtain fuel or supplies only for cash. Cash is one commodity they do not have.

The exodus begins. Those who can afford to do so, leave for more decent housing. The poorest try to remain in the unheated and untended structure, boarding up the vacant apartments to keep out squatters.

Then, the vandals arrive. Addicts and teenage gangs tear off the boards and take over the vacant apartments. They start stripping the building of all amenities which have a resale value such as the plumbing fixtures, pipes and copper tubing. In less than a week the building becomes unfit for human habitation. The remaining families flee, now in fear of their lives.

The abandonment of the building unmistakably points the direction in which the block is going—down. No one wants to invest in the neighborhood any more. People begin to look for homes elsewhere.

The gutted shell remains, a hostel for heroin users and criminals. They terrorize the neighborhood, and speed the departure of all but the poorest tenants in adjacent apartments. These structures, in turn, become prey to abandonment.

Whole blocks eventually empty and remain vacant for years, a symbol of urban decay at its worst.

DIMENSIONS OF THE PROBLEM

Abandonment was once thought of as a special New York City problem. It now infects cities throughout the Nation. The statistics are staggering. Over 130,000 apartments have been abandoned in New York City since 1965. In Philadelphia, 20,000 buildings have been abandoned; 7,500 in Houston; 5,000 in Baltimore; 1,500 in Detroit; 1,000 each in Boston and Washington; 950 in Chicago; 900 in New Orleans.

In many cities, there is a net loss of housing units. In New York for example, the casualties to the existing housing supply far exceed the number of new housing starts. The net loss is 21,000 units annually, despite the initial housing shortage the city is facing.

Moreover, the pace of abandonment is accelerating. In New York City, for example, 15,000 units were abandoned between 1960 and 1964. In the period between 1965 and 1967, the number jumped to 37,900—more than double the previous figure. The same phenomenon has occurred in Boston.

Until now, our housing programs have focused almost exclusively upon new construction. It is imperative, however, that we preserve our stock of structurally sound existing housing from the blight of abandonment.

CONGRESSIONAL RESPONSE

The Department of Housing and Urban Development has begun studies to determine the causes of housing abandonment. I felt strongly, however, that Congress should enact emergency legislation to attack the problem.

To achieve this objective, I introduced this August the Emergency Abandonment Assistance Act (S. 4180). This bill provides emergency urban renewal funds for the acquisition and rehabilitation of abandoned or about-to-be abandoned buildings.

Instead of the conventional tract-clearance type of urban renewal, the program would operate selectively—pinpointing potential abandonment sites anywhere in the municipality. The program thus can arrest the process of abandonment within neighborhoods in its early stages, before large areas have been affected.

The new program would also introduce an element of speed and urgency—by requiring that work undertaken be completed within 2 years and by eliminating the elaborate and time-consuming planning requirements of conventional urban renewal.

A significant advantage of the program is that it can alter the deficit economics that lead to abandonment in the first place. It accomplishes this by using the "writedown" technique of urban renewal—namely, that of making the prop-

erty available for redevelopment at substantially below acquisition costs, and having the Federal Government pay most of the difference. This "writedown" feature would permit the property to be rehabilitated at reduced cost; this reduced cost means smaller mortgage payments; and smaller mortgage payments mean operating costs that are brought into line with rental income.

A second bill of mine—the Housing Management Services Act (S. 4181)—is designed to alleviate another problem that has been associated with abandonment and blight: the lack of skilled housing management services in low-income areas.

One reason that developers have been unwilling to invest in low-income areas is that—while they can obtain a return from building or rehabilitating properties—they do not wish to assume the risks and administrative burdens of managing their properties.

My proposal would seek to remedy this by providing Federal grants to local, nonprofit management corporations, known as "housing management administrations"—HMA's.

The HMA would provide the sort of services that private management corporations provide for higher-income apartments. These would include bookkeeping, collection of rents, hiring of building staff, screening of prospective tenants, and the purchase of supplies and payment of expenses on a reimbursed basis. Because of the Federal subsidy—and also because of economies of scale in providing these services in comparatively a large area—the fees for these management services could be kept at a minimum.

This management service program could be well integrated with the emergency abandonment assistance program I have earlier described. Abandoned sites could be acquired, written down and sold to a developer for rehabilitation. Once rehabilitated, the management could be turned over to an HMA. This would eliminate a serious obstacle for the developer—his unwillingness to assume the risk and burden of the continuing management function. Alternatively, the property could be conveyed to the tenants as a cooperative or condominium, and the management assigned to the HMA. This would eliminate a serious obstacle to the transfer of ownership to the tenants—their lack of experience and skill in management.

My distinguished colleague from Massachusetts (Mr. BROOKE) introduced S. 4087, the Abandoned Properties and Neighborhoods Act of 1970.

This bill would establish a new program—with a $200 million authorization—available to localities to undertake programs of assistance in those neighborhoods in which it is determined that a substantial number of properties have been or may be abandoned. These Federal funds would be available for such programs as improving city-owned property, repairing streets, sidewalks, and utilities, demolition, the improvement of services and the establishment of new recreational or community facilities.

As a result of this interest, Chairman SPARKMAN agreed to hold hearings on the subject of abandonment on July 23, 1970. Every witness testified that the abandonment process was a vexing problem and that Federal interest and action was long overdue.

Mr. Robert Embry, Commissioner of Housing and Community Development for the city of Baltimore, stated that the legislation was a "long overdue response to a low visibility problem." Neil Hardy, assistant administrator for programs and policy, Housing and Development Administration for New York and former Commissioner of FHA, stated that "Housing abandonment is one—problem—which has been ignored for too long," and that "no section of the country is immune." He also stated:

> It is essential that we fully understand its dynamics, if we are to undertake an effective program to combat the situation.

Dr. George Sternlieb, noted urban land specialist, stated:

> This is an emergency and we cannot afford to wait long.

He also predicted that older suburbs or "zones of emergence" were beginning to suffer the same abandonment problem as the inner city. Ivan Gluckman, deputy managing director of housing for the city of Philadelphia, said:

> I think the danger of the situation, the degree of its cancerous spread in this particular problem is sufficient to justify an emergency approach similar to the natural disaster program.

The overwhelming concern of these practiced and experienced housing specialists only reaffirmed my belief that the Congress should take action on the program this year.

THE GOODELL-BROOKE AMENDMENT

Senator BROOKE and I agreed to join our proposals and with the consent of the chairman to present this proposal as an amendment to the committee bill on the floor.

We have come up with a program which is not as ambitious as those of our original proposals. It will, however, forge a beginning in our attempt to understand and treat housing abandonment.

It would add a new section of title VI of S. 4368 which would authorize the Secretary to make grants available to selected cities for the purposes of demonstrating effective and prompt methods of fighting housing abandonment.

An authorization of $25 million would be made available for this purpose and the grants would subsidize 90 percent of the cost of the project. No more than one-third of the aggregate amount can be made to one locality, and these grants would only be available to those localities in which a substantial number of structures are abandoned or threatened with abandonment.

During hearings, many methods were discussed by which a local government could fight abandonment. We have directed the Secretary to experiment with as many of the approaches as possible including those presented in the abandonment legislation introduced by me and Senator BROOKE. They include: First, acquisition by negotiated purchase, lease, receivership, tax lien proceedings, of real property which is abandoned, deteriorated, or in violation of applicable code standards; second, the repair of streets, sidewalks, parks, playground, publicly owned utilities, public buildings to meet needs consistent with the revitalization and continued use of the area; third, the demolition of structures determined to be structurally unsound or unfit for human habitation or which contributes adversely to the physical or social environment of the locality involved; fourth, the establishment of recreational or community facilities including public playgrounds; fifth, the improvement of garbage and trash collection, street cleaning and other essential services necessary to the revitalization and maintenance of the area; sixth, the rehabilitation of privately and publicly owned real property by the locality; and seventh, the establishment and operation of locally controlled, nonprofit housing management corporations, and municipal repair programs.

Any property acquired through these demonstrations may be made available to nonprofit and limited dividend corporations, cooperations or public agencies for use as new or rehabilitated housing for occupancy by families of low or moderate income. In this way, we expect that the Secretary will, wherever possible, transfer ownership to tenants or owner-occupants who will have more incentive to maintain the property than absentee landlords.

At the end of these demonstrations we expect the Secretary will be able to report to the Congress as to which approaches can best be used to combat abandonment across the Nation.

I urge my colleagues to accept this amendment. It represents the first recognition in the Congress that the problem of abandonment needs immediate attention. The assistance will not result in paper studies that never see the light of day. It will create programs which can help the inner city residents while gathering more information for HUD. It will produce visible results of congressional concern about housing abandonment.

I believe this proposal represents a good beginning and I urge my colleagues to support it.

Mr. TOWER. Mr. President, would the Senator yield?

Mr. GOODELL. I yield.

Mr. TOWER. Mr. President, would the Senator consider perhaps one or two small amendments to his amendment? For example, would he consider changing, in the second line, the word "shall" to "may." That would make it read, "The Secretary may undertake . . ." rather than "shall." Rather than making it mandatory, I think we should make it discretionary on the part of the Secretary. I think that would remove a problem that might cause many objections.

Mr. GOODELL. Mr. President, I say to the Senator from Texas that there is considerable flexibility in the amendment. We have almost a disastrous situation in the cities with reference to abandoned housing. The amount of

money here is very small in proportion to the problem. The Secretary is only going to be able to undertake demonstration and experimental projects.

It is my understanding that HUD now has underway paper studies concerning what may have to be done. The cost of that is $100,000 or so.

They have laid the groundwork for moving. They want to move.

I do not feel strongly about the Senator's suggestion except that I have a feeling of urgency. I would not want the bureaucratic apparatus to feel that we are approaching this with any less urgency than is required.

We do want to move as soon as possible and we want the program to go forward.

It is not a massive program. It is not something in which a waste of money might be involved. We want them to go ahead on a demonstration basis so that as soon as possible they can come back to us and give us the results of this. Then we can undertake to solve the problem.

Mr. TOWER. Has the Senator given any consideration, rather than authorizing grants, to authorizing loans on favorable terms?

Mr. GOODELL. Mr. President, I would say to the Senator from Texas that we might when we undertake a major program. If I were talking about the massive amount of money I originally proposed—$300 million and which qualified witnesses proposed to the committee, we might consider long terms or substitute loans.

We would not have very much experimentation without grants. Unless there are grants, the money is not available in local areas to move forward with an experimental type program.

Mr. TOWER. Mr. President, let us see if we can tie down the language in section (c) on the second page of the copy of the amendment I have.

Down toward the end of the paragraph, it says, ". . . for purchase or lease at fair value for use by such purchaser or lessee."

Would the Senator object to adding the term "market" after the word "fair," so that it would become "fair market value" rather than "fair value"?

Mr. GOODELL. Mr. President, I do not believe I would have any objection to that. Would the Senator elaborate a little bit on what his view is of the difference?

Mr. TOWER. That is a specific guideline. We can term almost anything to be fair. I think a fair market value establishes a guideline for the Department to be able to make sure that no one gets a windfall out of this or that it is loosely administered. Of course, that term is used frequently throughout legislation.

Mr. GOODELL. The Senator is correct. I say that if the Senator will abandon the first two suggestions, I would accept the third.

Mr. TOWER. They say the third time is the charm.

Mr. GOODELL. Mr. President, I modify my amendment to make it the fair market value instead of the fair value.

The PRESIDING OFFICER (Mr. CASE). The amendment is so modified.

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

Mr. GOODELL. I yield.

Mr. JAVITS. Mr. President, I shall be brief. I was contemplating offering a similar amendment to that of the junior Senator from New York (Mr. GOODELL).

I ask unanimous consent that it may be printed in the RECORD as part of my remarks.

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

On page 85, between lines 14 and 15, insert the following new section:

"GRANTS TO ENCOURAGE THE UTILIZATION OF CERTAIN UNUSED OR LOCALLY HELD LAND

"SEC. 742. (a) The Secretary is authorized to make grants to any locality for not to exceed two-thirds of the cost to the locality (1) of acquiring unimproved and abandoned real property and disposing of such property for a nominal consideration, and (2) of disposing for a nominal consideration of real property acquired by the locality as the result of code enforcement activities or otherwise, in any case where the disposition of such property is made to a private nonprofit corporation or other private nonprofit entity, a limited dividend corporation or other limited dividend entity, or a cooperative housing corporation, which is receiving assistance under any Federal, State, or local program in order to provide rental housing for persons of low and moderate income, and which has entered into a binding agreement with the locality to repair, rehabilitate, or improve such property so as to provide housing and related facilities for such persons.

"(b) In addition to grants under subsection (a), the Secretary is authorized to make grants to any locality equal to—

"50 per centum of the aggregate costs incurred by the locality in arresting decline in an area in which low- or moderate-income rental housing is to be provided with assistance under subsection (a), including any demolition and removal of improvements, or the installation, construction, or reconstruction of streets, sidewalks, utilities, or other facilities designed to enhance the livability of such area.

"AUTHORIZATION FOR APPROPRIATIONS

"SEC. 742. (b) There are authorized to be appropriated for grants under this section not to exceed $10,000,000 for the fiscal year ending June 30, 1972.

"Any amounts appropriated under this section shall remain available until expended, and any amounts authorized for any fiscal year but not appropriated may be appropriated for any succeeding fiscal year.

Mr. JAVITS. Mr. President, I am delighted to join in the amendment of the junior Senator from New York. He is a member of the committee. He has done a tremendous amount of work in this area.

We have 13,000 abandoned buildings in New York City involving 250,000 housing units.

During his recent tour of the city, the Senator from Connecticut (Mr. RIBICOFF) visited the section of the city referred to as Brownsville and called it a national disaster.

It is a singular, most striking devastation sight as one watches these yawning hulks of buildings where other people live and children play, where narcotics addicts set fires, where there is filth, and where every kind of degradation can be carried on with impunity.

I think one of the most critically important things we can do about correcting the slums is to adopt this program.

I hope that the Senate can see fit to accept the amendment.

Mr. SPARKMAN. Mr. President, I am glad the Senator has accepted the suggestion of the Senator from Texas and retained the fair market value provision. We often use that.

I would also like to join in the suggestion made by the Senator from Texas that this be made permissive by using "may" instead of "shall."

I think we can count on getting cooperation from HUD to carry on this program.

I would like to suggest further that instead of $25 million, which would have only until June 30 to run, we make that $10 million. This, after all, is experimental. I think it would be more realistic to set it at $10 million for the balance of this fiscal year.

Then, there is one other provision I would like to suggest, and as far as I am concerned, I would be perfectly willing to accept the amendment with these changes.

This is in the paragraph which would authorize public bodies to build section 221(d)(3) housing.

I understand the housing department opposes that provision. This proposal has come before us before and HUD is always having public bodies sponsor FHA 221(d)(3) housing. Before we go into something that does make a change such as that, I think we should study it in committee.

I am perfectly willing, insofar as I am concerned, to take the amendment with those very few modifications. I hope the Senator from New York agrees with me.

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

Mr. GOODELL. I shall yield in just a moment. First I would like to respond to the Senator from Alabama.

With respect to the suggestion of the distinguished chairman of the committee, I accept the amendment to change the word to "may." I am sure the Senator from Alabama will agree with me as a matter of legislative history that we are very anxious to go forward with this.

Mr. SPARKMAN. I agree, and I only propose that because I have confidence in the Department's desire to try out new methods and programs.

Mr. TOWER. Mr. President, I associate myself with the chairman of the committee in that respect.

Mr. SPARKMAN. When I made my statement with respect to the word "shall" I do not suggest that the language "shall make recommendations" be changed.

Mr. GOODELL. May I implore the chairman to think and consider a little bit further on the amount. This is a very small amount of money compared to the tremendous problem we have. I think it is urgent to go ahead in various types of programs as soon as possible. I would say to the Senator that the Committee on Appropriations is going to have to provide funds. If the Department comes forward and indicates they cannot spend $25 million authorized in this amendment, then clearly they will

not get the funds. But this program will need to have adequate funding authority for the new experimentation. I hope we will leave this money available.

An expert suggested to our committee that to begin making an impact now we need $200 million. We cut it back to $25 million on the basis that we want them to get started and give us real guidelines on how we can effectively meet the problem.

Mr. SPARKMAN. Mr. President, of course, I realize the truth in what the Senator has said. The Committee on Appropriations does have to consider this. My thought was that we have such a short time left in fiscal year 1971 in which to operate on this matter.

However, if the Senator feels it should remain at that amount and if he will modify his amendment, as far as I am concerned, I will be glad to take it, and I understand the Senator from Texas is agreeable also.

Mr. GOODELL. I thank the Senator with respect to the amount of money; and I appreciate the Senator's willingness to accept the higher figure.

The PRESIDING OFFICER. Will the Senator from New York state for the record the modifications he wishes to make in his amendment?

Mr. GOODELL. Yes, but first, to save time I yield to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. PERCY. Mr. President, I thank the Senator. I wish to associate myself with the amendment. I remember the compelling and convincing testimony that the distinguished Senator from New York gave before our committee. He is a member of the committee but he testified on the problem at that time. I think the managers of the bill are very well advised to accept this with the modifications which have been made which I think are wise and prudent, and to accept the larger amount.

I visited with Mayor Lindsay more than a year ago, spending the day looking at housing in New York. I looked at rehabilitated housing and at abandoned buildings. The cost is great to correct our present deteriorating conditions but I think the return on the investment is potentially very high. When we have these abandoned buildings in the middle of a community they act as a cancer that spreads throughout the entire community.

Just as we see that rehabilitated buildings have a good effect on a community, so we are trying to prevent communities from being run down by these abandoned buildings.

I know every city in America will benefit from this amendment and not just the city of New York.

I thank the Senator.

Mr. GOODELL. I thank the Senator from Illinois.

Mr. President, I yield to the Senator from Massachusetts.

Mr. BROOKE. Mr. President, I also proposed legislation for abandoned housing and the proposal of the distinguished Senator from New York represents a sort of compromise between our two proposals.

This is a very grave problem not only in New York but in cities all across the country. We have come to the conclusion we do not have enough information and I think we can get far more congressional insight into the problems and what will be done through this experiment.

I wish to associate myself with what has been said by the Senator from New York. I commend the managers of the bill for accepting the compromise. I think it is something that is worthy and something that will benefit the Nation.

I thank the Senator.

The amendment, as modified, reads as follows:

On page 40 insert the following new section after line 16:

"DEMONSTRATIONS WITH RESPECT TO ABANDONED PROPERTIES

"Sec. 505. (a) In carrying out activities under Section 501, the Secretary may undertake programs to demonstrate the most feasible means of providing assistance to localities in which a substantial number of structures are abandoned or are threatened with abandonment for the purpose of arresting the process of housing abandonment in its incipiency or in restoring viability to blighted areas in which abandonment is pervasive. For this purpose, the Secretary is authorized to make grants, subject to the limitations of this section, to assist local public bodies in planning and implementing demonstration projects for prompt and effective action in alleviating and preventing such abandonment in designated demonstration areas.

"(b) In administering this section, the Secretary shall give preference to those demonstration projects which in his judgment can reasonably be expected to arrest the process of abandonment in the demonstration area within a period of two years and which provide for innovative approaches to combating the problem of housing abandonment. Such projects may include, but shall not be limited to—

"(1) acquisition by negotiated purchase, lease, receivership, tax lien proceedings, or other means authorized by law and satisfactory to the Secretary, of real property within the demonstration area or areas which is abandoned, deteriorated, or in violation of applicable code standards;

"(2) the repair of streets, sidewalks, parks, playgrounds, publicly owned utilities, public buildings to meet needs consistent with the revitalization and continued use of the area;

"(3) the demolition of structures determined to be structurally unsound or unfit for human habitation or which contribute adversely to the physical or social environment of the locality involved;

"(4) the establishment of recreational or community facilities including public playgrounds;

"(5) the improvement of garbage and trash collection, street cleaning and other essential services necessary to the revitalization and maintenance of the area;

"(6) the rehabilitation of privately and publicly owned real property by the locality; and

"(7) the establishment and operation of locally controlled, nonprofit housing management corporations and municipal repair programs.

"(c) Subject to such conditions as the Secretary may prescribe, real property held as part of a project assisted under this Act may be available to—

"(1) a limited dividend corporation, nonprofit corporation, or association, cooperative or public body or agency, or other approved purchaser or lessee, or

"(2) a purchaser who would be eligible for a mortgage insured under section 221(d)(3) or (d)(4), section 221(h)(1), section 235(i) or (j)(1), or section 236 of the National Housing Act, for purchase or lease at fair market value for use by such purchaser or lessee, as, or in the provision of, new or rehabilitated housing for occupancy by families or individuals of low or moderate income.

"(d) Grants under this section shall be in amounts which do not exceed 90 per centum of the net project cost as determined by the Secretary. There are authorized to be appropriated for demonstration grants under this section not to exceed $25,000,000 for the fiscal year ending June 30, 1971. Any amounts appropriated shall remain available until expended in amounts authorized but not appropriated may be appropriated for any succeeding fiscal year commencing prior to July 1, 1972. Not more than one third of the aggregate amount of grants made in any fiscal year under this section shall be made with respect to projects undertaken by one locality.

"(e) The provisions of sections 106, 114, and 115 of title I of the Housing Act of 1949, and section 312 of the Housing Act of 1964, may apply to projects assisted under this Act as if such projects were being carried out in urban renewal areas as part of urban renewal projects within the meaning of section 110 of the Housing Act of 1949.

"(f) The Secretary shall report annually to the Congress with respect to the status of demonstration projects funded by him and shall make such recommendations to the Congress as he deems necessary to further the purposes of this section."

Mr. GOODELL. Mr. President, I thank the Senator from Massachusetts.

Mr. President, at this time I would like to modify the amendment on line 2, to delete the word "shall" and insert the word "may". In subsection (e), the second line, delete the word "shall" and insert the word "may". Then, delete section (g)—subsection (g) entirely. I have already made the other modification in subsection (c) to insert after the word "fair" "market value."

Mr. SPARKMAN. Mr. President, I understand the Senator from New York has used up all of his time. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is agreeing to the amendment of the Senator from New York, as modified (putting the question).

The amendment was agreed to.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. GOODELL. Mr. President, I shall be very brief. I send a technical amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The amendment was read, as follows:

On page 20, line 13, strike the period and insert in lieu thereof the following: "except that in their case not more than 10 per centum of the dwelling units in a project, other than dormitory-type rental housing shall be available for occupancy by such persons."

Mr. GOODELL. Mr. President, if I may explain the amendment I think we can take care of this matter in 2 minutes.

In committee we accepted the amendment I offered which would begin to make available a program for single room occupancy houses. Inadvertently a

limitation on this clause limiting this was not included in the amendment as it was adopted. This amendment merely would provide that under no circumstances may more than 10 percent of the dwelling units in a public housing project other than dormitory housing, be available for occupancy by such single room occupants.

The PRESIDING OFFICER. Who yields time?

Mr. TOWER. Mr. President, I yield myself 1 minute on the bill?

Mr. SPARKMAN. No; I yield 1 minute to the Senator on the amendment.

Mr. TOWER. Mr. President, I would suggest to the distinguished Senator from New York that he withhold that amendment for a moment until we have a chance to examine it.

Mr. GOODELL. Mr. President, I withdraw the amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. METCALF. Mr. President, I send to the desk an amendment.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. METCALF. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with and that the amendment be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment, ordered to be printed in the RECORD, is as follows:

On page 105, beginning with line 8, strike out all through line 9 on page 106.

On page 106, line 11, strike out "1007" and insert "1006".

On page 107, line 7, strike out "1008" and insert "1007".

Mr. METCALF. Mr. President, the amendment strikes out section 1006 of the bill. Section 1006 is described in the committee report, and it is as succinct as I can describe it. It states that section 1006:

> Amends the Public Utility Holding Company Act of 1935 to authorize public utility holding companies to construct, own, or operate federally assisted low- and moderate-income housing either individually or in partnership with a national housing corporation created under Title IX of the Housing and Urban Development Act of 1968. The Securities and Exchange Commission would, under the bill, retain authority to regulate holding company activities.

This section repeals a specific provision of the Public Utility Holding Company Act that denies the utilities authority to go into activities other than a regulated activity. This proposal specifically overrules three decisions of the Securities and Exchange Commission. The decisions of the Securities and Exchange Commission were based, of course, on the Public Utility Holding Company Act of 1935.

The authors of that bill—Senator Wheeler on this side, a great and distinguished Senator from Montana, and Mr. Rayburn on the other side, who became Speaker of the House of Representatives—engaged in a long and hard debate to put that provision in the law. Senator Wheeler, who was manager of the bill in the Senate, emphasized "the principle that utility holding companies shall confine themselves to gas and electric service and not continue to mix into all manner of other businesses."

Later, of course, the U.S. Circuit Court, in United Gas Improvement Co. against SEC, reported at 138 Federal (2d) 1010 said:

> The obvious intention of Congress in enacting Section 11(b)(1) was to integrate public utility holding company systems and to compel holding companies subject to the Act to relinquish interests in unrelated utilities as well as unrelated nonutility companies. The myriad, promiscuous activities and investments of some of the holding company systems was a prime cause of investors' losses.

Of course, we all remember the Insul disgrace, when investors lost tremendous amounts of money as a result of holding companies.

When the Securities and Exchange Commission handed down these three decisions, a reporter asked Mr. Donald Cook, who was one of the outstanding spokesmen for the utility companies, what he was going to do about it. He said, "Well, I will get some statutory remedy." He went to the committee. There is not a word of testimony in these two volumes of hearings, almost 2,000 pages there is not a single line of evidence, in support of repealing a major section of the Public Utility Holding Company Act which has been a part of the legislation regulating and governing utilities since the act became law.

I testified before the Subcommittee on Antitrust and Monopoly. As a result of that testimony I wrote a letter, on the 16th of June 1970, to the Joint Committee on Internal Revenue Taxation, asking the chief of staff what the tax impact of this kind of procedure would be.

I have not yet received an answer. I do not believe it is the fault of the joint committee, because it has had some major problems.

I ask unanimous consent that my letter of June 16, 1970 be incorporated in the RECORD as a part of my remarks.

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

JUNE 16, 1970.

Mr. LAURENCE N. WOODWORTH,
Chief of Staff, Joint Committee on Internal Revenue Taxation, Longworth House Office Building, Washington, D.C.

DEAR MR. WOODWORTH: In testimony Thursday, 11 June, before the Senate Antitrust and Monopoly Subcommittee I discussed tax features of housing built by utility subsidiaries.

According to the utility industry, participating companies earn more than 20 per cent annually on their equity through construction of housing through subsidiary corporations.

The property of the utility's housing subsidiary is depreciated in its entirety over a short period, producing a tax loss for consolidation with the parent company's return.

I would appreciate knowing how the true cost, to the taxpayer, of such housing compares with the cost of housing under other Federal programs.

It would appear that the inherent tax-loss feature of utility-sponsored housing may make the true cost of such units higher than the cost of housing otherwise financed.

Enclosed is my statement (and the article from Public Utilities Fortnightly) regarding utility housing, which I entered into the hearing record.

If there are questions, please call Vic Reinemer of my staff.

Very truly yours,

LEE METCALF.

Mr. METCALF. The only testimony that I know of that has been submitted on this legislation was that given before the subcommittee of which the Senator from Michigan (Mr. HART) is chairman, in which I objected to this procedure—not because I objected to the amendment of the statute. It may be that this is the only way to build houses. If allowing utilities to expand into this area is the only way to give housing to the poor, that is one thing, but there has not been a line of proof and not a word of testimony about it.

The utility companies themselves say, one, that they should be permitted to make at least 20 percent on their investment, and then at the end of ten years turn the investment over; and, two, this provision allows them to have a greater flexibility. But, as a condition of every single contract, according to a letter I have from another person who has been associated with this matter, they say that there has to be all electric heat or all gas appliances as the utility may represent their own interests.

Today, as we walk from the Senate Office Building to the Senate Chamber, we see that the buildings are in half darkness because the electric utilities cannot supply the kind of electrical reliability we should have. Yet, as a part of the contract, a gas company, if it is a gas company, would require all gas heat; and, if it is an electric company, it would require all electric heat. It would remove a most important part of competition in the utility industry.

Therefore, I urge that we have hearings on this proposition. I urge that the chairman of the committee, instead of adopting a major change in the Public Utility Holding Company Act, agree to have some hearings and discussions. It may be that this is the way to build houses. The chairman of the committee will have an agreement from the Senator from Montana, as well as others, if it is. But until the tax impact has been explored, until there has been an exploration of the impact of putting a regulated industry into a nonregulated business, I think this provision should be deleted from the bill.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

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

Mr. METCALF. I yield to the Senator from Alabama.

Mr. SPARKMAN. Mr. President, the Senator from Montana spoke to me about this matter before we started consideration of the bill. He expressed considerable concern and even stated that he would not like to see the bill called up if this provision was going to stay in it.

I must admit that we did not have any hearings on it. We did have a presentation in the Senate by the distinguished Senator from Washington (Mr. MAGNUSON), who, as I recall, introduced the original bill. As I recall, he wrote me a letter on it.

Of course, I want the Senator from Montana to keep this fact in mind: We have been trying our hardest to get private enterprise to participate in housing programs, to become interested in them, and to invest money in them. The banks have done it. The insurance companies have done it. We have a provision now whereby we have partnership corporations in order to pull private enterprise into building housing.

It seemed to me there was no reason why utilities companies might not be used. However, I will say to the Senator it is true that we did not hold hearings on the provision.

In the event the matter is stricken from the bill, it will be my purpose, the next go-round, to hold hearings on this matter. I personally gave my commitment to the Senator that, if it was satisfactory for him to take up the bill, I would not oppose his motion to knock out that provision; but other Senators have indicated to me that they would oppose it.

Mr. METCALF. Let me say to the Senator from Alabama, who has contributed so greatly to the development of housing in the United States, that I congratulate him for all he has done for housing. I believe we should do everything we can to encourage every segment of private industry to participate in housing.

The lack of adequate housing is a national disgrace, and we should do everything we can to eliminate that disgrace. But I think we should be very careful when we say that the utilities shall have such a hold on and control over what goes into the housing, how the development is going to be, whether it is going to be all electric or all gas, or all those things. I think we should be very careful when we overrule a section of the law that was hard fought for, and has been put in in order to protect the public interest.

After hearings, it may well be that the Senator from Montana will agree that this provision should go in; but there certainly should be some determination of what the public interest is.

Mr. SPARKMAN. Mr. President, because of the fact that I do not oppose the Senator's amendment, I ask that the Senator from Texas control the time in opposition.

Mr. TOWER. Mr. President, I yield 2 minutes to the Senator from Michigan.

Mr. HART. Mr. President, I do not know whether this is the only way to provide decent housing for low- and middle-income groups, but I do know it is one way; and in fact tonight there are low-income families decently housed, in the city of Detroit, because a utility there—Michigan Consolidated, after having applied and been given approval by the Securities and Exchange Commission, did in fact construct urban renewal townhouses in an area known as Elmwood.

That same utility has started and now has under construction two other low- and middle-income housing developments in the city of Detroit and in the city of Inkster, which I understand will provide shelter for elderly citizens. So we know that this is a way to meet in part the unmet need for housing.

Secondly, I share with the able Senator from Montana a little sensitivity about giving a utility a handhold on the kind of fuel or energy that will be used in houses constructed by its housing subsidiary; but I call the attention of my colleagues to the fact that the housing construction will itself be subject to regulation, and the FHA requires—and I cite section 72962.5 of the FHA Valuation Analysis Manual and the underwriting reports and forms appendix in that manual, form 2264—

The utility in question in Detroit, a gas utility, has provided gas——

The PRESIDING OFFICER. The Senator's time has expired.

Mr. HART. May I have 1 more minute?

Mr. TOWER. I yield the Senator 1 additional minute.

Mr. HART. In the housing complex in the Elmwood area of Detroit certain of the energy units are provided through gas, others through electricity; and in each case, the reason was that the particular element delivered the energy at the lowest cost.

So there was no preferential or exclusive dealing hand-hold given in this case, and the FHA restrictions and regulations should forestall it in any case.

Finally, Mr. President, if we are going to zero in on urban centers, if we are to get new low-income housing in deteriorating centers of our cities, a utility is more likely to step forward and undertake participation in this kind of construction than other businesses. The construction itself is subject to a good bit of redtape and regulation through HUD. A utility is used to living with regulation. Other businesses are less willing to undertake the experience.

I hope very much that the action of the committee will be sustained.

The PRESIDING OFFICER. Who yields time?

Mr. TOWER. I yield 3 minutes to the junior Senator from Michigan (Mr. GRIFFIN).

Mr. GRIFFIN. Mr. President, I rise to associate myself with the remarks of my senior colleague from Michigan and to urge that the Senate sustain the committee's position by voting down the pending amendment.

If we do, we will be carrying out, not only the recommendation of the Department of Housing and Urban Development Secretary, but also that of the Securities and Exchange Commission, which supports the provision in the bill and is in accord with its objectives.

I would share the concern of the Senator from Montana if the provision in the bill were broader in scope and opened the door too wide to allow utility companies to engage in any and every activity. But the provision is very carefully limited, and the SEC would still have control. It merely gives certain authority to the SEC which it does not have now.

As the senior Senator from Michigan has pointed out, there are housing projects in the State of Michigan that await this legislation. There are housing projects in other parts of the country that await this legislation. Surely, we should be desirous of getting more private and nonpublic investment in the housing field. Utility companies have a unique interest in rehabilitating the inner city. Aside from whatever profit that might be associated with housing projects, the utility company has an overriding interest in making sure that the inner city does not decay.

It seems to me that we ought to take advantage of that motivation, that unique interest which binds the utility to the inner cities. And we ought to allow the leeway and flexibility so a utility company can build low- and middle-income housing.

The provision in this bill is a step in the right direction. I am very glad that the administration supports it, and I think the Senate would make an unfortunate mistake if we now were to strike this provision out by agreeing to the amendment of the Senator from Montana.

The PRESIDING OFFICER. Who yields time?

Mr. TOWER. Mr. President, I ask unanimous consent that I might suggest the absence of a quorum, without the time being charged to either side.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. TOWER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. TOWER. Mr. President, I move that the amendment of the Senator from Montana (Mr. METCALF) be tabled.

The PRESIDING OFFICER. The motion of the Senator from Texas is not in order until all time is used or yielded back.

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

Mr. TOWER. The Senator can proceed on his own time.

Mr. METCALF. I have 4 minutes left, and I understand that the Senator from Texas has 9 minutes. I would suggest that he yield time back and let me use my 4 minutes.

Mr. HART. Mr. President, would the Senator reserve a half minute for me?

Mr. TOWER. I would like to reserve part of my time.

The PRESIDING OFFICER. Who yields time?

Mr. METCALF. The Senator from Montana, as the author of the amendment, would like to have a couple of minutes to close this debate.

Mr. TOWER. Time is available on the bill.

Mr. METCALF. The Senator from Texas already has indicated that he wants to close debate by attempting to

make a motion to table, which the Chair ruled was out of order.

Mr. TOWER. Mr. President, I yield back all but 1 minute of my time.

Mr. MANSFIELD. And that will be given to the Senator from Michigan (Mr. HART).

Mr. TOWER. The Senator from Montana would not want me to gag the Senator from Michigan, would he?

Mr. METCALF. I would be delighted to have the Senator from Michigan have as much time as possible. My delightful colleague and I already have had some colloquy on this matter in his own Subcommittee on Antitrust and Monopoly.

Mr. President, on September 25, 1969, in the Public Utilities Fortnightly, there was a suggestion to all the utility companies to go into this kind of housing business. Let me read a couple of paragraphs:

Niagara Mohawk would organize a wholly owned subsidiary for each project. Each project would have a 40-year, 90 percent FHA guaranteed mortgage.

That is after the subsidy—

While the subsidiary would be limited to a 6 per cent return on its 10 per cent equity, the property could be depreciated in its entirety (sum-of-the-years digits) over a ten-year period, producing in each year a tax loss for consolidation with Niagara Mohawk's own tax return. At the end of the depreciation period, the property could be sold at its cost or even given away to an eleemosynary institution. All this would produce an annual average return on equity over the ten-year period in excess of 20 per cent. While the dollars involved might be small in relation to utility operations, the financial integrity of the housing program would be assured.

So here is an open option, without consideration, without debate, without hearings, without a word of testimony, in order to give the utilities an extra tax break. It has not gone to the Committee on Finance; it has not gone to the Committee on Commerce. It emanated from the Committee on Banking and Currency as an amendment that appeared from somewhere, out of the dark, in a utility blackout on an irrelevant housing bill.

I want to read an excerpt from another letter. This is from the National Oil Fuel Institute, Inc., December 5, 1969, and I ask unanimous consent that the entire 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:

NATIONAL OIL FUEL INSTITUTE, INC.,
New York, N.Y., December 5, 1969.

Hon. LEE METCALF,
U.S. Senate,
Washington, D.C.

DEAR SENATOR METCALF: I have reviewed the reply of the FPC concerning the Franklin Real Estate Company in which they list the officials and directors and their remuneration.

I think the question and the FPC answer misses the major point.

The Franklin Real Estate Company is a Pennsylvania corporation, wholly owned by the Ohio Power Company. Their pattern of operation strongly suggests they are engaged in anti-competitive practices through a concerted effort to monopolize the market by restricting construction in new residential land development to electric energy.

For example, the Ohio Power has entered agreements with developers and contractors, as recorded in Volume 2941, Page 504 of the Stark County Records, in which said contractor was induced to agree to the following:

"Contractors will not erect or permit to be erected any house on the hereinafter described real estate which shall use any source of heat or space heating other than electricity."

The question which must be answered thus presents itself:

Is the Ohio Power Company through its wholly owned subsidiary incorporated under the laws of another state, using its legal monopoly franchise in one business (the electric) to extend its monopoly influence into an unregulated sector (real estate business)? And.

Is this practice of a utility, through its subsidiary of using a restrictive covenant to induce the installation of the utility's service on an exclusive basis a violation of the federal statutes?

A Pennsylvania electric utility engaged in a practice very similar to this announced its voluntary withdrawal from said practice when the Department of Justice became interested.

However, I don't believe we should have to ferret out individual cases and go through long drawn out procedure of sicing the Department of Justice on them.

What the consumer really needs is a clear statement by the Department of Justice that such practices by utilities are an invitation to prosecution.

Cordially,

ROBERT D. LYNCH,
Vice President.

Mr. METCALF. I refer to a portion of the letter. The Ohio Power Co., which is the complete owner of the Franklin Real Estate Co., a Pennsylvania corporation, has entered into agreements with developers and contractors in which the contractor was induced to agree to the following:

Contractors will not erect or permit to be erected any house on the hereinafter described real estate which shall use any source of heat or space heating other than electricity.

This is exactly what I am talking about. Here is a major provision of the statute that has been in operation since 1935, and with one gesture, without hearings, without a determination of what the overall impact is going to be, we are going to repeal that section of the statute and allow gas utilities or electric utilities to enter into such contracts as have been forbidden.

The Senator from Michigan has talked about a Michigan project. The Michigan project is already underway in the present law, and it will continue to operate.

I think that before we repeal this section, just with an outright repeal, and erase it with just a check point, we should either put restrictions on it, make some legislative history, and have some hearings, and then determine exactly what the impact of repeal will be. Again I say to the committee, and I say to my friend from Michigan, it may be that after proper hearings the Senator from Montana will agree that this is the only way we can build houses; but I say, right now, the housing situation is in sad shape if we have blindly to go out and repeal major landmark legislation in order to build houses.

Mr. HART. Mr. President, I ask unanimous consent that a letter dated August 18 to the Committee on Commerce, to the Senator from Washington (Mr. MAGNUSON) from Secretary of HUD George Romney, a letter to me dated July 8, from Hugh C. Daly, executive vice president of the Michigan Consolidated Gas Co., and an article published in the Detroit News entitled "Michigan Housing in Crisis—1,380,000 Dwell in Decay," written by Carl Konzelman, be printed in the RECORD, which make plain from which source this amendment came.

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

AUGUST 18, 1970.

Hon. WARREN G. MAGNUSON,
Chairman, Committee on Commerce, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: I am enclosing for consideration by the Senate Commerce Committee a bill which would enable public utility holding-company systems to participate in Federally-assisted programs to provide low and moderate income housing.

The bill would amend the Public Utility Holding Company Act of 1935 to permit such utilities to construct, own or operate Federally-assisted low and moderate income housing either individually or in partnership with a national housing corporation created or organized pursuant to Title IX of the Housing and Urban Development Act of 1968. Under the bill, the Securities and Exchange Commission would retain the authority to regulate the extent and nature of participation by holding company systems in these housing activities, thereby assuring continuing review by the Commission in the interests of the utility's consumers and investors.

The legislation is necessary because of a recent ruling by the S.E.C. that the Holding Company Act does not empower the S.E.C. to authorize utilities subject to the Act to participate in such housing activities. The decision of the S.E.C. did not suggest, however, that utility participation in low and moderate income housing programs is contrary to the interests of utility consumers or investors. The S.E.C. recognized the policy of the National Housing Act to assist private industry in housing programs but concluded by a 3-2 vote, that utility holding-company activity in this field was not contemplated by the Holding Company Act as originally enacted in 1935. This reversed a previous 3–1 S.E.C. decision which had authorized a utility subject to the Act to construct low and moderate income housing.

I am pleased to report that the S.E.C. has participated in the drafting of the subject bill and has stated that it has no objection to its passage.

I recognize that utility holding-company systems represent only a fraction of the nation's public utilities and that, in terms of dollar investment and number of housing units produced, their contribution to solving the critical housing needs of low and moderate income families might be deemed to be minimal. However, for some time this Department has recognized the unique and valuable role that public utility companies can play in providing low and moderate income housing in their service areas. These companies have a special social and economic interest in the stability and well-being of the communities in which they do business. They have the ability and resources to finance and construct low and moderate income housing, can work effectively with the branches of government involved in housing and, as business leaders of their communities, can play a catalytic role in involving

other business leaders in local housing and community development problems.

While many private businesses are unwilling to subject themselves to government controls and do not desire to participate in low and moderate income housing, we have found that a number of utility holding-company systems are willing and able to become involved in this much needed housing construction. The Department believes that they can make a contribution toward attaining our national housing goals and should be encouraged to do so.

I realize that there are many important matters before your Committee, but I sincerely hope that you may act upon this bill at the earliest possible date. The S.E.C.'s recent decision, which was noted above, has halted plans for the immediate construction of a number of low and moderate income housing units and has postponed planning for other projects.

Sincerely,

GEORGE ROMNEY.

MICHIGAN CONSOLIDATED GAS CO.,
Detroit, Mich., July 8, 1970.

Re Participation of Public Utility Holding Companies in Low and Moderate Income Housing.

Hon. PHILIP A. HART,
U.S. Senator,
Senate Office Building,
Washington, D.C.

DEAR SENATOR HART: I appreciate very much the time you and Mr. O'Leary gave to Mr. Seder and me on June 29 to discuss the role of utilities in the construction of low and moderate income housing. As we indicated to you, it is our understanding that HUD will recommend an amendment to the Public Utility Holding Company Act of 1935 authorizing the Securities and Exchange Commission to permit holding company systems to participate in these essential housing programs, and we earnestly request your support of this legislation.

In order to assist in your consideration of this matter, we thought it might be helpful to recapitulate some of the points raised at the meeting as well as providing the information requested by you or Mr. O'Leary.

The key question raised in our discussions was whether a utility, by constructing housing, has a captive market for its service without regard to the relative economics of other energy sources. The answer to that question, insofar as low and moderate income housing projects regulated by the FHA are concerned, is unequivocally no.

The FHA closely supervises and regulates every aspect of the construction and operation of housing units subject to its jurisdiction, including the utility services to be provided. For example, Section 72962.5 of the FHA Valuation Analysis Manual for multi-family housing provides in part:

"The utility systems and building components proposed must be examined to determine that they are the most economical and beneficial, in terms of low operating costs, and consequently low rents, to the project occupants."

Again, in the FHA Manual, Appendix Underwriting Reports and Forms, Form 2264—Basic Valuation Instructions, relating to fuel, provides as follows:

"Heating equipment and or systems selected in all proposed construction cases shall be that system which is most economical to operate from the standpoint of annual operating expenses. In those cases where the sponsor or its representatives insists on specifying a system which in the opinion of FHA does not meet the above requirements, the file of sponsor's justifying data shall be submitted to the director of appraisal and mortgage risk division for decision."

Thus, the adoption of a more expensive utility service than that available from another source, with consequent higher rents, clearly would not be tolerated by the FHA.

Michigan Consolidated has recognized from the outset that the choice of energy sources in its housing projects must be based strictly upon relative economics. As we indicated in our discussions, we have accordingly utilized gas for space heating, water heating and cooking in our housing projects but have used electricity purchased from the local electric utility for all other uses, including the installation of heavy-duty wiring and in-the-wall sleeves for electric air conditioning. We have not adopted the use of gas for on-site generation of electricity, nor were the gas appliances installed in our housing projects purchased from Michigan Consolidated. We have installed electric garbage disposals in the kitchen sinks and have not installed gas incinerators for the burning of garbage.

The attached sheets show the comparative costs of gas, electricity, fuel oil and coal (where applicable) for the respective uses for which gas was selected in the projects constructed by Michigan Consolidated Homes Corporation. Sheet 1, which was prepared from data published by the Detroit office of FHA, shows that the cost of heating apartment-size units in the Detroit area with fuel oil and coal is from 33% to 50% more expensive than with gas. Apparently because of its high cost for space heating, electricity is not included in the comparison.

Sheet 2 is a comparison prepared by Michigan Consolidated showing comparative costs for heating, water heating and cooking in its service area. The cost of heating with fuel oil or coal is shown to be 25% to 45% higher than gas, and electricity costs approximately 3½ times more than gas for space heating. Electricity costs 80% more than gas for water heating and three times as much as gas for cooking. Thus, the economic advantage of using gas for these purposes is clear and unquestionable. I might add that we have checked with the Foundation for Cooperative Housing, Inc., which has sponsored or manages approximately 15,000 multi-family living units in Michigan constructed under Section 221(d)(3) of the National Housing Act, and have been advised that none of those units is heated with electricity.

In summary, to the extent that a utility might attempt to prefer its own service to another energy source providing a lower cost to tenants—a course which we have never followed and would under no circumstances entertain—the FHA has both the authority and the expertise to protect the public interest against such actions.

Two somewhat related points raised in our discussions concern the effect of the proposed legislation on the S.E.C.'s continuing jurisdiction over holding company involvement in the housing field and the effect of such involvement on the company's ability to raise capital to provide utility service.

Under the contemplated legislation, as we understand it, the S.E.C. would have continuing jurisdiction over holding company proposals to construct low and moderate income housing projects and would thus have full authority to prevent the holding company from becoming predominantly a housing corporation or from jeopardizing its ability to raise capital for utility purposes. In fact, the S.E.C. would have all of the jurisdiction it possesses today to regulate the scope or extent of holding company participation in housing projects; the proposed amendment would simply eliminate the barrier to any participation in Government supported housing programs under the Holding Company Act as now interpreted by the S.E.C.

I should add in this connection that the possibility of our becoming involved in low and moderate income housing projects to a point that jeopardizes our System's ability to raise capital for utility purposes is remote and unrealistic under any reasonably foreseeable circumstances. For example, under Michigan Consolidated's present program of constructing approximately 500 dwelling units annually, its equity investment in such projects would total only $1,000,000 per year, since approximately 90% of the cost is provided by FHA insured mortgages. This compares with Michigan Consolidated's total equity of nearly $200,000,000 and an equity investment of over $450,000,000 for the American Natural system as a whole. Michigan Consolidated's total assets amount to over $600,000,000 and the American Natural system's assets to over $1.5 billion. Thus, the investment in housing contemplated by Michigan Consolidated's present program is *de minimis* relative to the total size of the company and the holding company system of which it is a part.

A third question raised at our meeting was, in essence, why it is either necessary or desirable for public utilities to participate in low and moderate income housing programs. We are convinced, and we believe that HUD shares our view, that participation by public utilities in Government assisted housing programs is of great significance in the effort to provide decent homes for low and moderate income families.

Because of the regulation of rate of return and rents and other restrictions necessarily imposed upon limited dividend corporations by the National Housing Act and FHA regulations, many businesses are unwilling to participate as sponsors of low and moderate income housing projects. However, the construction and operation of housing projects under FHA regulation is remarkably similiar to utility regulation. Rents, like utility rates, are set by a government agency and may only be increased upon a showing of higher operating costs. The rate of return on the company's investment in a housing development is regulated, again like return on utility operations. A uniform system of accounts is prescribed for the housing operation which is similar to that prescribed for utility companies. A limited dividend corporation must file detailed reports on its operations, much like the utility's periodic reports to state and federal regulatory bodies. In short, because utilities are accustomed to operating within the regulated framework required by the Federal housing laws, they are more willing to construct and operate Government supported housing projects than many other businesses.

Second, utility companies serving urban areas are necessarily committed to the long-range welfare of those areas. Unlike many other businesses, a utility cannot simply remove its plant and work force to an outlying area to avoid urban problems. A utility's investment in service facilities and its customers are located in the urban areas it serves. Its interest in the rebuilding and rehabilitation of those areas is direct and compelling. Thus, in addition to social incentives, the utility has an economic incentive in the rebuilding of the cities that makes it a logical and sometimes indispensable catalyst in the initiation and successful implementation of low and moderate housing programs.

Finally, utilities generally have the managerial and financial resources necessary to ensure efficient construction and operation of low and moderate income housing projects. Under circumstances where time is money, and the prompt construction of projects is essential to carry out housing programs, such expertise is of real value.

We would be very glad to provide any other information on this subject that you or your staff should desire.

Very truly yours,

HUGH C. DALY,
Executive Vice President.

FHA HEATING COST DATA[1]

	Annual cost	Percent over (under) gas
700-square-foot unit:		
Gas	72	
Oil	96	133
Coal	108	150
800-square-foot unit:		
Gas	84	
Oil	108	129
Coal	120	143
1,000-square-foot unit:		
Gas	108	
Oil	144	133
Coal	156	144

COMPARATIVE COSTS OF COMPETITIVE FUELS FOR HEATING, WATER HEATING, AND COOKING FOR MICHIGAN CONSOLIDATED GAS CO. SERVICE AREA[2]

Heating:		
Gas	$122	
Coal	152	125
Oil	177	145
Electricity	432	354
Water heating:		
Gas	35	
Electricity	63	180
Cooking:		
Gas	9	
Electricity	28	311

[1] Federal Housing Administration—Utility, Maintenance, and Heating Cost, Aug. 21. 1968.
[2] Statistics have been computed based on the average annual residential heating requirements for customers within Michigan Consolidated Gas Co.'s service area.

[From the Detroit News, July 3, 1970]

MICHIGAN HOUSING IN CRISIS: 1,380,000 DWELL IN DECAY

(By Carl Konzelman)

Michigan's housing inventory has a high percentage of dilapidation and the prospects for improvement are slight.

In short, the state has a massive housing crisis.

These are conclusions to be drawn from a newly published study. "Michigan's Housing Conditions," conducted by Market Opinion Research for the Office of Planning Coordination in co-operation with the Michigan State Housing Development Authority.

Conducted to measure the physical condition of Michigan housing and to calculate the extent of Michigan housing needs, the study reflects some surprising elements. These include:

Item: Some 158,000 Michigan families live in "very poor" housing—homes that are dilapidated and ruined or close to ruin. Involved in these family units are at least 507,000 persons.

Another 273,000 households, including some 873,000 persons, are dwelling in "poor" and deteriorating conditions.

Conditions have been worsening, with "very poor" housing increasing from 85,425 units in 1960 to 158,000 in 1969 despite average annual housing starts of 60,500.

"Poor" housing declined slightly since the 1960 census but is expected to reach 318,600 units by 1975 because of the rapidly increasing housing that will be 40 years old in the next five years.

Item: Surprisingly dilapidation is not confined to inner city areas nor to poor people.

Roughly equal numbers of whites and blacks live under poor housing conditions.

Among families earning $10,000 or more annually, 53,900 lived in poor housing at the end of 1969. This figure was 13 percent of the "poor" housing total.

Among families earning $7,000–$10,000, 70,800 or 16 percent of the total, were poorly housed. In the $3,000–$7,000 group, there were 110,000 dwelling units, or 26 percent of the "poor" housing.

Some 102,300 households with family incomes under $3,000, or 24 percent, are in "poor" housing.

Item: Dissatisfaction with housing in common, as are hopes for improvement. Some 499,000 Michigan people in 156,000 homes live in poor housing and are involved in a search for better housing.

But, tragically, large numbers of Michigan families in poor housing do not have the economic means of bettering themselves.

This "noneffective demand," totaling 293,800 units, involves 940,000 people of all ages. Only 2 percent of those in poor housing have the financial and income capability to purchase on the open market without some form of government help.

Item: Analyzing state housing needs, the study notes need for 52,000 units at the very poorest level up to a maximum of 431,600 units in all levels of housing.

New residential construction is not keeping pace with the rate of decay and in fact is not even keeping up with the number of new families being formed.

"In short, the basic trends are not only unfavorable, the programs to date have not changed the patterns," said the study.

Item: Some 98 percent of those in poor housing are eligible for federal housing subsidy or for moderate income housing programs.

The minimum estimate of those eligible for federal aid is 293,800 households, while the new state moderate income subsidy program for those with incomes of $8,000-$12,000 would mean an additional 59,800 households were eligible.

The study was conducted as a guide for the state housing authority in planning help in solving the housing crisis. The authority has obtained $300 million in bonding capability for financing low and moderate-income dwellings.

Director William G. Rosenberg said recently that the authority now has the capacity to finance construction of 15,000 homes for 75,000 people. This will provide jobs for 22,000 building tradesmen.

The program is a major part of Gov. Milliken's housing development program, which envisions financing of 50,000 housing units at an estimated cost of $1 billion in this decade. The first $300 million in bonding authority—with the bonds to be liquidated out of revenues from the housing—is expected to be fully committed within three years.

Mr. HART. Mr. President, I hope very much that the position of the committee is protected.

I shall support the motion to table.

Mr. TOWER. Mr. President, I move to table the amendment of the Senator from Montana (Mr. METCALF).

The PRESIDING OFFICER (Mr. BYRD of Virginia). The question is on agreeing to the motion to table the amendment of the Senator from Montana (Mr. METCALF).

As many as favor the amendment will say "aye," opposed, "no."

The Chair is in doubt.

Mr. TOWER. Mr. President, I call for a division.

The PRESIDING OFFICER. A division is called for.

On a division, the motion to table the amendment of the Senator from Montana (Mr. METCALF) was agreed to.

Mr. JAVITS. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 3, between lines 10 and 11, add the following new subsection:

(c) Section 236 (b) is amended by adding at the end thereof the following language:

"The term 'mortgage insurance premium', when used in this section in relation to a project financed by a loan under a state or local program includes such fees and charges approved by the Secretary, as are payable by the mortgagor to the state or local agency mortgagee to meet reserve requirements and administrative expenses of such agency."

The PRESIDING OFFICER. The Chair would inquire of the Senator from New York whether this is the amendment on which he has 1 hour.

Mr. JAVITS. No, Mr. President, this is the amendment on which there is one-half hour and I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from New York is recognized for 5 minutes.

Mr. JAVITS. Mr. President, if I could have the attention of the ranking minority member of the committee, in the absence of the chairman, and the attention of the Senator from Wisconsin (Mr. PROXMIRE) who has taken the manager's chair, this amendment is, really, an amendment to conform the law to a situation which we face, and which other States may face, concerning mortgages which have the benefit of the subsidy under section 236, where the Government subsidizes interest over 1 percent.

The facts are these: The amendment would make eligible for this subsidization a group of charges called "fees and charges" charged by the mortgagee, which is an official agency, in my case the Housing Finance Agency of the State of New York. The "fees and charges" include its administrative expenses and reserves, and so forth, which a bank, enjoying this guarantee, would, to use a bank term, load into its interest rate. However, the law of my State, and of other States likely to be in the same position, provides that the agency—to wit, the Housing Finance Agency—must pass on to the borrowers the exact interest rate which it gets when it floats its own bonds. The practice is for the Housing Finance Agency to aggregate the mortgages in its own hands of the various local housing authorities and agencies and, having aggregated them, to issue its own bonds. The bank dealing with the same situation would put its administrative charges, and so forth, into the interest rate.

The Housing Finance Agency and similar agencies do not do that. They must pass on to the borrower the same interest rate they pay on their bonds. Hence, merely because of the label of the charge, or the label of the cost, it is excluded from ability to get a section 236 subsidy. It does not include arbitrage, discounts, on anything resembling any such costs, but includes the administrative expenses and the reserves which, I repeat, briefly, a bank would normally include in its total interest rate.

Mr. WILLIAMS of Delaware. May I ask the Senator from New York, would that include attorneys' fees?

Mr. JAVITS. Only the closing fees, because this is an unusual proposition. They have their own lawyers, and so forth.

Mr. WILLIAMS of Delaware. But it would include the cost of the attorneys?

Mr. JAVITS. No. It could include the cost of the overhead and the fact is that

they employ lawyers, just as they employ clerks. It is not an attorney's fee, which is a cost charge. I want expressly, in stating the case, to exclude that.

Mr. WILLIAMS of Delaware. Because the attorney's fee has been a substantial part of the closing cost, and I am wondering whether they want a Government guarantee on the fees.

Mr. JAVITS. No. This is just strictly an in-house charge, the equivalent of what a bank puts into its interest rate, but because of the terms in the State of New York and other States which it may affect, they cannot call it anything but "fees and charges." Hence, merely because of the label, they are excluded from the benefit, if they can get one, of a subsidy under section 236.

Mr. PROXMIRE. May I ask the Senator from New York, would this, in effect, result in larger payments by the Federal Government?

Mr. JAVITS. It could result in some increased payments but no more than if the bank were involved. It would be exactly the same, except that these payments would be even less, because they borrow money at much lower rates than banks do. Their mortgage charges are less than those of the banks.

Mr. PROXMIRE. I understand that the Housing and Urban Development Department supports the amendment, or at least does not oppose it.

Mr. JAVITS. The reason they cannot formally support, although they actually support it, is that they have not had a chance yet to submit it to the Budget Bureau. They give their views, which I am at liberty to state. They certainly have no opposition to it, and see sense in it.

Mr. PROXMIRE. The Housing Subcommittee tells me that, in their view, this would probably cost HUD and the taxpayers more money.

Mr. JAVITS. I really do not see why. It might cost them less, because the aggregate amount of the interest rate which these agencies charge, plus costs and fees, is less than banks. That is why they are in business. The banks put into the interest rate the very same charges.

Mr. PROXMIRE. Are these State programs?

Mr. JAVITS. Yes; that is exactly right. They are State programs. It has brought about $1 billion worth of additional housing in our State because of the gifted nature of this particular program. However, because it carries the wrong label, it cannot participate as a bank does. HUD told us the amendment is fine with them.

I hope very much that the committee can take this amendment to conference, to see if there are any problems with it.

Mr. PROXMIRE. I have conferred with the Senator from Texas (Mr. TOWER). The committee will be happy to take the amendment to conference. Under those circumstances, meanwhile, we will talk with the Budget Bureau.

The PRESIDING OFFICER. Do Senators yield back their time on the amendment?

Mr. JAVITS. Mr. President, I yield back the remainder of my time.

Mr. PROXMIRE. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. BYRD of Virginia). The question is on agreeing to the amendment of the Senator from New York.

The amendment was agreed to.

Mr. CASE. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read the amendment as follows:

On page 24, after Section 214, insert the following new sections:

SECTION 215. Section 221 (f) of the National Housing Act is amended by adding at the end thereof the following new sentence: "In any case in which it is determined in accordance with regulations of the Secretary that facilities which could appropriately be used for classroom purposes are available in any such property or project and that public schools in the community are overcrowded due in part to the attendance at such schools of residents of the property or project, such facilities may be used for such purposes to the extent permitted in such regulations (without being subject to any of the requirements of the proviso in section 220 (d) (3) (B) (iv) except the requirement that the project be predominantly residential)."

SECTION 216. Section 236(j) (5) of the National Housing Act is amended by adding at the end thereof (after and below subparagraph (C)) the following new sentence: "In any case in which it is determined in accordance with regulations of the Secretary that facilities which could appropriately be used for classroom purposes are available in any such property or project and that public schools in the community are overcrowded due in part to the attendance at such schools of residents of the property or project, such facilities may be used for such purposes to the extent permitted in such regulations (without being subject to any of the requirements of the first proviso in subparagraph (A) except the requirement that the project be predominantly residential)."

The PRESIDING OFFICER. How much time does the Senator yield himself?

Mr. CASE. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from New Jersey is recognized for 5 minutes.

Mr. CASE. Mr. President, I offer this amendment on behalf of myself and my colleagues, the Senator from New Jersey (Mr. WILLIAMS) and the Senator from Pennsylvania (Mr. SCOTT). The purpose of the amendment is a very simple one.

It has come to my attention particularly because of a situation which has arisen in the city of Newark where we are increasingly faced with a situation involving a heavy concentration of school-age children in federally subsidized housing projects. The situation contributes directly to the overcrowding of certain of our schools.

In Newark, for example, an elementary school across the street from one such housing project is designed for 1,600 students. The school now has 1,800 students already enrolled. There are 2,300 youngsters in the neighborhood. In fact, the entire city of Newark has 10,000 more youngsters than it has classroom seats.

The housing law now permits nondwelling facilities, community facilities, and even some commercial facilities in federally subsidized housing projects. But the law contains no language specifically authorizing the use of federally subsidized housing projects for classroom facilities.

This amendment is intended to remedy that defect.

I might say here that the Newark Board of Education and the housing authority in Newark have come to an understanding about the facilities which can be used and can be leased by the board of education and be paid for with satisfactory rental pay.

The board of education, the mayor, and the school people came down to see the officials in HUD. They were sympathetically received, but were told that HUD was reluctant, without congressional authority in this matter of schools, to go ahead.

The amendment leaves the matter entirely at the discretion of the Secretary of Housing and Urban Development. It is not mandatory. HUD has full authority under the amendment, or would have, to establish the regulations which would have to be complied with.

Where schools are overcrowded because of the large number of children living in nearby federally subsidized housing projects, this amendment would permit the use of a portion of these housing facilities for classroom purposes.

The House Banking and Currency Committee, which is still considering the Housing Act of 1970 in executive session, has accepted this amendment and has written it into the final version of the bill.

I think there is no question about the importance of this not only in New Jersey, in the city of Newark, and other cities, but also in many places throughout the country.

I hope very much that the committee would be willing to accept the amendment. The exact language which I have offered here has been incorporated in the House bill, as I say.

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

Mr. CASE. I yield.

Mr. PROXMIRE. Mr. President, does the amendment provide or contemplate that in new housing construction, space would be provided under certain circumstances for classrooms?

Mr. CASE. Subject to regulations by HUD, the terms of the amendment could be fairly interpreted, I think to apply to existing housing and new housing.

Mr. PROXMIRE. So, the amendment would provide that if Secretary Romney decided that there was a classroom shortage in a particular area and a large housing project was about to be constructed there, he could specify regulations which would require that some of the space be set aside for classrooms.

Mr. CASE. He could, I believe, but the burden would be on local officials to prove the needs. I think I would say this, this is my own view. This, I know, would meet the situation we are trying to get at spe-

cifically in Newark. This could be done, not as a federally subsidized school, but only as a matter of convenience under arrangements under which the full value of the facilities would be paid for in rents by the local school district.

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

Mr. CASE. I yield.

Mr. TOWER. Mr. President, is this more or less on a space available basis?

Mr. CASE. Entirely on a space available basis. There is no intention to turn the housing program into an education program except in the narrowly limited situations that I have described.

Mr. TOWER. Mr. President, it is simply a matter of providing space that could be used for schoolrooms without equipping them or anything of that kind.

Mr. CASE. The Senator is correct.

Mr. PASTORE. Mr. President, who would pay for the equipment?

Mr. CASE. The board of education.

Mr. PASTORE. The money authority is up to the local authorities.

Mr. CASE. The Senator is correct.

The PRESIDING OFFICER. Who yields time?

Mr. TOWER. Mr. President, I yield myself 1 minute on the bill.

The PRESIDING OFFICER. The Senator from Texas is recognized for 1 minute.

Mr. TOWER. Mr. President, this would be space that would, in effect, be leased to the local school authority.

Mr. CASE. That is precisely what is proposed. So far as I know, arrangements of this sort would meet not only our needs but also the general needs. I think it ought to be done on that basis.

We, too, agree that we are not engaged in a school bill, but in a housing bill.

Mr. PROXMIRE. Mr. President, suppose there were a $5 million mortgage to construct a housing facility and the Secretary should find it would be very desirable to provide more classroom facilities. Would a certain proportion of those funds be devoted to this purpose—not to housing, but to space available for classrooms?

Mr. CASE. My view is that the Secretary would go very slowly so far as making this a regular program in the future, although the language would permit it if he thought well of it. I think as far as financing a building goes, I am not quite sure I understand the nature of the question.

Mr. PROXMIRE. What I am trying to find out is whether some of the funds which would be provided for housing would actually go for school purposes and, as the Senator from New Jersey said so well, confuse the two programs.

Mr. CASE. Mr. President, I agree that ought not to be done. As a matter of fact, the amendment does specifically provide that the project be predominantly residential, and that is my own view. I think it ought to be very clear that that is the way it would be done.

Mr. PASTORE. Mr. President, I asked the question whether any of the funding would be out of the Federal Treasury. The Senator said no, that it would all be from local money.

Mr. CASE. Mr. President, there is no question about that. The only question the Senator from Wisconsin had was whether the initial borrowing would include facilities for this purpose. The answer is "Yes," but the payments would be made by rental payments on whatever sound basis the Secretary approved.

Mr. PASTORE. Regardless of the merits of the amendment, is it not a practical fact that whatever money is allocated to this school would actually be taken away from further housing within the project?

Mr. CASE. I do not think we would have these problems in the first place if the environment conerning the education of the children was satisfactory.

Mr. PASTORE. I realize that. We ran into the same difficulty under title I where some people thought there should be clothing furnished to children who went to school. The argument was made by many local authorities that this proportionately took money away from the schools.

I wonder if we are not doing the same thing here again and taking the money away from housing and putting it in schools.

I am not against putting it in schools, I want that to be clearly understood.

The big question here is to see that we do not create some kind of attrition with respect to the housing program, as desirable as the school program may be.

Mr. CASE. It is essential that this be done. I think myself that it would be limited to those situations in which the need is so very great that no reasonable person could disagree. The regulations ought to be specific on that.

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

Mr. PROXMIRE. Mr. President, I yield an additonal 5 minutes to the Senator.

Mr. TOWER. Will the Senator consider modifying his amendment to include only existing housing?

Mr. CASE. That would meet our peculiar need. There are two questions, of course.

Mr. TOWER. The reason I suggest it is that if the Senator would do that it would eliminate some confusion in our minds. It would help solve the Senator's immediate problem and we could hold hearings in the next session and I would like to have hearings.

Mr. CASE. I do accept that. It will meet our immediate purpose and also permit the conferees to have that difference in the language of the Senate bill and the House bill, and that may make it possible to come up with something better.

Mr. PROXMIRE. I appreciate that. I think the Senator from Texas has made a good suggestion.

Mr. President, I understand the Senator from New Jersey will modify his amendment to apply only to existing housing on a space available basis, and the Banking and Currency Committee will hold hearings on whether future legislation should be applied prospectively to new housing.

Mr. CASE. Will the Senator accept this language: "In any case in which it is determined * * * that facilities in existence or under construction on the date of enactment of this act."

Mr. PROXMIRE. Very good.

The PRESIDING OFFICER (Mr. BAKER). The amendment is so modified.

The amendment as modified reads as follows:

SEC. 215. Section 221(f) of the National Housing Act is amended by adding at the end thereof the following new sentence: "In any case in which it is determined in accordance with regulations of the Secretary that facilities in existence or under construction on the date of enactment of this Act which could appropriately be used for classroom purposes are available in any such property or project and that public schools in the community are overcrowded due in part to the attendance at such schools of residents of the property or project, such facilities may be used for such purposes to the extent permitted in such regulations (without being subject to any of the requirements of the proviso in section 220(d)(3)(B)(iv) except the requirement that the project be predominantly residential)."

SEC. 216. Section 236(j)(5) of the National Housing Act is amended by adding at the end thereof (after and below subparagraph (C)) the following new sentence: "In any case in which it is determined in accordance with regulations of the Secretary that facilities in existence or under construction on the date of enactment of this Act which could appropriately be used for classroom purposes are available in any such property or project and that public schools in the community are overcrowded due in part to the attendance at such schools of residents of the property or project, such facilities may be used for such purposes to the extent permitted in such regulations (without being subject to any of the requirements of the first proviso in subparagraph (A) except the requirement that the project be predominantly residential)."

Mr. PROXMIRE. I yield back the remainder of my time.

Mr. CASE. Mr. President, my time has expired.

The PRESIDING OFFICER. All remaining time has been yielded back.

Mr. CASE. Mr. President, I ask unanimous consent that a statement by the Senator from New Jersey (Mr. WILLIAMS) be printed in the RECORD at this point.

The PRESIDING OFFICER. Is there objection?

There being no objection, the statement of Mr. WILLIAMS of New Jersey was ordered to be printed in the RECORD, as follows:

LOCAL COMMUNITIES SHOULD BE TO PROVIDE SCHOOLS IN HOUSING PROJECTS

Mr. President, it is with great deal of pleasure that I support the amendment of my distinguished senior colleague from New Jersey, Senator Case. I am also pleased to join with him as a co-sponsor.

The pending amendment would include language in the National Housing Act permitting, under carefully determined circumstances, the utilization as classrooms of portions of housing projects financed under Section 221(d)(3) or 236 of the present Act.

Educators, city and county officials and community leaders have come to Washington to see what could be done to ease this terrible impaction of schools—impaction occasioned by the construction high-density residential units financed through programs administered by HUD.

This housing is needed and the communities welcome it and work to see that it remains both socially and economically successful. But, Mr. President, it is the contention of these citizens that for these large projects to render truly useful social service, there must be some provisions for their own and their neighbors' children to attend local schools that are not overcrowded.

The evidence favoring this amendment is not to be found in only one city. It is nation-wide. Officials of H.U.D. admitted the problem of school impaction confronts all the large cities of the Nation. Newark suffers, as do Chicago, New York, St. Louis, Kansas City, Los Angeles. The list is as long as the number of our metropolitan centers.

Present law permits the lower floors of housing projects to be used for various retail goods and service outlets. They provide the necessary full-community services that are necessary to the successful operation of high-rise and garden-type projects. Certainly, the schooling of the neighborhood's children serves a need second only to food and shelter. These parents want their children to receive proper schooling—schooling that cannot be provided in the overcrowded conditions that obtain in so many of our inner-city schools.

Mr. President, I urge the support of all Senators for this amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified.

The amendment, as modified, was agreed to.

Mr. PERCY. Mr. President, at the request of the minority leader, the Senator from Pennsylvania (Mr. SCOTT), I ask unanimous consent that his statement on the pending measure be printed in the RECORD.

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

STATEMENT OF SENATOR SCOTT

Mr. SCOTT. Mr. President, I support the pending bill, the Housing and Urban Development Act of 1970. This is an omnibus measure which includes new help for mass transit and for developers of so-called "new towns." My Commonwealth of Pennsylvania will particularly benefit from these two innovations.

Urban mass transportation in most of Pennsylvania's larger cities, especially Philadelphia and Pittsburgh, is now beginning to show some vital life signs after many years of deterioration. In Philadelphia, I was successful in obtaining over one hundred new commuter rail cars. In Pittsburgh, I was instrumental in securing approval for the highly innovative Skybus. We need much more assistance to our large cities in their efforts to provide public transportation. The pending bill will, for the first time, extend Federal aid to cover the deficits of local urban mass transit companies, mostly bus lines, to $750 million nationwide over the next five years.

The urban growth and new community development provision of the pending bill will assist in the revitalization of our rural areas and will assist public and private developers in creating new and revitalized communities to accommodate the overflow of larger cities. For each of these "new towns," the Senate bill provides $20 million in loans and guarantees for up to $50 million in developer's bonds. I am hopeful that Pennsylvania's community planners will take advantage of these new Federal incentives by creating "new towns" in some of the more highly congested areas of the Commonwealth.

Mr. President, megalopolis is upon us. We must do everything we can to assist in assuring new spirit of growth and balanced development in Pennsylvania to meet the pressing needs of our growing population.

Mr. GOODELL. Mr. President, I send two amendments to the desk and I ask unanimous consent that they be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendments will be stated.

The assistant legislative clerk proceeded to read the amendments.

Mr. GOODELL. Mr. President, I ask unanimous consent that further reading of the amendments be dispensed with; and that they be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendments will be printed in the RECORD.

The amendments, ordered to be printed in the RECORD, are as follows:

On page 10, after line 7, insert the following:

"INCREASES IN MORTGAGE CEILINGS FOR HIGH COST AREAS UNDER SUBSIDIZED MULTIFAMILY HOUSING PROGRAMS

"SEC. 109. Section 221(d)(3)(ii) of the National Housing Act is amended by striking out '45 per centum' and inserting in lieu thereof '60 per centum'."

Renumber succeeding sections accordingly.

On page 17, line 23, after "(a)" insert "(1)".

On page 18, line 10, strike out "(b) This section" and insert "(2) This subsection".

On page 18, after line 13, insert the following:

"(b) Until such time as prototype costs for any area have been determined in accordance with the amendment made by subsection (a), the cost limits for the construction and equipment of low-rent housing projects in such area shall be determined in accordance with the first sentence of section 15(5) of the United States Housing Act of 1937, as it existed immediately prior to the effective date of subsection (a); except that each of the dollar limitations specified in that sentence may be increased in the discretion of the Secretary by 20 per centum on the date of enactment of this Act."

Mr. CURTIS. Mr. President, will the Senator yield for a question?

Mr. GOODELL. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator is recognized for 5 minutes.

Mr. GOODELL. I yield to the Senator from Nebraska.

Mr. CURTIS. Mr. President, I wish to ask the Senator what section of the existing law this affects. Is it the 235 program?

Mr. GOODELL. No. I will explain briefly what these two amendments do.

These amendments would raise the cost limits for public housing and FHA-subsidized housing for low- and moderate-income housing.

As my colleagues are aware, cost limits govern the construction of federally assisted housing. If construction costs—the costs for labor, land, and materials—creep above the accepted statutory limits set by the Congress, then construction plans must be halted until Congress can respond by raising the cost ceilings.

This "stop and go" process has resulted in sporadic construction and at times, no construction of low and moderate income housing and more satisfactory. Last year I introduced legislation to provide a new method of computing cost ceilings. Under my bill, statutory room cost limits and mortgage limits would have been determined on the basis of cost indices approved by the Secretary of HUD. Application of this flexible, sliding scale would have produced construction cost limits which reflect actual construction needs and experience. With up-to-date cost limits, construction of low and moderate income housing would have continued unimpeded particularly in high cost areas.

I was grateful that the Banking and Currency Committee and the Senate accepted this new approach. Unfortunately, it was not accepted in the conference. Instead the conferees agreed upon a 15-percent increase in FHA-subsidized limits and a 20-percent increase in room cost limits for public housing. These increases were sufficient to cover the cost increases accumulated from 1965 to 1969 and construction of these Government-assisted projects could continue.

Since then, inflation has, once again, made cost limits out of date. Cost indices have risen 10 percent since June of 1969. Studies made by the Engineering News Record, have indicated that in the first 3 years of the 1970's, the construction dollar will shrink in value as much as it did in the whole decade of the 1960's.

The cost of labor, land and materials continues to rise. It has been predicted that labor costs will have increased between 12 and 25 percent, depending on the area, by the end of 1970. In fact, the wage settlements of the last quarter amounted to an 8.2 percent increase over the previous quarter—the most significant labor increase since 1948. The cost of materials will also rise during this year at a rate of between 4 to 10 percent, depending again on the area.

Most construction cost indices predict a general increase of costs from 5 percent a year to 1.5 percent a month, depending on the region. These increases are particularly severe in the cities. For example, the ENR Construction Cost Index—CCI—shows an eight-point increase in construction costs for the first quarter of 1970. In a similar CCI for the 20 largest cities, the first quarter showed an increase of 30 points. The greatest increases in descending order were in the following cities: Kansas City, Boston, Detroit, St. Louis, Los Angeles, Minneapolis, New York City, Denver, New Orleans, and Dallas.

These increases prompted the National Association of Housing and Redevelopment Officials—NAHRO—to conduct a survey of construction by local housing authorities and housing sponsors of FHA-subsidized housing across the Nation. More than 200 local housing authorities responded to the survey; 80 percent of these authorities indicated that the public housing construction cost limits adopted by the Congress in 1969 were inadequate, or would be inadequate in 1970. Of the more than 100 localities responding to the survey on FHA mortgage limits, over 82 percent indicated the present limits are inadequate or would be inadequate in 1970. I ask unanimous consent that the results of that study be included in the RECORD.

There being no objection, the mate-

rial was ordered to be printed in the RECORD, as follows:

STATUTORY MORTGAGE LIMITS IN FHA-INSURED HOUSING

The National Association of Housing and Redevelopment Officials undertook, in May 1970, a survey on Statutory Mortgage Limits in FHA-Insured Housing. It was felt that such a survey would be beneficial in determining the programs in serious financial difficulty; the adequacy of the 1969 statutory mortgage limits and the percent increase necessary to construct single and multi-family units. Questionnaires were sent to Urban Renewal Agencies. The following tabulations are indicative of the present financial situation affecting FHA insured housing:

I. Number of responses: 100.

II. Geographical distribution: 35 States.

III. Distribution by size of city:

Population:	Number of cities responding
Over 1,000,000	1
500,000 to 1,000,000	7
250,000 to 500,000	9
100,000 to 250,000	12
50,000 to 100,000	19
25,000 to 50,000	12
10,000 to 25,000	19
Under 10,000	16
Total	[1] 95

IV. Findings of the Survey:

1. Sponsors in our local community have submitted cost estimates to construct FHA-insured low- and moderate-income housing since January 1969:

	Percent
Yes	91.0
No	9.0
Total	100.0

Programs:	Percent
Section 235 Homeownership	71.4
Section 236 Rental Assistance	87.3
Section 221–d–3 Low and Moderate	30.7
Section 221–d–3 Rent Supplement	28.5
Section 221(h) Rehabilitation	27.4

2. Mortgage limits adopted by the Congress in 1969 are:

	Percent
Adequate for all programs	17.2
Adequate now, inadequate in 1970	50.5
Inadequate now for all programs	32.3
Total	100.0

3. Our community needs an increase in mortgage limits for the following programs—now:

Multi-family, basic limits:	Percent
10 percent	19.3
15 percent	20.4
20 percent	16.0
Multi-family, high cost:	
10 percent	12.5
15 percent	13.6
20 percent	18.2
Total	100.0
Single-family, basic limits:	
10 percent	23.2
15 percent	17.1
20 percent	13.4
Single-family, high cost:	
10 percent	9.8
15 percent	15.8
20 percent	20.4
Total	100.0

[1] The difference between the total number of cities responding (100) and the number of cities responding in the distribution by size of city category (95) is due to regional renewal agencies.

SURVEY ON STATUTORY CONSTRUCTION COST LIMITS FOR PUBLIC HOUSING

In April of 1970 the National Association of Housing and Redevelopment Officials initiated a survey on the adequacy of statutory construction cost room limits, as enacted by the Housing Act of 1969, for public housing. Questionnaires examining this situation were sent to local housing authorities. The resulting responses are indicative of the degree to which the local authorities have been able to take bids on new construction since January, 1969 and the adequacy of the existing construction cost limits.

I. Number of Responses to Date: 236.

II. Geographical Distribution: 45 States; Guam; District of Columbia.

III. Distribution by Size of City:

Population:	Number of cities responding
Over 1,000,000	2
500,000 to 1,000,000	13
250,000 to 500,000	12
100,000 to 250,000	27
50,000 to 100,000	37
25,000 to 50,000	44
10,000 to 25,000	45
Under 10,000	50
Total	[1] 231

[1] The discrepancy that exists between the Total Number of Responses to Date (236) and the Total Number of Cities Responding (231) is due to the response of state and regional housing authorities, the District of Columbia and Guam.

IV. 1. Our local authority has taken bids on new construction since January, 1969:

Response:	Number	Percent
Yes	107	[1] 47.7
No	117	52.3
Total	227	100.0

[1] A percentage breakdown of the 107 local authorities when responded they had taken bids on new construction since January 1969 resulted in findings similar to those shown in the chart IV, 2 and 3; 18.8 percent found current construction cost limits adequate; 50.4 percent indicated that the limits were adequate presently, but they would be inadequate in 1970; 31 percent found the limits inadequate to meet present costs. The increase suggested as necessary to meet construction costs in 1970 also closely paralleled those figures in No. 3.

Basic limits:	Percent
10 percent	25.9
15 percent	17.7
20 percent	14.4
High cost area limits:	
10 percent	16.4
15 percent	9.2
20 percent	16.4

2. We view the construction cost limits adopted in 1969 as:

	Number	Percent
Adequate to meet current construction cost levels	41	18.9
Adequate presently, probably inadequate in 1970	118	54.4
Inadequate even to meet present costs	57	26.6
Total	216	110.0

3. Our authority would require an increase as follows to meet costs in 1970:

	Total number	Percent
Basic limits (percent):		
10	43	23.8
15	37	20.4
20	22	12.2
High cost area limits (percent):		
10	34	18.8
15	19	10.4
20	26	14.4
Total	181	100.0

Mr. GOODELL. Mr. President, the existing cost limits are now inadequate in many sections of the country, not only in the larger cities. Housing authorities and sponsors from countless localities have indicated that public housing cost limits and FHA-insured mortgages are inadequate to continue construction of Government-assisted housing.

I ask unanimous consent that the lists prepared by NAHRO indicating the names of communities finding the present cost limits out of date be included in the RECORD.

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

LISTING OF LOCAL HOUSING AUTHORITIES INDICATING INADEQUACY OF STATUTORY CONSTRUCTION COST LIMITS

ALABAMA

1. Huntsville Housing Authority.
2. Sylacauga Housing Authority.
3. Childersburg Housing Authority.
4. Chickasaw Housing Authority.
5. Rainsville Housing Authority.
6. Boaz Housing Authority.
7. Centre Housing Authority.*
8. Crossville Housing Authority.

ARIZONA

1. Phoenix Housing Authority.

ARKANSAS

1. Housing Authority of the City of Little Rock.
2. Fayetteville Housing Authority.*
3. Housing Authority of the City of Clarendon.
4. North Little Rock Housing Authority.
5. Springdale Housing Authority.

CALIFORNIA

1. Housing Authority of the County of Santa Barbara.
2. Brawley Housing Authority.
3. Housing Authority of the City and County of Fresno.
4. Housing Authority of the City of Alameda.
5. Housing Authority of the County of Merced.
6. Housing Authority of the County of Kern.*
7. Sutter County Housing Authority.*
8. Housing Authority of San Buenaventura.
9. Sacramento Housing Authority.

COLORADO

1. Trinidad Housing Authority.*

CONNECTICUT

1. Housing Authority of the Town of East Hartford.
2. Waterbury Housing Authority.*
3. Milford Housing Authority.
4. Meriden Housing Authority.*
5. Citizens Action Council, Stamford.*
6. Stamford Housing Authority.*
7. Housing Authority of the City of Bridgeport.
8. New Haven Housing Authority.

*Indicates present inadequacy. Other listings denote inadequacy during 1970.

DELAWARE

1. Wilmington Housing Authority.

FLORIDA

1. Lake Walis Housing Authority.
2. Pinellas County Housing Authority.*
3. Housing Authority of the City of Plant City.
4. Dade County Department of Housing and Urban Development.
5. Housing Authority of Orlando.
6. Jacksonville Housing Authority.

GEORGIA

1. Macon Housing Authority.
2. Housing Authority of the City of Rome.*
3. Housing Authority of Columbus.
4. Housing Authority of the City of Atlanta.
5. Housing Authority of the City of Cedartown.*

GUAM

1. Guam Housing and Urban Renewal Authority.

ILLINOIS

1. Macoupin County Housing Authority.
2. Housing Authority of Joliet.
3. Department of Urban Renewal, Champaign County.*
4. Knox County Housing Authority.
5. Housing Authority of East St. Louis.
6. Winnebago County Housing Authority.
7. Springfield Housing Authority.*
8. Decatur Housing Authority.

INDIANA

1. Elkhart Housing Authority.
2. Hammond Housing Authority.*

KENTUCKY

1. City of Louisville Municipal Housing Commission.
2. City of Cynthiana Municipal Housing Commission.
3. Urban Renewal and Community Development Agency of the City of Bardstown.*

LOUISIANA

1. Housing Authority of the Parish of Baton Rouge.
2. Housing Authority of the Town of Jonesboro.
3. Housing Authority of Westwego.
4. Housing Authority of Morgan City.*
5. Housing Authority of the Town of Vinton.

MARYLAND

1. Housing Authority of the City of Baltimore.
2. Elkton Urban Renewal Authority.*
3. Wicomico County Housing Authority.

MASSACHUSETTS

1. Taunton Housing Authority.*
2. Haverhill Housing Authority.*
3. Norwood Housing Authority.
4. Boston Housing Authority.*
5. Newton Housing Authority.
6. Housing Authority of Lawrence.
7. Medford Housing Authority.
8. Quincy Housing Authority.*
9. Springfield Housing Authority.

MICHIGAN

1. Lincoln Park Housing Commission.
2. Detroit Housing Commission.
3. Inkster Housing Commission.*
4. Pontiac Housing Commission.
5. Big Rapids Housing Commission.*
6. Flint Housing Commission.*
7. Port Huron Housing Commission.*

MINNESOTA

1. Albert Lea Housing and Redevelopment Authority.*
2. Housing and Redevelopment Authority of Chisholm.
3. Housing and Redevelopment Authority of the City of St. Paul.
4. Housing and Redevelopment Authority of the City of Minneapolis.

MISSOURI

1. Housing Authority of Marshall.
2. Housing Authority of Columbia.*
3. Fulton Housing Authority.
4. Housing Authority of the City of Marceline.
5. Housing Authority of St. Joseph.*

MONTANA

1. Housing Authority of the City of Butte.

NEBRASKA

1. Housing Authority of the City of Omaha.*

NEVADA

1. Las Vegas Housing Authority.

NEW HAMPSHIRE

1. Nashua Housing Authority.*
2. Somersworth Housing Authority.
3. Concord Housing Authority.

NEW JERSEY

1. Housing Authority of the Borough of Lodi.*
2. Housing Authority of East Orange.*
3. Paterson Housing Authority.
4. Housing Authority of the Borough of Princeton.
5. Housing Authority and Urban Redevelopment Agency of Atlantic City.
6. Housing Authority of Plainfield.
7. Housing Authority of Ocean City.
8. Housing Authority of Lakewood.
9. Housing Authority of the Town of Phillipsburg.
10. Housing Authority of the City of Bridgeton.

NEW MEXICO

1. Housing Authority of the City of Artesia.

NEW YORK

1. Yorktown Urban Renewal Agency.
2. Massena Housing Authority.
3. Tuckahoe Housing Authority.
4. Saratoga Springs Housing Authority.
5. Fulton Housing Authority.*
6. Freeport Housing Authority.
7. New York City Housing Authority.*
8. Niagara Falls Housing Authority.*
9. City of Hornell Housing Authority.

NORTH CAROLINA

1. Housing Authority of Wilmington.*
2. Housing Authority of Raleigh.
3. Chapel Hill Housing Authority.*
4. Housing Authority of the City of Greensboro.*
5. Housing Authority of the City of Fayetteville.

OHIO

1. Akron Metropolitan Housing Authority.*
2. Lorain Metropolitan Housing Authority.*
3. Dayton Metropolitan Housing Authority.*
4. Ironton Housing Authority.*
5. Steubenville Metropolitan Housing Authority.
6. Painesville Housing Authority.*
7. Springfield Metropolitan Housing Authority.

OKLAHOMA

1. Housing Authority of the Choctaw Nation of Oklahoma.

OREGON

1. Housing Authority of Salem.
2. Douglas County Housing Authority.*

PENNSYLVANIA

1. Bethlehem Housing Authority.
2. Housing Authority of the County of Lebanon.
3. Housing Authority of the City of Easton.
4. Clinton County Housing Authority.
5. Allegheny County Housing Authority.
6. Housing Authority of the County of Dauphin.
7. Lackawanna County Housing Authority.
8. Housing Authority of the County of Greene.
9. Housing Authority of the County of Beaver.
10. Montgomery County Housing Authority.*
11. Westmoreland County Housing Authority.
12. Housing Authority of the County of Lawrence.
13. Housing Authority of the County of Armstrong.*

RHODE ISLAND

1. Newport Housing Authority.
2. Central Falls Housing Authority.
3. Cranston Housing Authority.*
4. Woonsocket Housing Authority.

SOUTH CAROLINA

1. Housing Authority of the City of Columbia.*

SOUTH DAKOTA

1. Housing Authority of the City of Sioux Falls.

TENNESSEE

1. Memphis Housing Authority.
2. Athens Housing Authority.
3. Knoxville Housing Authority.*
4. Portland Housing Authority.
5. Gallatin Housing Authority.
6. South Carthage Housing Authority.
7. Johnson City Housing Authority.
8. Jackson Housing Authority.*
9. Chattanooga Housing Authority.*
10. Pulaski Housing Authority.

TEXAS

1. Corpus Christi Housing Authority.*
2. Housing Authority of the City of Texarkana.
3. Housing Authority of the City of Crockett.
4. Housing Authority of the City of Dallas.*
5. Housing Authority of Galveston.

VERMONT

1. Barre Housing Authority.

VIRGINIA

1. Charlottesville Redevelopment and Housing Authority.
2. Hopewell Redevelopment and Housing Authority.

WASHINGTON

1. Housing Authority of Grant County.
2. Seattle Housing Authority.

WEST VIRGINIA

1. Huntington Housing Authority.
2. Housing Authority of the City of Weirton.
3. City of Clarksburg Housing Authority.

WISCONSIN

1. Housing Authority of the City of Milwaukee.
2. Housing Authority of the City of Madison.

*Indicates present inadequacy. Other listings denote inadequacy during 1970.

LISTING OF URBAN RENEWAL AGENCIES INDICATING INADEQUACY OF STATUTORY MORTGAGE LIMITS IN FHA-INSURED HOUSING

(*) Indicates present inadequacy—other listings denote inadequacy during 1970.

ALABAMA

1. Housing Authority of the City of Opelika
*2. Childersburg Housing Authority.

ARKANSAS

1. Morlington Housing Authority.

CALIFORNIA

1. Redevelopment Agency, City of Pittsburg.
*2. Urban Strategists Associated, Inglewood.
*3. City of Inglewood.
4. Redevelopment Agency of the City o. Santa Fe.
*5. Oakland Redevelopment Agency.

*6. Housing Authority of Stanislaus County (Modesto).
*7. Redevelopment Agency of the City of Seaside.

COLORADO

*1. Metropolitan Denver Fair Housing Council.

CONNECTICUT

*1. Citizens Action Council, Stamford.
2. Housing Authority of Waterbury.
*3. Urban Redevelopment Commission, Stamford.
4. State of Connecticut Department of Community Affairs.

DELAWARE

*1. Greater Wilmington Housing Corporation.

GEORGIA

*1. Housing Authority of Americus.

HAWAII

*1. Honolulu Redevelopment Agency.

ILLINOIS

*1. Department of Urban Renewal of the City of Champaign.
*2. City of Springfield Housing Authority.
3. City of Bloomington Urban Renewal Agency.

INDIANA

1. Redevelopment Department of Anderson.
2. City of East Chicago, Department of Redevelopment.

IOWA

1. Redevelopment Agency of Waterloo.
*2. Urban Development Department, City of Des Moines.

KANSAS

*1. Urban Renewal Agency of Leavenworth.

MARYLAND

1. Montgomery County Department of Community Development.
2. Baltimore Department of Housing and Community Development.

MASSACHUSETTS

1. New Bedford Redevelopment Authority.
2. Micah Corporation, Springfield.
*3. Community Teamwork, Inc., Lowell.
*4. Brookline Redevelopment Authority.
*5. Cambridge Redevelopment Authority.

MICHIGAN

1. City of Muskegon, Department of Urban Renewal.
*2. Romulus Urban Renewal Department.

MINNESOTA

1. Housing and Redevelopment Authority of St. Paul.
*2. Minneapolis Housing Authority.
3. Hopkins Housing and Renewal Authority.
4. Winona Housing and Redevelopment Authority.
*5. Housing and Redevelopment Authority of Duluth.

MISSOURI

1. Housing Authority of Mexico.

NEBRASKA

*1. Office of Neighborhood Development and Improvement, Omaha.

NEW JERSEY

*1. Paterson Redevelopment Agency.
2. Englewood Redevelopment Agency.

NEW YORK

1. Yorktown Urban Renewal Agency.
2. Yonkers Urban Renewal Agency.
*3. Glen Cove Urban Renewal Agency.
*4. Hudson Urban Renewal Agency.
*5. New York State Urban Development Corporation.
6. Niagara Falls City Planning Department.
*7. Buffalo Urban Renewal Agency.
8. Syracuse Urban Renewal Agency.

NORTH CAROLINA

1. Wilson Redevelopment Commission.

OHIO

1. Community Development Agency, Dayton.

OREGON

1. Portland Development Commission.

PENNSYLVANIA

1. Pittsburgh Urban Renewal Agency.
*2. Redevelopment Authority of New Kensington.
*3. Redevelopment Authority of Lancaster.
4. Nanticoke Redevelopment Authority.
5. Redevelopment Authority of the County of Lebanon.
6. Redevelopment Authority of the County of Armstrong.
*7. YGS Building Foundation, Philadelphia.
*8. Williamsport Redevelopment Authority.

RHODE ISLAND

1. Redevelopment Agency of Newport.

SOUTH CAROLINA

1. Greenville County Planning Commission.

SOUTH DAKOTA

1. Sioux Falls Housing and Redevelopment Authority.

TENNESSEE

1. Union City Housing Authority.

TEXAS

1. Mission Urban Renewal Agency.

VIRGINIA

*1. Richmond Redevelopment Agency.
2. Newport News Redevelopment and Housing Authority.
3. Norfolk Redevelopment and Housing Authority.

WASHINGTON

*1. City of Hoquinan Urban Renewal Agency.

WEST VIRGINIA

1. City of Bluefield Redevelopment and Housing Authority.

WISCONSIN

1. Department of City Development, Milwaukee.

*Indicates present inadequacy. Other listings denote inadequacy during 1970.

Mr. GOODELL. The NAHRO survey indicates that an increase of 20 percent in the basic construction cost and mortgage limits is necessary in order that construction activity can continue through the year.

Clearly, our present method of establishing cost limits and mortgage limits is not working. The limits do not represent regional cost differences nor can they respond with efficiency and ease to changing construction patterns.

This year, the Banking and Currency Committee has recommended a new method of computing room cost limits for public housing—the prototype process. This concept, in similar form was proposed by the administration earlier this year. Under the new proposal, HUD would direct its regional offices to "cost-out" a prototype design of a public housing unit according to the prevailing costs in the difference regions of the country. This procedure would allow flexibility for the high cost areas such as New York and yet not raise the costs on those areas of the country where increases are not necessary.

Although the prototype concept has considerable merit, I expressed concern in committee that this new system would require some time before it became operational across the Nation. In the meantime, out-of-date cost limits would paralyze construction of public housing. At that time, I called up my bill S. 4093, which would have increased the limits by 20 percent on an interim basis. It would have been accepted in committee but there was a question in our minds on the last day as to how long it would take HUD to get the prototype program in operation.

Upon consensus in the committee I agreed to defer action on my bill until we could determine from HUD how long it would take before the prototype costs would be available and operative. Obviously, if the new cost limits would be available in 30 days or so there would be no need for interim increase in the 1969 statutory cost limits.

If however, those new limits would take some time to implement—several months or so—the committee felt that an interim increase in cost limits would be in order.

The distinguished chairman of the committee wrote to the Secretary requesting his view of when the prototype cost limits would be operational. I understand HUD reports that at least 4 months will be required to perfect, complete and implement this enormous task.

In the meantime, I believe emergency cost increases are needed to insure continued construction of public housing. In accordance with the committee decision I have introduced an amendment which would permit a 20-percent increase in the cost limits established by the 1969 Housing and Urban Development Act. These limits would only be in effect until the prototype limits are published and operational at which time they will expire. I hope the chairman will agree to accept this amendment.

The other amendment I have introduced would apply a 15-percent increase to mortgage limits for the section 236 program in high cost areas.

Currently, the section 221(d)(3) mortgages limits govern construction of the section 236 projects. These limits were increased last year by approximately 15 percent to meet the inflationary cost increases that had occurred since 1965. According to the statute these adjusted limits could be increased by 45 percent in high cost areas.

While these adjustments were adequate to meet construction costs in cities in December of 1969 when the bill was signed into law, this is no longer true. Projects are now being halted because of increased prices.

In New York City, for example, over 3,000 approved limits are now costing out at 4 to 12 percent above the 1969 mortgage limits. As a result, construction of these badly needed units cannot begin.

As I mentioned earlier the future only presents a gloomier picture. New York City housing officials estimate that of the 13,000 section 236 units now in the pipeline, at least 75 percent will be above the present mortgage limits.

This amendment would raise the cost limits in any geographical area where the costs require increases to permit construction. Yet, it would not tamper with

cost limits that are sufficient for the community's needs.

Mr. PROXMIRE. Mr. President, I wish the Senator had separated the two amendments because, as the Senator knows, they are different.

The difficulty we are having with the first amendment, the 236 subsidy amendment, providing that ceilings would go to 60 percent in high cost areas, I have a chart which shows that for nonelevator three-bedroom programs, the Goodell amendment would permit a subsidy for rental tenants of up to a $33,350-unit for four bedrooms; with four, it goes to $41,859.

I have great sympathy for the problem in New York because I know costs are high. But this type program, in our State, would be viewed as highly extravagant on its face. Few people can afford anything like a $35,000 to $40,000 home, only a tiny proportion of the population.

We are able to subsidize housing for only a small fraction of the population. We feel the subsidy should go to those with low incomes in moderate housing and not those living in relative luxury.

Mr. TOWER. Mr. President, I would like to associate myself with the remarks of the Senator from Wisconsin. We would be subject to very severe criticism, indeed, if we agree to this amendment. The administration is opposed to it. I hope it is rejected by the Senate this evening.

Mr. GOODELL. Mr. President, the administration is opposed to the provision in the bill; they want their own prototype approach. The administration, to my knowledge, has not taken a basic position against this amendment.

What it would do would be to give the Secretary of HUD the discretionary authority where he feels it is justified to raise the section 236 limits in high cost areas. It would be discretionary with the Secretary.

New York is not the only area needing an increase in mortgage limits. There is a very long list of communities that are involved, including one in Alabama, the housing authority in Americus, Ga., one in Hawaii, one in Colorado. This is not just the situation in New York. I do not think we want to put ourselves in a position where, for the next year, in selected areas—and quite a large number—housing construction will be halted because the ceilings have been set at unrealistically low levels in the bill.

I am not requiring the Secretary of the Department of Housing and Urban Development to do anything. It is in the discretion of the Secretary of the Department of Housing and Urban Development if he feels it is justified. He does not have to allow the full amount I have prescribed.

Mr. PROXMIRE. So for a three-bedroom house, it is $33,350 under the Goodell amendment and $41,379 for a four-bedroom.

It just seems to me that we discredit the program when we go that high. I realize the problem not only in New York but in many parts of the country. There is probably no region in the country that does not have a high-cost construction area.

I am not saying this is just a New York problem, but I am saying that we have here a difficult problem of getting appropriations from the Appropriations Committee, getting public suport for it, getting the House of Representatives to support it, and getting general support in the community. People resent it when they have to pay rent on a $15,000 or $20,000 home, and it is all they can possibly afford, and then see somebody getting support for rent in a home twice as high in cost.

Mr. TOWER. Mr. President, if the Senator will yield, I think this would be subsidizing higher costs. Certainly people back home are getting increasingly disenchanted with these high costs. At least that is the impression I get. I am not sure whether that is the Senator's impression.

Mr. PROXMIRE. It is.

Mr. GOODELL. I agree that people are getting very disenchanted about the high cost, but what do we do about it? Are we going to stop these programs that have done so much good in Texas, New York, Wisconsin, and a great many other areas? The high cost of construction in this type of unit and the limitation I am concerned about are affecting virtually every State in the country. This is not just New York or the building trade unions in New York, or anything of that nature.

I think we ought to understand that I am not talking about raising ceilings so as to cost the taxpayers millions and millions of dollars. We are facing a situation where, under the present provisions of the bill, we will have a complete standstill in these programs.

I do not think we want a complete standstill, so I am saying that we should give discretion to the Secretary of Housing and Urban Development, if the present ceilings are unrealistic, to raise them in accordance with what he thinks is necessary for public housing. It is not going to be an inducement for higher costs in the 4- or 5-month period. It is an interim provision, while the Secretary sets up a prototype unit by which he will establish regional ceilings this is a good plan. It was supported unanimously in the committee.

I hope Senators will understand the import of these two amendments. I put them together, but I can offer them separately. They relate to discretion for raising the room cost and mortgage ceilings where they have been set unrealistically low.

Mr. WILLIAMS of Delaware. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. PROXMIRE. Mr. President, I yield myself 2 minutes.

The Senator from New York is arguing that we should leave this matter in the discretion of the Secretary of Housing and Urban Development. As I understand it, the Secretary has not indicated that he wants this amendment. In fact, he has another program. At any rate, the present ceiling under the present law would be very high under any standard in most States, and, in fact, I think in New York City or Hawaii or anywhere else—$37,934 for a unit of four bedrooms with an elevator. We are being asked to increase that to $41,859. The Senator from New York says if we do not go that high, homes will not be constructed under this program.

It is very hard for me to believe that. We have worked hard on the committee. Many of us on the committee have talked to homebuilders in our States. I cannot believe that in New York City, Colorado, Wisconsin, or elsewhere units cannot be built for that sum or less.

It seems to me that there is much truth in what the Senator from Texas has said—if we go to $41,000, then the builders will find a way of getting up there. No matter how high we go, we will find that there are some areas in which they cannot construct this subsidized housing.

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

Mr. PROXMIRE. I yield.

Mr. PERCY. Mr. President, I intend to support the position of the committee and vote against the amendment. I think we have reached the point where enough is enough. I feel that exorbitant costs have been reached in many parts of our country without commensurate increases in productivity. It is time for us to exert some downward pressures. I do not think we should just keep raising costs and then expect Uncle Sam to step in and be the provider. I think enough is enough in this case.

For that reason, I cannot support the amendment. However, I sympathize with the problem the distinguished Senator from New York is trying to solve.

The PRESIDING OFFICER. Who yields time?

Mr. PROXMIRE. Mr. President, I am ready to yield back my time if the Senator from New York is.

Mr. GOODELL. Mr. President, I yield myself 1 minute further. I simply want to make it clear for the RECORD, when we are talking about the cost of $35,000 a unit in the areas affected, we are not talking about luxury housing. We are talking about low- and moderate-income housing.

I would like to see construction costs held in line. I would like to see the cost of land held in line. I would like to see the cost of materials held in line. Hopefully, we are going to have some breakthrough in the whole pattern of the construction of housing in this country soon.

But when Senators oppose this amendment they say, "Stop housing construction in every one of the areas listed"—many of them in their own States. The costs are too high, so stop the construction of housing.

I would be surprised if any Senator representing an urban State, or a State that has large city housing problems, said that, but that is the net effect of it. We are not going to have houses built in the cities. We are not subsidizing the increased cost of labor and housing; we are recognizing realistically what the situation is. If Senators want to say to the cities and housing authorities across the country that, because the cost of land

and the cost of materials and the cost of labor have gotten so high, we have got to stop building, very well.

That is the net effect of the arguments that have been raised here: We do not like the increased costs, therefore we stop building housing. We stop these programs that have been so effective.

Mr. President, the hour is late. I shall not take the time, because of the united opposition from the ranking minority member and the chairman, but if I were to read off the areas involved, Senators would be surprised. It is not only New York City alone; it is happening in Georgia, Alabama, Arkansas, and most of the Midwestern States.

Mr. President, because of the lateness of the hour I shall not pursue the matter further. I yield back the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. PERCY. Mr. President, may I have just 1 minute?

Mr. PROXMIRE. I yield the Senator 1 minute.

Mr. PERCY. I would respectfully suggest that this might be a good point for us to put pressure, under the circumstances, on HUD to go into more housing rehabilitation. We have fine potential structures all over this country, particularly in the urban areas, that, with a modest amount of money, can be rehabilitated into fine modernized housing. We have provided up to 30 percent for rehabilitation, and, as I understand it, only about 1 percent of available funds are being used. This might enable them to go into an activity that would provide the best return on investment that we can get, by taking the extra time and effort to rehabilitate those structures and bring them up to first-class condition.

Mr. PROXMIRE. Mr. President, I yield myself 1 minute.

The Senator from New York does raise a disturbing difficult problem, but what do we say to our constituents, 90 percent of whom live in houses that cost less than this, or rent homes at a lower monthly rent? Do we tell them, "We are going to have to tax you to subsidize homes that cost $35,000 or $40,000"?

I think their answer would be very simple and direct. They would say, "Let's don't have that program if it costs that much."

I think the Senator from Illinois is right; we have to draw the line somewhere. We did increase these ceilings only last year, in December of last year as I recall. To raise them once again, and from 45 to 60 percent, does seem to be too much.

Mr. President, I hope the amendment will be defeated.

The PRESIDING OFFICER. Does the Senator yield back the remainder of his time?

Mr. PROXMIRE. I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. BAKER). All time having been yielded back, the question is on agreeing to the amendments, en bloc, of the Senator from New York (Mr. GOODELL). On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. EAGLETON (when his name was called). On this vote I have a pair with the Senator from New Jersey (Mr. WILLIAMS). If he were present, he would vote "yea." If I were permitted to vote, I would vote "nay." I withhold my vote.

The rollcall was concluded.

Mr. BYRD of West Virginia. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Indiana (Mr. BAYH), the Senator from Mississippi (Mr. EASTLAND), the Senator from North Carolina (Mr. ERVIN), the Senator from Tennessee (Mr. GORE), the Senator from Indiana (Mr. HARTKE), the Senator from Iowa (Mr. HUGHES), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Louisiana (Mr. LONG), the Senator from Washington (Mr. MAGNUSON), the Senator from Minnesota (Mr. MCCARTHY), the Senator from Wyoming (Mr. MCGEE), the Senator from North Dakota (Mr. MCGOVERN), the Senator from New Mexico (Mr. MONTOYA), the Senator from Utah (Mr. MOSS), the Senator from Maine (Mr. MUSKIE), the Senator from Rhode Island (Mr. PELL), the Senator from Georgia (Mr. RUSSELL), the Senator from Mississippi (Mr. STENNIS), the Senator from Missouri (Mr. SYMINGTON), the Senator from Maryland (Mr. TYDINGS), the Senator from New Jersey (Mr. WILLIAMS), the Senator from Texas (Mr. YARBOROUGH), and the Senator from Ohio (Mr. YOUNG) are necessarily absent.

I further announce that, if present and voting, the Senator from Iowa (Mr. HUGHES), the Senator from Missouri (Mr. SYMINGTON), the Senator from North Carolina (Mr. ERVIN), and the Senator from Washington (Mr. MAGNUSON) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Colorado (Mr. ALLOTT), the Senator from Delaware (Mr. BOGGS), the Senators from Arizona (Mr. FANNIN and Mr. GOLDWATER), the Senator from California (Mr. MURPHY), the Senator from Oregon (Mr. PACKWOOD), the Senator from Illinois (Mr. SMITH), and the Senators from Pennsylvania (Mr. SCHWEIKER and Mr. SCOTT) are necessarily absent.

The Senator from Vermont (Mr. AIKEN) and the Senator from Oklahoma (Mr. BELLMON) are absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Ohio (Mr. SAXBE) is detained on official business.

If present and voting, the Senator from Delaware (Mr. BOGGS), the Senator from Colorado (Mr. ALLOTT), the Senator from California (Mr. MURPHY), and the Senator from South Dakota (Mr. MUNDT) would each vote "nay."

The result was announced—yeas 12, nays 50, as follows:

[No. 327 Leg.]

YEAS—12

Brooke	Gravel	Mondale
Case	Hart	Nelson
Cranston	Javits	Ribicoff
Goodell	Mathias	Stevens

NAYS—50

Allen	Fong	Metcalf
Baker	Fulbright	Miller
Bennett	Griffin	Pastore
Bible	Gurney	Pearson
Burdick	Hansen	Percy
Byrd, Va.	Harris	Prouty
Byrd, W. Va.	Hatfield	Proxmire
Cannon	Holland	Randolph
Church	Hollings	Smith, Maine
Cook	Hruska	Sparkman
Cooper	Inouye	Spong
Cotton	Jackson	Talmadge
Curtis	Jordan, N.C.	Thurmond
Dodd	Jordan, Idaho	Tower
Dole	Mansfield	Williams, Del.
Dominick	McClellan	Young, N. Dak.
Ellender	McIntyre	

PRESENT AND GIVING A LIVE PAIR AS PREVIOUSLY ANNOUNCED—1

Eagleton, against.

NOT VOTING—37

Aiken	Kennedy	Russell
Allott	Long	Saxbe
Anderson	Magnuson	Schweiker
Bayh	McCarthy	Scott
Bellmon	McGee	Smith, Ill.
Boggs	McGovern	Stennis
Eastland	Montoya	Symington
Ervin	Moss	Tydings
Fannin	Mundt	Williams, N.J.
Goldwater	Murphy	Yarborough
Gore	Muskie	Young, Ohio
Hartke	Packwood	
Hughes	Pell	

So Mr. GOODELL's amendments, en bloc, were rejected.

Mr. CURTIS. Mr. President, I should like to make a brief statement to Senators, and then I will have an amendment to offer.

Were this bill to be considered in the daytime, I have quite a number of amendments that I would like to have voted upon. Due to the lateness of the hour, I want to state for the information of Senators that I will have but two amendments, and I am willing to agree to a limitation of debate of 5 minutes on each side on each amendment.

Mr. MANSFIELD. Would the Senator make that request?

Mr. CURTIS. Yes. I make that unanimous-consent request.

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

Mr. MANSFIELD. Mr. President, will the Senator yield before he starts?

Mr. CURTIS. I yield.

ORDER FOR THE SENATE TO CONVENE AT 12 NOON TOMORROW, AND AT 12 NOON FRIDAY

Mr. MANSFIELD. Mr. President, in the spirit of the distinguished Senator from Nebraska, I think that, in view of the lateness of the hour, the Senate ought to convene at a more reasonable hour, inasmuch as we cannot consider anything but Senate Joint Resolution 1 from now until 1 hour after the convening of the Senate on Tuesday.

So I ask unanimous consent that on Thursday and Friday the Senate meet at 12 noon.

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

HOUSING AND URBAN DEVELOPMENT ACT OF 1970

The Senate continued with the consideration of the bill (S. 4368) to extend and amend laws relating to housing and

urban development, and for other purposes.

Mr. CURTIS. Mr. President, I offer an amendment and send it to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. CURTIS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

On page 4, line 22, insert the following: "(3) by adding at the end thereof the following new paragraph:

"'(5) Notwithstanding any other provision of this section, no assistance payment shall be contracted to be made under this section on behalf of any family which is eligible under Section 203(b) for insurance of a mortgage in an amount equal to or exceeding the median mortgage insured under such Section 203(b) in the area where the property is located during the most recent three-month period for which information is available, if the Secretary finds that there is available in such area, within that price range, adequate housing which is decent, safe, and sanitary and meets the minimum property requirements for housing with respect to which assistance payments may be made under this section.'"

Mr. CURTIS. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order. The Senate is not in order. Staff members will suspend conversation. Members who want to engage in conversations will withdraw from the Chamber.

Mr. CURTIS. Mr. President, this amendment is a modification of the 235 program. The 235 program was enacted for the stated purpose of subsidizing the payments so that poor people could buy homes. At the time it was presented, there was discussion about the slums and that this would enable people to acquire homes, as against always renting. That was a noble purpose, but it has not worked out that way in many instances. Because of slow housing starts and other reasons, this program has been used for many other purposes than to help the poor.

The purpose of my amendment is to make certain that those families who obtain homeownership subsidies under the section 235 program are clearly and unmistakably unable to achieve homeownership without some financial assistance.

On the basis of information which I have received on the manner in which the section 235 program is administered in Nebraska, many families are obtaining these subsidies who could buy a home under the regular section 203 program without any subsidy.

Let me quote an excerpt of a letter which I received from an individual in Nebraska who is directly connected with the building and selling of homes under section 235. He makes this revealing statement:

Of the several 235's that our company was involved in, there was only one family that I can determine actually should have been helped through a subsidy. Now, this means to me, the guidelines of the program are aimed at those who do not need help. This is defeating the purpose of federal help to needy families to buy homes, as the best buy for a low income person, with a large family, is an existing well kept home.

This is an excerpt of but one of many letters which I have received from people in Nebraska who are protesting the manner in which this program is being administered.

The principal reason for this poor administration is that the law provides only one test. Assume that HUD has established a ceiling of $21,000 for this program as the law permits. The test under existing law is whether a family can afford the $21,000 home. If the family cannot afford the $21,000 home it is eligible for section 235 benefits. However, suppose there are a number of adequate existing homes in the community available under the regular unsubsidized section 203 program for which the family could qualify. Under the present section 235 law, this is irrelevant and immaterial. The family qualifies for the new $21,000 home with the taxpayers paying a substantial part of the monthly shelter costs for insurance, taxes, principal, and interest.

I respectfully contend that this was not the purpose of the section 235 program.

If a family can afford an adequate home costing $18,000, for example, it ought not to be eligible for a new $21,000 home just because it cannot afford the $21,000 home.

The purpose of my amendment is to make ineligible for section 235 benefits any family that could qualify for the median FHA section 203—unsubsidized—mortgage for the recent quarter for which such figures are available, if housing within that price range is determined by the Department of Housing and Urban Development to be available in the community.

Let me give you an example. Suppose the median FHA section 203 mortgage—based on both new and used home sales—for the previous quarter is $16,000. A family that is eligible for an unsubsidized FHA mortgage for $16,000 or more would be ineligible for section 235 provided housing in that price range is available. The family would not be eligible for a more expensive new home built under section 235.

In other words, a family that can buy a home without subsidy is ineligible for a subsidy. This principle is basic to all subsidy program.

My amendment is consistent with the opening paragraph of HUD's June 1970 brochure entitled "Home Ownership for Lower Income Families." This paragraph reads as follows:

Families and individuals who cannot afford to buy a home without some form of assistance may be eligible for home ownership assistance under the new Section 235 program administered by the Federal Housing Administration, U.S. Department of Housing and Urban Development.

While HUD states this in its promotion literature, there is nothing in the law which would deny section 235 subsidies to a family that is able to buy an adequate house under the nonsubsidized FHA program. My amendment would meet this serious shortcoming in the section 235 program. Without it we will continue to hear complaints and criticism and as surely as night follows day the program will become thoroughly discredited.

I am confident that with this amendment the section 235 program will continue to use up its annual contract authority in assisting low-income families to become homeowners. True, it may remove some higher income families from the eligibility list, but these will be replaced by assisting more families of lower income.

The success of the section 235 program will be measured by the number of truly low-income families who otherwise could not become homeowners. It will not be measured by the degree with which it revives the homebuilding, mortgage lending, and real estate brokerage industries. On the other hand it will be thoroughly and completely discredited if it continues to subsidize families who are able to obtain adequate housing without a subsidy. There are more than 6 million substandard housing units in the country. Even if we assume that all of these are occupied by families earning less than $6,000 per year, there are still 8 million families earning $6,000 or less who are occupying standard housing. We must consider these taxpayers in determining eligibility standards for housing subsidies. We must consider these taxpayers before subsidizing higher income families to obtain newer and more expensive housing.

I will read briefly from one letter. A lady in my State says:

I would like to register my protest against subsidy home loans. One of these loans was obtained recently by an acquaintance. This individual has a bachelor's degree in education and is working on his masters. What kind of legislation is being enacted that permits the rest of us to help pay his house payment? The truly needy people are being hurt most by actions like this.

I for one object to paying part of his house payment just because he's just starting out in his professional career and can't have everything he desires immediately.

I have also had turned over to me by a financial institution three cases. One involves a 25-year-old skilled worker. He is earning $450 a month. His total indebtedness is only $2,400. He received an $18,000 loan, and the Government is paying a subsidy of $87.94 every month.

Another is a case of a 28-year-old salesman. His income is $535 a month. He drives a new car. He purchased a home for $17,150. His payments are being subsidized—$83.18 a month.

Another one. A 23-year-old employee making $688 received a loan of $19,000 and his subsidy is $87.

Let me tell the Senate something else. He gets a tax deduction for the $87 interest the Federal Government gives him and he does not have to report as income the money he received to pay it.

Mr. PASTORE. Mr. President, will the Senator from Nebraska yield right there for a question?

Mr. CURTIS. I am sorry, I am on controlled time and I cannot do so.

Here is what the amendment does. It

says in effect that if one is eligible, according to his income, to take a loan, say, of $1,600 without a subsidy, he cannot say, "I am going to buy a $21,000 house," and, therefore, his income is below and he cannot get the subsidy. That is all it says. It provides that if a family is eligible under section 203(b) for insurance on a mortgage equal to a mortgage exceeding the median mortgage under section 203(b), in the area where property is located, and the Secretary finds that there is a house available in such an area at a price range for adequate housing, which is safe and sanitary, a person who can afford a $16,000 house and pay for it without a subsidy is ineligible to ask for a better house and have it subsidized. The subsidies run from $75 to $100 a month.

Mr. President, I urge the Senate to adopt my amendment.

Mr. PROXMIRE. Mr. President, I must oppose the amendment of the Senator from Nebraska, although I certainly sympathize with his objectives and agree that we should do what we can to concentrate subsidies on those with low incomes. I base my opposition on the fact that primarily this could honestly be called: Build no more new homes under section 235 amendment. In other words, no new homeownership. It would not permit Government programs to proceed if the price of a new home, in effect, was higher than the median rate in existing housing in new housing.

We all know that housing costs have escalated enormously in the past few years. In the view of HUD, which opposes the amendment, I have a letter to the chairman of the committee, the Senator from Alabama (Mr. SPARKMAN), which states in effect that we simply would not get new housing. Let me read one paragraph and then I will yield the remainder of my time to the Senator from Illinois (Mr. PERCY).

Mr. PASTORE. Mr. President, will the Senator yield to me for a question?

Mr. PROXMIRE. I yield.

Mr. PASTORE. The only reason I rise is that it is my responsibility under the funding element of the program.

The reason why I asked the Senator from Nebraska to yield to me a moment ago on the questions he was raising, is that no one can condone the situations he describes, but I wonder whether this is not the fault of the administrators rather than the law. The Department should be more careful how it administers the law. There is no reason why the situations the Senator from Nebraska describes should have arisen in the first place. It is not because of the law, it is because of the administration of the law. I do believe that we should tamper with the law but get after the administrators for not carrying out the intent of the law.

Mr. PROXMIRE. The Senator is correct. HUD has tried to administer the program conscientiously. I have a table that shows that the overwhelming amount has gone to those with incomes of less than $8,000. It is about 93 percent. Very little, only seven-tenths of 1 percent, to those earning $10,000 or more. That is too much, of course. We should not have any for those with incomes above $10,000.

Mr. PASTORE. The point is that the Senator from Nebraska did present certain cases which are intolerable.

Mr. PROXMIRE. He did. That is correct.

Mr. President, I ask unanimous consent to have the table printed in the RECORD.

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

GROSS ANNUAL INCOME OF FAMILIES ON BEHALF OF WHOM ASSISTANCE PAYMENTS ARE MADE UNDER SECTIONS 235 AND 236

	Percentage distributions		
	Homebuyers under sec. 235(i)[1]		Renters under sec. 236[2]
Gross annual income	1st half 1970	Cumulative through June 30, 1970	Cumulative through June 30. 1970
Under $3,000	2.3	2.7	7.8
$3,000 to $3,999	8.8	10.4	11.4
$4,000 to $4,999	18.8	20.3	25.5
$5,000 to $5,999	27.3	26.1	28.7
$6,000 to $6,999	22.3	21.3	19.2
$7,000 to $7,999	13.1	12.3	5.5
$8,000 to $8,999	5.0	4.7	1.6
$9,000 to $9,999	1.6	1.5	.2
$10,000 or more	.8	.7	.1
Total	100.0	100.0	100.0
Median	$5,750	$5,650	$51,200

[1] Based on a sample of 2,000 reports per quarter.
[2] Based on about 2,700 approvals reflecting assistance payments and proposed admissions by June 30, 1970.

Mr. PROXMIRE. Mr. President, I conclude by pointing out that HUD writes, in opposition to the amendment, that in Cleveland, Ohio, for example, application of the formula proposed by the Senator from Nebraska would result in an effective mortgage limit of about $15,000 which would, in effect, result in no new housing being constructed.

Mr. President, I yield the remainder of my time to the Senator from Illinois.

Mr. PERCY. Mr. President, I thank the Senator from Wisconsin.

The Senator from Nebraska has pointed out certain fallacies in implementation of the law. We are grateful to him for the instances he mentioned, where the intent of the law is not being carried out.

I should like to follow through, and I know the committee would, on any of these instances. Where the Senator says the purpose of the law is to help low-income and poor people, he is right; but when he says it has not worked, the figures disprove it. It is dangerous, any time, to take a letter or one instance.

Mr. CURTIS. If the Senator will yield right there, the Senator knows that I appeared before the committee and read a long list of letters. The Senator also knows that the Department has done nothing about straightening it out.

Mr. PERCY. I was there at the time of the testimony of the Senator from Nebraska. If there has not been a followthrough by HUD on the specific instances the Senator has pointed out, then I will see to it personally that we do follow through: But I point out that if we take the last section—the second quarter of this year—I pull this one out at random—the second quarter of this year, 29 percent of all families helped were under the $5,000 income level, and 63 percent were between $9,000 and $8,000, which is 90 percent of all the cases under section 235. They were less than $7,000.

The average number of children, family size, would indicate that they definitely need assistance, and if they did not have this kind of assistance, they would not have adequate housing. If they did not get this kind of program, we would be in a worse condition in housing than we are in now.

Thus, I feel that these instances should be followed through.

Mr. CURTIS. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. SPARKMAN. Mr. President, I yield myself 1 minute under the bill simply for the purpose of saying that there are income limits definitely established throughout the country. I have here a table of selected family income limits for section 235, and ask unanimous consent that it be printed in the RECORD.

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

SELECTED FAMILY INCOME LIMITS FOR SEC. 235 HOUSING[1]

City	Regular income limit[2]		Exception income limit[3]	
	4 member family	5 member family	3 and 4 member family	5 and 6 member family
Alabama:				
Birmingham (Jefferson County)	6,210	6,480	6,050	6,950
Huntsville (Madison County)	6,345	6,615	5,950	6,850
Mobile (Mobile County)	6,210	6,480	6,400	7,350
California:				
Los Angeles	6,750	7,290	8,500	9,750
Sacramento (Sacramento County)	6,345	6,750	8,100	9,300
San Diego (San Diego County)	6,480	6,750	9,100	10,450
San Francisco (San Mateo County)	7,090	7,765	8,300	9,550
Illinois:				
Chicago	8,100	8,910	8,850	10,200
Rockford	8,100	8,640	7,900	9,050
Springfield (Sangamon County)	7,020	7,560	8,100	9,300
Iowa:				
Davenport (Scott County)	7,155	7,560	7,450	8,600
Des Moines	5,130	5,265	8,200	9,300
Sioux City	5,130	5,265	7,750	8,900

Footnotes at end of table.

SELECTED FAMILY INCOME LIMITS FOR SEC. 235 HOUSING [1]—Continued

City	Regular income limit [2]		Exception income limit [3]	
	4 member family	5 member family	3 and 4 member family	5 and 6 member family
Maine:				
Bangor (Penobscot County)	6,480	6,885	6,800	7,850
Lewiston (Androscoggin County)	6,345	6,750	7,450	8,600
Portland	6,885	7,290	7,900	9,050
Massachusetts:				
Boston	7,695	7,965	8,650	9,950
Springfield (Hampden County)	6,345	6,750	8,250	9,450
Worcester	7,335	7,645	7,550	8,700
Minnesota:				
Duluth (St. Louis County)	7,290	8,100	7,300	8,350
Minneapolis (Hennepin County)	6,750	8,100	8,750	10,050
St. Paul (Ramsey County)	7,560	8,370	8,750	10,050
New Hampshire:				
Concord (Merrimac County)	7,020	7,290	8,150	9,350
Manchester (Hillsborough County)	6,750	6,885	7,650	8,800
Portsmouth (Rockingham County)	6,345	6,750		
New Jersey:				
Camden (Camden County)	6,480	6,885	7,650	8,800
Newark (Essex County)	7,695	8,100	8,800	10,100
Trenton (Mercer County)	7,965	8,505	7,700	8,850
New York:				
Buffalo (Erie County)	7,695	7,695	7,750	8,900
New York City	8,555	10,095	9,950	11,450
Syracuse (Onondaga County)	6,500	7,225	7,250	8,350
Oregon:				
Eugene (Lane County)	5,400	5,940	7,450	8,550
Portland	5,130	5,535	7,800	8,950
South Carolina:				
Charleston (Charleston County)	5,670	6,210	6,300	7,250
Columbia (Richland County)	5,940	6,210	6,150	7,100
Greenville (Greenville County)	6,075	6,210		
Texas:				
Amarillo (Potter County)	5,535	5,940	6,150	7,100
Dallas (Dallas County)	5,670	6,210	7,150	8,250
Fort Worth (Tarrant County)	5,940	6,480	6,500	7,450
Houston (Harris County)	5,670	5,940	6,650	7,650
San Antonio (Bexar County)	6,345	6,885	6,550	7,550
Utah:				
Odgen (Weber County)	6,210	6,750	6,600	7,600
Salt Lake City (Salt Lake County)	6,210	6,750		
Wisconsin:				
Eau Claire (Eau Claire County)	6,480	7,020	7,150	8,250
Madison (Dane County)	6,750	7,290	7,300	8,350
Milwaukee (Milwaukee County)	7,560	8,100	7,850	9,000

[1] Sources: HUD handbooks (FHA 4400.30 change 2, April 1970 and FHA 4400.36, March 1970).
[2] Based on 135 percent of public housing admission limits.
[3] Up to 20 percent of sec. 235 funds may be used for families with incomes above 135 percent of public housing admission limits. These incomes cannot exceed 90 percent of limits prescribed for the sec. 221(d)(3) below market interest rate program.

The PRESIDING OFFICER (Mr. MATHIAS). All time on the amendment has now been yielded back.

The question is on agreeing to the amendment of the Senator from Nebraska.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Indiana (Mr. BAYH), the Senator from Missouri (Mr. EAGLETON), the Senator from Mississippi (Mr. EASTLAND), the Senator from North Carolina (Mr. ERVIN), the Senator from Tennessee (Mr. GORE), the Senator from Indiana (Mr. HARTKE), the Senator from Iowa (Mr. HUGHES), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Louisiana (Mr. LONG), the Senator from Washington (Mr. MAGNUSON), the Senator from Minnesota (Mr. MCCARTHY), the Senator from Wyoming (Mr. MCGEE), the Senator from North Dakota (Mr. MCGOVERN), and the Senator from New Mexico (Mr. MONTOYA) are necessarily absent.

I further announce that the Senator from Utah (Mr. MOSS), the Senator from Maine (Mr. MUSKIE), the Senator from Rhode Island (Mr. PELL), the Senator from Georgia (Mr. RUSSELL), the Senator from Mississippi (Mr. STENNIS), the Senator from Missouri (Mr. SYMINGTON), the Senator from Maryland (Mr. TYDINGS), the Senator from New Jersey (Mr. WILLIAMS), the Senator from Texas (Mr. YARBOROUGH), and the Senator from Ohio (Mr. YOUNG) are necessarily absent.

I further announce that, if present and voting, the Senator from North Carolina (Mr. ERVIN), the Senator from Louisiana (Mr. LONG), the Senator from Washington (Mr. MAGNUSON), the Senator from Missouri (Mr. SYMINGTON), the Senator from New Jersey (Mr. WILLIAMS), and the Senator from Iowa (Mr. HUGHES) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Colorado (Mr. ALLOTT), the Senator from Delaware (Mr. BOGGS), the Senators from Arizona (Mr. FANNIN and Mr. GOLDWATER), the Senator from Oregon (Mr. PACKWOOD), the Senator from California (Mr. MURPHY), the Senator from Illinois (Mr. SMITH), the Senators from Pennsylvania (Mr. SCHWEIKER and Mr. SCOTT) are necessarily absent.

The Senator from Vermont (Mr. AIKEN) and the Senator from Oklahoma (Mr. BELLMON) are absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Kentucky (Mr. COOPER) and the Senator from Ohio (Mr. SAXBE) are detained on official business.

If present and voting, the Senator from Colorado (Mr. ALLOTT), the Senator from Delaware (Mr. BOGGS), the Senator from Kentucky (Mr. COOPER), and the Senator from Pennsylvania (Mr. SCOTT) would each vote "nay."

On this vote, the Senator from South Dakota (Mr. MUNDT) is paired with the Senator from California (Mr. MURPHY). If present and voting, the Senator from South Dakota would vote "yea" and the Senator from California would vote "nay."

The result was announced—yeas 8, nays 53, as follows:

[No. 328 Leg.]

YEAS—8

Cotton	Gurney	Thurmond
Curtis	Hansen	Williams, Del.
Dole	Hruska	

NAYS—53

Allen	Cranston	Holland
Baker	Dodd	Hollings
Bennett	Dominick	Inouye
Bible	Ellender	Jackson
Brooke	Fong	Javits
Burdick	Fulbright	Jordan, N.C.
Byrd, Va.	Goodell	Jordan, Idaho
Byrd, W. Va.	Gravel	Mansfield
Cannon	Griffin	Mathias
Case	Harris	McClellan
Church	Hart	McIntyre
Cook	Hatfield	Metcalf
Miller	Prouty	Spong
Mondale	Proxmire	Stevens
Nelson	Randolph	Talmadge
Pastore	Ribicoff	Tower
Pearson	Smith, Maine	Young, N. Dak.
Percy	Sparkman	

NOT VOTING—39

Aiken	Hartke	Packwood
Allott	Hughes	Pell
Anderson	Kennedy	Russell
Bayh	Long	Saxbe
Bellmon	Magnuson	Schweiker
Boggs	McCarthy	Scott
Cooper	McGee	Smith, Ill.
Eagleton	McGovern	Stennis
Eastland	Montoya	Symington
Ervin	Moss	Tydings
Fannin	Mundt	Williams, N.J.
Goldwater	Murphy	Yarborough
Gore	Muskie	Young, Ohio

So Mr. CURTIS' amendment was rejected.

The PRESIDING OFFICER. The Senator from Nebraska is recognized for 5 minutes.

Mr. CURTIS. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 18, strike out lines 14 through 26, and insert the following:

ANNUAL CONTRIBUTIONS CONTRACTS LIMITED TO DEBT SERVICE REQUIREMENTS

SEC. 204. The proviso in section 10(b) of the United States Housing Act of 1937 is amended by striking out ", although not limited to debt service requirements,".

Mr. CURTIS. Mr. President, the junior Senator from Nebraska is under no illusions that this amendment will carry. It does represent the first chance that the Senate has had to pass on a major question of subsidy. Therefore, I think it should be done by a rollcall vote. Those in favor of such a subsidy should carry the responsibility.

In the Federal housing program when public housing is built, the Federal Government pays the check. In my 5 minutes I will not take the time to explain that. But the bonds are issued. Then the Fed-

eral Government makes an appropriation to meet the debt.

We have now added to that. We have a rent supplement program. Then the pending bill does what was attempted last year. But there have been no payments under the provision made last year.

This bill grants a subsidy to the Housing Authority for operating expenses, the maintenance, guards, lights, local taxes. The Federal Government underwrites the loss of operating.

It is the local authorities that determine how many expenses there will be and how many people are on the payroll.

One may agree that if we have one subsidy program to give the local Housing Authority, we should add another one to it, a subsidy for operations.

I have no quarrel if anyone believes that. I respect their opinion. However, I think that before we start to pay out money on any such principal we should take the responsibility for voting in an additional subsidy, one subsidy where the Federal Government pays the total cost of building the housing project.

Here, by completing what was attempted a year ago—and no money was provided for it—there would be an additional program where the Federal Government would subsidize the operation of it, and that will include broken out windows and everything else.

Mr. President, there may not be more than one vote for this amendment, but there will be one.

I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. CURTIS. I yield back the remainder of my time.

Mr. SPARKMAN. Mr. President, I shall be very brief.

Back when the public housing was first written into law in 1937 it was provided that the support of the Federal Government would not be limited merely to taking care of the debt service. Unfortunately, over the years the law was narrowly interpreted to limit the Federal contributions to take care of only debt service. Last year the Congress made a specific legislative change to clarify that Federal assistance could take care of certain public housing costs in addition to debt service charges. This 1969 change in the law is further clarified in the bill before us.

Senator CURTIS' amendment would remove all of this and, in fact, would repeal the original intent of the 1937 Housing Act.

I think a fine formula was written in the original act. In 1949 there was a rejuvenation of the act. The Senator from Louisiana was the author of that bill.

Mr. ELLENDER. I offered the 1937 bill also.

Mr. SPARKMAN. I am pleased to know that. At that time it was intended that it would not be confined to debt service. I submit we have tried to handle this very carefully. Public housing has been a most difficult thing to handle through the years, trying to get housing for the very poorest people in our country.

We have had a hard time getting it down to a level they could afford. That is the reason for subsidies in the law. I think they are helpful. I have great respect for the Senator from Nebraska. He did appear before our committee and he gave testimony.

Mr. HANSEN. Mr. President, will the Senator yield for a question?

Mr. SPARKMAN. I yield.

Mr. HANSEN. Would the Senator give an indication of the amount of money we are talking about, the amount that the subsidy would represent?

Mr. SPARKMAN. Does the Senator mean the subsidy over and above the debt service.

Mr. HANSEN. I mean that which is affected by the amendment.

Mr. SPARKMAN. I do not have such figures available. It varies from year to year because the Government does guarantee the bonds. Some housing projects might be losers; others might not lose anything. One year might be better than another year.

I would be glad to supply that information for the record because I think it would be good for all of us to have. I do not have the information before me now.

Mr. HANSEN. I appreciate that, but it would be more helpful to the Senator from Wyoming if we could have the information now.

Mr. SPARKMAN. I do not know. I would be glad to make the data available to you at a later date.

Mr. HANSEN. The Senator would not know if we were talking about $1 million, $100 million, or $50,000?

Mr. SPARKMAN. It may be the Senator from Massachusetts could tell us better. He offered the amendment last year that set these subsidies.

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

Mr. SPARKMAN. I yield.

Mr. BROOKE. We provided $150 million and it will probably cost about $250 million. That is the answer to the question.

If the Senator will yield further, many Senators were not in the Chamber when I engaged in a colloquy with the Senator from Nebraska. We have been seriously concerned with public housing in this country and we did not want to confine it to debt service but we wanted to go beyond it to operating cost and maintenance because public housing has deteriorated to the point where the Federal Government is being accused of being the greatest slum landlord in the country. We have had serious problems in deterioration in housing and we did not want to confine it to debt service, but to expand it so we could improve the quality of living in public housing projects across the country. That was the purpose we had here. We went to conference; the House passed it overwhelmingly as did the Senate. We feel it is good legislation and essential if we are to maintain public housing. That is the purpose of this part of the bill.

I have great respect for the Senator from Nebraska and what he is trying to do but we do not think this is the place to do it.

Mr. SPARKMAN. Mr. President, I agree completely with the Senator from Massachusetts.

The PRESIDING OFFICER. All time has expired. The question is on agreeing to the amendment of the Senator from Nebraska (Mr. CURTIS). On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Indiana (Mr. BAYH), the Senator from Missouri (Mr. EAGLETON), the Senator from Mississippi (Mr. EASTLAND), the Senator from North Carolina (Mr. ERVIN), the Senator from Tennessee (Mr. GORE), the Senator from Indiana (Mr. HARTKE), the Senator from Iowa (Mr. HUGHES), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Louisiana (Mr. LONG), the Senator from Washington (Mr. MAGNUSON), the Senator from Minnesota (Mr. MCCARTHY), the Senator from Wyoming (Mr. MCGEE), the Senator from South Dakota (Mr. MCGOVERN), the Senator from New Mexico (Mr. MONTOYA), the Senator from Utah (Mr. MOSS), the Senator from Maine (Mr. MUSKIE), the Senator from Rhode Island (Mr. PELL), the Senator from Georgia (Mr. RUSSELL), the Senator from Mississippi (Mr. STENNIS), the Senator from Missouri (Mr. SYMINGTON), the Senator from Maryland (Mr. TYDINGS), the Senator from New Jersey (Mr. WILLIAMS), the Senator from Texas (Mr. YARBOROUGH), and the Senator from Ohio (Mr. YOUNG) are necessarily absent.

I further announce that, if present and voting, the Senator from North Carolina (Mr. ERVIN), the Senator from Iowa (Mr. HUGHES), the Senator from Washington (Mr. MAGNUSON), the Senator from Louisiana (Mr. LONG), the Senator from New Jersey (Mr. WILLIAMS), the Senator from Maine (Mr. MUSKIE), and the Senator from Missouri (Mr. SYMINGTON) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Colorado (Mr. ALLOTT), the Senator from Delaware (Mr. BOGGS), the Senators from Arizona (Mr. FANNIN and Mr. GOLDWATER), the Senator from Oregon (Mr. PACKWOOD), the Senator from California (Mr. MURPHY), the Senator from Illinois (Mr. SMITH), the Senators from Pennsylvania (Mr. SCHWEIKER and Mr. SCOTT) are necessarily absent.

The Senator from Vermont (Mr. AIKEN), and the Senator from Oklahoma (Mr. BELLMON) are absent on official business.

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If present and voting, the Senator from Colorado (Mr. ALLOTT), the Senator from Delaware (Mr. BOGGS), the Senator from Kentucky (Mr. COOPER), and the Senator from Pennsylvania (Mr. SCOTT) would each vote "nay."

On this vote, the Senator from South Dakota (Mr. MUNDT) is paired with the Senator from California (Mr. MURPHY).

If present and voting, the Senator from South Dakota would vote "yea" and the Senator from California would vote "nay."

The result was announced—yeas 11, nays 50, as follows:

[No. 329 Leg.]

YEAS—11

Cotton	Gurney	Thurmond
Curtis	Hansen	Williams, Del.
Dole	Hruska	Young, N. Dak.
Dominick	Miller	

NAYS—50

Allen	Goodell	Metcalf
Baker	Gravel	Mondale
Bennett	Griffin	Nelson
Bible	Harris	Pastore
Brooke	Hart	Pearson
Burdick	Hatfield	Percy
Byrd, Va.	Holland	Prouty
Byrd, W. Va.	Hollings	Proxmire
Cannon	Inouye	Randolph
Case	Jackson	Ribicoff
Church	Javits	Smith, Maine
Cook	Jordan, N.C.	Sparkman
Cranston	Jordan, Idaho	Spong
Dodd	Mansfield	Stevens
Ellender	Mathias	Talmadge
Fong	McClellan	Tower
Fulbright	McIntyre	

NOT VOTING—39

Aiken	Hartke	Packwood
Allott	Hughes	Pell
Anderson	Kennedy	Russell
Bayh	Long	Saxbe
Bellmon	Magnuson	Schweiker
Boggs	McCarthy	Scott
Cooper	McGee	Smith, Ill.
Eagleton	McGovern	Stennis
Eastland	Montoya	Symington
Ervin	Moss	Tydings
Fannin	Mundt	Williams, N.J.
Goldwater	Murphy	Yarborough
Gore	Muskie	Young, Ohio

So Mr. CURTIS' amendment was rejected.

Mr. MONDALE. Mr. President, I have a technical amendment which is designed to do what I thought my amendment in committee did. I do not think there is any objection to it.

I send to the desk my amendment and ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 97, after line 14, insert the following:

(b) The first sentence of section 106(b)(1) of such Act is amended by striking out "any federally assisted program" and inserting in lieu thereof "section 235 of the National Housing Act or any other federally assisted program".

On page 97, line 15, strike out "(b)" and insert "(c)".

On page 98, line 12, strike out "(c)" and insert "(d)".

Mr. MONDALE. Mr. President, this amendment is to clarify the intent of Congress regarding the use of planning loans for nonprofits. I want to make it clear that it is the intent of Congress that section 106 planning funds can be and should be used for all types of federally assisted low- and moderate-income housing programs and should not be limited to programs that utilize project mortgages. This specifically includes loans to nonprofits, such as Town View, Inc. in Duluth, Minn., that plan on utilizing section 235 programs regardless of what subsection of 235. Nonprofits should be encouraged to make use of all available Federal housing programs and they should not be restricted to four or five specific programs.

Mr. SPARKMAN. Mr. President, the amendment is a clarification of existing law. I am willing to accept the amendment.

Mr. TOWER. Mr. President, I associate myself with the statement of the distinguished chairman. I concur.

The PRESIDING OFFICER. Do Senators yield back their time?

Mr. MONDALE. Mr. President, I yield back my time.

Mr. SPARKMAN. Mr. President, I yield back my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. TOWER. Mr. President, I send amendments to the desk and ask that they be stated.

The PRESIDING OFFICER. The amendments will be stated.

The legislative clerk proceeded to read the amendments.

Mr. TOWER. Mr. President, I ask unanimous consent that further reading of the amendments be dispensed with.

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

The amendments are as follows:

On page 4, beginning with line 23, strike out all through line 8 on page 9, and redesignate succeeding sections in title I of the bill accordingly.

On page 19, beginning with line 22, strike out all through line 18 on page 21, and redesignate succeeding sections in title II of the bill accordingly.

Mr. TOWER. Mr. President, I ask unanimous consent that the amendments be considered en bloc.

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

Mr. TOWER. Mr. President, what this amendment does is to delete the authorization for dormitory-type housing under section 236, the rent supplement program, and under public housing.

What I am trying to do is cure or make amends for my own dereliction in committee. I was not aware that this matter was going to come up on the day it did, and I was not present at the time.

I think there is considerable resistance to it in committee. I am not convinced that there is sufficient predicate at this time to open up the section 236 apartment subsidy program, and for that matter, the public housing and rent supplements "low income" housing programs, to dormitory housing.

This housing, of course, would be for nonelderly, single persons, as I understand it.

Let us take the case of section 236. The demand for this lower income housing by deserving families across the country far exceeds the ability of the Government to provide interest subsidy funds. Of course, the family unit includes single persons, assumedly until they are at the age where they are self-sustaining and leave home.

I do not feel I can support a proposal that could possibly dilute the lower income section 236 subsidy program to the extent that it benefits families.

Likewise, the low income rent supplements program and public housing are both at such a point that I would hesitate to open up needy family units to pressure for dormitorytype units.

Therefore, I am hopeful that this amendment would be acceptable to my distinguished chairman.

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

Mr. TOWER. I yield to the Senator.

Mr. SPARKMAN. I agree with the Senator from Texas. I was not present when this provision was agreed to by the committee and I think it is entirely too broad.

I think there might be some justification for single occupancy of this kind for veterans, for the elderly, and such as that.

Mr. TOWER. Mr. President, if the Senator would yield, I think it would be an appropriate matter for us to hold hearings on.

Mr. SPARKMAN. Yes; so do I. I think it is something we ought to put some work on in hearings. I assure the Senator from New York, if he will not insist on this provision, we certainly will have hearings on it in the new session.

Mr. GOODELL. Mr. President——

The PRESIDING OFFICER. Who yields time to the Senator from New York?

Mr. SPARKMAN. I yield the Senator from New York 3 minutes.

Mr. GOODELL. Mr. President, the amendment offered here is to delete a provision that was accepted in committee, which I authored.

Under present public housing and section 236, single individuals who are less than 62 years of age, who are not disabled, do not receive adequate housing assistance. Many communities setting up their urban renewal and housing programs find that one of the most critical problems is that of single individuals, widows, or widowers, who have not achieved the age of 62, and who are desperately poor.

Mr. HANSEN. Mr. President, may we have order? I cannot hear the Senator.

The PRESIDING OFFICER. The Senate will be in order.

Mr. GOODELL. What justification do we have for excluding this particular group? We can take care of them if they are married, but not if they are single.

Senators know of the desperate situation of many widows, many widowers, and many single people who are poor. What this provision in the bill that the Senator from Texas would delete would permit not more than 10 percent of the aggregate funds under the section 236 public housing program to be used for construction of dormitory style housing. It would provide the local officials means by which to plan a balanced housing program for all citizens.

The need for this housing is great and the committee recognized this in the report. I would like to quote part of that report:

The Committee recognizes that a critical need exists for housing to accommodate the low income single person under 62 years of age.

Existing federal low and moderate income

housing programs do not adequately serve this single population. By and large the programs are primarily designed to assist families and the elderly or handicapped. Although some assistance is available to non-elderly singles, it cannot meet the rising demand for housing among this group.

The needs of this population group has become particularly obvious in areas designated for public clearance such as urban renewal areas. As renewal activities begin, municipal officials, who are responsible for relocating the displaced residents cannot find suitable units in sufficient number for the single population. Existing housing programs are deficient in providing for this group and do not adequately meet relocation needs.

The Committee is recommending that legislation be enacted to provide financial assistance through the Rent Supplement and Section 236 programs for the construction of housing for single persons. Such housing would be dormitory-type rental housing with maximum feasible use made of common baths, community kitchens, common dining areas and other shared facilities such as community recreation rooms, workshops or health facilities. It was felt that this physical design would meet the needs of a single person most economically and efficiently. Furthermore, the Committee agrees that competent and responsive housing management with such a diverse and complex tenantry, is essential for the success of a project. Therefore the management fees should be integrated wherever possible, in the allowable project cases.

I think it is a matter of simple equity. It is not a matter that requires extensive hearings. I think all Senators, if they have not already done so, can get testimony from their own communities of the need for this. I have. I have been on the site. I have heard the housing officials and the local officials talk about how they wished they had the option to provide some kind of housing for poor individuals who do not qualify as being over 62 or disabled, but who qualify very definitely in their desperate need. They are excluded now.

I hope the amendment of the Senator from Texas will be defeated.

Mr. TOWER. Mr. President, I yield myself 1 minute.

Mr. President, to my knowledge, I do not think that there were any hearings on this subject, and, as the distinguished chairman of the committee has already indicated, if my amendment is sustained, we will make this a matter for subsequent hearings, and then we can look into the problem to determine to what extent we should legislate on it.

Right now, I would be very loath and reluctant to use up part of the funds provided to benefit poor families and low income families under section 236, the rent supplement, and public housing, when we know the pipelines are already clogged with requests, and we have more applicants than we can service with existing funding. I think it would be tragic for us not to put the emphasis on families first.

Mr. President, I am prepared to yield back the remainder of the time.

Mr. GOODELL. Mr. President, will the Senator from Alabama yield me 1 minute?

Mr. SPARKMAN. I yield 1 minute to the Senator from New York.

Mr. GOODELL. I express my appreciation to the Senator from Texas and the Senator from Alabama for their assurances that they would give this matter consideration. There is a provision of this nature in the House bill, and there have been hearings on it. Witnesses testified before our committee on the need for this type of legislation.

It is not a complicated thing. It is not as though we were changing any significant or complex sections of the law, and do not know what the impact will be. It is very clear. The impact is that the local communities have a very serious problem housing single individuals, widows, and widowers not over 62, and should have some provision in the housing programs to take care of them.

I would hope we will not wait for a year or two to attempt to meet the problems of this particular group.

Mr. SPARKMAN. Mr. President, I yield back the remainder of my time.

Mr. TOWER. I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. MATHIAS). All time having been yielded back, the question is on agreeing to the amendment of the Senator from Texas (Mr. TOWER).

Mr. GOODELL. I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Indiana (Mr. BAYH), the Senator from Missouri (Mr. EAGLETON), the Senator from Mississippi (Mr. EASTLAND), the Senator from North Carolina (Mr. ERVIN), the Senator from Tennessee (Mr. GORE), the Senator from Alaska (Mr. GRAVEL), the Senator from Indiana (Mr. HARTKE), the Senator from Iowa (Mr. HUGHES), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Louisiana (Mr. LONG), the Senator from Washington (Mr. MAGNUSON), the Senator from Minnesota (Mr. MCCARTHY), the Senator from Wyoming (Mr. MCGEE), the Senator from South Dakota (Mr. MCGOVERN), the Senator from New Mexico (Mr. MONTOYA), the Senator from Utah (Mr. MOSS), the Senator from Maine (Mr. MUSKIE), the Senator from Rhode Island (Mr. PELL), the Senator from Georgia (Mr. RUSSELL), the Senator from Mississippi (Mr. STENNIS), the Senator from Missouri (Mr. SYMINGTON), the Senator from Maryland (Mr. TYDINGS), the Senator from New Jersey (Mr. WILLIAMS), the Senator from Texas (Mr. YARBOROUGH), and the Senator from Ohio (Mr. YOUNG) are necessarily absent.

I further announce that, if present and voting, the Senator from North Carolina (Mr. ERVIN), the Senator from Washington (Mr. MAGNUSON), the Senator from New Jersey (Mr. WILLIAMS), the Senator from Missouri (Mr. SYMINGTON), and the Senator from Louisiana (Mr. LONG) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Colorado (Mr. ALLOTT), the Senator from Delaware (Mr. BOGGS), the Senators from Arizona (Mr. FANNIN and Mr. GOLDWATER), the Senator from Oregon (Mr. PACKWOOD), the Senator from California (Mr. MURPHY), the Senator from Illinois (Mr. SMITH) and the Senators from Pennsylvania (Mr. SCHWEIKER and Mr. SCOTT) are necessarily absent.

The Senator from Vermont (Mr. AIKEN) and the Senator from Oklahoma (Mr. BELLMON) are absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Kentucky (Mr. COOPER) and the Senator from Ohio (Mr. SAXBE) are retained on official business.

If present and voting, the Senator from Colorado (Mr. ALLOTT) would vote "yea."

On this vote the Senator from Delaware (Mr. BOGGS) is paired with the Senator from Pennsylvania (Mr. SCOTT). If present and voting, the Senator from Delaware would vote "yea" and the Senator from Pennsylvania would vote "nay."

On this vote, the Senator from South Dakota (Mr. MUNDT) is paired with the Senator from California (Mr. MURPHY). If present and voting, the Senator from South Dakota would vote "yea" and the Senator from California would vote "nay."

The result was announced—yeas 40, nays 20, as follows:

[No. 330 Leg.]

YEAS—40

Allen	Dominick	Miller
Baker	Ellender	Percy
Bennett	Fulbright	Proxmire
Bible	Griffin	Randolph
Brooke	Gurney	Smith, Maine
Burdick	Hansen	Sparkman
Byrd, Va.	Holland	Spong
Byrd, W. Va.	Hollings	Talmadge
Cannon	Hruska	Thurmond
Church	Inouye	Tower
Cook	Jordan, N.C.	Williams, Del.
Cotton	Mansfield	Young, N. Dak.
Curtis	McClellan	
Dodd	McIntyre	

NAYS—20

Case	Hatfield	Nelson
Cranston	Jackson	Pastore
Dole	Javits	Pearson
Fong	Jordan, Idaho	Prouty
Goodell	Mathias	Ribicoff
Harris	Metcalf	Stevens
Hart	Mondale	

NOT VOTING—40

Aiken	Hartke	Pell
Allott	Hughes	Russell
Anderson	Kennedy	Saxbe
Bayh	Long	Schweiker
Bellmon	Magnuson	Scott
Boggs	McCarthy	Smith, Ill.
Cooper	McGee	Stennis
Eagleton	McGovern	Symington
Eastland	Montoya	Tydings
Ervin	Moss	Williams, N.J.
Fannin	Mundt	Yarborough
Goldwater	Murphy	Young, Ohio
Gore	Muskie	
Gravel	Packwood	

So Mr. TOWER'S amendment was agreed to.

Mr. JAVITS. Mr. President, I send an amendment to the desk for myself, the Senator from Minnesota (Mr. MONDALE), and the Senator from New York (Mr. GOODELL), and ask that it be read.

The PRESIDING OFFICER. The amendment offered by the Senator from New York will be stated.

The legislative clerk proceeded to read the amendment.

Mr. JAVITS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without

objection, the amendment will be printed in the RECORD.

The amendment is as follows:

On page 107, after line 8, add the following new section:

UNITED NATIONS DEVELOPMENT DISTRICT

Sec. 1009. Part A of Title I of the Housing Act of 1949 is amended by adding at the end thereof a new section, as follows:

"UNITED NATIONS DEVELOPMENT DISTRICT

"SEC. 119. Notwithstanding any other provision of this title, the Secretary is authorized to make, subject to the limitation on loan payments herein below specified and such other conditions and requirements as he may deem advisable, temporary and definitive loans, in accordance with section 102, to the United Nations Development Corporation, created and operating under chapter 345, Laws of New York, 1968, as amended. Such loans shall be for a project or projects consisting of the development of the United Nations Development District, as defined in said chapter 345, as amended, in conformity with a development plan or plans that shall be approved after public hearings pursuant to said chapter 345, as amended. Such project or projects may include, but not be limited to, the acquisition, clearance, preparation, improvement and development of real property and the construction of public and other facilities and buildings and relocation housing within said district. The Secretary shall not make any such loan unless he has obtained adequate assurance that a relocation program and assistance will be provided similar to that required for urban renewal projects by sections 105(c) and 114. The Secretary shall not make grants of any type, relocation payments or advances for planning to said Corporation. Furthermore, the Secretary shall not make any loan payments under any loan contract executed under this section, except to the extent necessary to pay or cause to be paid to holders (or to their agents or designees) of obligations of the Corporation the principal of and the interest on such obligations pursuant to any contract or other instrument executed by the Secretary under subsection (c) of section 102 hereof. Except as the Secretary shall deem necessary, determinations, approvals or requirements under this title pertaining to loans for other projects shall not be applicable to loans under this section. Wherever 'local public agency' or the plural thereof appears in section 102 it shall be construed to include said Corporation. The interest on any obligations issued by said Corporation for any project assisted pursuant to this section shall not be exempt from taxation under section 102(g) of this title or section 103 of the Internal Revenue Code of 1954, as amended."

Mr. JAVITS. Mr. President, if I may have the attention of the Senate——

The PRESIDING OFFICER. Will the Senator from New York suspend for an inquiry from the Chair? Is this an amendment which the Senator was to offer upon which there is an hour limitation?

Mr. JAVITS. It is, and I yield myself 5 minutes.

Mr. President, this amendment is an element—I emphasize that word—in a large plan which I will describe. The purpose of the amendment and the amendment's terms provide that the Secretary of HUD is authorized—I emphasize the word "authorized," because it is important—on terms and conditions which he considers proper, to guarantee the bonds, which will probably be mortgage bonds, of a public benefit corporation called the United Nations Development Corporation. The Corporation is organized under a special act of the Legislature of the State of New York and is headed by John J. McCloy, who is very well known to many Members of the Senate. The purpose of this corporation will be to develop two square blocks across the street from the United Nations in connection with United Nations uses. Indeed, the United Nations uses will occupy approximately 60 percent of the development when it first opens, and this percentage will grow substantially as the United Nations needs growth.

The purpose is to have an office building, a hotel, places for visitors, a bus terminal—all of which relate to the tremendous flow of people to and from the United Nations. It is expected to be a very distinguished development. One of the concepts is that it will all be under glass.

The Governor of the State of New York and the mayor of the city of New York have recommended it to us.

An element in the plan is for the Secretary of Housing and Urban Development to guarantee the bonds if he feels that this is the desirable thing to do, that the security is adequate, and so forth.

This amendment has been discussed by me and by others with the manager of the bill and with the Secretary of State—indeed, I just talked with him tonight about it—and with the ranking minority member of the committee. It goes again to the proposition that when we received the United Nations in the United States, we said that we would do everything we could to accommodate them suitably. The needs of the organization have grown very large, and this represents what should be an entirely self-liquidating project. This is a nonprofit corporation. But in order to do what must be done, in order, as it were, to redeem our assurances to the organization, this great project is going to get underway; and the authority in the Secretary of Housing and Urban Development represents an important element in this project.

I would say, too, that all the people concerned are very competent and are people of great experience in this field.

I wish to state that it is entirely understood that the Secretary may refuse to exercise his authority or that he may impose such conditions that the whole thing cannot be done; but if this amendment to the housing bill which is before us, passes he will have the authority if he wishes to exercise it.

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

Mr. JAVITS. I yield.

Mr. TOWER. Speaking in behalf of myself and I think also in behalf of the distinguished chairman, I believe that the committee probably is willing to take this amendment to conference.

Mr. JAVITS. It is entirely agreeable to me.

Mr. TOWER. If the Senator would like to yield back the remainder of his time——

Mr. JAVITS. I yield back the remainder of my time.

Mr. SPARKMAN. Mr. President, I agree with the Senator from Texas and yield back the remainder of my time.

Mr. GOODELL. Mr. President, will the Senator yield me one-half minute?

Mr. ALLEN. Mr. President,——

Mr. SPARKMAN. One half a minute? I yield 1 whole minute to the Senator from New York. [Laughter.]

Mr. GOODELL. I thank the Senator. To reward him for his generosity, I shall use only one-half a minute.

Mr. President, I have been involved in this deeply. It is a very important issue. There is great difficulty in providing housing and office space for people in the United Nations. This project is self-liquidating. I am a cosponsor of the amendment and wholeheartedly support it.

Mr. PERCY. Mr. President, will the Senator from Alabama yield me 1 minute?

Mr. SPARKMAN. I yield 1 minute to the Senator from Illinois.

Mr. PERCY. Mr. President, I want to associate myself with support of an amendment to the Housing Act of 1970.

This amendment amounts to a pledge of faith in the U.N. in this, its 25th year.

I say pledge of faith because the bill calls for little more. It provides only a guarantee of taxable UNDC bonds in the case of default. It provides no loans, no grants. The guarantee is conditioned by authority for the Secretary of Housing and Urban Development to set terms which will insure prudent expenditures. The guarantee has minimal risk as the project has been designed—both architecturally and economically—to be self-sustaining.

This U.S. pledge is to me a renewal of our commitment to establish a United Nations Organization—an organization that has over the last two and one-half decades served as the principal forum for international discussion. In supporting this amendment, I am, in my own mind, simply following through on the decision we made more than two decades ago, to support the development of a United Nations Organization with headquarters in New York City.

I am not unaware of the shortcomings of the U.N.; I do not consider it a panacea for the solution of our pressing world problems. But what alternative do we have? In a year when we can appropriate $70 billion from military equipment and personnel, we can afford to accept this amendment which will in all likelihood not cost a cent and which might well take us just one step more toward peace.

Mr. MONDALE. Mr. President, I was pleased to have the cosponsorship of Senator JAVITS when I introduced S. 4145, and I am happy to support him in offering that bill as an amendment to the Housing Act of 1970.

In November we will be celebrating the 25th anniversary of the founding of the United Nations. There is no more appropriate way to commemorate this anniversary than the adoption of this amendment which will do so much to enhance the ability of the United Nations to perform the functions for which it was created. Candor requires an admission that the United States has failed fre-

quently in its primary role of maintaining peace throughout the world. It is easy, however, to dwell upon its failures and overlook its many successes. The mere fact the United Nations has endured for a quarter century that has seen hot and cold wars, the disintegration of empires, and the emergency of new nations which have more than doubled its original membership, is ample evidence of the U.N.'s inherent viability. It was in 1945, and is now in 1970, man's best hope for avoiding world conflict through the development of an international rule of law that will guarantee peace among nations great and small.

The purpose of S. 4145 is to provide a Federal guarantee of taxable bonds to be issued by the United Nations Development Corporation to finance a self-sustaining complex created to provide U.N. supporting facilities in accordance with a plan approved by the city of New York. Included are a visitors center, offices for foreign missions, a hotel for visiting dignitaries and housing for those associated with the U.N. and living in New York City. Secretary Rogers has expressed his strong support for the proposal and has requested the help of Secretary Romney in implementing it. The project is to be carried out by a nonprofit public benefit corporation created by special act of the State of New York. The membership appointed by Mayor Lindsay and Governor Rockefeller includes John J. McCloy as chairman of the board.

The plan for relocation is unique and surpasses Federal urban renewal requirements. The proposed legislation would add a new section 119 to the Housing Act of 1949 authorizing the Secretary of Housing and Urban Development to make commitments for loans to the corporation to finance the acquisition and clearance of real property, and the development and construction of buildings and other facilities within the United Nations Development District in New York in accordance with the approved development plan.

Commitments for loans under section 119 would be the same as those which the Secretary is authorized to make for urban renewal projects assisted under the 1959 Housing Act. It is not anticipated, however, that any loans would in fact be made because the corporation, using the security of the commitment, will be able to obtain such funds from private investors. The effect of this arrangement is a Federal guaranty of the payment of interest and principal of the corporation's obligations. In addition, no advances for planning, no project grants or capital grants would be involved.

It should be emphasized the amendment under consideration does not commit the Federal Government to anything, but merely authorizes the Secretary of Housing and Urban Development to guarantee taxable bonds that will be issued to finance the United Nation's Development District "subject to such conditions and requirements as he may deem advisable." It is rare that a project of this kind can be constructed without the use of public funds for direct grants or loans. All the proposed amendment involves is a Federal guaranty of the U.N. Development Corporation's obligations which imposes only a contingent liability on the Federal Government in the event of a default. The likelihood of such a default is extremely remote since the projected net revenues are more than adequate to meet annual debt service requirements.

I urge adoption of the amendment.

Mr. SPARKMAN. Mr. President, I yield back the remainder of my time.

Mr. JAVITS. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. MATHIAS). The question is on agreeing to the amendment of the Senator from New York.

Those who favor the amendment will say "aye." Opposed, "no."

Mr. ALLEN. Mr. President, I call for a division.

The PRESIDING OFFICER. A division is called for.

On a division, the amendment was agreed to.

Mr. ALLEN. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER (Mr. MATHIAS). The Chair advises the Senator from Alabama that his request for the yeas and nays is too late. The result of the division has been announced.

The bill is open to further amendment.

Mr. TOWER. Mr. President——

Mr. MANSFIELD. Mr. President, I move to reconsider the vote——

Mr. MANSFIELD, Mr. FULBRIGHT, and Mr. PASTORE asked for the yeas and nays.

Mr. JAVITS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. For what purpose does the Senator state his parliamentary inquiry?

Mr. JAVITS. I would like to say to the majority leader that I am entirely agreeable to having the yeas and nays. I do not wish to shut off any Member, but I hope that we will follow what is proper procedure.

I ask the Chair, has the proper procedure been followed in seeking unanimous consent? Should the previous action be reconsidered and then have the yeas and nays asked for?

The PRESIDING OFFICER (Mr. MATHIAS). The Chair would advise the Senator from New York that the yeas and nays could be obtained either by unanimous consent or upon motion of the distinguished Senator from Montana to reconsider the vote.

Mr. JAVITS. Mr. President, I would suggest respectfully to the Senator, then, that we have the yeas and nays upon the motion to reconsider.

Mr. MANSFIELD. Mr. President, I withdraw my request.

Mr. President, I ask unanimous consent that it be in order to have the yeas and nays and I ask unanimous consent that the yeas and nays be ordered.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

Mr. TOWER. Mr. President, a parliamentary inquiry. What are the yeas and nays ordered on?

The PRESIDING OFFICER. They are ordered on the amendment offered by the Senator from New York.

Mr. TOWER. I thank the Chair.

Mr. JAVITS. Mr. President, a parliamentary inquiry. A vote "yea" is a vote for the amendment?

The ACTING PRESIDENT pro tempore (Mr. METCALF). The Senator is correct.

The question is on agreeing to the amendment of the Senator from New York.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Indiana (Mr. BAYH), the Senator from Missouri (Mr. EAGLETON), the Senator from Mississippi (Mr. EASTLAND), the Senator from North Carolina (Mr. ERVIN), the Senator from Tennessee (Mr. GORE), the Senator from Alaska (Mr. GRAVEL), the Senator from Indiana (Mr. HARTKE), the Senator from Iowa (Mr. HUGHES), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Louisiana (Mr. LONG), the Senator from Washington (Mr. MAGNUSON), the Senator from Minnesota (Mr. MCCARTHY), the Senator from Wyoming (Mr. MCGEE), the Senator from South Dakota (Mr. MCGOVERN), the Senator from New Mexico (Mr. MONTOYA), the Senator from Utah (Mr. MOSS), the Senator from Maine (Mr. MUSKIE), the Senator from Rhode Island (Mr. PELL), the Senator from Georgia (Mr. RUSSELL), the Senator from Mississippi (Mr. STENNIS), the Senator from Missouri (Mr. SYMINGTON), the Senator from Maryland (Mr. TYDINGS), the Senator from New Jersey (Mr. WILLIAMS), the Senator from Texas (Mr. YARBOROUGH) and the Senator from Ohio (Mr. YOUNG) are necessarily absent.

I further announce that, if present and voting, the Senator from North Carolina (Mr. ERVIN) and the Senator from Missouri (Mr. SYMINGTON) would each vote "nay."

I further announce that, if present and voting, the Senator from Washington (Mr. MAGNUSON), the Senator from New Jersey (Mr. WILLIAMS), and the Senator from Louisiana (Mr. LONG) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Colorado (Mr. ALLOTT), the Senator from Delaware (Mr. BOGGS), the Senators from Arizona (Mr. FANNIN and Mr. GOLDWATER), the Senator from Oregon (Mr. PACKWOOD), the Senator from California (Mr. MURPHY) and the Senator from Illinois (Mr. SMITH), and the Senators from Pennsylvania (Mr. SCHWEIKER and Mr. SCOTT) are necessarily absent.

The Senator from Vermont (Mr. AIKEN) and the Senator from Oklahoma (Mr. BELLMON) are absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Kentucky (Mr. COOPER) and the Senator from Ohio (Mr. SAXBE) are detained on official business.

If present and voting, the Senator from South Dakota (Mr. MUNDT) would vote "nay."

On this vote, the Senator from Delaware (Mr. BOGGS) is paired with the Senator from Colorado (Mr. ALLOTT). If present and voting, the Senator from Delaware would vote "yea" and the Senator from Colorado would vote "nay."

The result was announced—yeas 21, nays 39, as follows:

[No. 331 Leg.]

YEAS—21

Bennett	Griffin	Mondale
Brooke	Harris	Nelson
Case	Hart	Percy
Church	Hatfield	Proxmire
Cranston	Jackson	Ribicoff
Fulbright	Javits	Sparkman
Goodell	Mathias	Stevens

NAYS—39

Allen	Ellender	Metcalf
Baker	Fong	Miller
Bible	Gurney	Pastore
Burdick	Hansen	Pearson
Byrd, Va.	Holland	Prouty
Byrd, W. Va.	Hollings	Randolph
Cannon	Hruska	Smith, Maine
Cook	Inouye	Spong
Cotton	Jordan, N.C.	Talmadge
Curtis	Jordan, Idaho	Thurmond
Dodd	Mansfield	Tower
Dole	McClellan	Williams, Del.
Dominick	McIntyre	Young, N. Dak.

NOT VOTING—40

Aiken	Hartke	Pell
Allott	Hughes	Russell
Anderson	Kennedy	Saxbe
Bayh	Long	Schweiker
Bellmon	Magnuson	Scott
Boggs	McCarthy	Smith, Ill.
Cooper	McGee	Stennis
Eagleton	McGovern	Symington
Eastland	Montoya	Tydings
Ervin	Moss	Williams, N.J.
Fannin	Mundt	Yarborough
Goldwater	Murphy	Young, Ohio
Gore	Muskie	
Gravel	Packwood	

So Mr. JAVITS' amendment was rejected.

Mr. TOWER. Mr. President, I yield myself 2 minutes on the bill.

The ACTING PRESIDENT pro tempore. The Senator from Texas is recognized.

Mr. TOWER. Mr. President, the new housing program which this bill authorizes has a very objectionable feature which I would like to bring to the Members' attention. This program would be financed outside of the normal appropriation committee channels—through so-called back-door financing.

Section 504 of the bill would allow HUD to contract to pay $15 million a year for 3 years in housing allowances to low-income families for use in paying their rents. Once the Secretary of Housing and Urban Development contracts to make these payments, and he could do so at any time without further approval, the appropriation committees and the Congress would be obligated to appropriate the necessary moneys.

There is nothing about this program which can justify bypassing of the customary procedure of allowing the substantive committee to establish the maximum authorization and the appropriation committee to determine yearly funding levels. The housing allowance program is called an experimental research program. However, all of HUD's other research activities must be financed through the regular appropriations process. If this program is allowed to receive back-door financing there is no good reason to deny it to all other new programs.

Mr. President, I had intended to offer an amendment which would have provided that the money should be appropriated to provide a sum not in excess of $45 million to be appropriated. However, in view of the fact that this is part of the administration measure and it will be in conference and we will discuss it in conference, I will not offer the amendment at this time.

Mr. President, I send an amendment to the desk and ask that it be stated.

The ACTING PRESIDENT pro tempore. The amendment will be stated.

The assistant legislative clerk read as follows:

INTERSTATE LAND SALES FULL DISCLOSURE ACT

SEC. 1009. Section 1406 (5) of the Interstate Land Sales Full Disclosure Act is amended by inserting after the first comma the following: "the existence of any unusual conditions relating to noise or safety which affect the subdivision and are known to the developer,".

The ACTING PRESIDENT pro tempore. How much time does the Senator yield himself?

Mr. TOWER. Mr. President, I yield myself such time as I may require.

The ACTING PRESIDENT pro tempore. The Senator from Texas is recognized.

Mr. TOWER. Mr. President, this amendment is designed to fill a void in the current Interstate Land Sales Full Disclosure Act. It would require disclosure, for example, in the vicinity of military airports to people who are purchasing property there of potential noise or safety hazard.

This disclosure would have to be made. Under the present provision of the act, I do not believe this has been required.

We have had trouble at Williams Air Base, for example, where a developer sells property close to a runway where usually most accidents occur with student pilots and where the residents started to complain about the noise.

We have hundreds of flights a day in these military airports. It is kind of an encroachment on the military function.

I believe the committee is prepared to accept the amendment. I wanted to make this bit of legislative history.

Mr. SPARKMAN. Mr. President, I yield myself 1 minute.

The ACTING PRESIDENT pro tempore. The Senator from Alabama is recognized for 1 minute.

Mr. SPARKMAN. Mr. President, I am in agreement with the Senator from Texas. I hope the amendment will be agreed to.

Mr. TOWER. Mr. President, I yield back the remainder of my time.

Mr. SPARKMAN. Mr. President, I yield back the remainder of my time.

The ACTING PRESIDENT pro tempore. All time having expired, the question is on agreeing to the amendment of the Senator from Texas.

The amendment was agreed to.

Mr. JAVITS. Mr. President, I send to the desk an amendment and ask that it be stated.

The ACTING PRESIDENT pro tempore. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 18, line 3, strike the word "periodically" and insert in lieu thereof the words "at least annually" and on line 7 after the word "Act" add the following language: "The Secretary in determining the area's prototype costs shall take into account the extra durability required for economical maintenance of assisted housing, the provision of amenities designed to guarantee safe and healthy family life and neighborhood environment. Further, in developing such prototypes, emphasis should be given to encouraging good design as an essential component of such housing and to producing housing which will be of such quality as to reflect the architectural standards of the neighborhood and community".

Mr. JAVITS. Mr. President, I yield myself 2 minutes.

The ACTING PRESIDENT pro tempore. The Senator from New York is recognized for 2 minutes.

Mr. JAVITS. Mr. President, this is simply an amendment to describe more accurately what is meant by a prototype, which is now going to be a new standard to be used in determining the cost limits in a given area.

It adds standard language which is concerned with enlightened community construction, and so forth.

The only substantive point contained in this is that instead of saying that the prototype costs should be determined periodically, which leaves the question open, the amendment provides that prototype costs should be determined at least annually so that municipalities know where they are at regular intervals.

Mr. SPARKMAN. Mr. President, I yield myself 1 minute.

The ACTING PRESIDENT pro tempore. The Senator from Alabama is recognized for 1 minute.

Mr. SPARKMAN. Mr. President, on my part I think it is good language. I, for my part, would be willing to accept the amendment.

Mr. TOWER. Mr. President, I associate myself with the statement of the Senator from Alabama.

Mr. SPARKMAN. Mr. President, I yield back the remainder of my time.

Mr. JAVITS. Mr. President, I yield back the remainder of my time.

The ACTING PRESIDENT pro tempore. All time having expired, the question is on agreeing to the amendment of the Senator from New York.

The amendment was agreed to.

Mr. JAVITS. Mr. President, will the Senator yield to me for 1 minute on the bill?

Mr. TOWER. I yield 1 minute to the Senator.

LEASED HOUSING—SECTION 23

Mr. JAVITS. Mr. President, the leasing program in low-rent public housing has proved a very valuable tool in making housing available quickly. Since the program's inception in 1966, over 16,000 units have been leased to public housing tenants in the northeastern region. In the fiscal year 1969, leased units accounted for over 30 percent of the total units of public housing provided under

all public housing programs in the northeastern region.

I was pleased to see that the committee bill clarified the authority of local public housing agencies to lease units in other structures in addition to existing structures and extended the initial term and renewal period of the lease from 5 to 10 years. These changes will be very helpful in making the program work more effectively.

However, recent indications are that HUD is deemphasizing the leased housing program. This, despite the fact that even in HUD's view, the program had become the most versatile of housing assistance activities directed toward low-income families and has proven to be a most effective method of providing a supplementary form of low-rent housing.

In fiscal 1969, units under contract totaled more than 54,000. Unfortunately, for fiscal year 1970, HUD established a production target of only 16,000 leased units under the program. The estimates for fiscal year 1971 are that approximately 14,000 units will be developed through the leasing program. It should be pointed out that the annual contributions contracts in the leased housing program are authorized within the total authorization for the low-rent public housing program. Thus it has been an administrative determination as to how much low-rent public housing will be done on a leasing basis each year.

I have checked into the situation on several occasions and have been told that despite the success and value of the leasing program, there are no plans to expand the program or to stop its contraction. The reasons given are that existing leased units are not counted for the established 10-year national housing goal and that since annual contributions allocated to the leasing program develop into budget outlays more quickly than those allocated to other low-rent housing programs, there is concern with possible inflationary impact.

The short answer as to why the leasing program results in faster budget outlays is that it is a quicker and more effective way to make housing available to low-rent tenants. This is one of its advantages rather than a disadvantage. I feel that HUD is ill-advised to be deemphasizing this program at this time. In addition, this administrative decision seems counter to the intent of Congress when enacting the program and also when making improvements in the program as the committee has done in this bill. I am advised that the Housing Subcommittee of the House Banking and Currency Committee has included a provision in its proposed bill which would require that 30 percent of the annual contributions authorization in the low-rent public housing programs be used for the leased public housing program.

I would like to ask the chairman of the committee whether he feels it would be appropriate for the same directions to be placed in the Senate bill or whether he feels the better course for us to pursue today is to express our desire that HUD make greater use of the leasing program. I would hope that in any case, the committee would give favorable consideration to the provisions of the House bill governing leased housing if the issue is present at the conference.

I ask unanimous consent that a memorandum from HUD dated February 17, 1970, discussing the leasing program be made part of my remarks.

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

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT,
Washington, D.C., February 17, 1970.

Hon. JACOB K. JAVITS,
U.S. Senate, Washington, D.C.

DEAR SENATOR JAVITS: Enclosed per your request are answers to the questions posed by Miss Lattin of your staff on February 13, 1970.

We hope these will prove to be satisfactory.

If you desire additional information, please contact me.

Sincerely yours,

ROBERT M. CLARK,
Senior Assistant for Congressional Relations.

THE LEASED HOUSING PROGRAM

(Answers to questions posed by Miss Lattin on February 13, 1970)

1. Statement of the problems that HUD has had with the Leased Housing Program nationally, if any.

(a) The program requires staff skills that Housing Authorities ordinarily have not had. This has been a major factor in many localities contributing to delays in leasing units after annual contributions contracts have been approved.

(b) There are operations problems such as those involved in maintaining satisfactory relations with owners. And one of the more difficult, sometimes, is the high cost of utilities in some of the older, single family dwellings or row houses that are leased.

(c) While they have not yet become acute, some difficulties are anticipated in the renegotiation of leases. In part, these would be the result of the legal provision under which annual contributions are a function of the cost of building public housing in the locality rather than the cost of operation.

(d) As compared with the conventional low-rent program the leasing program is in a disadvantageous position as to the proportion of the lowest income families that can be accommodated. This is primarily the result of the authorization to pay full real property taxes, but to a lesser extent the return required by the owner is also a factor.

(e) There are several difficult policy problems associated with contributions for leasing notably, the extent to which it should be encouraged, and the conditions under which longer term commitment and rent renegotiation and adjustment provisions may be authorized. During recent months, of course, developers have also had difficulty in obtaining the required mortgage financing.

NOTE.—We have not yet been able to clarify the impact of the Housing and Urban Development Act of 1969 on the leasing program. It may be that problems mentioned under c and d, above, will be mitigated by provisions of that Act relating to annual contributions.

2. Has the Leased Housing Program been successful?

The program has proven to be a most effective method of providing a supplementary form of low-rent housing and has become a major element of the Department's production effort. In hearings on the Housing and Urban Development Act of 1965 through which the program was initiated it was estimated that the annual contributions authorization of the Act would provide for development of 60,000 dwellings for each of the subsequent four years, of which 10,000 would be derived from the Leased Housing Program. By June 30, 1968, a full year prior to the date by which 40,000 leased dwellings were to be programed, a total of 42,000 units had been placed under annual contributions contract. The following table compares the annual program level estimates and actual accomplishments for the first four years:

Fiscal year:

	HUD estimates	Units placed under ACC
1966	5,000	6,975
1967	10,000	15,000
1968	10,000	19,824
1969	15,000	54,054
Total	40,000	96,327

As of June 30, 1969, 46,785 dwelling units had been leased from owners and were available for occupancy to low-income families. This is a measure of the high degree of acceptance of the program by local public officials and real estate and home building interests that apparently stems primarily from the capacity of the leasing program to provide a substantial role in the solution of the housing problems among localities also to a very large extent can be traced to the legislative elimination of several extra operational restrictions applicable to other low-rent housing—Workable Program, tax exemption, Cooperation Agreement and 20 percent gap requirements. Several States, notably California and Mississippi, that, by law require referenda for the construction or acquisition of public housing have recognized these special features and have ruled that their referendum laws are not applicable to it.

Working guidelines covering the program were issued in October 1965, slightly more than two months after the legislative authorization was passed. In their development, again every effort was made to build into the program a reasonable degree of flexibility. To this end:

Minimum property standards were set forth in terms sufficiently general to permit qualification of any type of dwelling that provides decent, safe and sanitary accommodations.

Tenant selection by the owner, by the Housing Authority or by the owner from applicants supplied by the Authority was authorized.

Provisions were made for the development of leasing arrangements within the framework of the private landlord-tenant relationship.

Annual Contributions Contracts were so drawn as to authorize Local Authorities themselves to vary, within limits, the unit size composition of projects.

As a consequence of this generous endowment of legislative and administrative flexibility, leased housing has become, perhaps, the most versatile of housing assistance activities directed toward low income families. This is evident first from the nature and variety of Housing Authority programs:

In the typical program the Authority leases predominately vacant units in older structures that are in standard condition. They would include single family dwellings, row houses and apartments in multi-family structures. In a majority of cases the lease would require the owner to make minor repairs prior to acceptance of the unit for occupancy and in a few situations the owner would agree to fairly extensive rehabilitation.

The program in Fall River, Massachusetts, has been developed largely through the use of rehabilitated dwellings. It has become an effective instrument for neighborhood improvement.

The leased housing legislation specifies the use of "existing" units, but a number of Housing Authorities have found local builders who have been willing to construct dwell-

ings for use in the program without prior commitment of Federal annual contributions to the project.

In Holyoke, Massachusetts, an older hotel has been very extensively renovated to provide apartment accommodations for elderly familes.

The Crazy Water Hotel in Mineral Wells, Texas, for some time has been used as a residential hotel for elderly persons with cooking and dining facilities that are on a congregate basis. Through assistance available under the Leased Housing Program these accommodations can be made available to low-income senior citizens.

In Pinellas County, Florida, very comfortable dwellings with an attractive and pleasant living environment have been developed for elderly families through use of mobile homes.

Another very interesting concept that is presently being explored is the use of the leasing program to stimulate and facilitate homeownership. In its simplest form this is done through inclusion in Housing Authority leases of an option to purchase the dwelling in favor of the occupant. More sophisticated arrangements, however, are being worked out for pilot programs in Los Angeles and Boston. The arrangements in Los Angeles involve development of dwellings, using Section 221(d)(3) market interest rate financing, on behalf of a non-profit corporate owner which enters into a lease-purchase agreement with low-income families certified eligible by the Housing Authority. The Authority also enters into an Assistance Agreement with the owner which makes available subsidies under the Section 23 authorization to cover the difference between the "economic rent" payment needed and the amount low-income occupants can afford to pay. Under the lease-purchase agreement occupants are required to purchase the dwellings when they can afford to do so and they receive the benefit of the amortization payments on the mortgage during the period covered by the Assistance Agreement. In the Boston program leasing subsidies are used by the Housing Authority to help low-income families to make payments necessary to purchase cooperative membership, again through the device of an Assistance Agreement between the Authority and the cooperative.

The amendment of Section 23 through the addition of Subsection (g) by the Housing and Urban Development Act of 1968 adds a new dimension to homeownership programs. Under this provision Housing Authorities may purchase leased properties for resale to tenants. A most interesting feature of it is that the terms of the resale are to be such that tenants may make the purchase without undue financial hardship and might include deferment of any down payment and elimination of, or adjustment in, interest payments for a temporary period. A pilot program to make use of this authorization is being developed in Salisbury, Maryland.

Section 23 leasing has been a most successful program for the promotion of several of the Department's significant social goals, notably the provision of scattered site housing for low-income families and housing accommodations for larger families. Local Authority capacity to lease scattered properties is a result of public acceptance of the leasing program which, in turn, has been enhanced by the fact that this is a program through which the institutional image that has been associated with public housing can be avoided. The program's ability to accommodate larger families, of course, derives mainly from the possibility of utilizing older standard houses that are readily available in the rental market of many localities. Over 50 percent of the units programmed for leasing have been three bedroom dwellings, or larger.

3. What was the funding level appropriated by the Congress for the Leased Housing Program in FY '70?

Annual Contributions Contracts with Local Housing Authorities are executed on the basis of authorizations included in basis HUD legislation and those authorizations do not distinguish between the Leased Housing Program and other program administered under the United States Housing Act of 1937, as amended. For Fiscal Year 1970, the HUD Act of 1969 provided an increased authorization for the low-rent program of $225,000,000. Administratively HUD has established a production target of 16,000 leased units to be placed under Annual Contributions Contract in Fiscal Year 1970.

4. How much has been requested for this program in FY '71?

The HUD Act of 1969 provides an increased annual contributions authorization that will be available July 1, 1970 of $170,000,000. With this authorization it is estimated that 106,000 low-rent housing units may be placed under Annual Contributions Contract of which approximately 14,000 will be developed through the leasing program.

5. Are there any Congressional restraints on the number of leased housing units that can be approved each year? A dollar limitation?

As mentioned above, the program level for low-rent housing is established through annual contributions authorizations. Allocations to programs financed through those authorizations are administrative.

6. and 7. If the Leased Housing Program has been successful, why hasn't more money been requested for FY 71?

Why has the Bureau of the Budget been reluctant to raise the ceiling for this program?

There have been two significant reasons for restraint in the allocation of resources to the leasing program:

(a) Existing units that are leased and not counted toward the established 10-year national housing goal.

(b) Annual Contributions allocated to the leasing program develop into budget outlays more quickly than those allocated to other low-rent housing program. The Bureau of the Budget has been concerned with the inflationary impact of Federal expenditures on the economy.

Mr. SPARKMAN. Mr. President, I send to the desk an amendment and I ask that it be read by the clerk.

The ACTING PRESIDENT pro tempore. The amendment will be stated.

The amendment was read, as follows:

On page 23, strike out lines 11 through 19 and renumber succeeding sections accordingly.

Mr. SPARKMAN. Mr. President, during the consideration of 1970 Housing and Urban Development legislation by the committee, it was brought to our attention that certain expenditures made by certain colleges and universities in connection with urban renewal projects to expand university and college campuses were not considered by the Department of Housing and Urban Development to be eligible for local credits.

The committee included a provision in the bill before us to make these credits eligible.

Subsequent to committee action and since reporting the bill to the Senate, I have received a letter dated September 23, 1970, from the Department of HUD stating that this matter can be handled administratively and that there is no need for legislation in this area. Accordingly I offer an amendment to S. 4368 to strike out the provision dealing with this matter. Specifically, my amendment merely deletes section 212 from the bill.

I have discussed this matter with the minority and there is no objection to the amendment.

I move the adoption of my amendment.

Mr. President, I yield back the remainder of my time.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Alabama.

The amendment was agreed to.

Mr. SPARKMAN. Mr. President, I send to the desk a technical amendment.

The ACTING PRESIDENT pro tempore. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 72, line 8, after "approved" insert "or".

Mr. SPARKMAN. I yield back my time on the amendment.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. DODD. Mr. President, I am very grateful to the distinguished chairman of the Senate Banking and Currency Committee and the members of the committee for including as an amendment to the Housing and Urban Development Act of 1970 a bill which I introduced to increase to $50 million the $25 million ceiling on guaranteed loans to nonprofit hospitals.

I know that the members of the committee and the Members of the Senate are aware of the great public demand for hospital services which present facilities are unable to supply.

Medicare and medicaid programs have brought hospital services to persons who at one time could not afford proper treatment, and many cases that were once treated at home or in a doctor's office now look to a hospital for health care.

The resultant pressure on existing hospital facilities has constricted the operations of some of our finest institutions and this situation can be alleviated only by the construction of new facilities or the expansion of existing plants.

The adoption of the $25 million guaranteed hospital loan program in the Housing Act of 1968 was a landmark provision.

I believe that the $50 million ceiling contained in the bill before us today will go even further toward insuring that hospitals all across the country can obtain the financing they need in order to proceed with construction plans and thereby bring to all Americans the health care that our medical technology makes possible.

Again, I am very pleased that the Senate Banking and Currency Committee has included my bill as an amendment to the important Housing and Urban Development Act of 1970. With this amendment, hospitals will be able to meet this Nation's vital health needs effeotively and efficiently.

Mr. TOWER. Mr. President, section 112 is my amendment to the FHA title I

mobile home loan program in recognition of the vast promise held out by the modular building concept to bring about true low-cost housing.

The law now allows a loan of up to $10,000 for a conventional mobile home, with a loan amortization period of 12 years and 32 days. However, very recently, mobile dwelling units composed of two or more modules have become very popular. These dwellings are sometimes referred to as "double-wides," and they have been shown to be the most promising approach to low-cost housing that is known today. In this particular instance of a mobile dwelling composed of two or more modules, section 112 would authorize a maximum loan of $15,000, and a 15-year, 32-day, amortization period.

The resourcefulness and initiative of those of our country's housing manufacturers who are now undertaking modular construction probably are nearer the answer to low-cost mass production of housing than any other activity today. Through their efforts we hopefully will see a breakthrough in housing technology and mass production methods.

Modular housing, or houses put together in sections, whether permanently affixed to the land, or movable, can be counted on to bring the cost of housing down significantly, and thus bring it within the reach of this country's lower-income families. Today's mobile home manufacturer is an active participant in pursuing this housing breakthrough, and by adding this particular provision to the law it is my hope that a much more concerted effort will be made in this area.

Mr. President, as many of my colleagues undoubtedly know, the administration is now looking to the mobile home industry to provide a substantial portion of the housing that must be produced during the decade ending in 1978 if the production goal held out by the 1968 Housing Act is to be reached. It is hoped that some 4 million of the 26 million housing unit production goal will be provided by mobile homes. I feel that the most significant part of the mobile home part of the goals achievement will be modular housing. And, I feel it is also very significant that most of these mobile, or mobile/modular, dwelling units will in all probability house those of our country's families at the lower end of the income scale.

Take these figures as such an indication:

The average new mobile home contains about 820 square feet of floor area, and has two bedrooms, kitchen, bath, dinette, living room and is sold complete with furnishings for about $6,000.

The average lot rent upon which a unit is placed runs from $35 to $55.

The median income of mobile home park tenents is around $7,000 per year, and about half of the household heads in mobile homes are under 35.

Hold these figures alongside the $27,000 median price of conventionally built new houses, and consider further that probably half of our country's families cannot afford to pay much more than $15,000 for a home.

The mobile home industry expects to produce around 450,000 units this year, almost double the 1967 production level. But for this housing to have any effect on the pent up housing demand, there must be adequate and reasonably priced financing. To help with this problem, the present statutory restriction on the title I discount, or interest, rate would be superceded by discretionary authority in the Secretary of HUD until January 1, 1972, to set the maximum loan interest rate as necessary to meet the loan market.

Since its enactment into law on December 24, 1969, the title I mobile home loan program has experienced very little lender activity. HUD reports that as of last August, only around 106 loans have been processed. This is mainly because of the present statutory restriction on the title I loan discount rate. The effective net yield of approximately 8 percent per annum under the present law cannot compete with the higher yields available through alternative investments. By authorizing the Secretary of HUD to set loan interest rates as necessary to meet the loan market, as section 112 of the bill would do, we would just be authorizing the Secretary to do what he already can do in the instance of FHA-insured mortgages.

I would like to submit for the record at this point letters to the chairman from HUD Secretary Romney, and representatives of the mobile home and savings and loan industries, concerning my mobile/modular amendment.

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

THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT,
Washington, D.C., September 3, 1970.

Hon. JOHN SPARKMAN,
Chairman, Committee on Banking and Currency, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in reply to your request for our comments on an amendment proposed by Sen. Tower to the home improvement and mobile home loan program under title I of the National Housing Act.

We have no objection to the provisions of this amendment which would, with respect to mobile homes comprised of two or more modules, extend the maximum loan amount from $10,000 to $15,000 and the maximum maturity from 12 years 32 days to 15 years 32 days.

The proposal would also give the Secretary the discretion until January 1, 1972, to disregard existing title I statutory maximum interest rates and to establish maximum interest rates to meet the loan market. The Secretary now has similar temporary authority to waive statutory maximum interest rates under the mortgage insurance programs of title II of the National Housing Act.

We fully support the principle of flexible interest rates under the title I program. The Administration's proposed Housing and Urban Development Act of 1970, S. 3639, would eliminate statutory maximum interest rates for all FHA programs in favor of administratively established rates. Under current statutory limitations, the effective net yield to lenders on mobile home loans insured under title I would be in the neighborhood of 8 percent per year. Because of these limitations there has been very little activity under the mobile home loan program. The net yield on uninsured mobile home loans is generally at least 12 percent at the present time. We would expect, if this amendment or the provisions of the Administration's bill were enacted, that maximum interest rates somewhat lower than the range of uninsured loan rates would be established. In the interest of the consumer, we would, of course, establish maximum rates as low as would be consistent with an adequate level of activity under the title I program.

Sincerely,

GEORGE ROMNEY.

MOBILE HOMES MANUFACTURERS ASSOCIATION,
Arlington, Va., August 27, 1970.

Hon. JOHN SPARKMAN,
Chairman, Subcommittee on Housing and Urban Affairs, New Senate Office Building, Washington, D.C.

DEAR SENATOR SPARKMAN: I have been advised that your Committee is considering an amendment by Senator John Tower which would revise sections of the Title I, FHA insurance program relating to mobile homes. The Mobile Homes Manufacturers Association and the Trailer Coach Association both support Senator Tower's proposal and thought we might provide you with our reasons.

Since Congress made it possible for FHA to guarantee mobile home financing, we have had little interest on the part of lending institutions because of the maximum interest limitations. If the Secretary of HUD were able to set rates as necessary to meet the mortgage or loan market, we feel that the Title I program would be a great deal more effective. It is our understanding that there have only been about 100 loans since this program went into effect, and all the reaction we have received is that the interest rate limitation has restricted the interest of lenders.

Acually, giving the HUD Secretary this authority would provide an advantage for the consumer, since interest rates under normal financing procedures for mobile homes are considerably higher than other types of mortgage financing. A higher return under Title I would provide an incentive for lenders to enter the field.

We understand that if the legislation is adopted providing for Veterans' Administration involvement in mobile home financing, the regulations will allow for an effective rate of approximately 12% in order to guarantee activity in the program. The conventional money market for mobile homes is currently running in excess of 12%, generally closer to 14%. Higher rates for both FHA and VA would still be more favorable than what buyers are now paying.

We appreciate the interest of your Committee in the mobile home industry, and we likewise appreciate consideration being given to programs which will be more effective in solving some housing problems. We respectfully request support of the amendment by Senator Tower.

Sincerely,

JOHN M. MARTIN,
Managing Director.

U.S. SAVINGS AND LOAN LEAGUE,
Washington, D.C., September 2, 1970.

Hon. JOHN J. SPARKMAN,
Chairman, Senate Banking and Currency Committee, New Senate Office Building, Washington, D.C.

DEAR SENATOR SPARKMAN: The purpose of this letter is to comment on the Tower "mobile/modular" amendment which we understand is being considered by the Senate Committee on Banking and Currency. The Tower amendment would improve the overall FHA insurance program for mobile home loans by giving the Secretary of HUD the authority to adjust loan rates in line with market conditions. The amendment would

also set the term of any mobile home loan involving two or more modules at 15 years and increase the loan ceiling on those loans to $15,000.

The program of FHA insurance for mobile home loans, you will remember, was only recently authorized by Congress. Despite the brief time of its existence the fact that virtually no loans have been insured under the program suggests some need to review its provisions. The primary impediment to lender participation at this time is the structure of the maximum allowable interest charges on mobile home loans. The maximum rates as you know are $5.50 per $100 per annum for the first $2,500 loaned, and $4.50 per $100 per annum for any amount over $2,500 up to $10,000. This rate structure applies to loans of all maturities and the peculiarities of its computations result in a lower rate of return to the lender not only as the amount of credit extended increases, but also as the maturity of the contract lengthens. Thus, the "actuarial" or "true" return on a one-year $1,000 loan is 10.57%, but for a ten-year $10,000 loan it is 7.97%. Mobile home loans as you know are generally for larger dollar amounts and for longer maturities.

Further, unlike the other FHA programs where the one-half percent insurance premium cost is borne by the borrower, under the Title I program the premium costs must be borne by the lender. As a result the rate of return is reduced to approximately 7½% on a 10-year, $10,000 loan. By way of contrast the most recent Federal Home Loan Bank Board survey of Interest Cost on Conventional Home Mortgages reported an effective interest rate charge of 8.48% on new single family homes for the month of July. The differential between conventional mortgage and mobile home rates argues well for some readjustment of the Title I rate structure particularly when the differences between the nature of the security offered and the cost of administering a "short term" type lending operation (as compared to real estate lending) are considered. We strongly support, therefore, the Tower amendment which would adjust the Title I mobile home rate structure in line with market rates (at least until January 1, 1972). Since the power of the Secretary of HUD to adjust rates by administrative order has proven workable for other FHA programs we feel there is considerable logic to adopting the same approach for the Title I program.

A second element of the proposed amendment would set the maximum loan amount on mobile home loans involving two or more modules at $15,000 and would permit a maximum maturity on such loans of 15 years. We feel these changes are necessary and desirable as a response to the increased production and corresponding need to finance "double-wide" mobile homes which are, in effect, larger and higher priced structures.

Other organizations have, we are sure, provided you with statistics demonstrating how great the impact of mobile homes has been on the market for low cost housing. The FHA program of insurance for mobile home loans has, we feel, considerable potential for enabling more people to buy and finance their mobile homes. Adoption of the Tower amendment will be of great assistance in making such potential a reality.

Sincerely,

STEPHEN SLIPHER,
Legislative Director.

The ACTING PRESIDENT pro tempore. Do Senators yield back their time?

Mr. SPARKMAN. I yield back my time.

Mr. TOWER. I yield back my time.

The ACTING PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

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

Mr. SPARKMAN. Mr. President, have the yeas and nays been ordered?

The ACTING PRESIDENT pro tempore. The yeas and nays have been ordered.

Senators have yielded back the remainder of their time on the bill.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized and directed to make necessary clerical and technical changes in the bill when it is engrossed.

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

All time having been yielded back, the question is, Shall the bill pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Indiana (Mr. BAYH), the Senator from Missouri (Mr. EAGLETON), the Senator from Mississippi (Mr. EASTLAND), the Senator from North Carolina (Mr. ERVIN), the Senator from Tennessee (Mr. GORE), the Senator from Alaska (Mr. GRAVEL), the Senator from Indiana (Mr. HARTKE), the Senator from Iowa (Mr. HUGHES), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Louisiana (Mr. LONG), the Senator from Washington (Mr. MAGNUSON), the Senator from Minnesota (Mr. MCCARTHY), the Senator from Wyoming (Mr. MCGEE), the Senator from South Dakota (Mr. MCGOVERN), the Senator from New Mexico (Mr. MONTOYA), the Senator from Utah (Mr. MOSS), the Senator from Maine (Mr. MUSKIE), the Senator from Rhode Island (Mr. PELL), the Senator from Georgia (Mr. RUSSELL), the Senator from Mississippi (Mr. STENNIS), the Senator from Missouri (Mr. SYMINGTON), the Senator from Maryland (Mr. TYDINGS), the Senator from New Jersey (Mr. WILLIAMS), the Senator from Texas (Mr. YARBOROUGH), and the Senator from Ohio (Mr. YOUNG), are necessarily absent.

I further announce that, if present and voting, the Senator from North Carolina (Mr. ERVIN), the Senator from Iowa (Mr. HUGHES), the Senator from Louisiana (Mr. LONG), the Senator from Washington (Mr. MAGNUSON), the Senator from Maine (Mr. MUSKIE), and the Senator from New Jersey (Mr. WILLIAMS), would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Colorado (Mr. ALLOTT), the Senators from Arizona (Mr. FANNIN and Mr. GOLDWATER), the Senator from Oregon (Mr. PACKWOOD), the Senator from California (Mr. MURPHY), the Senator from Illinois (Mr. SMITH), and the Senators from Pennsylvania (Mr. SCHWEIKER and Mr. SCOTT) are necessarily absent.

The Senator from Vermont (Mr. AIKEN) and the Senator from Oklahoma (Mr. BELLMON) are absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Kentucky (Mr. COOPER) and the Senator from Ohio (Mr. SAXBE) are detained on official business.

If present and voting, the Senator from Vermont (Mr. AIKEN), the Senator from Colorado (Mr. ALLOTT), the Senator from Kentucky (Mr. COOPER), the Senator from California (Mr. MURPHY), and the Senator from Pennsylvania (Mr. SCOTT) would each vote "yea."

On this vote, the Senator from Illinois (Mr. SMITH) is paired with the Senator from South Dakota (Mr. MUNDT). If present and voting, the Senator from Illinois would vote "yea" and the Senator from South Dakota would vote "nay."

The result was announced—yeas 59, nays 2, as follows:

[No. 332 Leg.]

YEAS—59

Allen	Fulbright	Metcalf
Baker	Goodell	Miller
Bennett	Griffin	Mondale
Bible	Gurney	Nelson
Boggs	Hansen	Pastore
Brooke	Harris	Pearson
Burdick	Hart	Percy
Byrd, Va.	Hatfield	Prouty
Byrd, W. Va.	Holland	Proxmire
Cannon	Hollings	Randolph
Case	Hruska	Ribicoff
Church	Inouye	Smith, Maine
Cook	Jackson	Sparkman
Cotton	Javits	Spong
Cranston	Jordan, N.C.	Stevens
Dodd	Jordan, Idaho	Talmadge
Dole	Mansfield	Thurmond
Dominick	Mathias	Tower
Ellender	McClellan	Young, N. Dak.
Fong	McIntyre	

NAYS—2

Curtis	Williams, Del.

NOT VOTING—39

Aiken	Hartke	Packwood
Allott	Hughes	Pell
Anderson	Kennedy	Russell
Bayh	Long	Saxbe
Bellmon	Magnuson	Schweiker
Cooper	McCarthy	Scott
Eagleton	McGee	Smith, Ill.
Eastland	McGovern	Stennis
Ervin	Montoya	Symington
Fannin	Moss	Tydings
Goldwater	Mundt	Williams, N.J.
Gore	Murphy	Yarborough
Gravel	Muskie	Young, Ohio

So the bill (S. 4368) was passed, as follows:

S. 4368

An act to extend and amend laws relating to housing and urban development, and for other purposes

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 "Housing and Urban Development Act of 1970".

TITLE I—MORTGAGE CREDIT

EXTENSION OF PROGRAMS

SEC. 101. (a) Section 2(a) of the National Housing Act is amended by striking out "1970" in the first sentence and inserting in lieu thereof "1973".

(b) Section 217 of such Act is amended by striking out "1970" and inserting in lieu thereof "1973".

(c) Section 221(f) of such Act is amended by striking out "1970" in the fifth sentence and inserting in lieu thereof "1973".

(d) Section 235(m) of such Act is amended by striking out "1971" and inserting in lieu thereof "1973".

(e) Section 236(n) of such Act is amended by striking out "1971" and inserting in lieu thereof "1973".

(f) Section 809(f) of such Act is amended by striking out "1970" in the second sentence and inserting in lieu thereof "1973".

(g) Section 810(k) of such Act is amended by striking out "1970" in the second sentence and inserting in lieu thereof "1973".

(h) Section 1002(a) of such Act is amended by striking out "1970" in the second sentence and inserting in lieu thereof "1973".

(i) Section 1101(a) of such Act is amended by striking out "1970" in the second sentence and inserting in lieu thereof "1973".

AUTHORIZATION FOR ASSISTANCE PAYMENTS UNDER SECTIONS 235 AND 236

SEC. 102. (a) The second sentence of section 235(h)(1) of the National Housing Act is amended—

(1) by inserting "outstanding" before "contracts" the first place the term appears; and

(2) by striking out "by $125,000,000 on July 1, 1970, and by $170,000,000 on July 1, 1971" and inserting in lieu thereof "by $150,000,000 on July 1, 1970, and by $250,000,000 on July 1, 1971".

(b) The second sentence of section 236(i)(1) of such Act is amended—

(1) by inserting "outstanding" before "contracts" the first place the term appears; and

(2) by striking out "$170,000,000" and inserting in lieu thereof "$250,000,000".

(c) Section 236(b) is amended by adding at the end thereof the following: "The term 'mortgage insurance premium', when used in this section in relation to a project financed by a loan under a State or local program includes such fees and charges approved by the Secretary, as are payable by the mortgagor to the State or local agency mortgagee to meet reserve requirements and administrative expenses of such agency."

RENT SUPPLEMENT PAYMENTS

SEC. 103. Section 101(a) of the Housing and Urban Development Act of 1965 is amended by striking out "and by $100,000,000 on July 1, 1970" and inserting in lieu thereof "by $100,000,000 on July 1, 1970, and by $37,000,000 on July 1, 1971".

COMPENSATION FOR DEFECTS IN SECTION 235 EXISTING HOUSING

SEC. 104. Section 518 of the National Housing Act is amended by redesignating subsection (b) as subsection (c) and inserting after subsection (a) a new subsection as follows:

"(b) The Secretary is authorized to make expenditures to correct, or to compensate the owner for, latent or structural defects which seriously affect the use and livability of any single-family dwelling which is covered by a mortgage insured under section 235 of this Act and is more than one year old on the date of the issuance of the insurance commitment, if (1) the owner requests assistance from the Secretary not later than one year after the insurance of the mortgage, and (2) the defect is one that a competent appraiser, properly performing his duties, could reasonably be expected to recognize."

USE OF EXISTING HOUSING UNDER THE SECTION 235 PROGRAM

SEC. 105. Section 235(h) of the National Housing Act is amended—

(1) by striking out "to be made prior to July 1, 1971" in subparagraph (B) of paragraph (3); and

(2) by adding at the end thereof the following new paragraph;

"(4) At least 10 per centum of the total amount of contracts for assistance payments authorized by appropriation Acts to be made after June 30, 1971, shall be available for use only with respect to dwellings, or dwelling units in projects, which are approved by the Secretary prior to substantial rehabilitation."

ASSISTANCE UNDER SECTION 235 PROGRAM FOR COOPERATIVE PROJECTS FINANCED UNDER CERTAIN STATE OR LOCAL PROGRAMS

SEC. 106. Section 235(b)(2) of the National Housing Act is amended by inserting before the period at the end thereof the following: ": *Provided further*, That assistance payments may be made on behalf of a member of a cooperative association operating a housing project which is financed under a State or local program providing assistance through loans, loan insurance, or tax abatements, and which prior to completion of construction or rehabilitation is approved for receiving the benefits of this section".

LOWER DOWNPAYMENTS FOR FHA—FINANCED SALES HOUSING

SEC. 107. (a) Section 203(b)(2) of the National Housing Act is amended—

(1) by striking out "97 per centum" and inserting in lieu thereof "98 per centum"; and

(2) by striking out "$25,000", wherever it appears, and inserting in lieu thereof "$30,000".

(b) Section 203(b)(9) of such Act is amended by striking out "3 per centum" and inserting in lieu thereof "2 per centum".

MAXIMUM AMOUNT OF FHA-INSURED HOSPITAL MORTGAGE

SEC. 108. Section 242(d)(2) of the National Housing Act is amended by striking out "$25,000,000" and inserting in lieu thereof "$50,000,000".

MORTGAGE INSURANCE FOR PROPRIETARY HOSPITALS

SEC. 109. (a) Section 242 of the National Housing Act is amended by striking out "NONPROFIT" in the section heading.

(b) Section 242(b) of such Act is amended by striking out "the" where it first appears in paragraphs (1) and (2) and inserting in lieu thereof "The".

(c) Section 242(b)(1) of such Act is amended—

(1) by inserting "and" after the semicolon at the end of subparagraph (A);

(2) by striking out "; and" at the end of subparagraph (B) and inserting a period in lieu thereof; and

(3) by striking out subparagraph (C).

(d) The sixth sentence of section 212(a) of such Act is amended by striking out "or association" and inserting in lieu thereof ", association, or other organization".

MORTGAGES FOR CIVILIAN PERSONNEL AT MILITARY INSTALLATIONS

SEC. 110. Section 809(b) of the National Housing Act is amended by inserting before the period at the end of the second sentence the following: ": *Provided*, That the Secretary shall relieve the Secretary of Defense from any obligation to guarantee the General Insurance Fund from loss with respect to a mortgage assumed by a person ineligible to receive a certificate under subsection (a), if the original mortgagor is issued another certificate with respect to a mortgage insured under this section on property which the Secretary determines is not an acceptable risk".

MOBILE HOME LOANS UNDER TITLE I

SEC. 111. Section 2(b) of the National Housing Act is amended—

(1) by inserting in clause (1) after "$10,000" the following: "($15,000 in the case of a mobile home composed of two or more modules)";

(2) by inserting in the proviso of clause (2) after "days" the following: "(fifteen years and thirty-two days in the case of a mobile home composed of two or more modules)"; and

(3) by adding at the end thereof a new sentence as follows: "Notwithstanding any other provision of this subsection, the Secretary is authorized, until January 1, 1972, to set the maximum interest rate or rates for obligations with respect to which insurance is granted under this section at not to exceed such rate or rates as he finds necessary to meet the loan market."

FUNDS FOR FEDERAL NATIONAL MORTGAGE ASSOCIATION CAPITAL SURPLUS ACCOUNT

SEC. 112. The first sentence of section 303(b) of the National Housing Act is amended—

(1) by striking out "shall accumulate" and inserting in lieu thereof "may accumulate";

(2) by striking out "and other";

(3) by striking out "nor less than 1 per centum", and

(4) by inserting "with the approval of the Secretary of Housing and Urban Development" immediately after "as determined from time to time by the corporation".

LIABILITY OF FNMA TO UNITED STATES

SEC. 113. (a) In accordance with the provisions of section 303(a) of the National Housing Act relating to payment of a prescribed part of the general surplus and reserves of the corporation, the Federal National Mortgage Association shall pay to the Secretary of the Treasury the sum of $52,386,117.

(b) In accordance with the provisions of section 309(c) of the National Housing Act as it existed prior to September 1, 1968, the Federal National Mortgage Association shall pay to the Secretary of the Treasury the remaining income tax equivalent of $16,479,604, plus interest (1) on $2,977,442 at the rate of 6 per centum from September 16, 1967, until the date of payment; (2) on $13,442,424 at the rate of 6 per centum from September 16, 1968, until the date of payment; and (3) on $59,738 at 6 per centum from November 16, 1968, until the date of payment.

(c) The receipt by the Secretary of the Treasury of the amounts required to be paid by subsections (a) and (b) of this section shall constitute a full and final settlement of all matters affected by such subsections. The United States shall be made a party defendant in any case against any person because of any action taken by him while serving as a director, officer, employee, or agent of the Federal National Mortgage Association pursuant to subsection (a) or (b) of this section, and any judgment awarded the Federal National Mortgage Association in such action shall be paid in the same manner as a judgment against the United States.

(d) Section 302(a) of the National Housing Act is amended by adding at the end thereof the following new paragraph:

"(3) The partition transaction effected pursuant to the foregoing paragraph constitutes a reorganization within the meaning of section 368(a)(1)(E) of the Internal Revenue Code of 1954; and for the purposes of such Code, no gain or loss is recognized by the previously existing body corporate by reason of the partition, and the basis and holding period of the assets of the corporation immediately following such partition are the same as the basis and holding period of such assets immediately prior to such partition."

(e) Section 810(a) of the Housing and Urban Development Act of 1968 is amended by adding at the end thereof the following sentence: "For the purposes of the Internal Revenue Code of 1954, no gain or loss is recognized by the holders of such stock on such change, and the basis and holding period of such stock in the hands of the stockholders immediately after such change are the same as the basis and holding period of such stock in their hands immediately prior to such change."

INVESTMENT OF FHA RESERVE FUNDS

SEC. 114. (a) Section 206 of the National Housing Act is amended by inserting before the period at the end of the first sentence the following: "or any agency of the United States: *Provided*, That such moneys shall to

the maximum extent feasible be invested in such bonds or other obligations the proceeds of which will be used to directly support the residential mortgage market".

(b) Section 213(o) of such Act is amended by inserting before the period at the end of the second sentence the following: "or any agency of the United States: *Provided*, That such moneys shall to the maximum extent feasible be invested in such bonds or other obligations the proceeds of which will be used to directly support the residential mortgage market".

(c) Section 236(g) of such Act is amended by inserting before the period at the end of the third sentence the following: "or any agency of the United States: *Provided*, That such moneys shall to the maximum extent feasible be invested in such bonds or other obligations the proceeds of which will be used to directly support the residential mortgage market".

(d) Section 238(b) of such Act is amended by inserting before the period at the end of the sixth sentence the following: "or any agency of the United States: *Provided*, That such moneys shall to the maximum extent feasible be invested in such bonds or other obligations the proceeds of which will be used to directly support the residential mortgage market".

(e) Section 519(c) of such Act is amended by inserting before the period at the end of the first sentence the following: "or any agency of the United States: *Provided*, That such moneys shall to the maximum extent feasible be invested in such bonds or other obligations the proceeds of which will be used to directly support the residential mortgage market".

SEC. 115. (a) Section 221(f) of the National Housing Act is amended by adding at the end thereof the following new sentence: "In any case in which it is determined in accordance with regulations of the Secretary that facilities in existence or under construction on the date of enactment of the Housing and Urban Development Act of 1970 which could appropriately be used for classroom purposes are available in any such property or project and that public schools in the community are overcrowded due in part to the attendance at such schools of residents of the property or project, such facilities may be used for such purposes to the extent permitted in such regulations (without being subject to any of the requirements of the proviso in section 220 (d)(3)(B)(iv) except the requirement that the project be predominantly residential)."

(b) Section 236(j)(5) of such Act is amended by adding at the end thereof (after and below subparagraph (C)) the following new sentence: "In any case in which it is determined in accordance with regulations of the Secretary that facilities in existence or under construction on the date of enactment of the Housing and Urban Development Act of 1970 which could appropriately be used for classroom purposes are available in any such property or project and that public schools in the community are overcrowded due in part to the attendance at such schools of residents of the property or project, such facilities may be used for such purposes to the extent permitted in such regulations (without being subject to any of the requirements of the first proviso in subparagraph (A) except the requirement that the project be predominantly residential)."

TITLE II—PUBLIC HOUSING, URBAN RENEWAL, AND HOUSING ASSISTANCE PROGRAMS

PUBLIC HOUSING ANNUAL CONTRIBUTIONS

SEC. 201. The first sentence of section 10(e) of the United States Housing Act of 1937 is amended by striking out "and $170,000,000 on July 1, 1970" and inserting in lieu thereof "$320,000,000 on July 1, 1970, and $275,000,000 on July 1, 1971".

PUBLIC HOUSING RENT REQUIREMENTS

SEC. 202. Section 2(1) of the United States Housing Act of 1937 is amended—

(1) by adding at the end of the second paragraph the following: "In defining income for purposes of applying the one-fourth of family income limitation set forth above, the Secretary shall consider income from all sources of each member of the family residing in the household who is at least eighteen years of age; except that (1) nonrecurring income, as determined by the Secretary, shall be excluded, (2) an amount equal to the sum of (A) $300 for each person in the household under eighteen years of age, and (B) 5 per centum of the family's gross income shall be deducted, and (3) the Secretary may allow further deductions in recognition of unusual circumstances including, but not limited to, an amount equal to those medical expenses of the family which may properly be considered to be extraordinary, and an amount equal to that part of the income of the female head of a family, or the expended in order to enable her to take employment outside the home."; and

(2) by adding at the end thereof a new paragraph as follows:

"In the case of families receiving public assistance in the form of money payments under any State program with respect to which there is Federal financial participation, the total amount of their benefits thereunder shall not be reduced as a result of any reduction in rent by a local public housing agency made in conformity with the applicable rent ceiling established in accordance with the preceding paragraph."

PUBLIC HOUSING COST LIMITS

SEC. 203. (a) The first sentence of section 15(5) of the United States Housing Act of 1937 is amended by striking out all that follows "based" and inserting in lieu thereof the following: "shall not exceed by more than 10 per centum the appropriate prototype cost for the area. Prototype costs shall be determined at least annually by the Secretary on the basis of his estimate of the construction and equipment costs of new dwelling units of various sizes and types in the area suitable for occupancy by persons assisted under this Act. The Secretary in determining the area's prototype costs shall take into account the extra durability required for economical maintenance of assisted housing, and the provision of amenities designed to guarantee safe and healthy family life and neighborhood environment. Further, in developing such prototypes, emphasis should be given to encouraging good design as an essential component of such housing and to producing housing which will be of such quality as to reflect the architectural standards of the neighborhood and community. The prototype costs for any area shall become effective upon the date of publication in the Federal Register."

(b) This section becomes effective on such date as the Secretary of Housing and Urban Development prescribes, but not later than one hundred and twenty days following the date of enactment of this Act.

AMENDMENT OF CONTRACTS TO ASSURE LOW-RENT CHARACTER OF PROJECTS

SEC. 204. The third sentence of section 10(a) of the United States Housing Act of 1937 is amended by striking out the period and inserting in lieu thereof the following: ": *Provided further*, That the Authority shall amend or supersede annual contributions contracts to provide payments annually (within the limitations prescribed by this Act) which the Authority determines are required (1) to assure the low-rent character of the projects involved, and (2) to achieve and maintain adequate operating and maintenance services and reserve funds including payment of outstanding debts."

CONGREGATE HOUSING FOR THE ELDERLY

SEC. 205. Section 15 of the United States Housing Act of 1937 is amended by adding at the end thereof a new paragraph as follows:

"(12) The Secretary shall encourage public housing agencies, in providing housing predominantly for elderly families, to design, develop, or otherwise acquire such housing to meet the special needs of the occupants and, wherever practicable, for use in whole or in part as congregate housing. As used in this paragraph, the term 'congregate housing' means low-rent housing (A) in which some or all of the dwelling units do not have kitchen facilities, and (B) connected with which there is a central dining facility to provide wholesome and economical meals for elderly families under terms and conditions prescribed by the public housing agency to permit a generally self-supporting operation. Expenditures incurred by a public agency in the operation of a central dining facility in connection with congregate housing (other than the cost of providing food and service) shall be considered one of the costs of administration of the project."

LOW-RENT HOUSING IN PRIVATE ACCOMMODATIONS

SEC. 206 (a) Section 23(a)(3) of the United States Housing Act of 1937 is amended by striking out "an existing" and inserting in lieu thereof "a".

(b) The last sentence of section 23(d) of such Act is amended by striking out "sixty" and inserting in lieu thereof "one hundred and twenty".

(c) Section 10(c) of such Act is amended by striking out "existing" in the last proviso.

POLICY STATEMENT

SEC. 208. Section 1 of the United States Housing Act of 1937 is amended by adding at the end thereof the following: "It is the sense of the Congress that no person should be barred from serving on the board of directors or similar governing body of a local public housing agency because of his tenancy in a low-rent housing project."

URBAN RENEWAL GRANT AUTHORITY

SEC. 209. Section 103(b) of the Housing Act of 1949 is amended—

(1) by striking out "and by $1,700,000,000 on July 1, 1970" in the first sentence and inserting in lieu thereof "by $1,700,000,000 on July 1, 1970, and by $2,000,000,000 on July 1, 1971"; and

(2) by striking out "beginning July 1, 1969, and July 1, 1970" in the second sentence and inserting in lieu thereof "commencing after June 30, 1969, and ending prior to July 1, 1974".

RELOCATION PAYMENTS

SEC. 210. (a) Section 114(b)(1) of the Housing Act of 1949 is amended by inserting before the semicolon the following: ": *Provided further*, That the Secretary may authorize payment to displaced business concerns of fixed amounts in lieu of their total certified actual moving expenses where he determines that it is impractical for a displaced business concern to calculate the amount of such expenses".

(b) The last sentence of section 114(b) of such Act is amended by striking out "certified actual".

EXPENSES IN CONNECTION WITH THE SALE OF SURPLUS LANDS TO LOCAL URBAN RENEWAL AGENCIES

SEC. 210. The last sentence of section 108 of the Housing Act of 1949 is amended by inserting "net" immediately before proceeds".

URBAN RENEWAL PROJECT IN MONROE, WISCONSIN

SEC. 211. Notwithstanding the date of commencement of construction of streets

and highways in the tornado urban renewal area in Monroe, Wisconsin, local expenditures made in connection therewith shall, to the extent otherwise eligible, be counted as a local grant-in-aid to the tornado urban renewal project (Wisconsin R–27) in accordance with the provisions of title I of the Housing Act of 1949.

AUTHORIZATION FOR COLLEGE HOUSING DEBT SERVICE GRANTS

SEC. 212. Section 401(f)(2) of the Housing Act of 1950 is amended by inserting before the period at the end thereof the following: ", and by $12,000,000 on July 1, 1971".

TITLE III—MODEL CITIES AND METROPOLITAN DEVELOPMENT PROGRAMS

AUTHORIZATION FOR MODEL CITIES PROGRAM

SEC. 301. (a) The first sentence of section 111(b) of the Demonstration Cities and Metropolitan Development Act of 1966 is amended—

(1) by striking out "and" the third time it appears; and

(2) by inserting before the period the following: ", and not to exceed $162,500,000 for the fiscal year ending June 30, 1972".

(b) Section 111(c) of such Act is amended by striking out "1971" and inserting in lieu thereof "1974".

(c) Section 111 of such Act is further amended by striking out "and administrative expenses" each place it appears.

AUTHORIZATION FOR COMPREHENSIVE PLANNING GRANTS

SEC. 302. The fifth sentence of section 701(b) of the Housing Act of 1954 is amended by striking out "and not to exceed $390,000,000 prior to July 1, 1971" and inserting in lieu thereof "and not to exceed $415,000,000 prior to July 1, 1972".

NEW COMMUNITY LAND DEVELOPMENT

SEC. 303 (a) Section 407(d) of the Housing and Urban Development Act of 1968 is amended by striking out "$250,000,000" and inserting in lieu thereof "$500,000,000."

(b) Section 412(d) of such Act is amended by striking out "July 1, 1971" and inserting in lieu thereof "July 1, 1974".

(c) Section 48 of such Act is amended—

(1) by striking out "qualified"; and

(2) by striking out all that follows "guaranteed obligation" and inserting in lieu thereof a period.

COMMUNITY FACILITIES GRANTS

Sec. 304. (a) Section 708(a) of the Housing and Urban Development Act of 1965 is amended by adding at the end thereof the following: "In addition, there is authorized to be appropriated for grants under section 703 not to exceed $44,000,000 for the fiscal year commencing July 1, 1971."

(b) Section 708(b) of such Act is amended by striking out "1972" and inserting in lieu thereof "1974".

EXTENSION OF URBAN INFORMATION AND TECHNICAL ASSISTANCE SERVICES AUTHORIZATION

SEC. 305. Section 906 of the Demonstration Cities and Metropolitan Development Act of 1966 is amended by striking out "July 1, 1971" and inserting in lieu thereof "July 1, 1974".

TITLE IV—CONSOLIDATION OF OPEN-SPACE LAND PROGRAMS

SEC. 401. Title VII of the Housing Act of 1961 is amended to read as follows:

"TITLE VII—OPEN-SPACE LAND

"FINDINGS AND PURPOSE

SEC. 701. (a) The Congress finds that the rapid expansion of the Nation's urban area and the rapid growth of population within such areas has resulted in severe problems of urban and suburban living for the preponderant majority of the Nation's present and future population, including the lack of valuable open-space land for recreational and other purposes.

"(b) The Congress further finds that there is a need for the additional provision of parks and other open space in the built-up portions of urban areas especially in low income neighborhoods and communities and a need for greater and better coordinated State and local efforts to make available and improve open-space land throughout entire urban areas.

"(c) The Congress further finds that there is a need for timely action to preserve and restore areas, sites, and structures of historic or architectural value in order that these remaining evidences of our history and heritage shall not be lost or destroyed through the expansion and development of the Nation's urban areas.

"(d) It is the purpose of this title to help curb urban sprawl and prevent the spread of urban blight and deterioration, to encourage more economic and desirable urban development, to assist in preserving areas and properties of historic or architectural value, and to help provide necessary recreational, conservation, and scenic areas by assisting State and local public bodies in taking prompt action to (1) provide, preserve, and develop open-space land in a manner consistent with the planned long-range development of the Nation's urban areas, (2) acquire, improve, and restore areas, sites, and structures of historic or architectural value, and (3) develop and improve open space and other public urban land, in accordance with programs to encourage and coordinate local public and private efforts toward this end.

"GRANTS FOR ACQUISITION AND FOR DEVELOPMENT OF OPEN-SPACE LAND

"SEC. 702. (a) The Secretary is authorized to make grants to States and local public bodies to help finance (1) the acquisition of title to, or other interest in, open-space land in urban areas and (2) the development of open-space or other land in urban areas for open-space uses. The amount of any such grant shall not exceed 50 per centum of the eligible project cost, as approved by the Secretary, of such acquisition or development. Not more than 50 per centum of the non-Federal share of such eligible project cost may, to the extent authorized in regulations established by the Secretary, be made up by donations of land or materials.

"(b) No grants under this title shall be made to (1) defray ordinary State or local governmental expenses, (2) help finance the acquisition by a public body of land located outside the urban area for which it exercises (or participates in the exercise of) responsibilities consistent with the purpose of this title, (3) acquire and clear developed land in built-up urban areas unless the local governing body determines that adequate open-space land cannot be effectively provided through the use of existing undeveloped land, or (4) provide assistance for historic and architectural preservation purposes, except for districts, sites, buildings, structures, and objects which the Secretary of the Interior determines meets the criteria used in establishing the National Register.

"(c) The Secretary may set such further terms and conditions for assistance under this title as he determines to be desirable.

"(d) The Secretary shall consult with the Secretary of the Interior on the general policies to be followed in reviewing applications for grants under this title. To assist the Secretary in such review, the Secretary of the Interior shall furnish him (1) appropriate information on the status of national and statewide recreation and historic preservation planning as it affects the areas to be assisted with such grants, and (2) the current listing of any districts, sites, buildings, structures, and objects significant in American history, architecture, archeology, and culture which may be contained on a National Register maintained by the Secretary of the Interior pursuant to other provisions of law. The Secretary shall provide current information to the Secretary of the Interior from time to time on significant program developments.

"(e) The Secretary may provide such technical assistance to the States and local public bodies as may be required to effectively carry out activities under this section.

"PLANNING REQUIREMENTS

"SEC. 703. The Secretary shall make grants under section 702 only if he finds that such assistance is needed for carrying out a unified or officially coordinated program, meeting criteria established by him, for the provision and development of open-space land which is a part of, or is consistent with, the comprehensively planned development of the urban area.

"CONVERSIONS TO OTHER USES

"SEC. 704. No open-space land for the acquisition of which a grant has been made under section 702 shall be converted to uses not originally approved by the Secretary without his prior approval. Prior approval will be granted only upon satisfactory compliance with regulations established by the Secretary. Such regulations shall require findings that (1) there is adequate assurance of the substitution of other open-space land of as nearly as feasible equivalent usefulness, location, and fair market value at the time of the conversion; (2) the conversion and substitution are needed for orderly growth and development; and (3) the proposed uses of the converted and substituted land are in accord with the then applicable comprehensive plan for the urban area, meeting criteria established by the Secretary.

"ACQUISITION OF INTERESTS TO GUIDE URBAN DEVELOPMENT

"SEC. 705. In order to encourage the acquisition of interests in underdeveloped or predominantly undeveloped land which, if withheld from commercial, industrial, and residential development, would have special significance in helping to shape economic and desirable patterns of urban growth (including growth outside of existing urban areas which is directly related to the development of new communities or the expansion and revitalization of existing communities), the Secretary may make grants to State and local public bodies for the acquisition of such interests in an amount not to exceed 75 per centum of the cost of such acquisition. In the case of any interests acquired pursuant to this section, the Secretary may approve the subsequent conversion or disposition of the land involved without regard to other requirements of this title but subject to such terms and conditions as he determines equitable and appropriate with respect to the control of future use and the application or sharing of the proceeds or value realized upon sale or disposition.

"LABOR STANDARDS

"SEC. 706. (a) The Secretary shall take such action as may be necessary to insure that all laborers and mechanics employed by contractors or subcontractors in the performance of construction work financed with the assistance of grants under this title shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended. The Secretary shall not approve any such grant without first obtaining adequate assurance that these labor standards will be maintained upon the construction work.

"(b) The Secretary of Labor shall have, with respect to the labor standards specified in subsection (a), the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267; 5 U.S.C. 133z–15), and section 2 of the Act of June 13, 1934, as amended (48 Stat. 948; 40 U.S.C. 276c).

"AUTHORIZATION

"SEC. 707. There are authorized to be appropriated for purposes of making grants under this title not to exceed $560,000,000 prior to July 1, 1972. Any amounts appropriated under this section shall remain available until expended.

"DEFINITIONS

"SEC. 708. As used in this title—

"(1) The term 'open-space land' means any land located in an urban area which has value for (A) park and recreational purposes, (B) conservation of land and other natural resources, or (C) historic, architectural, or scenic purposes.

"(2) The term 'urban area' means any area which is urban in character, including those surrounding areas which, in the judgment of the Secretary, form an economic and socially related region, taking into consideration such factors as present and future population trends and patterns of urban growth, location of transportation facilities and systems, and distribution of industrial, commercial, residential, governmental, institutional, and other activities.

"(3) The term 'State' means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the territories and possessions of the United States.

"(4) The term 'local public body' means any public body (including a political subdivision) created by or under the laws of a State or two or more States, or a combination of such bodies, and includes Indian tribes, bands, groups, and nations (including Alaska Indians, Aleuts, and Eskimos) of the United States.

"(5) The term 'open-space uses' means any use of open-space land for (A) park and recreational purposes, (B) conservation of land and other natural resources, or (C) historic, architectural, or scenic purposes."

TITLE V—RESEARCH AND TECHNOLOGY

RESEARCH AND DEMONSTRATIONS

SEC. 501. The Secretary of Housing and Urban Development is authorized and directed to undertake such programs of research, studies, testing, and demonstration relating to the mission and programs of the Department as he determines to be necessary and appropriate. In order to carry out activities under this section there are authorized to be appropriated such sums as may be necessary. All funds so appropriated shall remain available until expended unless specifically limited.

GENERAL PROVISIONS

SEC. 502. (a) The Secretary shall require, to the greatest extent feasible, the employment of new and improved technologies, methods, and materials in housing construction, rehabilitation, and maintenance under programs administered by him with a view to reducing costs, and shall encourage and promote the acceptance and application of such advanced technology, methods, and materials by all segments of the housing industry, communities, industries engaged in urban development activities, and the general public. To the extent feasible, in connection with the construction, major rehabilitation, or maintenance of any housing assisted under section 501, the Secretary shall assure that there is no restraint by contract, building code, zoning ordinance, or practice against the employment of new or improved technologies, techniques, materials, and methods or of preassembled products which may reduce the cost or improve the quality of such construction, rehabilitation, and maintenance, and therefore stimulate expanded production of housing, except where such restraint is necessary to insure safe and healthful working and living conditions.

(b) To encourage large-scale experimentation in the use of new technologies, methods, and materials, with a view toward the ultimate mass production of housing and related facilities, the Secretary shall wherever feasible conduct programs under section 501 in which qualified organizations, public and private, will submit plans for development and production of housing and related facilities using such new advances on Federal land which has been made available or acquired by the Secretary for the purpose of this subsection or on other land where (1) local building regulations permit such experimental construction, or (2) necessary variances from building regulations can be granted. The Secretary may utilize the funds and authority available to him under the provsions of section 501 to assist in the implementation of plans which he approves.

(c) Notwithstanding any other provision of law, the Secretary is authorized, in connection with projects under this title, to acquire and dispose of any land and other property required for the project as he deems necessary. Notwithstanding the provisions of the Federal Property and Administrative Services Act of 1949, any land which is execess property within the meaning of such Act and which is determined by the Secretary to be suitable in furtherance of the purposes of subsection (b) may be transferred to the Secretary upon his request.

(d) In order to effectively carry out his activities under section 501, the Secretary is authorized to provide such advice and technical assistance as may be required and to pay for the cost of writing and publishing reports on activities and undertakings financed under section 501, as well as reports on similar activities and undertakings, not so financed, which are of significant value in furthering the purposes of that section. He may disseminate (without regard to the provisions of section 3204 of title 39, United States Code, or section 4154 of such title with respect to any period before the effective date of such section 3204 as provided in section 15(a) of the Postal Reorganization Act) any reports, data, or information acquired or held under this title, including related data and information otherwise available to the Secretary through the operation of the programs and activities of the Department of Housing and Urban Development, in such form as he determines to be most useful to departments, establishments, and agencies of Federal, State, and local governments, to industry, and to the general public.

(e) The Secretary is authorized to carry out the functions authorized in section 501 either directly or, without regard to section 3709 of the Revised Statutes, by contract or by grant. Advance and progress payments may be made under such contracts or grants without regard to the provisions of section 3648 of the Revised Statutes and such contracts or grants may be made for work to continue for not more than four years from the date thereof.

(f) In carrying out activities under section 501, the Secretary shall utilize to the fullest extent feasible the available facilities of other Federal departments and agencies, and shall consult with, and make recommendations to, such departments and agencies. The Secretary may enter into working agreements with such departments and agencies and contract or make grants on their behalf or have such departments and agencies contract or make grants on his behalf. The Secretary is authorized to make or accept reimbursement for the cost of such activities. The Secretary is further authorized to undertake activities under this title under cooperative agreements with industry and labor, agencies of State or local governments, educational institutions, and other organizations. He may enter into contracts with and receive funds from such agencies, institutions, and organizations, and may exercise any of the other powers vested in him by section 502(c) of the Housing Act of 1948.

(g) The Secretary is authorized to request and receive such information or data as he deems appropriate from private individuals and organizations, and from public agencies. Any such information or data shall be used only for the purposes for which it is supplied, and no publication shall be made by the Secretary whereby the information or data furnished by any particular person or establishment can be identified, except with the consent of such person or establishment.

REPEAL OF EXISTING RESEARCH AUTHORITIES

SEC. 503. Effective July 1, 1971, the following provisions of law are repealed; except that such repeal shall not affect contracts, commitments, reservations, or other obligations entered into pursuant to such provisions prior to that date:

(1) title III of the Housing Act of 1948;

(2) section 314 of the Housing Act of 1954;

(3) section 602 of the Housing Act of 1956;

(4) section 207 of the Housing Act of 1961;

(5) section 301 of the Housing and Urban Development Act of 1965;

(6) sections 1010 and 1011 of the Demonstration Cities and Metropolitan Development Act of 1966; and

(7) sections 108 (except subsection (f)(2)) and 1714(b) of the Housing and Urban Development Act of 1968.

EXPERIMENTAL HOUSING ALLOWANCE PROGRAM

SEC. 504. (a) In carrying out activities under section 501, the Secretary shall undertake on an experimental basis a program to demonstrate the feasibility of providing families of low income with housing allowances to assist them in obtaining rental housing of their choice in existing standard units. For this purpose, the Secretary is authorized to pay and to contract to pay, subject to the limitations of this section, monthly housing allowances to such families in localities determined by the Secretary to have an adequate supply of such housing units.

(b) The housing allowance provided to any family of low income shall not exceed the difference between 25 per centum of the family's income and the maximum fair market rental established in the locality by the Secretary for dwelling units of similar size in projects receiving annual payments under contracts authorized by section 101(a) of the Housing and Urban Development Act of 1965. The Secretary shall make the payment of any such allowance to any such family conditional upon an agreement by the family that the allowance will be used solely for the payment of rent for occupancy in existing standard housing.

(c) The Secretary is authorized to contract with public or private organizations to provide the services required in the selection of families of low income for the distribution of monthly housing allowance payments to such families. In contracting with such organizations, the Secretary is authorized (without limiting his authority under any other provision of law) to delegate to such organizations the authority to make the ministerial findings necessary to enable the Secretary to make such payments to families selected by such organizations.

(d) The Secretary is authorized to pay and to contract to pay (in an aggregate amount not to exceed $15,000,000 in each of the fiscal years 1972, 1973, and 1974) monthly housing allowance payments to families of low income pursuant to this section.

(e) The Secretary shall, as early as practicable in the calendar years 1972, 1973, and 1974, make a report to the respective Committees on Banking and Currency of the Senate and House of Representatives with respect to the administration of the program authorized by this section, together with any

recommendations that he may deem appropriate.

(f) As used in this section—

(1) The term "families of low income" has the same meaning as in section 2(2) of the United States Housing Act of 1937.

(2) The term "existing standard housing" means a rental unit which meets standards prescribed by the Secretary.

(g) No housing allowance payments pursuant to this section shall be made after June 30, 1974.

DEMONSTRATIONS WITH RESPECT TO ABANDONED PROPERTIES

SEC. 505. (a) In carrying out activities under section 501, the Secretary may undertake programs to demonstrate the most feasible means of providing assistance to localities in which a substantial number of structures are abandoned or are threatened with abandonment for the purpose of arresting the process of housing abandonment in its incipiency or in restoring viability to blighted areas in which abandonment is pervasive. For this purpose, the Secretary is authorized to make grants, subject to the limitations of this section, to assist local public bodies in planning and implementing demonstration projects for prompt and effective action in alleviating and preventing such abandonment in designated demonstration areas.

(b) In administering this section, the Secretary shall give preference to those demonstration projects which in his judgment can reasonably be expected to arrest the process of abandonment in the demonstration area within a period of two years and which provide for innovative approaches to combating the problem of housing abandonment. Such projects may include, but shall not be limited to (1) acquisition by negotiated purchase, lease, receivership, tax lien proceedings, or other means authorized by law and satisfactory to the Secretary, of real property within the demonstration area or areas which is abandoned, deteriorated, or in violation of applicable code standards; (2) the repair of streets, sidewalks, parks, playground, publicly owned utilities, public buildings to meet needs consistent with the revitalization and continued use of the area; (3) the demolition of structures determined to be structurally unsound or unfit for human habitation or which contribute adversely to the physical or social environment of the locality involved; (4) the establishment of recreational or community facilities including public playgrounds; (5) the improvement of garbage and trash collection, street cleaning and other essential services necessary to the revitalization and maintenance of the area; (6) the rehabilitation of privately and publicly owned real property by the locality; and (7) the establishment and operation of locally controlled, nonprofit housing management corporations and municipal repair programs.

(c) Subject to such conditions as the Secretary may prescribe, real property held as part of a project assisted under this section may be available to (1) a limited dividend corporation, nonprofit corporation, or association, cooperative or public body or agency, or other approved purchaser or lessee, or (2) a purchaser who would be eligible for a mortgage insured under section 221(d)(3) or (d)(4), section 221(h)(1), section 235(i) or (j)(1), or section 236 of the National Housing Act, for purchase or lease at fair market value for use by such purchaser or lessee, as, or in the provision of, new or rehabilitated housing for occupancy by families or individuals of low or moderate income.

(d) Grants under this section shall be in amounts which do not exceed 90 per centum of the net project cost as determined by the Secretary. There are authorized to be appropriated for demonstration grants under this section not to exceed $25,000,000 for the fiscal year ending June 30, 1971. Any amounts appropriated shall remain available until expended in amounts authorized but not appropriated may be appropriated for any succeeding fiscal year commencing prior to July 1, 1972. Not more than one-third of the aggregate amount of grants made in any fiscal year under this section shall be made with respect to projects undertaken by one locality.

(e) The provisions of sections 106, 114 and 115 of title I of the Housing Act of 1949, and section 312 of the Housing Act of 1964, may apply to projects assisted under this Act as if such projects were being carried out in urban renewal areas as part of urban renewal projects within the meaning of section 110 of the Housing Act of 1949.

(f) The Secretary shall report annually to the Congress with respect to the status of demonstration projects funded by him and shall make such recommendations to the Congress as he deems necessary to further the purposes of this section.

TITLE VI—CRIME INSURANCE

FINDINGS AND PURPOSE

SEC. 601. Section 1102(b) of the Housing and Urban Development Act of 1968 is amended by striking out "and" immediately before "(2)", and by inserting before the period at the end thereof the following: "; and (3) provide direct insurance through the facilities of the Federal Government in the case of properties for which statewide programs and the Federal reinsurance program either do not make crime insurance available or offer such insurance to property owners only at prohibitive cost".

AMENDMENTS TO TITLE XII OF THE NATIONAL HOUSING ACT

SEC. 602. (a) Section 1201 of the National Housing Act is amended to read as follows:

"PROGRAM AUTHORITY

"SEC. 1201. (a) The Secretary is authorized to establish and carry out the programs provided for in parts A, B, C, and D of this title.

"(b) (1) The powers of the Secretary under this title shall terminate on April 30, 1975, except to the extent necessary—

"(A) to continue reinsurance and direct insurance in accordance with the provisions of sections 1223(b) and 1231(c) until April 30, 1978;

"(B) to process, verify, and pay claims for reinsured losses and directly insured losses and perform other necessary functions in connection therewith; and

"(C) to complete the liquidation and termination of the reinsurance and direct insurance programs.

"(2) On April 30, 1978, or as soon thereafter as possible, the Secretary shall submit to the Congress, for its approval, a plan for the liquidation and termination of the reinsurance and direct insurance programs."

(b) Section 1203(a) of such Act is amended by redesignating paragraphs (1) through (13) as paragraphs (4) through (16), respectively, and by inserting immediately after and below "the term—" the following new paragraphs:

"(1) 'affordable rate' means such premium rate as the Secretary determines would permit the purchase of a specific type of insurance coverage by a reasonably prudent person in similar circumstances with due regard to the costs and benefits involved;

"(2) 'crime insurance' means insurance against losses resulting from robbery, burglary, larceny, and similar crimes, and may include broad form personal theft insurance, mercantile open stock insurance, mercantile robbery and mercantile safe burglary insurance, storekeepers burglary and robbery insurance, office burglary and robbery insurance, and may include business interruption insurance as the Secretary may designate; the term does not include automobile insurance or losses resulting from embezzlement;

"(3) 'directly insured losses' means losses on direct insurance claims and all direct expenses incurred in connection therewith, including but not limited to expenses for processing, verifying, and paying such losses;".

(c) Section 1221(a)(2) of such Act is amended by striking out "section 1203(a)(10)" each place it appears and inserting in lieu thereof "section 1203(a)(13)".

(d) Title XII of such Act is amended by redesignating part C and sections 1231 through 1241 as part D and sections 1241 through 1251, respectively, and by inserting after part B the following new part:

"PART C—FEDERAL INSURANCE AGAINST BURGLARY AND THEFT

"REVIEW AND PROGRAM AUTHORITY

"SEC. 1231. (a) At the close of the first full regular legislative session of the appropriate State legislative body after the date of the enactment of this part (but not prior to August 1, 1971), the Secretary shall review the market availability situation in each of the several States to determine whether crime insurance is available at affordable rates either through the normal insurance market or through a suitable program adopted under State law.

"(b) Upon determing pursuant to subsection (a) that a critical market unavailability situation for crime insurance exists in any State and has not been met through appropriate State action, the Secretary is authorized to make crime insurance available at affordable rates within such State through the facilities of the Federal Government. Such insurance shall be provided upon such terms and conditions, and subject to such deductibles and other restrictions and limitations, as the Secretary deems appropriate, but no such insurance shall be made available to a property which the Secretary determines to be uninsurable or to a property with respect to which reasonable protective measures to prevent loss, consistent with standards established by the Secretary, have not been adopted.

"(c) Notwithstanding any other provision of this title, direct insurance may be continued for the term of the policies written prior to the date of termination of the Secretary's direct insurance authority under this part, for as long as the insured pays the required direct insurance premiums; except that direct insurance under this part for any risk shall be terminated after notice whenever the Secretary determines that the standard lines of crime insurance otherwise have become available to such property at affordable rates.

"USE OF EXISTING FACILITIES AND SERVICES

SEC. 1232. In carrying out his responsibilities under this part, the Secretary may utilize—

"(1) insurance companies and other insurers, insurance agents and brokers, and insurance adjustment organizations, as fiscal agents of the United States,

"(2) officers and employees of the Department of Housing and Urban Development, and such other officers and employees of any executive agency (as defined in section 105 of title 5 of the United States Code) as the Secretary and the head of any such agency may from time to time agree upon, on a reimbursement or other basis, or

"(3) both the alternatives specified in paragraphs (1) and (2), or any combination thereof.

"ESTABLISHMENT OF AFFORDABLE RATES

"SEC. 1233. In estimating the affordable rates for the various crime insurance coverages offered from time to time under this part, the Secretary shall consult with appropriate State insurance authorities and other knowledgeable persons and is authorized to take into consideration the nature and degree of the risks involved, the protective devices employed, the extent of anticipated losses, the prevailing rates for similar

coverages in adjacent or comparable areas and territories, the economic importance of the various individual coverages and the type of property involved, and the relative abilities of the particular classes and types of insureds to pay the full estimated costs of such coverages. Nothing in this section shall be construed to prohibit or require either the adoption of uniform national rates or the periodic modification of currently estimated affordable rates for any particular line or subline of coverage, class, State, territory, or risk on the basis of additional information or actual loss experience.

"REPORTS ON OPERATIONS

"SEC. 1234. The Secretary shall include in his reports to the Congress on the program authorized by this title full and complete information on his operations and activities under this part, together with such recommendations with respect thereto as he may deem appropriate."

(e) Section 1222(a) of such Act is amended by striking out "section 1233" and inserting in lieu thereof "section 1243".

(f) Section 1244(c) of such Act (as redesignated by subsection (d) of this section) is amended by striking out "section 1232" and inserting in lieu thereof "section 1242".

(g) Section 1241(a) of such Act (as so redesignated) is amended by inserting "or direct insurance" after "reinsurance", and by inserting "or property owners" after "insurers".

(h) Section 1241(b) of such Act (as so redesignated) is amended by inserting "or direct insurance" after "reinsurance".

(i) Section 1242(a) of such Act (as so redesignated) is amended—

(1) by striking out "the reinsurance program" and inserting in lieu thereof "the reinsurance and direct insurance programs";

(2) by inserting "or direct insurance" after "reinsurance" in paragraphs (1), (2), and (4);

(3) by inserting "or property owner" after "any insurer" where it first appears in paragraph (4); and

(4) by inserting "or directly insured" after "reinsured" in paragraph (4).

(j) Section 1243 of such Act (as so redesignated) is amended—

(1) by inserting "and direct insurance" after "reinsurance" in subsection (a)(1) and each place it appears in subsection (b)(1);

(2) by striking out "part B" in subsection (b)(1) and inserting in lieu thereof "parts B and C"; and

(3) by redesignating clauses (4) and (5) of subsection (b) as clauses (5) and (6), and inserting after clause (3) a new clause as follows:

"(4) such amounts which are hereby authorized to be appropriated as may be necessary from time to time to reimburse the fund for losses and expenses (including administrative expenses) incurred in carrying out the program authorized under part C;".

(k) Section 1244(a) of such Act (as so redesignated) is amended by striking out "Any insurer or pool acquiring reinsurance" and inserting in lieu thereof "Any insurer, pool, or property owner requiring reinsurance or direct insurance".

(l) Section 1244(c) of such Act (as so redesignated) is amended by inserting "or direct insurance" after "reinsurance".

REVIEW OF STATEWIDE PLANS

SEC. 603. Title XII of the National Housing Act is amended by inserting after section 1214 a new section as follows:

"OFFICE OF REVIEW AND COMPLIANCE

"SEC. 1215. The Secretary, through an Office of Review and Compliance under the Federal Insurance Administrator, shall periodically review each plan under this part and the methods and practices by which such plan is being actually carried out in the areas and communities where it is intended to operate, in order to assure that such plan is effectively making essential property insurance readily available in such areas and communities and is otherwise carrying out the purposes of this title, and in order to identify any aspects of the operation or administration of such plan which may require revision, modification, or other action to carry out such purposes."

CONFORMING AMENDMENT

SEC. 604. Clause (2) of the first sentence of section 520(b) of the National Housing Act is amended by inserting "and directly insured" after "reinsured" wherever it appears.

TITLE VII—URBAN GROWTH AND NEW COMMUNITY DEVELOPMENT

SHORT TITLE AND STATEMENT OF PURPOSE

SEC. 701. (a) This title may be cited as the "Urban Growth and New Community Development Act of 1970".

(b) It is the policy of the Congress and the purpose of this title to provide for the development of a national urban growth policy and to encourage the rational, orderly, efficient, and economic growth, development, and redevelopment of our States, metropolitan areas, cities, counties, towns, and communities in predominantly rural areas which demonstrate a special potential for accelerated growth; to encourage the prudent use and conservation of our natural resources; and to encourage and support development which will assure our communities of adequate tax bases, community services, job opportunities, and well-balanced neighborhoods in socially, economically, and physically attractive living environments.

PART A—DEVELOPMENT OF A NATIONAL URBAN GROWTH POLICY

FINDINGS AND DECLARATION OF POLICY

SEC. 702. (a) The Congress finds that the rapid growth of urban population and uneven expansion of urban development in the United States, together with a decline in farm population, slower growth in rural areas, and migration to the cities, has created an imbalance between the Nation's needs and resources and seriously threatens our physical environment, and that the economic and social development of the Nation, the proper conservation of our natural resources, and the achievement of satisfactory living standards depend upon the sound, orderly, and more balanced development of all areas of the Nation.

(b) The Congress further finds that Federal programs affect the location of population, economic growth, and the character of urban development; that such programs frequently conflict and result in undesirable and costly patterns of urban development which adversely affect the environment and wastefully use our natural resources; and that existing and future programs must be interrelated and coordinated within a system of orderly development and established priorities consistent with a national urban growth policy.

(c) To promote the general welfare and properly apply the resources of the Federal Government in strengthening the economic and social health of all areas of the Nation and more adequately protect the physical environment and conserve natural resources, the Congress declares that the Federal Government, consistent with the responsibilities of State and local government and the private sector, must assume responsibility for the development of a national urban growth policy which shall incorporate social, economic, and other appropriate factors. Such policy shall serve as a guide in making specific decisions at the national level which affect the pattern of urban growth and shall provide a framework for development of interstate, State, and local growth and stabilization policy.

(d) The Congress further declares that the national urban growth policy should—

(1) favor patterns of urbanization and economic development and stabilization which offer a range of alternative locations and encourage the wise and balanced use of physical and human resources in metropolitan and urban regions as well as in smaller urban places which have a potential for accelerated growth;

(2) foster the continued economic strength of all parts of the United States, including central cities, suburbs, smaller communities, local neighborhoods, and rural areas;

(3) help reverse trends of migration and physical growth which reinforce disparities among States, regions, and cities;

(4) treat comprehensively the problems of poverty and employment (including the erosion of tax bases, and the need for better community services and job opportunities) which are associated with disorderly urbanization and rural decline;

(5) develop means to encourage good housing for all Americans without regard to race or creed;

(6) define the role of the Federal Government in revitalizing existing communities and encouraging planned, large-scale urban and new community development;

(7) strengthen the capacity of general governmental institutions to contribute to balanced urban growth and stabilization; and

(8) facilitate increased coordination in the administration of Federal programs so as to encourage desirable patterns of urban growth and stabilization, the prudent use of natural resources, and the protection of the physical environment.

URBAN GROWTH REPORT

SEC. 703. (a) In order to assist in the development of a national urban growth policy, the President shall utilize the capacity of his office, adequately organized and staffed for the purpose, through an identified unit of the Domestic Council, and of the departments and agencies within the executive branch to collect, analyze, and evaluate such statistics, data, and other information (including demographic, economic, social, land use, environmental, and governmental information) as will enable him to transmit to the Congress, during the month of February in every even-numbered year beginning with 1972, a Report on Urban Growth for the preceding two calendar years which shall include—

(1) information and statistics describing characteristics of urban growth and stabilization and identifying significant trends and developments;

(2) a summary of significant problems facing the United States as a result of urban growth trends and developments;

(3) an evaluation of the progress and effectiveness of Federal efforts designed to meet such problems and to carry out the national urban growth policy;

(4) an assessment of the policies and structure of existing and proposed interstate planning and developments affecting such policy;

(5) a review of State, local, and private policies, plans, and programs relevant to such policy;

(6) current and foreseeable needs in the areas served by policies, plans, and programs designed to carry out such policy, and the steps being taken to meet such needs; and

(7) recommendations for programs and policies for carrying out such policy, including such legislation and administrative actions as may be deemed necessary and desirable.

(b) The President may transmit from time to time to the Congress supplementary reports on urban growth which shall include such supplementary and revised recommendations as may be appropriate.

(c) To assist in the preparation of the Report on Urban Growth and any supplementary reports, the President may estab-

lish an advisory board, or seek the advice from time to time of temporary advisory boards, the members of whom shall be drawn from among private citizens familiar with the problems of urban growth and from among Federal officials, Governors of States, mayors, county officials, members of State and local legislative bodies, and others qualified to assist in the preparation of such reports.

PART B—DEVELOPMENT OF NEW COMMUNITIES

FINDINGS AND PURPOSE

SEC. 710. (a) The Congress finds that this Nation is likely to experience during the remaining years of this century a population increase of about seventy-five million persons.

(b) The Congress further finds that continuation of established patterns of urban development, together with the anticipated increase in population, will result in (1) inefficient and wasteful use of land resources which are of national economic and environmental importance; (2) destruction of irreplaceable natural and recreational resources and increasing pollution of air and water; (3) diminished opportunity for the private homebuilding industry to operate at its highest potential capacity in providing good housing needed to serve the expanding population and to replace substandard housing; (4) costly and inefficient public facilities and services at all levels of government; (5) unduly limited options for many of our people as to where they may live, and the types of housing and environment in which they may live; (6) failure to make the most economic use of present and potential resources of many of the Nation's smaller cities and towns, including those in rural and economically depressed areas, and decreasing employment and business opportunities for their residents; (7) further lessening of employment and business opportunities for the residents of central cities and of the ability of such cities to retain a tax base adequate to support vital services for all their citizens, particularly the poor and disadvantaged; (8) further separation of people within metropolitan areas by income and by race; (9) further increases in the distances between the places where people live and where they work and find recreation; and (10) increased cost and decreased effectiveness of public and private facilities for urban transportation.

(c) The Congress further finds that better patterns of urban development and revitalization are essential to accommodate future population growth; to prevent further deterioration of the Nation's physical and social environment; and to make positive contributions to improving the overall quality of life within the Nation.

(d) The Congress further finds that the national welfare requires the encouragement of well-planned, diversified, and economically sound new communities, including major additions to existing communities, as one of several essential elements of a consistent national program for bettering patterns of development and renewal.

(e) The Congress further finds that desirable new community development on a significant national scale has been prevented by difficulties in (1) obtaining adequate financing at moderate cost for enterprises which involve large initial capital investment, extensive periods before investment can be returned, and irregular patterns of return; (2) the timely assembly of sufficiently large sites in economically favorable locations at reasonable cost; and (3) making necessary arrangements, among all private and public organizations involved, for providing site and related improvements (including streets, sewer and water facilities, and other public and community facilities), in a timely and coordinated manner.

(f) It is, therefore, the purpose of this part to provide private developers and State and local public bodies and agencies (including regional or metropolitan public bodies and agencies) with financial and other assistance necessary for encouraging the orderly development of well-planned, diversified, and economically sound new communities, including major additions to existing communities, and to do so in a manner which will rely to the maximum extent on private enterprise; strengthen the capacity of State and local governments to deal with local problems; preserve and enhance both the natural and urban environment; increase for all persons, particularly members of minority groups, the available choices of locations for living and working, thereby providing a more just economic and social environment; encourage the fullest utilization of the economic potential of older central cities, smaller towns, and rural communities assist in the efficient production of a steady supply of residential, commercial, and industrial building sites at reasonable cost; increase the capability of all segments of the homebuilding industry, including both small and large producers, to utilize improved technology in producing the large volume of well-designed, inexpensive housing needed to accommodate population growth; help create neighborhoods designed for easier access between the places where people live and the places where they work and find recreation; and encourage desirable innovation in meeting domestic problems whether physical, economic, or social. It is also the purpose of this part to improve the organizational capacity of the Federal Government to carry out programs of assistance for the development of new communities and the revitalization of the Nation's urban areas.

DEFINITIONS

SEC. 711. As used in this part—

(a) The term "new community development program" means a program which is intended to result in a newly built community or a major addition to an existing community and which meets the eligibility standards set forth in section 712.

(b) The term "private new community developer" means any private entity organized in a form satisfactory to the Secretary for carrying out one or more new community development programs.

(c) The term "State land development agency" means any State or local public body or agency with authority to act as developer in carrying out one or more new community development programs.

(d) The term "State" means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States, or any agency or instrumentality of any of the foregoing.

(e) The term "local public body or agency" means any public body or agency, including a political subdivision, created by or under the laws of a State or two or more States, or a combination of such bodies or agencies.

(f) The term "land development" means the process of clearing and grading land, making, installing, or constructing waterlines and water supply installations, sewerlines and sewage disposal installations, steam, gas, and electric lines and installations, roads, streets, curbs, gutters, sidewalks, storm drainage facilities, and other installations or work, whether on or off the site, which the Secretary deems necessary or desirable to prepare land for residential, commercial, industrial, or other uses, or to provide facilities for public or common use. The term "land development" includes the construction of public facilities, but does not include the construction of any other building unless it is (1) needed in connection with a water supply or sewage disposal installation or a steam, gas, or electric line or installation, or (2) is to be owned and maintained by residents of the new community under joint or cooperative arrangements approved by the Secretary.

(g) The term "actual cost" means the costs (exclusive of rebates or discounts) incurred by a private new community developer in carrying out the land development assisted under this Act. These costs may include amounts paid for labor, materials, construction contracts, land planning, engineers' and architect's fees, surveys, taxes, and interest during development, organizational and legal expenses, such allocation of general overhead expenses as are acceptable to the Secretary, and other items of expense incidental to development which may be approved by the Secretary. If the Secretary determines that there is an identity of interest between the developer and a contractor, there may be included as a part of actual cost an allowance for the contractor's profit or risk in an amount deemed reasonable by the Secretary.

(h) The term "Secretary" means the Secretary of Housing and Urban Development.

(i) The term "Community Development Corporation" means the corporation established within the Department of Housing and Urban Development under section 727.

ELIGIBLE NEW COMMUNITY DEVELOPMENT

SEC. 712. (a) A new community development program is eligible for assistance under this part only if the Secretary determines that the program (or the new community it contemplates)—

(1) will provide an alternative to disorderly urban growth, helping preserve or enhance desirable aspects of the natural and urban environment or so improving general and economic conditions in established communities as to help reverse migration from existing cities or rural areas;

(2) will be economically feasible in terms of economic base or potential for economic growth;

(3) will contribute to the welfare of the entire area which will be substantially affected by the program and of which the land to be developed is a part;

(4) is consistent with comprehensive planning, physical and social, determined by the Secretary to provide an adequate basis for evaluating the new community development program in relation to other plans (including State, local, and private plans) and activities involving area population, housing and development trends, and transportation, water, sewerage, open space, recreation, and other relevant facilities;

(5) has received all governmental reviews and approvals required by State or local law, or by the Secretary;

(6) will contribute to good living conditions in the community, and that such community will be characterized by well balanced and diversified land use patterns and will include or be served by adequate public, community, and commercial facilities (including facilities needed for education, health and social services, recreation, and transportation) deemed satisfactory by the Secretary;

(7) makes substantial provision for housing within the means of persons of low and moderate income and that such housing will constitute an appropriate proportion of the community's housing supply; and

(8) will make significant use of advances in design and technology with respect to land utilization, materials and methods of construction, and the provision of community facilities and services.

(b) A new community development program approved for assistance under this part shall be undertaken by a private new community developer or State land development agency approved by the Secretary on the basis of financial, technical, and administrative ability which demonstrates capacity to carry out the program with reasonable assurance of its completion.

GUARANTEES

SEC. 713. (a) The Secretary (acting through the Community Development Corporation) is authorized to guarantee, and enter into commitments to guarantee, the bonds, debentures, notes, and other obligations issued by or on behalf of private new community developers and State land development agencies for the purpose of financing real property acquisition and land development and to compensate for the use of real property or the removal of liens or encumbrances on such property, pursuant to the new community development programs approved by the Secretary. The Secretary may make such guarantees and enter into such commitments upon such terms and conditions as he may prescribe consistent with the limitations and conditions contained in section 715; except that no obligation of any State land development agency shall be guaranteed under this section if the income from such obligation is exempt from Federal taxation. The Secretary is authorized to make grants to any State land development agency the obligations of which are guaranteed under this section in amounts estimated by him not to exceed the difference between the interest paid on such obligations and the interest on similar obligations the income from which is exempt from Federal taxation.

(b) The full faith and credit of the United States is pledged to the payment of all guarantees made under this section with respect to principal, interest, and any redemption premiums. Any such guarantee made by the Secretary shall be conclusive evidence of the eligibility of the obligations for such guarantee, and the validity of any guarantee so made shall be incontestable in the hands of a holder of the guaranteed obligation.

(c) The outstanding bonds, debentures, notes, or other obligations guaranteed under this section with respect to a single new community development program shall involve a principal obligation in an amount not exceeding the sum of (1) 80 per centum of the Secretary's estimate of the value of the real property before development, and (2) 90 per centum of his estimate of the actual cost of the land development.

(d) The outstanding principal obligations guaranteed under this section with respect to a single new community development program shall at no time exceed $50,000,000.

(e) The aggregate of the outstanding principal obligations guaranteed under this section shall at no time exceed $500,000,000.

LOANS

SEC. 714. (a) The Secretary (acting through the Community Development Corporation) is authorized, subject to the limitations and conditions contained in section 715, to make and enter into agreements to make loans to or on behalf of private new community developers and State land development agencies for the purpose of assisting them to make interest payments on indebtedness incurred by them to finance new community development programs approved by him. Loans under this section shall be in amounts which do not exceed the amount of interest the Secretary estimates is payable on indebtedness attributable to land acquisition or land development and shall be made only with respect to interest payments on indebtedness outstanding during an initial development period (not to exceed fifteen years) which the Secretary estimates to be prior to the time when land marketing activity is of sufficient volume to permit continued development under the new community development program without the benefit of further loans under this section.

(b) The Secretary shall require that loans under this section shall be repaid, with interest and on terms and conditions satisfactory to him, commencing at such time as development progress and marketing under the new community development program permit such repayment, but not later than fifteen years after the date the loan is made. Interest on such loans shall be payable at an annual rate which the Secretary of the Treasury shall specify as applicable to the six-month period, ending either June 30 or December 31 during which the contract for the loan is entered into, which rate for each such six-month period shall be determined by the Secretary of the Treasury by estimating the average yield to maturity prior to the beginning of such period on all outstanding marketable obligations of the United States having a maturity date three or more years from the time the estimate is made, plus one-eighth of 1 per centum per annum.

(c) The principal amount of the loans outstanding at any time under this section with respect to a single new community development program shall not exceed $20,000,000.

(d) The aggregate principal amount of the loans outstanding under this section shall at no time exceed $240,000,000.

LIMITATIONS ON GUARANTEES AND LOANS

SEC. 715. (a) No guarantee or loan shall be made under this part unless the Secretary has determined that the new community development program represents an acceptable financial risk to the United States, taking into consideration (1) the financial and security interests of the United States, including the manner in which the developer proposes to finance and schedule land acquisition, land development, and marketing, and (2) the public purposes of this part and the special problems involved in financing new communities, including (i) the large amount of initial capital required to finance sound new communities, (ii) the extended period before initial returns can be expected, and (iii) the irregular pattern of cash returns characteristic of this type of development.

(b) The Secretary shall take such steps as he considers reasonable to assure that bonds, debentures, notes, and other obligations guaranteed, or with respect to which interest loans are made, under this part will—

(1) be issued to investors approved by, or meeting requirements prescribed by, the Secretary, or if an offering to the public is contemplated, be underwritten upon terms and conditions approved by the Secretary;

(2) bear interest at a rate satisfactory to the Secretary;

(3) contain or be subject to repayment, maturity, and other provisions satisfactory to the Secretary; and

(4) contain or be subject to provisions with respect to the protection of the security interests of the United States, including any provisions deemed appropriate by the Secretary relating to subrogation, liens and releases of liens, payment of taxes, cost certification procedures, escrow or trusteeship requirements or other matters.

REVOLVING FUND

SEC. 716. (a) The Secretary is authorized to establish a revolving fund to provide for (1) the timely payment of any liabilities incurred as the result of guarantees made under this part; (2) making loans authorized under this part; (3) payment of obligations issued to the Secretary of the Treasury under subsection (b) of this section; and (4) any other program expenditures, including administrative and non-administrative expenses. Such revolving fund shall be comprised of (1) receipts from fees and charges; (2) recoveries under security, subrogation, and other rights; (3) repayments, interest income, and any other receipts obtained in connection with guarantees or loans made under this part; (4) proceeds of the obligations issued to the Secretary of the Treasury pursuant to subsection (b) of this section; and (5) such sums, which are hereby authorized to be appropriated, as may be required for the payment of the obligations issued to the Secretary of the Treasury for the purpose of making grants to State land development agencies under section 713, and for other purposes under this part.

(b) The Secretary may issue obligations to the Secretary of the Treasury in an amount sufficient to enable the Secretary to carry out the functions authorized by this part. The obligations issued under this subsection shall have such maturities and bear such rate or rates of interest as shall be determined by the Secretary of the Treasury. The Secretary of the Treasury is authorized and directed to purchase any obligations so issued, 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, and the purposes for which securities may be issued under that Act are extended to include purchases of the obligations hereunder.

(c) Notwithstanding any other provision of law relating to the acquisition, handling, improvement, or disposal of real and other property by the United States, the Secretary shall have power, for the protection of the interests of the fund authorized under this section, to pay out of such fund all expenses or charges in connection with the acquisition, handling, improvement, or disposal of any property, real or personal, acquired by him as a result of recoveries under security, subrogation, or other rights.

SUPPLEMENTARY GRANTS FOR PUBLIC FACILITIES

SEC. 717. (a) The Secretary is authorized to make supplementary grants to any State or local public body or agency carrying out a new community assistance project, as defined in subsection (c), if the Secretary determines that such project is necessary or desirable for carrying out a new community development program. In no case shall any grant under this section exceed 20 per centum of the cost of the new community assistance project for which the grant is made; and in no case shall the total Federal contributions to the cost of such project be more than 80 per centum.

(b) In carrying out his authority under this section, the Secretary shall, with respect to any new community assistance project assisted by grants administered by a Federal department or agency other than the Department of Housing and Urban Development, consult with such department or agency concerning the project; and he shall, for the purpose of subsection (a), accept the certification of such department or agency as to the cost of such project.

(c) For the purposes of this section, a "new community assistance project" is a project assisted by grants under section 3 of the Urban Mass Transportation Act of 1964; section 120(a) of title 23, United States Code; section 19 of the Airport and Airway Development Act of 1970; title VI of the Public Health Service Act; title II of the Library Services and Construction Act; section 5 of the Land and Water Conservation Fund Act of 1965; title VII of the Housing Act of 1961; section 702 or 703 of the Housing and Urban Development Act of 1965; section 8 of the Federal Water Pollution Control Act; section 306(a)(2) of the Consolidated Farmers Home Administration Act; section 103 or 104 of the Higher Education Facilities Act of 1963; or section 101(a)(1) of the Public Works and Economic Development Act of 1965 with respect to projects of a type eligible for assistance under any of the other provisions of law listed in this subsection.

(d) There are authorized to be appropriated for supplementary grants under this section not to exceed $36,000,000 for the fiscal year ending June 30, 1971, not to exceed $66,000,000 for each of the fiscal years ending June 30, 1972, and June 30, 1973, and not to exceed such sums as may be necessary for any fiscal year commencing after June 30, 1973. Any amount so appropriated shall re-

main available until expended, and any amounts authorized for any fiscal year but not appropriated may be appropriated for any succeeding fiscal year. In addition, the amounts authorized to be appropriated for grants under section 412 of the Housing and Urban Development Act of 1968 and the amounts appropriated thereunder shall be available for carrying out this section and shall remain available until appropriated and expended.

TECHNICAL ASSISTANCE

SEC. 718. The Secretary is authorized to provide, either directly or by contract or other arrangements, technical assistance to private new community developers and State land development agencies, or State and local public bodies and agencies to assist them in connection with planning and carrying out new community development programs.

SPECIAL PLANNING ASSISTANCE

SEC. 719. (a) The Secretary may, until June 30, 1975, enter into agreements with private new community developers to provide financial assistance for planning work, in amounts not exceeding two-thirds of the estimated cost of such work, which he determines will have special value in assuring that new community development programs (1) will be fully responsive to social or environmental problems related to the public purposes of new community development, or (2) will adequately provide for, or encourage the use of, new or advanced technology in support of program objectives.

(b) The Secretary shall enter into agreements under this section only with respect to new community development programs which had been approved or are being actively considered for approval, having met such initial feasibility criteria as the Secretary may have prescribed, and only with respect to planning work which the Secretary determines is in excess of that which would ordinarily be needed to establish final market, financial, and engineering feasibility for programs or projects of similar size and scope not subject to the special purposes of this part. The financial assistance extended pursuant to such agreements shall be subject to such terms and conditions, which may include provisions for repayment where appropriate, as the Secretary may prescribe.

(c) There are authorized to be appropriated for financial assistance under this section not to exceed $5,000,000, which limit shall be increased by $5,000,000 on July 1, 1971. Any amount appropriated under this section shall remain available until expended.

FEES AND CHARGES

SEC. 720. The Secretary is authorized to establish and collect fees for guarantees under this part, and may make such charges in connection with guarantees, loans, and technical and other assistance under this part as he considers reasonable for the analysis of applications, appraisals, inspections, and other activities related to such assistance. On or before March 1, 1973, the Secretary shall make a report to the Congress concerning the fees and charges for guarantees under this part that he estimates will be adequate to provide income sufficient for a self-supporting guarantee program and concerning the relationship of other charges to costs incurred under this part.

ENCOURAGEMENT OF SMALL BUILDERS

SEC. 721. The Secretary shall adopt such requirements as he deems necessary to assure that new community assistance under this part will (1) help maintain a diversified, local homebuilding industry; (2) increase the capability of all segments of the homebuilding industry, including both small and large producers, to participate, through an increased supply of building sites at reasonable costs and through improved technology, in producing the needed, large volume of well-designed, inexpensive housing; and (3) encourage broad participation by the homebuilding industry, particularly small builders.

REAL PROPERTY TAXATION

SEC. 722. Nothing in this part shall be construed to exempt any real property that may be acquired and held by the Secretary as a result of the exercise of lien or subrogation rights from real property taxation to the same extent, according to its value, as other real property is taxed.

AUDIT BY GENERAL ACCOUNTING OFFICE

SEC. 723. Insofar as they relate to any guarantees, loans, or grants made pursuant to this part, the financial transactions of recipients of Federal assistance may be audited by the General Accounting Office under such rules and regulations as may be prescribed by the Comptroller General of the United States. The representatives of the General Accounting Office shall have access to all books, accounts, records, reports, files, and all other papers, things, or property belonging to or in use by such recipients pertaining to such financial transactions and necessary to facilitate the audit.

GENERAL PROVISIONS

SEC. 724. In the performance of, and with respect to, the functions, powers, and duties vested in him by this part, the Secretary, in addition to any authority otherwise vested in him, shall—

(1) have the functions, powers, and duties (including the authority to issue rules and regulations) set forth in section 402, except subsections (c)(2), (c), (4), (d), and (f), of the Housing Act of 1950: *Provided*, That subsection (a)(1) of section 402 shall not apply with respect to functions, powers, and duties under section 718 of this part;

(2) have the power, notwithstanding any other provision of law, in connection with any assistance under this part, whether before or after any default, to provide by contract for the extinguishment upon default of any redemption, equitable, legal, or other right, title, or interest of the private new community developer or State land development agency in any mortgage, deed, trust, or other instrument held by or on behalf of the Secretary for the protection of the security interests of the United States; and

(3) have the power to foreclose on any property or commence any action to protect or enforce any right conferred upon him by law, contract, or other agreement, and bid for and purchase at any foreclosure or other sale any property in connection with which he has provided assistance pursuant to this part. In the event of any such acquisition, the Secretary may, notwithstanding any other provision of law relating to the acquisition, handling, or disposal of real property by the United States, complete, administer, remodel and convert, dispose of, lease, and otherwise deal with, such property. Notwithstanding any other provision of law, the Secretary shall also have power to pursue to final collection by way of compromise or otherwise all claims acquired by him in connection with any security, subrogation, or other rights obtained by him in administering this part.

TECHNICAL AND CONFORMING PROVISIONS

SEC. 725. (a) No bonds, debentures, notes, or other obligations shall be guaranteed under title IV of the Housing and Urban Development Act of 1968 after the effective date of this part except pursuant to a commitment to guarantee or project approval made before that date: *Provided*, That a new community developer whose new community development project has, as of the effective date of this part, been approved by the Secretary under title IV shall be eligible with respect to obligations thereafter issued by him for guarantee assistance as authorized either by title IV or by this part, and such guarantee assistance may be given without a further determination by the Secretary under sections 712 and 715(a) of this part. If the Secretary finds that an applicant for title IV assistance has submitted complete financial and internal development plans and related materials pursuant to section 404 of such title IV, or major elements of such plans or materials, the Secretary may accept such plans and materials or major elements, respectively, as full or partially satisfying the requirement under this part for the submission of a new community development program. All receipts, funds, or other assets and all liabilities of the revolving fund established pursuant to section 407 of the Housing and Urban Development Act of 1968 (including liabilities arising under guarantees made pursuant to such title IV and this section) shall become and be assets and liabilities of the revolving fund established pursuant to this part, as if such assets and liabilities had been received or incurred pursuant to this part, and shall be paid over, held, and accounted for accordingly.

(b) Section 202(b)(4) of the Housing Amendments of 1955 is amended by adding before the period at the end thereof "or under part B of the Urban Growth and New Community Development Act of 1970".

(c) The first paragraph of section 24 of the Federal Reserve Act is amended by inserting the following before the period at the end of the fourth sentence thereof: "or under part B of the Urban Growth and New Community Development Act of 1970."

(d) The twelfth paragraph of section 5(c) of the Homeowners' Loan Act of 1933 is amended by adding in the last sentence immediately after "under title IV of the Housing and Urban Development Act of 1968" the words "or under part B of the Urban Growth and New Community Development Act of 1970".

(e) Section 701 of the Housing Act of 1954 is amended by—

(1) striking out the word "approved" in subsection (a)(4) and adding before the semicolon at the end of such subsection "or under part B of the Urban Growth and New Community Development Act of 1970";

(2) inserting in subsection (b) after "(2) areas described in" the following: "subsection (a)(4) or"; and

(3) striking out the "No" at the beginning of the third sentence of subsection (b) and inserting in lieu thereof "Except for planning for areas described in subsection (a)(4), no".

(f) All laborers and mechanics employed by contractors or subcontractors in land development assisted under this part shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a–276a–5). No assistance shall be extended under this part for any land development without first obtaining adequate assurance that these labor standards will be maintained upon the construction work involved in such program. The Secretary of Labor shall have, with respect to the labor standards specified in this section, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (64 Stat. 1267), and section 2 of the Act of June 13, 1934 (40 U.S.C. 276c).

JOINT FUNDING

SEC. 726. Funds made available under any Federal assistance program for projects or activities approved as part of, or pursuant to, a new community development program may be used jointly with funds made available for such projects or activities under any other Federal assistance program, subject to regulations prescribed by the President. Such regulations may include provisions for common technical or administrative re-

quirements where varying or conflicting provisions of law would otherwise apply, for establishing joint management funds and common non-Federal shares, and for special agreements, or delegations of authority, among different Federal agencies in connection with the supervision or administration of assistance. Such regulations shall in any case include appropriate criteria and procedures to assure that any special authorities conferred, which are not otherwise provided for by law, shall be employed only as necessary to promote effective and efficient administration and in a manner consistent with the protection of the Federal interest and program purposes or statutory requirements of a substantive nature. For purposes of this section, the term "Federal assistance program" has the same meaning as under the Intergovernmental Cooperation Act of 1968.

COMMUNITY DEVELOPMENT CORPORATION

SEC. 727. (a) There is hereby created within the Department of Housing and Urban Development a body corporate to be known as the Community Development Corporation which shall carry out its functions subject to the direction and supervision of the Secretary.

(b) The Corporation shall have a Board of Directors (hereinafter referred to as the "Board") which shall consist of five members as follows:

(1) the Secretary, who shall be Chairman of the Board;

(2) one person, to be appointed by the President by and with the advice and consent of the Senate, who shall serve at the pleasure of the President, shall be the General Manager of the Corporation, serving as its chief executive officer under the Board's general direction, and shall receive compensation at the rate provided for positions at level IV of the Executive Schedule (5 U.S.C. 5315); and

(3) three persons, to be appointed by the Secretary, who shall serve at his pleasure, but not more than one such person shall be selected from among officers or employees of the Department of Housing and Urban Development.

Members of the Board who are regular, full-time officers or employees of the Federal Government shall receive no additional compensation for their services as Board members. Other members shall receive for their services as members, when engaged in the performance of their duties, the per diem equivalent to the rate for level IV of the Federal Executive Salary Schedule under section 5315 of title 5 of the United States Code. Each member of the Board shall be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of such title for persons in the Government service employed intermittently.

(c) The functions of the Secretary with respect to guarantees and loans in aid of new community development under this part shall be administered through the Community Development Corporation, and the Corporation shall perform such additional functions, powers, and duties as the Secretary may prescribe from time to time.

PART C—DEVELOPMENT OF RATIONAL URBAN GROWTH PATTERNS

STATE AND REGIONAL PLANNING

SEC. 735. Section 701 of the Housing Act of 1954 is amended by adding at the end thereof the following new subsection:

"(j) In carrying out the provisions of this section relating to planning for States, regions, or other multijurisdictional areas whose development has significance for purposes of national growth and urban development objectives, the Secretary shall encourage the formulation of plans and programs which will include the studies, criteria, standards, and implementing procedures necessary for effectively guiding and controlling major decisions as to where growth should take place within such States, regions, or areas. Such plans and programs shall take account of the availability of and need for conserving land and other irreplaceable natural resources; of projected changes in size, movement, and composition of population; of the necessity for expanding housing and employment opportunities; of the opportunities, requirements, and possible locations for, new communities and large-scale projects for expanding or revitalizing existing communities; and of the need for methods of achieving modernization, simplification, and improvements in governmental structures, systems, and procedures related to growth objectives. If the Secretary determines that activities otherwise eligible for assistance under this section are necessary to the development or implementation of such plans and programs, he may make grants in support of such activities to any governmental agency or organization of public officials which he determines is capable of carrying out the planning work involved in an effective and efficient manner and may make such grants in an amount equal to not more than 75 per centum of the cost of such activities."

PART D—DEVELOPMENT OF INNER CITY AREAS

PURPOSE

SEC. 740. It is the purpose of this part to provide our cities, which urgently need to augment their inventories of housing (particularly housing for low and moderate income families) and to find sites for essential public facilities and additional sources of employment, but have virtually no vacant land upon which to build, with a program which will make possible the more rational use of urban land and space that is currently occupied by industrial or commercial uses which though not physically blighted are functionally obsolete or uneconomic, or of land and space that is not usable in its present state because of natural hazards or inadequate development, so that in appropriate cases major rebuilding projects (including new communities in town) may be undertaken without major residential clearance activities and with minimal displacement.

AMENDMENTS TO TITLE I OF THE HOUSING ACT OF 1949

SEC. 741. (a) The heading of title I of the Housing Act of 1949 is amended to read as follows:

"TITLE I—URBAN REVITALIZATION".

(b) The proviso in section 103(a)(1) of such Act is amended by inserting after "open land" the following: "(other than land within the purview of section 110(c)(1)(v)),".

(c) Section 110(c)(1) of such Act is amended—

(1) by inserting before the first proviso the following: ", or (v) land or space which is vacant, unused, underused, or inappropriately used (including infrequently used rail yards and rail storage facilities, and excessive or vacated railroad rights-of-way; air rights over streets, expressways, railroads, waterways, and similar locations; land which is occupied by functionally obsolete nonresidential buildings or is used for low-utility purposes or is covered by shallow water or is subject to periodic flooding or consists of unused or underused slips or dock areas or other waterfront property; which land or space the Secretary determines may be developed (at a cost reasonably related to the public purpose to be served), without major residential clearance activities, and with full consideration to the preservation of beneficial aspects of the urban and natural environment, for such uses as are consistent with emphasis on housing for low- and moderate-income families, including the provision of schools, hospitals, parks, and other essential public facilities, and, where appropriate, all uses associated with new communities in town or similar large scale undertakings related to inner city needs, including concentrated sources of employment"; and

(2) by striking "clauses (iii) and (iv)" in the first proviso and inserting in lieu thereof "clauses (iii), (iv), and (v)".

(c) Section 110(c)(7) of such Act is amended to read as follows:

"(7) Construction of foundations and platforms necessary for the development of air rights sites in accordance with the provisions of clause (iv) or (v) of paragraph (1) of this subsection."

TITLE VIII—URBAN MASS TRANSPORTATION

CONGRESSIONAL FINDINGS

SEC. 801. The Congress finds—

(1) that over 70 per centum of the Nation's population lives in urban areas;

(2) that transportation is the lifeblood of an urbanized society and the health and welfare of that society depends upon the provision of efficient, economical, and convenient transportation within and between its urban areas;

(3) that for many years the mass transportation industry satisfied the transportation needs of the urban areas of the country capably and profitably;

(4) that in recent years the maintenance of even minimal mass transportation service in urban areas has become so financially burdensome as to threaten the continuation of this essential public service;

(5) that the termination of such service or the continued increase in its cost to the user is undesirable, and may have a particularly serious adverse effect upon the welfare of a substantial number of lower income persons;

(6) that some urban areas are now engaged in developing preliminary plans for, or are actually carrying out, comprehensive projects to revitalize their mass transportation operations; and

(7) that immediate substantial Federal assistance is needed on an interim basis to enable many mass transportation systems to continue to provide vital service during the period required to overhaul and revitalize mass transportation operations and to place such operations on a sound financial basis.

EMERGENCY GRANTS TO PAY INDEBTEDNESS

SEC. 802. The Urban Mass Transportation Act of 1964 is amended—

(1) by redesignating sections 6 through 15 as sections 8 through 17, respectively; and

(2) by inserting after section 5 a new section as follows:

"EMERGENCY GRANTS TO MAKE ANNUAL DEBT PAYMENTS

"SEC. 6. (a) Notwithstanding any other provision of this Act, the Secretary is authorized to make grants to States and local public bodies and agencies thereof to assist in paying the yearly interest on and discharging annual obligations on securities, equipment trust certificates, or other similar instruments of indebtedness which have been incurred in the acquisition, construction, reconstruction, improvement, and leasing (exclusive of any charge for operation or maintenance) of facilities and equipment for use, by operation or lease or otherwise, in mass transportation service in urban areas. A grant may not be made under this subsection unless the Secretary determines that it is essential to prevent (1) the termination of a significant part of the transportation service for a community, or (2) the occurrence of a serious adverse effect upon the welfare of a substantial number of lower income persons who are dependent upon the transportation service of such community. The amount of any grant made by the Secretary under this subsection shall not exceed twice the amount provided by the grant

applicant (from other sources than current revenues of a mass transportation system) for use in paying such interest or obligations during the year in which the grant is made.

"(b) To finance grants under subsection (a) of this section, there is authorized to be appropriated $75,000,000 for each of the fiscal years 1971, 1972, 1973, 1974, and 1975. Any amount appropriated pursuant to this subsection shall remain available until expended, and any amount so authorized but not appropriated for any fiscal year may be appropriated for any subsequent fiscal year."

INTERIM ASSISTANCE TO ASSURE ADEQUATE MASS TRANSPORTATION SERVICE IN URBAN AREAS

SEC. 803. The Urban Mass Transportation Act of 1964 is amended by inserting after section 6 (added by section 802 of this Act) a new section as follows:

"INTERIM ASSISTANCE

"SEC. 7. (a) For the purpose of providing interim assistance to assure adequate mass transportation service in urban areas, the Secretary is authorized to make grants to any State or local public body or agency thereof to enable it to assist any mass transportation system which maintains mass transportation service in an urban area within its jurisdiction to defray annual net operating deficits incurred as the result of providing such service to such areas. No grant shall be provided under this section unless (1) the Secretary determines that the mass transportation services provided by the system involved are needed for carrying out a program referred to in section 4(a), and (2) the applicant State, public body, or agency, and the operator (if a different entity) of such system, have jointly submitted to the Secretary a comprehensive mass transportation service improvement plan which is approved by him and which sets forth a program, meeting criteria established by the Secretary, for capital or service improvements to be undertaken for the purpose of providing more efficient, economical, and convenient mass transportation service in an urban area, and for placing the mass transportation operations of such system on a sound financial basis.

"(b) The amount of any grant under this section to a State or local public body or agency thereof to defray the operating deficit of any mass transportation system shall not exceed twice the amount of financial assistance provided by such State, public body, or agency to such system to defray such deficit.

"(c) The Secretary shall issue such regulations as he deems necessary to administer this section in an equitable and efficient manner. Such regulations shall include appropriate definitions of (1) the items of cost and revenue to be used in determining annual net operating deficits, and (2) the sources or types of State or local financial assistance which may be considered in computing the maximum allowable Federal grant.

(d) To finance grants under this section, there is authorized to be appropriated not to exceed $75,000,000 for each of the fiscal years 1971, 1972, 1973, 1974, and 1975. Any amount so appropriated shall remain available until expended, and any amount so authorized but not appropriated for any fiscal year may be appropriated for any subsequent fiscal year. The Secretary is authorized, notwithstanding the provisions of section 3648 of the Revised Statutes to make advance or progress payments on account of any grant made pursuant to this section.

"(e) The Secretary shall conduct a study of the operation of the subsidy program authorized by this section comparing it with other operating subsidy programs including those currently carried out by the Federal Government, with a view to determining the efficacy of such program in assuring adequate mass transportation service in urban areas. The Secretary shall submit an interim report of his findings not later than June 30, 1971, and a final report of such findings and recommendations not later than June 30, 1973.

"(f) No grants shall be made under this section after June 30, 1975, except pursuant to a commitment entered into prior to such date."

ADDITIONAL AMENDMENTS

SEC. 804. The following sections of the Urban Mass Transportation Act of 1964 (as redesignated by section 802 of this Act) are amended as follows:

(1) Section 14(c) is amended—

(A) by striking out "and" at the end of clause (4);

(B) by striking out the period at the end of clause (5) and inserting in lieu thereof a semicolon; and

(C) by adding after clause (5) the following new clauses:

"(6) the term 'mass transportation system' means any private company or public authority or agency providing mass transportation service; and

"(7) the term 'annual net operating deficit' means that part of the annual operating costs of a mass transportation system which could reasonably have been avoided by the elimination of all or part of the mass transportation service in an urban area, less the annual revenues derived by such system from the provision of such service."

(2) Section 14(d) is amended by adding the following at the end thereof: "No funds appropriated pursuant to section 4(b) may be used for grants made pursuant to section 6 or 7. Grant assistance provided under any section of this Act shall be coordinated to the greatest extent practicable with any other financial assistance provided under this Act. With the specific exception of the prohibition contained in section 3(b), the extension of financial assistance to a State or local public body or agency thereof under any section of this Act shall not have the effect of prohibiting the extension of financial assistance to such entity pursuant to any other section of this Act."

(3) The first sentence of section 15(c) is amended by striking out "section 3" and inserting in lieu thereof "section 3, 6, 7, or 8".

(4) The part of the first sentence of section 17 which precedes the proviso is amended to read as follows: "Grants made under sections 3, 6, and 7 of this Act (other than grants for relocation payments in accordance with section 9(b)) for projects in any one State shall not exceed in the aggregate 12½ per centum of the aggregate amount of grant funds authorized to be appropriated pursuant to sections 4(b), 6(b), and 7(c):".

(5) The first sentence of section 3(b) is amended by striking out "section 7(b)" and inserting in lieu thereof "section 9(b)".

(6) Section 3(c) is amended by striking out "section 13(c)" and inserting in lieu thereof "section 15(c)".

TITLE IX—FARM HOUSING

HOUSING AND RELATED FACILITIES FOR DOMESTIC FARM LABOR

SEC. 901. (a) That part of the text of subsection (a) of section 514 of the Housing Act of 1949 which precedes the first numbered paragraph is amended to read as follows: "The Secretary is authorized to insure and make commitments to insure loans made by lenders other than the United States to the owner of any farm or any association of farmers for the purpose of providing housing and related facilities for domestic farm labor, or to any State (or political subdivision thereof), or any broad-based public or private nonprofit organization or any nonprofit organization of farmworkers incorporated within the State for the purpose of providing housing and related facilities for domestic farm labor any place within the State where a need exists. All such loans shall be made in accordance with terms and conditions substantially identical with those specified in section 502, except that—".

(b) Section 514(a) of such Act is amended by striking out in paragraph (2) "5 per centum" and inserting in lieu thereof "1 per centum".

(c) Paragraph (1) and (2) of section 514(f), and paragraph (1) of section 516(g) are amended by inserting "(including household furnishings)" after "structures", each place the term appears.

(d) Section 516 of such Act is amended—

(1) by striking out that part of the text of subsection (a) which precedes the first numbered paragraph and inserting in lieu thereof the following: "Upon the application of any State or political subdivision thereof, or any broad-based public or private nonprofit organization incorporated within the State, or any nonprofit organization of farmworkers incorporated within the State, the Secretary is authorized to provide financial assistance for the provision of low-rent housing and related facilities (which may be located any place within the State) for domestic farm labor, if he finds that—";

(2) by striking out in paragraph (2) of subsection (a) "one-third" and inserting in lieu thereof "10 per centum";

(3) by inserting after "thereof" in paragraph (3) of subsection (a) the following: "; and such housing and facilities shall be durable and suitable for year-around occupancy or use, unless the Secretary finds that there is no need for such year-around occupancy or use in that area"; and

(4) by striking out in subsection (b) "two-thirds" and inserting in lieu thereof "90 per centum".

MOBILE HOMES

SEC. 902. Title V of the Housing Act of 1949 is amended by adding at the end thereof a new section as follows:

"MOBILE HOMES

"SEC. 525. (a) As used in this title, the term 'housing' shall, notwithstanding any other provision of this title and to the extent deemed practicable by the Secretary, include mobile homes.

"(b) With respect to mobile homes financed under this title, the Secretary shall—

"(1) prescribe minimum property standards to assure the livability and durability of the mobile home and the suitability of the site on which it is to be located, and

"(2) obtain assurances from the borrower that the mobile home will be placed on a site which complies with standards prescribed by the Secretary and with applicable local requirements.

Loans under this title for the purchase of mobile homes shall be on the same terms and conditions as are applicable under section 2 of the National Housing Act to obligations financing the purchase of mobile homes."

LOCAL LOAN COMMITTEES

SEC. 903. Section 508(b) of the Housing Act of 1949 is amended by striking out "shall" wherever it appears except in the last sentence and inserting in lieu thereof "may".

HOUSING AND RELATED FACILITIES FOR ELDERLY PERSONS

SEC. 904. Section 515(b)(1) of the Housing Act of 1949 is amended by striking out "$300,000" and inserting in thereof "$1,000,000".

TITLE X—MISCELLANEOUS

ADVICE AND ASSISTANCE WITH RESPECT TO HOUSING FOR LOW- AND MODERATE-INCOME FAMILIES

SEC. 1001. (a) Subsection (a) of section 106 of the Housing and Urban Development Act of 1968 is amended to read as follows:

"(a)(1) The Secretary is authorized to provide, or contract with public or private

organizations to provide, information, advice, and technical assistance, including but not limited to—

"(i) the assembly, correlation, publication, and dissemination of information with respect to the construction, rehabilitation, and operation of low- and moderate-income housing;

"(ii) the provision of advice and technical assistance to public bodies or to nonprofit or cooperative organizations with respect to the construction, rehabilitation, and operation of low- and moderate-income housing, including assistance with respect to self-help and mutual self-help programs;

"(iii) counseling on household management, self-help, budgeting, money management, child care, and related counseling services which would assist low- and moderate-income families receiving assistance under the United States Housing Act of 1937 or the National Housing Act in improving their living conditions and housing opportunities, and in meeting the responsibilities of homemaking.

"(2) There is authorized to be appropriated for the purposes of this subsection, without fiscal year limitation, not to exceed $5,000,000. Any amounts so appropriated shall remain available until expended."

(b) The first sentence of section 106(b)(1) of such Act is amended by striking out "any federally assisted program" and inserting in lieu thereof "section 235 of the National Housing Act or any other federally assisted program".

(c) Section 2(6) of the United States Housing Act of 1937 is amended by adding at the end thereof the following: "The term also means the financing of tenant programs and services for families residing in low-rent housing projects, particularly where there is maximum feasible participation of the tenants in the development and operation of such tenant programs and services. As used in this paragraph, the term 'tenant programs and services' includes the development and maintenance of tenant organizations which participate in the management of low-rent housing projects; the training of tenants to manage and operate such projects and the utilization of their services in project management and operation; counseling on household management, housekeeping, budgeting, money management, child care, and similar matters; advice as to resources for job training and placement, education, welfare, health, and other community services; services which are directly related to meeting tenant needs and providing a wholesome living environment; and referral to appropriate agencies when necessary for the provision of such services. To the maximum extent available and appropriate, existing public and private agencies in the community shall be used for the provision of such services."

(d) Section 15(10) of the United States Housing Act of 1937 is repealed.

TRAINING IN HOUSING MANAGEMENT

SEC. 1002. Section 803 of the Housing Act of 1964 is amended by redesignating subsections (b) and (c) as subsections (c) and (d), respectively, and inserting after subsection (a) a new subsection as follows:

"(b) Grants may be made under subsection (a) to support (1) the training of persons, especially persons of low income, in acquiring the skills needed in the management of housing for low- and moderate-income persons, and (2) research and the dissemination of information with respect to the problems involved in the management of housing for low- and moderate-income persons."

GENERAL ADMINISTRATIVE POWERS OF THE SECRETARY

SEC. 1003. Section 7 of the Department of Housing and Urban Development Act is amended by adding at the end thereof the following new subsections:

"(h) Except as such authority is otherwise expressly provided in any other Act administered by the Secretary, such financial transactions of the Secretary as the making of loans or grants (and vouchers approved by the Secretary in connection with such financial transactions) shall be final and conclusive upon all officers of the Government. Funds made available to the Secretary pursuant to any provision of law for such financial transactions shall be deposited in a checking account or accounts with the Treasurer of the United States. Such funds and any receipts and assets obtained or held by the Secretary in connection with such financial transactions shall be available, in such amounts as may from year to year be authorized by the Congress, for the administrative expenses of the Secretary in connection with such financial transactions. Notwithstanding the provisions of any other law, the Secretary may, with the approval of the Comptroller General, consolidate into one or more accounts for baking and checking purposes all cash obtained or held in connection with such financial transactions, including amounts appropriated, from whatever source derived.

"(i) Except as such authority is otherwise expressly provided in any other Act administered by the Secretary, the Secretary is authorized to:

"(1) foreclose on any property or commence any action to protect or enforce any right conferred upon him by any law, contract, or other agreement, and bid for and purchase at any foreclosure or any other sale any property in connection with which he has made a loan or grant. In the event of any such acquisition, the Secretary may, notwithstanding any other provision of law relating to the acquisition, handling, or disposal of real property by the United States, complete, administer, remodel and convert, dispose of, lease, and otherwise deal with, such property: *Provided*, That any such acquisition of real property shall not deprive any State or political subdivision thereof of its civil or criminal jurisdiction in and over such property or impair the civil rights under the State or local laws of the inhabitants on such property: *Provided further*, That section 3709 of the Revised Statutes shall not apply to any contract for services or supplies on account of any property so acquired or owned if the amount of such contract does not exceed $2,500;

"(2) enter into agreements to pay annual sums in lieu of taxes to any State or local taxing authority with respect to any real property so acquired or owned;

"(3) sell or exchange at public or private sale, or lease, real or personal property, and sell or exchange any securities or obligations, upon such terms as he may fix;

"(4) obtain insurance against loss in connection with property and other assets held;

"(5) consent to the modification, with respect to the rate of interest, time of payment of any installment of principal or interest, security, or any other term of any contract or agreement to which he is a party or which has been transferred to him; and

"(6) include in any contract or instrument such other covenants, conditions, or provisions as he may deem necessary.

"(j) Notwithstanding any other provision of law the Secretary is authorized to establish fees and charges, chargeable against program beneficiaries and project participants, which shall be adequate to cover over the long run, costs of inspection, project review and financing service, and by Federal or federally authorized auditors, and other beneficial rights, privileges, licenses, and services. Such fees and charges heretofore or hereafter collected shall be considered nonadministrative and shall remain available for operating expenses of the Department in providing similar services on a consolidated basis.

"(k)(1) The Secretary is authorized to accept and utilize voluntary and uncompensated services and accept, hold, administer, and utilize gifts and bequests of property, both real and personal, for the purpose of aiding or facilitating the work of the Department. Gifts and bequests of money and the proceeds from sales of other property received as gifts or bequests shall be deposited in the Treasury in a separate fund and shall be disbursed upon order of the Secretary. Property accepted pursuant to this paragraph, and the proceeds thereof, shall be used as nearly as possible in accordance with the terms of the gift or bequest.

"(2) For the purpose of Federal income, estate, and gift taxes, property accepted under paragraph (1) shall be considered as a gift or bequest to or for use of the United States.

"(3) Upon the request of the Secretary, the Secretary of the Treasury may invest and reinvest in securities of the United States or in securities guaranteed as to principal and interest by the United States any moneys contained in the fund provided for in paragraph (1). Income accruing from such securities and from any other property held by the Secretary pursuant to paragraph (1) shall be deposited to the credit of the fund and shall be disbursed upon order of the Secretary.

"(l) The Secretary is authorized to appoint, without regard to the civil service laws, such advisory committees as shall be appropriate for the purpose of consultation with and advice to the Department in performance of its functions. Members of such committees, other than those regularly employed by the Federal Government, while attending meetings of such committees or otherwise serving at the request of the Secretary, may be paid compensation at rates not exceeding those authorized for individuals under subsection (e) of this section, and while so serving away from their homes or regular places of business, 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 in the Government service employed intermittently."

PROHIBITION RELATING TO THE USE OF LEAD-BASED PAINT

SEC. 1004. (a) As used in this section—

(1) The term "Secretary" means the Secretary of Housing and Urban Development.

(2) The term "dwelling" means any building, structure, or portion thereof which is occupied, or designed or intended for occupancy, as a residence by one or more individuals.

(3) The term "lead-based paint" means any paint containing basic white lead, leaded zinc oxide, red lead, litharge, lead acetate, and lead driers singly or in combination in excess of 1 percent lead as metal in total nonvolatile.

(b)(1) It shall be unlawful for any person to apply lead-based paint on the interior of any dwelling which is subject to the provisions of this section.

(2) The Secretary may assess upon any person violating this subsection a civil penalty of not to exceed $1,000 for each such violation. Any such penalty may be compromised by the Secretary, and the amount of such penalty, as finally determined or as agreed upon in compromise, may be deducted from any sums owed to such person by the United States.

(c) This section applies only to dwellings to which the provisions of title VIII of the Act of April 11, 1968 (Public Law 90-284), relating to fair housing, are applicable on or after January 1, 1969.

(d) The Secretary shall make an objective study and investigation to determine whether

paint containing lead chromate or molybdate pigments as coloration present a sufficient health hazard to be included within the prohibitions of this section. The Secretary shall report his findings and recommendations to the Congress not later than one year after the date of enactment of this Act.

INCREASED FEES FOR CONSULTANT SERVICES

SEC. 1005. Section 7(e) of the Department of Housing and Urban Development Act is amended by striking out everything after the word "rates" and inserting in lieu thereof the following: "for individuals not to exceed the per diem equivalent to the highest rate for grade GS–18 of the General Schedule under section 5332 of title 5, United States Code."

AMENDMENT TO PUBLIC UTILITY HOLDING COMPANY ACT OF 1935

SEC. 1006. Section 9(c) of the Public Utility Holding Company Act of 1935 (15 U.S.C. 791(c)) is amended—

(1) by striking out "or" at the end of paragraph (2);

(2) by striking out the period at the end of paragraph (3) and inserting in lieu thereof "; or"; and

(3) by adding at the end thereof a new paragraph as follows:

"(4)(A) securities of a subsidiary company engaged in the business of providing housing for persons of low and moderate income within the service area of the holding-company system under housing programs authorized by the National Housing Act or any Act supplementary thereto, or (B) securities of or interests in a company organized to participate in such housing programs within the service area of a holding-company system which receives financial or other assistance from a company created or organized pursuant to title IX of the Housing and Urban Development Act of 1968. No such acquisitions shall be made except within such limitations and upon such terms and conditions, and with due regard to other provisions of this title, as the Commission may, by rules and regulations or order, permit as not detrimental to the public interest or the interest of investors or consumers."

SAVINGS AND LOAN ASSOCIATIONS

SEC. 1007. (a) Section 12(b) of the Federal Home Loan Bank Act (12 U.S.C. 1432(b)) is amended by adding at the end a new sentence as follows: "This authority extends to the acquisition, holding, and disposition of loans, or interests therein, having the benefit of any guaranty under section 221 or 222 of the Foreign Assistance Act of 1961, as amended by section 105 of the Foreign Assistance Act of 1969."

(b) Paragraph 13 of section 5(c) of the Home Owners' Loan Act of 1933 (12 U.S.C. 1464(c)) is amended by inserting after the first sentence the following: "This authority extends to the acquisition, holding, and disposition of loans, or interests therein, having the benefit of any guaranty under section 221 or 222 of the Foreign Assistance Act of 1961, as amended by section 105 of the Foreign Assistance Act of 1969."

(c) The first sentence of section 5(c) of the Home Owners' Loan Act of 1933 is amended by striking out "15" and inserting in lieu thereof "20".

FINANCIAL INSTITUTIONS SUPERVISORY ACT OF 1966

SEC. 1008. Title IV of the Financial Institutions Supervisory Act of 1966 (80 Stat. 1056) is repealed.

INTERSTATE LAND SALES FULL DISCLOSURE ACT

SEC. 1009. Section 1406(5) of the Interstate Land Sales Full Disclosure Act is amended by inserting after the first comma the following: "the existence of any unusual conditions relating to noise or safety which affect the subdivision and are known to the developer,".

Mr. BYRD of West Virginia. Mr. President, I am authorized by the Senator from Iowa (Mr. HUGHES)—who is necessarily absent—to state that had he been present, he would have voted "yea" on the final passage of the Housing Urban Development Act of 1970.

Mr. MANSFIELD. Mr. President, the distinguished senior Senator from Alabama (Mr. SPARKMAN) has again demonstrated legislative skill and effectiveness that is unsurpassed in this body. The hour is late and perhaps that fact itself demonstrates the devotion and dedication that characterizes every legislative endeavor undertaken by the able chairman of the Committee on Banking and Currency. Senator SPARKMAN time and time again has shown outstanding legistive capacities. The overwelming success of this measure adds another splendid achievement to an overabundant record of public service obtained during a long and distinguished career. Once again the Senate is deeply indebted to Senator SPARKMAN. He has again earned the highest commendation of the Senate.

Deserving our praise as well is the distinguished Senator from Texas (Mr. TOWER), the ranking minority member of the Housing Subcommittee. His cooperation and able assistance assured the expeditious and efficient disposition of this measure.

At this late hour I wish to thank as well the Senator from Wisconsin (Mr. PROXMIRE), the Senator from Utah, Mr. BENNETT), and the many other Senators who supported and assisted so capably the passage of this housing proposal.

ADDITIONAL COSPONSORS OF AN AMENDMENT

AMENDMENT NO. 915 TO H.R. 17604

Mr. GRIFFIN. Mr. President, at the request of the Senator from New York (Mr. GOODELL) I ask unanimous consent that at the next printing of amendment 915 to H.R. 17604 introduced on September 16, the names of the Senator from California (Mr. CRANSTON), the Senator from Iowa (Mr. HUGHES), the Senator from New York (Mr. JAVITS), the Senator from Massachusetts (Mr. KENNEDY), the Senator from New Jersey (Mr. CASE), the Senator from Kentucky (Mr. COOK), the Senator from Missouri (Mr. EAGLETON), the Senator from Alaska (Mr. GRAVEL), the Senator from Michigan (Mr. HART), the Senator from Montana (Mr. METCALF), the Senator from Ohio (Mr. YOUNG), the Senator from Rhode Island (Mr. PELL), the Senator from Indiana (Mr. HARTKE), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Connecticut (Mr. DODD), the Senator from Tennessee (Mr. GORE), and the Senator from Maine (Mr. MUSKIE) be added as cosponsors.

The ACTING PRESIDENT pro tempore (Mr. METCALF). Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR JAVITS TOMORROW

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that on tomorrow, immediately following the prayer and the disposition of any unobjected items on the Legislative Calendar, the senior Senator from New York (Mr. JAVITS) be recognized for not to exceed 5 minutes.

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

ORDER FOR TRANSACTION OF ROUTINE BUSINESS TOMORROW

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that following the remarks of the senior Senator from New York (Mr. JAVITS) on tomorrow, there be a period for the transaction of routine morning business, with statements therein limited to 3 minutes.

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

ADJOURNMENT

Mr. BYRD of West Virginia. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 12 noon tomorrow.

The motion was agreed to; and (at 10 o'clock and 31 minutes p.m.), the Senate adjourned until tomorrow, Thursday, September 24, 1970, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate September 23, 1970:

COMMISSIONER OF EDUCATION

Sidney P. Marland, Jr., of New York, to be Commissioner of Education, vice James E. Allen, Jr.

DISTRICT OF COLUMBIA COURT OF APPEALS

Hubert B. Pair, of the District of Columbia, to be an associate judge of the District of Columbia Court of Appeals for the term of years prescribed by Public Law 91–358, approved July 29, 1970, and vice a new position created by said Public Law 91–358.

Gerard D. Reilly, of the District of Columbia, to be associate judge of the District of Columbia Court of Appeals for the term of years prescribed by Public Law 91–358, approved July 29, 1970, and vice a new position created by said Public Law 91–358.

J. Walter Yeagley, of Virginia, to be an associate judge of the District of Columbia Court of Appeals for the term of years prescribed by Public Law 91–358, approved July 29, 1970, and vice a new position created by said Public Law 91–358.

DISTRICT OF COLUMBIA COURT OF GENERAL SESSIONS

DeWitt S. Hyde, of Maryland, to be an associate judge of the District of Columbia court of general sessions, for the term of years prescribed by Public Law 91–358 approved July 29, 1970. He is now serving in this office under an appointment which expired September 13, 1969.

Dyer Justice Taylor, of Virginia, to be an associate judge, District of Columbia Court of general sessions, for the term of 15 years, as prescribed by Public Law 91–358, approved July 29, 1970, vice Justin L. Edgerton, deceased.

Normalie Holloway Johnson, of Washington, D.C., to be an associate judge, District of Columbia court of general sessions, for the term of 15 years, as prescribed by Public Law 91–358, approved July 29, 1970, vice Morris Miller, deceased.

Leonard Braman, of Maryland, to be an associate judge, District of Columbia court

of general sessions, for the term of 15 years, as prescribed by Public Law 91–358, approved July 29, 1970, vice Milton S. Kronheim, term expired.

Paul F. McArdle, of Maryland, to be an associate judge of the District of Columbia court of general sessions, for the term of 15 years as prescribed by Public Law 91–358, approved July 29, 1970, vice Thomas C. Scalley, term expired.

Sylvia A. Bacon, of the District of Columbia, to be an associate judge, District of Columbia court of general sessions, for the term of 15 years, vice a new position created by Public Law 91–358, approved July 29, 1970.

John F. Doyle, of Maryland, to be an associate judge, District of Columbia court of general sessions, for the term of 15 years vice a new position created by Public Law 91–358, approved July 29, 1970.

Eugene N. Hamilton, of Maryland, to be an associate judge, District of Columbia court of general sessions, for the term of 15 years vice a new position created by Public Law 91–358, approved July 29, 1970.

Stanley S. Harris, of Maryland, to be an associate judge, District of Columbia court of general sessions, for the term of 15 years vice a new position created by Public Law 91–358 approved July 29, 1970.

Theodore R. Newman, Jr., of the District of Columbia, to be an associate judge, District of Columbia court of general sessions, for the term of 15 years vice a new position created by Public Law 91–358, approved July 29, 1970.

Nicholas S. Nunzio, of Maryland, to be an associate judge, District of Columbia court of general sessions, for the term of 15 years vice a new position created by Public Law 91–358 approved July 29, 1970.

John G. Penn, of Maryland, to be an associate judge, District of Columbia court of general sessions, for the term of 15 years vice a new position created by Public Law 91–358 approved July 29, 1970.

George H. Revercomb, of Virginia, to be associate judge, District of Columbia court of general sessions for the term of 15 years vice a new position created by Public Law 91–358, approved July 29, 1970.

William E. Stewart, Jr., of Maryland, to be an associate judge, District of Columbia court of general sessions for the term of 15 years vice a new position created by Public Law 91–358, approved July 29, 1970.

James A. Washington, Jr., of Maryland, to be an associate judge, District of Columbia court of general sessions for the term of years prescribed by Public Law 91–358, approved July 29, 1970, and vice a new position created by said Public Law 91–358.

EXTENSIONS OF REMARKS

CHIEF JUSTICE SCORES "POT" SAFETY REPORTS

HON. HENRY HELSTOSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 22, 1970

Mr. HELSTOSKI. Mr. Speaker, many in legislative and Government executive positions today are being pressured to legalize the use and possession of marihuana.

May I suggest that any who lean favorably toward such a proposal read the following Associated Press article carrying the views of Chief Justice Joseph Weintraub of the Supreme Court of New Jersey on the subject.

Chief Justice Weintraub counsels extreme caution and I share that viewpoint. At the very, very least all should wait until appropriate and needed studies of marihuana and its effects are made as called for in my bill H.R. 14354.

I also share the doubts of the Chief Justice that full scale and complete research will prove that marihuana is harmless. Is there any doubt that many times the use of marihuana leads to the taking of hard-core drugs and dopes for lifts, trips, and crutches? Then often minds and bodies.

It will be a sad day in this Nation if those with the allout permissive philosophy should prevail and force legalization of the use and possession of marihuana before all of the facts are before those who must make the decision.

The Associated Press article follows:

CHIEF JUSTICE SCORES "POT" SAFETY REPORTS

TRENTON.—Chief Justice Joseph Weintraub of the New Jersey Supreme Court said yesterday that marijuana should not be legalized "until we are darn sure it's harmless."

The chief justice also criticized medical and research reports which said that smoking marijuana has not been proven to be harmful. Weintraub said the reports, like "the pied piper," were enticing youngsters to try the drug.

He made the remarks during a hearing on an appeal by 21-year-old Steven Ward who was sentenced to 2-3 years in prison for possessing marijuana valued at about $2.50.

Stanley C. Van Ness, head of New Jersey's public defender office, who argued Ward's case, said the sentence was cruel and excessive for a first offender.

He urged the court to overturn the sentence and establish a policy of probation for first offenders in marijuana cases.

Ward, who was 19-years-old when he was sentenced to state prison in 1969 by Cumberland County Judge Harry Adler, is free on parole after being confined for nearly one year.

Weintraub said the prison term for Ward would appear "wildly excessive" were it not for other factors outlined in a probation report submitted to Adler before sentencing.

The chief justice said the pre-sentence report indicated that Ward had "sponsored marijuana parties" which on one occasion had led to a search of his home by police which failed to turn up any evidence.

However, Assistant Cumberland County Prosecutor Samuel J. Serata told the high court that the pre-sentence report probably played a minor role in the harsh sentence.

Serata said the sentence was the product of an "almost hysterical" attitude in the county which has since changed.

Serata, who joined the prosecutor's staff this year, said that people in rural Cumberland County regarded "marijuana as a horrendous thing that comes from the cities . . . an epidemic that must be stamped out." He said he represented marijuana defendants before joining the prosecutor's staff.

Weintraub, who said he recognized that there has "been quite a change in public attitude" toward marijuana in the past year, said he thought it was "nonsense" to equate the laws against marijuana with prohibition on liquor during the 1920's. "One day it may be proven that it's no more harmful than Scotch," Weintraub said. "But I doubt it."

He added, "everyone agrees it's not as dangerous as heroin. But that doesn't mean it's just a drink of water.

"More harm is being done by these silly reports that it is not proven harmful and therefore it's (like) prohibition. That's nonsense. It's encouraging kids to try it."

TAKE PRIDE IN AMERICA

HON. CLARENCE E. MILLER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 23, 1970

Mr. MILLER of Ohio. Mr. Speaker, today we should take note of America's great accomplishments and in so doing renew our faith and confidence in ourselves as individuals and as a nation. A Russian must work 2,950 minutes for a pair of men's shoes while an American works 275 minutes. For a business suit, a Russian must work 11,800 minutes compared to 802 minutes by an American worker.

RESULTS OF POLL CONDUCTED BY THE AMERICAN SECURITY COUNCIL

HON. JOHN G. SCHMITZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 22, 1970

Mr. SCHMITZ. Mr. Speaker, at this time I would like to introduce the findings of a poll just completed by the respected American Security Council. I would like to call special attention of my colleagues to question No. 8 which, according to this survey, it seems that a substantial number of Americans favor an objective of victory in Vietnam.

There are obviously a number of Americans who continue to reflect the wisdom set down by Mommsen:

History has a nemisis for every sin: for the will to freedom that fails in force, as well as for the pride of mind that fails in understanding.

The poll follows:

NATIONAL SECURITY ISSUES POLL

In a true democracy, decisions on such vital matters as military preparedness should reflect the will of the people.

Therefore, we must ask, "does the trend toward unilateral disarmament represent the will of most Americans, or the will of special interest pressure groups?"

In seeking the answer to this question, the American Security Council conducted a National Security Issues Poll with a final total of 115,559 participants.

From March 1 to August 31, 1970, the Council invited opinion leaders representing the full range of domestic political viewpoint to serve on its National Voter Advisory Board and to participate in the National Security Issues Poll. The response of the 42,946 who did both is shown under "A" below.

The response of the 45,456 who participated in the Poll, but did not become mem-