By Mr. PURCELL:

H.J. Res. 595. Joint resolution requesting the President of the United States to issue a proclamation calling for a "Day of Bread" and "Harvest Festival"; to the Committee on the Judiciary.

By Mr. ROGERS (by request):

H.J. Res. 596. Joint resolution to provide for the issuance of a commemorative postage stamp in honor of the 25th anniversary of the Battle of Bastogne; to the Committee on Post Office and Civil Service.

By Mr. SATTERFIELD:

H.J. Res. 597. Joint resolution proposing an amendment to the Constitution of the United States relative to freedom from forced assignment to schools or jobs because of race, creed, or color; to the Committee on the Judiciary.

By Mr. STRATTON:

H.J. Res. 598. Joint resolution to instruct the President of the United States to release certain appropriated funds; to the Committee on Government Operations.

By Mr. STUCKEY:

H.J. Res. 599. Joint resolution proposing an amendment to the Constitution of the United States with respect to the offering of prayer in public buildings; to the Committee on the Judiciary.

By Mr. YOUNG of Florida:

H.J. Res. 600. Joint resolution proposing an amendment to the Constitution of the United States relating to the busing or involuntary assignment of students; to the Committee on the Judiciary.

By Mrs. ABZUG (for herself, Mr. BADILLO, Mrs. CHISHOLM, Mr. CLAY, Mr. CONYERS, Mr. DELLUMS, Mr. MITCHELL, and Mr. SCHEUER):

H. Con. Res. 282. Concurrent resolution expressing the sense of the Congress with respect to the Peoples' Peace Treaty; to the Committee on Foreign Affairs.

By Mr. PURCELL (for himself, Mr. ANDREWS of North Dakota, Mr. ABOUREZK, Mr. OBEY, and Mr. MELCHER):

H. Con. Res. 283. Concurrent resolution expressing the sense of the Congress that investigations be conducted into existing law regarding the determination of the parity price for commodities and the parity ratio; to the Committee on Rules.

By Mr. PERKINS:

H. Res. 413. Resolution urging the President to summon a national conference on unemployment and inflation; to the Committee on Education and Labor.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

146. By the SPEAKER: Memorial of the Legislature of the State of Nevada, relative to reforestation; to the Committee on Agriculture.

147. Also, memorial of the Legislature of the State of Kansas, relative to the supersonic transport; to the Committee on Appropriations.

148. Also, memorial of the Legislature of the State of Washington, relative to continuation of the employment supplement program; to the Committee on Appropriations.

149. Also, memorial of the Legislature of the State of Nevada, relative to a new multipurpose gymnasium at the Stewart Indian School; to the Committee on Interior and Insular Affairs.

150. Also, memorial of the senate of the State of Oklahoma, relative to driver regulations for trucks used on farms and ranches; to the Committee on Interstate and Foreign Commerce.

151. Also, memorial of the Legislature of the State of Washington, relative to the merger of the El Paso Natural Gas Co. with the Pacific Northwest Pipeline Corp.; to the Committee on the Judiciary.

152. Also, memorial of the Legislature of the State of Oklahoma, relative to declaring southwestern, central, and western Oklahoma a major disaster area; to the Committee on Public Works.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHLEY:

H.R. 7943. A bill for the relief of Loo Bing Sun; to the Committee on the Judiciary.

By Mr. PELLY:

H.R. 7944. A bill for the relief of Kwok Hung Fong; to the Committee on the Judiciary.

H.R. 7945. A bill for the relief of Theodora Gouloumis; to the Committee on the Judiciary.

By Mr. PURCELL:

H.R. 7946. A bill for the relief of Jerry L. Chancellor; to the Committee on the Judiciary.

By Mr. ROBISON of New York:

H.R. 7947. A bill for the relief of Jean Albertha Service Gordon; to the Committee on the Judiciary.

By Mr. SCHMITZ:

H.R. 7948. A bill for the relief of N. H. Winterstein; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

69. The SPEAKER presented a petition of Henry Stoner, York, Pa., relative to the U.S. public debt, which was referred to the Committee on Ways and Means.

SENATE—*Thursday, April 29, 1971*

The Senate met at 12 o'clock noon and was called to order by the President pro tempore (Mr. ELLENDER).

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

God of our Fathers and our God, watch over this Nation in the agony and turbulence of our times. Keep us close to Thee and mindful of Thy precepts lest we go astray. May our strength rest in the virtue and goodness of the people. Grant to all leaders in the Government a wisdom which transcends their own because they are committed to Thee and to the ways of Thy kingdom. Make plain to their understanding what they ought to do now. Correct past errors. Overrule our mistakes and guide us when we cannot guide ourselves. Guard this Nation from that disobedience to Thy law and that degeneration of character which first corrupts and then destroys a people. Break down all that divides us. By Thy grace unite us firmly in fidelity to Thy divine law and to the higher values of justice, righteousness, and mercy which belong to Thy kingdom.

And to Thee shall be all glory and thanksgiving. Amen.

REPORTS OF A COMMITTEE SUBMITTED DURING ADJOURNMENT

Under authority of the order of the Senate of April 26, 1971, the following reports of a committee were received on April 29, 1971:

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

S. Res. 81. A resolution authorizing supplemental expenditures by the Committee on Commerce for inquiries and investigations (Rept. No. 92-82);

S. Res. 88. A resolution authorizing the printing of the report entitled "Progress in the Prevention and Control of Air Pollution" as a Senate document (Rept. No. 92-83);

S. Res. 97. A resolution authorizing the printing of additional copies of the "Report of the Joint Economic Committee" (Rept. No. 92-84);

S. Res. 107. A resolution authorizing supplemental expenditures by the Committee on Government Operations for inquiries and investigations (Rept. No. 92-85);

S. Res. 110. A resolution authorizing the printing for the use of the Committee on Public Works of additional copies of House Document 92-70, entitled "Control of Hazardous Polluting Substances" (Rept. No. 92-86); and

S. Res. 111. A resolution to pay a gratuity to Florence H. Loudermilk.

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

S. Res. 45. A resolution to authorize a study of national fuels and energy policy (Rept. No. 92-87); and

S. Res. 105. A resolution increasing the limit of expenditures for hearings before the Committee on Armed Services (Rept. No. 92-88).

EXECUTIVE REPORT OF A COMMITTEE SUBMITTED DURING ADJOURNMENT

Under authority of the order of the Senate of April 26, 1971, the following favorable executive report of a nomination was submitted:

On April 29, 1971:

By Mr. MATHIAS, from the Committee on the Judiciary:

Charles R. Richey, of Maryland, to be a U.S. district judge for the District of Columbia.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Monday, April 26, 1971, be dispensed with.

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

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.

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 nomi-

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nations, which were referred to the appropriate committees.

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

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had agreed to the amendments of the Senate to the resolution (H.J. Res. 567) making certain urgent supplemental appropriations for the fiscal year 1971, and for other purposes.

The message also informed the Senate that, pursuant to the provisions of 10 United States Code 4355(a), the Speaker had appointed Mr. HULL, of Missouri, a member of the Board of Visitors to the U.S. Military Academy, to fill the vacancy thereon, vice Mr. NATCHER, excused.

The message further announced that the House had passed the following bills in which it requested the concurrence of the Senate:

H.R. 2166. An act to amend the Federal Food, Drug, and Cosmetic Act, and for other purposes;

H.R. 2598. An act to authorize the acquisition, training, and maintenance of dogs to be used in law enforcement in the District of Columbia;

H.R. 2600. An act to equalize the retirement benefits for officers and members of the Metropolitan Police force and the Fire Department of the District of Columbia who are retired for permanent total disability;

H.R. 2894. An act to incorporate the Paralyzed Veterans of America;

H.R. 5066. An act to authorize appropriations for fiscal year 1972 to carry out the Flammable Fabrics Act;

H.R. 5674. An act to amend the Comprehensive Drug Abuse Prevention and Control Act of 1970 to provide an increase in the appropriations authorization for the Commission on Marihuana and Drug Abuse;

H.R. 5765. An act to extend for six months the time for filing the comprehensive report of the Commission on the Organization of the Government of the District of Columbia;

H.R. 6105. An act for the incorporation of the Merchant Marine Veterans Association; and

H.R. 6444. An act to amend the Railroad Retirement Act of 1937 to provide a 10 per centum increase in annuities.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred, as indicated:

H.R. 5066. An act to authorize appropriations for fiscal year 1972 to carry out the Flammable Fabrics Act; to the Committee on Commerce.

H.R. 2598. An act to authorize the acquisition, training, and maintenance of dogs to be used in law enforcement in the District of Columbia;

H.R. 2600. An act to equalize the retirement benefits for officers and members of the Metropolitan Police force and the Fire Department of the District of Columbia who are retired for permanent total disability;

H.R. 2894. An act to incorporate the Paralyzed Veterans of America;

H.R. 5765. An act to extend for 6 months the time for filing the comprehensive report of the Commission on the Organization of the Government of the District of Columbia; and

H.R. 6105. An act for the incorporation of the Merchant Marine Veterans Association; to the Committee on the District of Columbia.

H.R. 2166. An act to amend the Federal Food, Drug, and Cosmetic Act, and for other purposes; and

H.R. 6444. An act to amend the Railroad Retirement Act of 1937 to provide a 10 percent increase in annuities; to the Committee on Labor and Public Welfare.

ENROLLED JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the joint resolution (H.J. Res. 567) making certain urgent supplemental appropriations for the fiscal year 1971, and for other purposes, and it was signed by the President pro tempore.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider a nomination on the executive calendar.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDENT pro tempore. The nomination on the executive calendar will be stated.

U.S. DISTRICT COURTS

The assistant legislative clerk read the nomination of Charles R. Richey, of Maryland, to be a U.S. district judge for the District of Columbia.

Mr. SCOTT. Mr. President, I have known Mr. Richey very well for quite a period of years. He is an extremely able lawyer, very well qualified, and will be an adornment to this court.

The PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

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

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

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees be authorized to meet during the session of the Senate today.

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

REFERRAL OF S. 382 TO COMMITTEES ON RULES AND ADMINISTRATION, AND FINANCE

Mr. MANSFIELD. Mr. President, on January 28, 1971, S. 382, the "Federal Election Campaign Act of 1971," was referred to the Committees on Commerce, Rules and Administration, and Finance with instructions that the bill, after being reported first from one of these three committees, would commence the running of a 45-day period in which the remaining two committees must report their recommendations, if any.

The Committee on Commerce will report S. 382 this Friday. To facilitate the deliberations in the Rules and Administration and Finance Committees, I ask unanimous consent that the version of S. 382, as amended by the Commerce Committee, be referred to the Committees on Finance and Rules and Administration with instructions that it be reported back within 45 days.

Mr. SCOTT. I have no objection.

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

CORRECTION OF THE JOURNAL

Mr. MANSFIELD. Mr. President, on January 28, 1971, S. 382 was simultaneously referred to the Committees on Commerce, Finance, and Rules and Administration under instructions. The CONGRESSIONAL RECORD clearly reflects this action.

I ask unanimous consent that the Journal of Proceedings of January 28, 1971, be corrected to reflect the action of the Senate on S. 382.

The PRESIDENT pro tempore. Without objection, the correction of the Journal will be made as requested.

VIETNAM WAR RESHAPING DRUG TRADE

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an article published in the Christian Science Monitor for April 28, 1971, entitled "Viet War Reshapes Drug Trade."

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

VIET WAR RESHAPES DRUG TRADE

SAIGON.—Vietnam's long, agonizing war has had an unexpected side effect that is entirely unrelated to the conflict. It has significantly altered the pattern of the world's illicit narcotics trade.

Prompted by the addition of hundreds of thousands of young Americans stationed in Vietnam before the troop withdrawals began, the Vietnamese market has become so lucrative that time-honored traditional smuggling routes have been altered.

This is to keep an ever-increasing stream of opium, morphine, heroin, marijuana, and the newer chemical drugs—LSD, amphetamines and barbiturates—flowing into South Vietnam.

Opium and its derivatives—morphine and heroin—have been traditionally smuggled from the remote reaches of north Thailand, Laos, and Burma's Shan states southward to Bangkok. From there it is shipped to Hong Kong or carried overland to Penang or Singapore, and from these ports is distributed throughout the Far East, Southeast Asia, Australia, and the U.S. West Coast.

Now a large slice of this supply is being diverted from Bangkok to South Vietnam resulting in minor but noticeable "shortages" of the narcotics in other Asian ports.

Saigon itself has become a distribution center—not only for Vietnam—but for the United States and Europe.

TRUST TERRITORY OF THE PACIFIC ISLANDS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 78, S. 860.

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

The assistant legislative clerk read as follows:

S. 860, relating to the Trust Territory of the Pacific Islands.

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 Interior and Insular Affairs with amendments on page 2, after line 12, strike out the following:

Each loan shall bear interest (exclusive of premium charges for insurance and service charges, if any) at a rate per annum that is not less than the average yield on comparable marketable obligations of the United States as of the last day of the month preceding the date of the loan, adjusted to the nearest one-eighth of 1 per centum, which rate shall be determined by the Secretary of the Treasury upon request. Premium charges for the insurance and guarantee of loans shall be established at rates which will be adequate to cover expenses and probable losses related to the loan guarantee program.

On page 3, line 13, strike the word "fund";

On page 11, in line 23, strike out "claims," and insert in lieu thereof "claims covered by either chapter 1 or chapter 2 of this title,";

On page 12, after "claims" insert "covered by either chapter 1 or chapter 2";

On page 13, in line 15, strike out the word "chapter" and insert in lieu thereof "title";

On page 15, line 19, strike "(b)" and insert "(b),"; strike out "and"; at the beginning of line 21 insert "(d); and (e),";

On page 16, after line 11, strike out the following:

(c) If, with respect to any article, the President determines that the underlying economic factors affecting the production and trade of the Trust Territory of the Pacific Islands has changed so that the application of paragraph (a) results, or threatens to result, in substantial injury to the competitive trade of any contracting party to the General Agreement on Tariffs and Trade, he shall, by proclamation, suspend, in whole or in part, the application of paragraph (a) with respect to such article for such period or periods as he specifies in such proclamation.

And insert in lieu thereof:

"(c) If, with respect to any article, the President determines that the underlying economic factors affecting the production and trade of the Trust Territory of the Pacific Islands has changed so that the application of paragraph (a) results, or threatens to result, in substantial injury to the competitive trade of any contracting party to the General Agreement on Tariffs and Trade, he may, by proclamation, suspend, in whole or in part, the application of paragraph (a) with respect to such article for such period or periods as he specifies in such proclamation.

(d) Paragraph (a) shall not apply with respect to textile articles classified under schedule 3 of the Tariff Schedules of the United States, except: (1) those articles classified under items 300.10 through 300.50, 304.04, 304.10, 304.12, 304.14, 304.20, 304.22, 304.44, 306.00 through 307.40, 308.10, 309.60 through 309.75, 360.05 through 360.15, 361.44, and 390.10 through 390.60, inclusive of such schedules; and (2) articles cut, sewn, and otherwise fabricated by hand in cottages of the cottage industry and certified to be native handicraft items by a local government official in the Trust Territory.

(e) Any duty-free treatment proclaimed pursuant to paragraph (a) shall, for purposes of title III (tariff adjustment and other adjustment assistance) of the Trade Expansion Act of 1962 (19 U.S.C. 1901 to 1991), be treated as a concession granted under a trade agreement.;

On page 17, line 23, strike out "(d)" and insert in lieu thereof "(f)";

On page 18, line 5, after "TITLE V—" insert "NATIONALS AND"; so as to make the bill read:

S. 860

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—ECONOMIC DEVELOPMENT OF TRUST TERRITORY OF THE PACIFIC ISLANDS

SEC.101. For the purpose of promoting economic development in the Trust Territory of the Pacific Islands, there is authorized to be appropriated to the Secretary of the Interior, for payment to the government of the Trust Territory of the Pacific Islands as a grant in accordance with the provisions of this title, an amount which when added to the development fund established pursuant to section 3 of the Act of August 22, 1964 (78 Stat. 601), as augmented by subsequent Federal grants, will create a total fund of $5,000,000, which shall thereafter be known as the Trust Territory Economic Development Loan Fund.

SEC. 102. The grant authorized by section 101 shall be made only after the government of the Trust Territory of the Pacific Islands has submitted to the Secretary of the Interior a plan for the use of the grant, and the plan has been approved by the Secretary. The plan shall provide among other things for a revolving fund to make loans or to guarantee loans to private enterprise. The term of any loan made pursuant to the plan shall not exceed twenty-five years.

SEC. 103. No loan or loan guarantee shall be made under this title to any applicant who does not satisfy the territorial administering agency that financing is otherwise unavailable on reasonable terms and conditions. No loan or loan guarantee shall exceed (1) the amout which can reasonably be expected to be repaid, (2) the minimum amount necessary to accomplish the purposes of this title, or 25 per centum of the funds appropriated pursuant to section 101. No loan guarantee shall guarantee more than 90 per centum of the outstanding amount of any loan, and the reserves maintained to guarantee the loan shall not be less than 25 per centum of the guarantee.

SEC. 104. The plan provided for in section 102 shall set forth such fiscal control and accounting procedures as may be necessary to assure proper disbursement, repayment, and accounting for such funds.

SEC. 105. The High Commissioner of the Trust Territory of the Pacific Islands shall make an annual report to the Secretary of the Interior on the administration of this title.

SEC. 106. The Comptroller General of the United States, or any of his duly authorized representatives, shall have access, for the purpose of audit and examination, to any relevant books, documents, papers, or records of the government of the Trust Territory of the Pacific Islands.

TITLE II—CONTRIBUTIONS TO CERTAIN INHABITANTS OF THE TRUST TERRITORY OF THE PACIFIC ISLANDS

CHAPTER 1.—EX GRATIA CONTRIBUTIONS

SEC. 201. The Congress recognizes and declares that—

(1) certain Micronesian inhabitants of the Trust Territory of the Pacific Islands, now administered by the Secretary of the Interior, hereinafter referred to as the "Secretary", pursuant to the Act of June 30, 1954 (68 Stat. 330), as amended (48 U.S.C. 1681), suffered from the hostilities of the Second World War and the military occupation thereafter;

(2) the United States, while not liable for wartime damages suffered by the Micronesians, has responsibility for the welfare of the Micronesian people as the Administering Authority of the Trust Territory of the Pacific Islands;

(3) the Governments of the United States and Japan have agreed to contribute ex gratia the equivalent of $10,000,000 to the Micronesian inhabitants of the Trust Territory of the Pacific Islands, each Government contributing the equivalent of $5,000,000, Japan's contribution to take the form of products and services; and

(4) payment of these ex gratia contributions to certain Micronesian inhabitants of the Trust Territory of the Pacific Islands, and settlement of postwar claims, will meet a longstanding Micronesian grievance and will promote the welfare of the Micronesian people.

SEC. 202. (a) There is hereby authorized to be appropriated and paid into a Micronesian Special Fund the sum of $5,000,000, which shall be in addition to the appropriations authorized by section 2 of the Act of June 30, 1954, as amended.

(b) Funds approximating $5,000,000 appropriated to the Trust Territory of the Pacific Islands for supplies or capital improvements in accordance with section 2 of the Act of June 30, 1954, as amended, shall be paid into a Micronesian Special Fund as the products of Japan and the services of the Japanese people in the amount of one billion eight hundred million yen (currently computed at $5,000,000) are provided by Japan pursuant to article I of the "Agreement between the United States of America and Japan", signed April 18, 1969. These funds, together with the sum appropriated pursuant to subsection (a) of this section, shall constitute the whole of the Micronesian Special Fund.

SEC. 203. (a) There is hereby established a Micronesian Special Commission, hereinafter referred to as the "Commission", for the purpose of determining the Micronesian inhabitants who are entitled to ex gratia contributions from the Micronesian Special Fund. The Commission shall be under the control and direction of the Chairman of the Foreign Claims Settlement Commission. The Commission shall be composed of five members, who shall be appointed, in consultation with the Secretary of the Interior, by the Chairman of the Foreign Claims Settlement Commission, one of whom he shall designate as Chairman. Two members shall be selected from a list of Micronesian citizens nominated by the Congress of Micronesia. Any vacancy that may occur in the membership of the Commission shall be filled in the same manner as in the case of the original appointment. The members of the Commission shall serve at the pleasure of the Chairman of the Foreign Claims Settlement Commission. No Commissioner shall hold other public office or engage in any other employment during the period of his service on the Commission, except as an employee of the Foreign Claims Settlement Commission.

(b) The members of the Commission shall receive compensation and allowances as determined by the Chairman of the Foreign Claims Settlement Commission by applica-

tion of the rules and regulations which apply to officers and employees of the Trust Territory of the Pacific Islands, but in no event shall traveling and other expenses incurred in connection with their duties as members, or a per diem allowance in lieu thereof, exceed that prescribed in accordance with the provisions of subchapter 1 of chapter 57 of title 5, United States Code. The term of office of the members of the Commission shall expire at the time fixed in subsection (e) for completing the work of the Commission.

(c) The Commission may, subject to the approval of the Chairman of the Foreign Claims Settlement Commission, appoint and fix the compensation and allowances of such officers, attorneys, and employees of the Commission as may be reasonably necessary for its proper functioning, which employees shall be in addition to those who may be assigned by the Chairman of the Foreign Claims Settlement Commission to assist the Commission in carrying out its functions. The compensation and allowances of employees appointed pursuant to this section shall be within the rules and regulations which apply to officers and employees of the Trust Territory of the Pacific Islands, but in no event to exceed the amount of allowances prescribed in subchapter 1 of chapter 57 of title 5, United States Code. In addition, the Commission, with the approval of the Chairman of the Foreign Claims Settlement Commission, may make such expenditures as may be reasonably necessary to carry out its proper functioning. Officers and employees of any other Department or agency of the Government of the United States or the Government of the Trust Territory of the Pacific Islands may, with the consent of the head of such department or agency, with or without reimbursement, be assigned to assist the Commission in carrying out its functions. The Commission may, with the consent of the head of any other department or agency of the Government of the United States or the Government of the Trust Territory of the Pacific Islands, utilize, with or without reimbursement, the facilities and services of such department or agency in carrying out the functions of the Commission.

(d) The Commission shall, subject to the approval of the Chairman of the Foreign Claims Settlement Commission, prescribe such rules and regulations as are necessary for carrying out its functions. As expeditiously as possible and, in any event, within three months of its appointment, the Commission shall give public notice in the Trust Territory of the Pacific Islands of the time when, and the limit of time within which, claims may be filed, which notice shall be given in such manner as the Commission shall prescribe: *Provided,* That the final date for the filing of claims shall not be more than one year after the appointment of the full membership of the Commission. A majority of the membership of the Commission shall be necessary to transact business: *Provided further,* That an affirmative vote of at least three members shall be required for the promulgation of rules and regulations, and for the final adjudication of any claim.

(e) The Commission shall complete its work as expeditiously as possible and in any event not later than three years after the expiration of the time for filing claims under this title.

SEC. 204. (a) The Commission shall have authority to receive, examine, adjudicate, and render final decisions, in accordance with the laws of the Trust Territory of the Pacific Islands and international law, with respect to claims of the Micronesian inhabitants of the Trust Territory of the Pacific Islands who suffered loss of life, physical injury, and property damage directly resulting from the hostilities between the Governments of Japan and the United States between December 7, 1941, and the dates the various islands of Micronesia were secured by United States Armed Forces.

(b) A "Micronesian inhabitant of the Trust Territory of the Pacific Islands" is defined for the purposes of this title as a person who—

(1) became a citizen of the Trust Territory of the Pacific Islands on July 18, 1947, and who remains a citizen as of the date of filing a claim; or

(2) if then living, would have been eligible for citizenship on July 18, 1947; or

(3) is the successor, heir, or assign of a person eligible under subsection (1) or (2) and who is a citizen of the Trust Territory of the Pacific Islands as of the date of filing a claim.

(c) When all claims have been adjudicated, the Commission shall certify them to the Secretary for payment from the Micronesian Special Fund as provided in this section, except that as to claims based on death up to $1,000 shall be certified to the Secretary and paid immediately upon adjudication.

(d) No later than six months after its organization, and annually thereafter, the Commission shall make a report, through the Chairman of the Foreign Claims Settlement Commission, to the Committees on Interior and Insular Affairs of the Senate and House of Representatives concerning its operations under this title. The Commission shall, upon completing its work, certify to the Chairman of the Foreign Claims Settlement Commission, the Secretary of the Interior, and to the Congress of the United States the following:

(1) a list of all claims allowed, in whole or in part, together with the amount of each claim and the amount allowed thereon;

(2) a list of all claims disallowed;

(3) a copy of the decision rendered in each case.

(e) In the event that funds remain in the Micronesian Special Fund after all allowable and adjudicated claims are paid, such remaining funds shall be transferred from the Micronesian Special Fund to the Treasury of the Trust Territory of the Pacific Islands for appropriation by the Congress of Micronesia for the welfare of the people of the Trust Territory of the Pacific Islands. In the event that the allowable and adjudicated claims exceed a total of $10,000,000, the Secretary shall make pro rata payments.

(f) No payment shall be made on an award of the Commission unless the claimant shall first execute a full release to the United States and Japan in respect to any alleged liability of the United States or Japan, or both, arising before the dates of the securing of the various islands of Micronesia by the United States Armed Forces.

SEC. 205. There are authorized to be appropriated such sums as may be necessary for the operation and administrative expenses of the Commission and the Foreign Claims Settlement Commission under this Act.

SEC. 206. In view of the fact that the agreement for the payment of the ex gratia funds authorized by this chapter was negotiated by the Governments of the United States and Japan, and personnel appointed by the Secretary or the Commission will be available to assist the people of the Trust Territory of the Pacific Islands in filing all claims covered by either chapter 1 or chapter 2 of this title, no remuneration on account of services rendered on behalf of any claimant, or any association of claimants, in connection with any claim or claims covered by either chapter 1 or chapter 2 shall exceed, in total, 1 per centum of the amount paid on such claim or claims, pursuant to the provisions of this title. Fees already paid for such services shall be deducted from the amounts authorized by this title. Any agreement to the contrary shall be unlawful and void. Whoever, in the United States or elsewhere, demands or receives, on account of services so rendered, any remuneration in excess of the maximum permitted by this section shall be guilty of a misdemeanor and, upon conviction thereof, shall be fined not more than $5,000 or imprisoned not more than twelve months, or both.

CHAPTER 2.—POSTWAR CLAIMS

SEC. 207. In order to promote and maintain friendly relations by the settlement of meritorious postwar claims, the Micronesian Special Commission established by section 203 is authorized to consider, ascertain, adjust, and determine all claims by Micronesian inhabitants of the trust territory against the United States or the government of the Trust Territory of the Pacific Islands on account of damage to or loss or destruction of private property, both real and personal, or personal injury or death, including claims for a taking or for use or retention of property where no payments or inadequate payments have been made therefor, when such damage, loss, destruction, or injury was caused by the United States Army, Navy, Marine Corps, or Coast Guard, or individual members thereof, or military personnel or United States Government civilian employees, or employees of the trust territory government acting within the scope of their employment: *Provided,* That no claim shall be considered by the Commission unless it is presented in writing within the time provided in section 203(d) and the accident or incident out of which the claim arose occurred prior to July 1, 1951, within the islands which now comprise the Trust Territory of the Pacific Islands and within an area under the control of the United States at the time of the accident or incident: *Provided further,* That any such settlement made by the Commission and any payments made by the Secretary under the authority of this *title* shall be final and conclusive for all purposes, notwithstanding any other provision of law to the contrary, and shall not be subject to review.

SEC. 208. There are authorized to be appropriated $20,000,000, which shall be in addition to the appropriation authorized by section 2 of the Act of June 30, 1954, as amended, and which shall be used by the Secretary to pay the claims allowed under section 207.

SEC. 209. Any funds appropriated for the purposes of this chapter which remain after the settlement of claims under the provisions of this chapter shall be covered into the Treasury of the United States.

TITLE III—FREE ENTRY OF CITIZENS OF THE TRUST TERRITORY OF THE PACIFIC ISLANDS

SEC. 301. The Act of June 27, 1952 (66 Stat. 163), as amended, is further amended by adding at the end of title II thereof the following new section 293:

"SEC. 293. (a) Nothing contained in this title, except for sections 212(a), (27), (28), and (29), 215, and 241(a) (1), (6), and (7) shall be construed to limit, restrict, deny, or affect the coming into or departure from the United States of a citizen of the Trust Territory of the Pacific Island who presents a valid identity certificate issued by the High Commissioner of such territory: *Provided,* That nothing contained in this section shall be construed to give or to confer upon any such citizen any other privileges, rights, benefits, exemptions, or immunities under this Act, which are not otherwise specifically granted by this Act.

"(b) The High Commissioner of the trust territory shall issue an identity permit, upon request, pursuant to such regulations as he may prescribe, to any citizen of such territory who resided in the territory on July 18, 1947, including a citizen temporarily absent from the islands on that date, and to any citizen of such territory who was subsequently born or naturalized there, if after

that date or after his birth or naturalization he continued to reside in the trust territory or in the United States, its territories or possessions, and has taken no affirmative steps to acquire foreign nationality.

"(c) Any person who comes to the United States pursuant to the provisions of this section shall, upon completion of the residence and physical presence requirements of section 316(a) of this Act, be deemed to have been lawfully admitted to the United States for permanent residence as of the date of such coming, for the purpose of petitioning for naturalization."

TITLE IV—TARIFF SCHEDULES RELATING TO THE TRUST TERRITORY OF THE PACIFIC ISLANDS

SEC. 401. (a) The general headnotes of the Tariff Schedules of the United States (19 U.S.C. 1202) are amended by adding at the end thereof the following new headnote:

"13. TREATMENT OF TRUST TERRITORY OF THE PACIFIC ISLANDS AS INSULAR POSSESSION.

"(a) Except as provided in paragraph (b), (c), (d), and (e), the Trust Territory of the Pacific Islands shall, for purposes of these schedules, be treated as an insular possession of the United States.

"(b) Paragraph (a) shall not apply with respect to fishery products processed in the Trust Territory of the Pacific Islands from fish or fish products landed in the trust territory under conditions which would preclude such landings in ports of the United States under subsection (a) of section 4311 of the Revised Statutes, as amended (46 U.S.C. 251). For purposes of the preceding sentence, any vessel sailing under the flag of the trust territory and manned by a crew two-thirds of which are nationals of the United States (as defined in section 101(a)(22) of the Immigration and Nationality Act, 8 U.S.C. 1101 (a)(22)) or citizens of the trust territory shall not be considered to be a foreign-flag vessel.

"(c) If, with respect to any article, the President determines that the underlying economic factors affecting the production and trade of the Trust Territory of the Pacific Islands has changed so that the application of paragraph (a) results, or threatens to result, in substantial injury to the competitive trade of any contracting party to the General Agreement on Tariffs and Trade, he may, by proclamation, suspend, in whole or in part, the application of paragraph (a) with respect to such article for such period or periods as he specifies in such proclamation.

"(d) Paragraph (a) shall not apply with respect to textile articles classified under schedule 3 of the Tariff Schedules of the United States, except: (1) those articles classified under items 300.10 through 300.50, 304.04, 304.10, 304.12, 304.14, 304.20, 304.22, 304.44, 306.00 through 307.40, 308.10, 309.60 through 309.75, 360.05 through 360.15, 361.44, and 390.10 through 390.60, inclusive, of such schedules; and (2) articles cut, sewn, and otherwise fabricated by hand in cottages of the cottage industry and certified to be native handicraft items by a local government official in the Trust Territory.

"(e) Any duty-free treatment proclaimed pursuant to paragraph (a) shall, for purposes of title III (tariff adjustment and other adjustment assistance) of the Trade Expansion Act of 1962 (19 U.S.C. 1901 to 1991), be treated as a concession granted under a trade agreement."

(f) The Secretary of the Treasury is authorized to prescribe such rules and regulations as may be necessary to carry out the purpose of this headnote."

(b) The amendment made by subsection (a) shall apply with respect to articles entered, or withdrawn from warehouse, for consumption after the date of the enactment of this title.

TITLE V—NATIONALS AND CITIZENS OF TRUST TERRITORY OF THE PACIFIC ISLANDS SERVING IN ARMED FORCES

SEC. 501. Section 3253(c) of title 10, United States Code, is amended to read as follows:

"§ 3253(c). Army: persons not qualified

"In time of peace, no person may be accepted for original enlistment in the Army unless he (1) is a citizen of the United States, (2) has been lawfully admitted to the United States for permanent residence under the applicable provisions of chapter 12 of title 8, (3) is a national of the United States, or (4) is a citizen of the Trust Territory of the Pacific Islands and presents a valid identity certificate issued by the High Commissioner of such trust territory."

SEC. 502. Section 8253(c) of title 10, United States Code, is amended to read as follows:

"§ 8253(c). Air Force: persons not qualified

"In time of peace, no person may be accepted for original enlistment in the Air Force unless he (1) is a citizen of the United States, (2) has been lawfully admitted to the United States for permanent residence under the applicable provisions of chapter 12 of title 8, (3) is a national of the United States, or (4) is a citizen of the Trust Territory of the Pacific Islands and presents a valid identity certificate issued by the High Commissioner of such trust territory."

Mr. BURDICK. Mr. President, the pending bill, S. 860, relating to the Trust Territory of the Pacific Islands, represents the culmination of many years of effort to design legislation necessary to resolve several longstanding problems in the territory.

In 1968, Senators METCALF and Moss and I made an extensive tour through the territory, and upon our return to Washington drafted several bills to meet the pressing economic and social needs of the Micronesian people.

The trust territory is comprised of 2,100 islands in the western Pacific. These islands were, up until World War II, under the administration of Japan through a League of Nations mandate. The islands were captured during World War II, and in 1947 the United States became the administering authority under a trusteeship agreement with the Security Council of the United Nations. For some 25 years it has been our responsibility to improve the economic, political, educational, and social conditions of the 100,000 people who inhabit Micronesia. Until very recent years we have not done as much as we could to provide an adequate infrastructure of capital improvements, schools, and other necessities for that community. It is the purpose of S. 860 to meet some additional unmet needs through omnibus legislation.

Title I of the bill would authorize the appropriation of up to $5 million for an economic development loan fund. At the present time a loan fund exists and approximately $1 million has been appropriated for it, but the fund is exhausted. If the economy of Micronesia is to become viable, there must be seed money provided with which to develop it. There is virtually no private capital from savings or private sources within the territory, nor are the prospects good for obtaining outside capital.

Under the bill, there would be appropriated to the Secretary of the Interior to be paid to the trust territory government not to exceed $5 million. Before these funds are made available to the territory, the Secretary of the Interior must approve a plan for the use of the funds, including the policies and procedures to be followed in promoting the economic development of the territory. This would be done through a program of loans and loan guarantees to promote private industry and private enterprise. This would be a revolving loan fund operation, and the legislation provides the duration of such loans and requires the payment of interest at rates that would assure the continuation of the fund.

Economic resources in Micronesia are not extensive, but there are opportunities for development in agriculture, fishing, construction, and particularly in tourism. This provision of S. 860 will provide what Micronesia patently needs most—a mechanism to help establish a sound economy, which in turn will expand the tax base and thereby reduce the need for Federal grant funds upon which the territory is now almost completely dependent.

Another problem which has not been faced concerns the settlement of wartime claims and postwar claims of the Micronesian people. As is well known, many of the islands in the territory, such as Saipan and Peleliu, were virtually devastated during the Second World War. The Micronesians lost their homes, possessions, and many lost their lives as innocent victims of war. For many years the Governments of the United States and Japan have been negotiating a means whereby the claims of the Micronesians could be paid, and on April 18, 1969, a formal agreement was signed by which the two nations agreed to make an ex gratia contribution to the people of Micronesia in the amount of $10 million. Title II of S. 860 implements the executive agreement between the United States and Japan and authorizes the adjudication of wartime claims and, in addition, those claims arising during the post secure period from actions of members of the armed services of the United States. There is established a Micronesian special commission responsible for determining the validity of claims, and there is established a Micronesian special fund.

The bill authorizes the appropriation of $5 million to be paid into this fund by the United States as its share. As the products of Japan and the services of the Japanese people, for an aggregate value of $5 million, are made available to the government of the trust territory, the equivalent of such products and services to the extent of $5 million will be transferred from funds regularly appropriated to the trust territory into the Micronesia special fund. Thus there will be a total of $10 million available for the settlement of wartime claims.

The Special Commission which will adjudicate the claims will consist of five members—two of whom will be Micronesians—and will be under the control of the Chairman of the Foreign Claims Settlement Commission. All of the claims must be filed within 1 year after the appointment of the Commissioners, and thereafter there will be a 3-year period

during which the Commission will complete its task. If all of the claims exceed $10 million the Secretary of the Interior will prorate payments, and if there are any funds remaining after all the war claims are paid the balance will be paid into the treasury of the Trust Territory of the Pacific Islands for appropriation by the Congress of Micronesia for the welfare of the people.

Title II of the bill also authorizes the Micronesian Special Commission to consider, adjudicate, and make payments to the full satisfaction of Micronesians making claims against the United States as a result of damage to or loss or destruction of private property, and personal injury or death of inhabitants resulting from acts of members of the U.S. Armed Forces. These are claims that arose between the date of securing the islands and July 1, 1951. A total of $20 million is authorized for making payments on this category of claims, which we are advised is adequate to meet the claims that may be filed.

Title III of S. 860 amends the Immigration and Nationality Act to permit citizens of Micronesia to enter the United States freely without regard to the quota and visa provisions now applicable to them. For nearly 20 years it has been necessary to regulate both the entry of persons into the Trust Territory and the departure from that area of its citizens. Until 1963 even the entry of U.S. citizens into the territory was restricted. It is time that these barriers were removed and the people of Micronesia afforded an opportunity to enter this country in order to attend our schools and to receive training and skills that are essential for the development of their economy. There are only 100,000 people in the entire territory, and it is very unlikely that any great number of these persons will come to the United States except as short-term visitors.

Title IV of S. 860 amends the Tariff Schedules of the United States by adding a new general headnote which extends to articles entering on or after the date of enactment from the trust territory the duty-free treatment now accorded articles coming from the U.S. insular possession—Guam, American Samoa, and the Virgin Islands. As administering authority under the trusteeship, the United States has an obligation to promote economic development in the trust territory. Providing duty-free entry in the U.S. market of articles grown, produced, or manufactured in the trust territory is consistent with and supports existing programs to promote the economic advancement and self-sufficiency of the Micronesians. Exceptions to the duty-free treatment have been made in order to prevent the establishment of commercial operations in the trust territory which might prove detrimental to the overall interests of American industry and commerce or which might abridge our obligations as a contracting party to the General Agreement on Tariffs and Trade.

Paragraph (b) of title IV excludes from the duty-free treatment fish or fish products processed in the trust territory but landed in the trust territory from vessels which are not sailing under the flag of the trust territory and two-thirds manned by nationals of the United States or citizens of the trust territory. The Committee on Interior and Insular Affairs recognizes that the ocean and its living resources represent an important potential source of income to Micronesia and that fishing and fish processing should be given a high priority in the economic development of these islands. The committee believes that the limitations of this paragraph and the relief from injurious imports provided by paragraph (e) assure that such an economic development program would not have an adverse effect on U.S. fishing and fish canning industries nor permit the establishment of fishing operations which would enable another nation to reap the major benefits from these efforts or to circumvent U.S. tariff treatment which would otherwise apply to that nation.

Paragraph (c) of title IV, by authorizing the President to suspend duty-free treatment with respect to any article, would preclude the need for enactment of special legislation whenever the underlying economic factors affecting production and trade of the trust territory change as a result of the duty-free treatment and cause substantial injury to the competitive trade of any contracting parties. This provision is consistent with an understanding between the United States and other contracting parties to the General Agreement on Tariffs and Trade as embodied in a waiver obtained by the United States in 1948. As originally written, the bill would have required the President to take action under such circumstances. To provide flexibility in the use of this provision, the committee amended the provision to make Presidential action discretionary rather than mandatory.

Paragraph (d) of title IV excludes from duty-free treatment textile articles other than native handicraft items, raw fibers, certain rugs, scrap cordage, and rags. This paragraph recognizes the special problem of textile imports. The administration has strongly supported enactment of import quota legislation to deal with the problem. Granting duty-free treatment to all textiles would conflict with that policy. Extending the duty-free treatment would create a loophole through which foreign-made textiles, with a minimum of processing in Micronesia, could avoid the tariff or other import restrictions. At the same time, however, paragraph (d) recognizes the economic needs of Micronesia by permitting duty-free access in the United States market for those handicraft products for which Micronesia is interested in expanding sales. This provision was added by the committee following receipt of the views of executive branch agencies.

Paragraph (e) of title IV assures that in the event duty-free shipments from Micronesia cause or threaten to injure any domestic industry, firm, or group of workers, the same remedies as those available under title III of the Trade Expansion Act—tariff adjustment and other adjustment assistance—will apply. Under the procedures of that act, petitioners may request tariff adjustment and other adjustment assistance. Following a thorough Tariff Commission investigation and a finding that increased imports are the major cause of serious injury to an industry, or threat thereof, relief would be made available by imposition of a duty or other restriction. In the case of injured firms, relief would be in the form of technical, financial, or tax assistance. In the case of unemployed or underemployed workers, relief would be in the form of unemployment compensation, job retraining, and relocation. Thus, for purposes of these import relief provisions, duty-free shipments from Micronesia would be treated the same as imports subject to reduced duties under the trade agreement program. This provision also was added to the bill following receipt of the views of executive branch agencies.

Title V amends two sections of title 10 of the United States Code to make those persons who are nationals of the United States or citizens of the territory acceptable for enlistment in the Army or the Air Force. Under present law, enlistments in these two branches of the service are limited to persons who are citizens of the United States. Enlistment in the Navy, Marine Corps, and Coast Guard is not so restricted.

As a practical matter, many Micronesians, as well as nationals from American Samoa, are presently serving in the Navy and with the Marines, and the amendment in title V would simply permit individuals from Samoa and the trust territory to enlist in these additional armed services if they wish to do so.

Mr. President, I ask that there be included in the RECORD certain excerpts from committee report No. 92–76, giving further explanation of the purpose and intent of S. 860.

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

BACKGROUND

The islands which form the trust territory lie in three major archipelagoes to the north of the Equator in the western Pacific. The land area totals less than 700 square miles, but it is scattered over almost 3 million square miles of open ocean. About 97 of the more than 2,000 islands are inhabited; they range from low-lying coral atolls to high islands of volcanic origin. The Marianas Islands, which stretch to the north of Guam, and the western Caroline Islands, are typically high islands, although coral atolls, such as Ulithi, do occur. The eastern Caroline Islands are similiarly a mixture of high islands and coral atolls. The Marshals are entirely low coral atolls, usually a loose string of narrow sandy islands surrounding a lagoon.

These islands were governed between World War I and World War II by the Japanese as a League of Nations mandate. Converted into military bases by the Japanese, they were captured by allied forces during World War II and placed under Navy military government. Japanese colonists and military personnel were returned to their homeland after the war and in July 1947 the United States placed the former mandate under the newly established United Nations trusteeship system. In recognition of the defense value of these islands, the provisions of the United Nations Charter relating to strategic areas were brought into play, and the trusteeship agreement was concluded between the United States and the Security Council. Under the trusteeship agreement, the United States has

undertaken to promote the educational, social, political, and economic development of the people of the territory.

Administrative responsibility was first vested by the President in the Navy but was transferred to the Secretary of the Interior on July 1, 1951. In 1952, administrative responsibility for the northern Mariana Islands was reassigned to the Navy, and the dual administration continued until July 1, 1962. On that date the Marianas were returned to Interior supervision, and the headquarters of the trust territory government were moved to Saipan as provisional capital of the territory.

U.S. authority is vested in a High Commissioner, who is appointed by the President, by and with the advice and consent of the Senate. The High Commissioner's legislative authority was granted to the Congress of Micronesia on the day of its first session in 1965, but the High Commissioner retains veto power over measures passed by the Congress of Micronesia.

Six administrative districts, which roughly conform to geographic and ethnic divisions, have been established and have formed basic elements in American administration of the area.

During the period of July 1, 1951, through the end of fiscal year 1970, more than $250 million has been appropriated to the Department of the Interior for administration of the area, including capital improvements. (This total is exclusive of funds appropriated to the Navy for the northern Mariana Islands during the years 1953–62.) For fiscal years 1952 through 1962 the annual appropriation ranged from $4,271,000 to a high of $6,304,000 in fiscal year 1962. These funds were within the $7.5 million authorization approved in 1954, and provided minimal basic services to a people who were largely on a subsistence economy.

Enactment of Public Law 87–541 in 1962 increased the Federal appropriation authorization for the trust territory from $7.5 to $15 million for fiscal year 1963 and $17.5 million thereafter.

Enactment of Public Law 90–16 in 1967 further increased authorization for the territory from $17.5 to $25 million for fiscal year 1967 and to $35 million for fiscal years 1968 and 1969. The act of October 21, 1968 (Public Law 90–617) resulted in additional increases to $50 million for fiscal years 1970 and 1971.

By Public Law 91–578 enacted in 1970, Congress again increased authorizations for the Territory to a level of $60 million for each of the fiscal years 1971, 1972 and 1973, in order to provide essential funds to better discharge the responsibilities assumed by the United States for this Pacific area.

NEED

While grant funds to the Trust Territory have risen steadily in recent years, the fact remains that many other needs of the Territory and desires of its citizens have gone unmet. It is the intent of S. 860 to provide additional tools to aid the territory in improving its economy and the welfare of its inhabitants through several devices, including the settlement of longstanding claims arising from the conflict between the United States and Japan.

ECONOMIC DEVELOPMENT

In February 1967, a comprehensive economic study of the trust territory, prepared by the internationally known economic consulting firm of Robert Nathan Associates, was submitted to the High Commissioner. This study shows that economic resources of the trust territory are limited, yet with suitable guidance and assistance the potentials that exist can be developed. At the present time most of the population is in a subsistence economy. However, at least in the district centers and on Ebeye in the Marshall Island district, this pattern is changing and there is a significant movement into a limited cash economy.

During January 1968, Senator Burdick, chairman of the Territories Subcommittee, along with Senators Metcalf and Moss, made an inspection through Micronesia. Aside from a new fish freezing plant in the Palau district, a large cattle ranching enterprise on Tinian and a new first-rate tourist hotel on Saipan, both in the Mariana district, the subcommittee found almost no economic development in the territory. For the most part, the people of Micronesia rely on a subsistence agricultural and fishing economy, or on government input for cash. Economic resources in Micronesia are not large, however, opportunities for development do exist in agriculture, fishing, construction, wholesale and retail trade and services, tourism and travel, and air and sea transportation. These possibilities can only be realized if capital is made available with which to develop them.

The economic consultants have pointed out that local private capital from savings or from present private or governmental borrowing cannot meet the total needs. Nor are prospects of obtaining outside capital investment good, in view of the uncertainty of the political future of Micronesia.

Section 3 of Public Law 88–487 granted approximately $369,000, which represented the balance in an existing revolving fund, for loans to private trading companies in the Trust Territory, to the government of the Trust Territory "for use as a development fund within the Trust Territory of the Pacific Islands." This fund has been augmented by appropriations until it has reached a current capitalization in excess of $1,000,000. The effect of the bill would be to increase the fund to $5,000,000 and to provide useful guidelines for basic lending policies.

Title I of S. 860 will provide what Micronesia patently needs most—an economic mechanism to help develop a viable economy. The bill authorizes to be appropriated to the Secretary of the Interior, to be paid to the government of the trust territory for the purposes of the act, not to exceed $5 million. Prior to the time the authorized funds are made available to the territory, a plan for the use of the funds is to be submitted to the Secretary and approved by him. It must set forth the policies and procedures to be followed in promoting the economic development of the territory through a program of loans and loan guarantees to promote private enterprise and private industry, and make provision for a revolving fund for such purposes.

The term of any loan made under this title would not exceed 25 years, and the maximum term is not to be granted except in cases involving projects requiring substantial construction of buildings, et cetera. Otherwise, the duration of loans should range from a period of 15 to 25 years, as is presently required by the act governing the Small Business Administration. All loans would require payment of interest at rates that would assure the continuation of the fund.

Section 103 provides that no loan or loan guarantee shall be made under this act to any applicant who does not satisfy the agency administering the plan that financing is otherwise not available on reasonable terms. This section also makes clear that the maximum participation in the funds made available, with respect to all loans, shall be limited to that degree of participation that is prudent, but in no event shall more than 25 percent of the funds actually appropriated be devoted to any single project; with respect to loan guarantees, to a guarantee of 90 percent of any loan. A further provision with respect to loan guarantees requires that the reserves maintained for the guarantee shall not be less than 25 percent of the guarantee.

Section 104 requires that the plan provided for in section 102 shall contain such fiscal and accounting procedures as will assure proper disbursement and repayment of all loans.

Sections 105 and 106 require that the High Commissioner of the Trust Territory shall make an annual report to the Secretary of the Interior on the administration of the title, and authorize the Comptroller General of the United States to audit the agency, or agencies, administering the loan program.

CONTRIBUTIONS TO CERTAIN MICRONESIANS

Title II contains two chapters. Under Chapter 1 there is established a five-member Micronesian Special Commission to adjudicate claims of Micronesian inhabitants of the trust territory resulting from the hostilities of the Governments of the United States and Japan during World War II. It will establish also a Micronesian Special Fund, and authorize the appropriation of $5 million to be paid into this Fund by the United States as its share of the Fund. The Secretary of the Interior is authorized to create and manage the Fund and shall pay such meritorious claims as are adjudicated by the Micronesian Special Commission to the defined Micronesian inhabitants of the Trust Territory of the Pacific Islands.

Section 202 authorizes the appropriation of $5 million to be paid into a "Micronesian Special Fund," which sum is separate from funds appropriated and subject to the limitation on appropriations contained in section 2 of the act of June 30, 1954, as amended. As the products of Japan and the services of the Japanese people, having an aggregate value of 1.8 billion yen, are made available to the government of the trust territory, the cash equivalent of such products and services to the extent of approximately $5 million shall be transferred from the funds regularly appropriated to the trust territory for supplies or capital improvements to the Micronesian Special Fund. These funds, together with the funds authorized to be appropriated, shall constitute the whole of the exgratia contributions in the Micronesian Special Fund.

Section 203 establishes a Micronesian Special Commission to be composed of five members, such Commission to be under the control and direction of the Chairman of the Foreign Claims Settlement Commission. The five members shall be appointed, in consultation with the Secretary of the Interior, by the Chairman of the Foreign Claims Settlement Commission, who shall designate one member as chairman. Two of the members shall be selected from a list of Micronesian citizens nominated by the Congress of Micronesia. Other subsections of section 203 provide for the fixing of compensation and allowances of the members and for the appointment, compensation, and allowances of such staff personnel as the Commission may reasonably require for its proper functioning, and authorize the promulgation of necessary rules and regulations and set final dates of filing claims (not more than 1 year after the appointment of the Commission). The Commission shall proceed as expeditiously as possible and shall conclude its affairs no later than 3 years after the expiration of the time for filing claims.

Section 204 gives the Commission authority to receive and adjudicate claims of the Micronesian inhabitants of the trust territory who suffered loss of life, physical injury, and loss of or damage to personal property directly resulting from the hostilities between the Governments of Japan and the United States between December 7, 1941, and the dates of the securing of the various islands of Micronesia by the Armed Forces of the United States.

Six months after its organization, and annually thereafter, the Commission shall report to the Congress concerning its operations, and upon completion of its work it shall certify to the Chairman of the Foreign Claims Settlement Commission, the Secre-

tary of the Interior, and the Congress a list of all claims allowed, in whole or in part, together with the amount of each claim and the amount awarded thereon; a list of all claims disallowed; and a copy of the decision rendered in each case.

In the event funds remain in the special fund after all war claims are paid, such balance shall be paid into the treasury of the Trust Territory of the Pacific Islands for appropriation by the Congress of Micronesia for the welfare of the people of the trust territory. If all adjudicated claims exceed $10 million, the Secretary shall determine the necessary proration and make payments accordingly. Settlement of the claims shall be by a full release to the United States and Japan in respect to the liability of either or both.

Section 205 authorizes the appropriation of such sums as may be necessary for the operation and administrative expenditures of the Foreign Claims Settlement Commission and the Micronesian Special Commission.

Section 206 as amended imposes a limitation upon attorney's fees which is applicable to both wartime and postwar claims.

Chapter 2 of Title II authorizes the Micronesian Special Commission to consider, ascertain, adjust, determine, and make payments, where accepted by the claimant in full satisfaction of final settlement of all the claims of Micronesian inhabitants against the United States arising as a result of damage to or loss or destruction of private property, both real and personal or personal injury or death of the inhabitants of the Trust Territory of the Pacific Islands as a result of acts by members of the U.S. armed services, employees of the U.S. Government including employees of the trust territory, who were acting in their official capacities. The claims to be considered by the Micronesian Special Commission must be presented in writing within 1 year after the effective date of the act. Only those claims that arose prior to July 1, 1951, will be considered by the Commission.

Any settlements made by the Commission and any payments made by the Secretary as a result of those settlements shall be final and conclusive and not subject to review.

Section 208 of title II authorizes the appropriation of $20 million for use by the Secretary for the purpose of making payments on claims adjudicated by the Micronesian Special Commission for postsecure damages.

Section 209 of title II provides that any funds appropriated for the purposes of Chapter 2 which remain unexpended after settlement of all claims provided for under Chapter 2 shall be returned to the Treasury of the United States.

COMMITTEE COMMENT

The committee has been advised by the Interior Department that the amounts set forth in Chapter 2 of this title are believed adequate to adjust known claims outstanding. Further, the committee wishes to make clear that the Special Commission shall only consider the valuation placed on these claims as the value of the property at the time of its loss or destruction. The payment of interest on awards is not authorized.

IMMIGRATION

Title III of S. 860 amends the Immigration and Nationality Act to permit free entry of citizens of the Trust Territory of the Pacific Islands into the United States. It adds a new section, section 293, to the Immigration and Nationality Act, as amended (66 Stat. 163) which will permit citizens of the Trust Territory of the Pacific Islands to enter the United States freely, without regard to the quota and visa provisions of the Immigration and Nationality Act—which are now applicable to them—and subject only to those sections of that Act providing for the exclusion and removal of subversives.

This title does not extend to Trust Territory citizens the privileges of counting residency in the territory toward the residency requirements for naturalization. It does provide, however, that any person permitted to enter the United States pursuant to its provisions, and subsequently residing in the United States, will be considered to have been lawfully admitted for permanent residence for the purpose of petitioning for naturalization. The title specifically provides that nothing contained in the new section added to the Immigration and Nationality Act shall be construed to give or to confer upon citizens of the territory any other privileges, rights, benefits, exemptions, or immunities under the Immigration and Nationality Act which are not otherwise specifically granted by the provisions of the Act.

For nearly twenty years, because of the state of development which existed in the Trust Territory following World War II, it was necessary to regulate both the entry of persons into the Trust Territory and the departure from the area of its citizens. Up until mid-1963, even the entry of United States citizens into the Territory was restricted. These restrictions no longer exist.

Title III would remove the requirement for obtaining a student visa and the attendant restrictions presently applicable to Trust Territory students, thus permitting any Trust Territory student to attend the school of his choice, if he is otherwise qualified, with a minimum of difficulty. It would also permit students lacking adequate funds greater freedom in seeking gainful employment for the purpose of financing their education. Further, removal of these restrictions will greatly facilitate entry of Micronesians into the United States to obtain training in skills so vital to the economic development of the territory.

The United States, as the administering Nation, has opened the Trust Territory to Americans, and in the interest of comity it is believed we likewise should open the United States to the citizens of the Trust Territory. By reason of education, financial status, and social customs, it is not likely that any great number of these persons would come to the United States except as short-term visitors or students.

TARIFF

Title IV of S. 860 as amended amends the general headnotes of the Tariff Schedules of the United States to treat the Trust Territory of the Pacific Islands as an insular possession of the United States for the purposes of the United States Tariff Schedules with certain exceptions. For example, an exception is made as to fishery products processed in the Trust Territory from fish or fish products landed in the Trust Territory by foreign-flag vessels. Any vessel sailing under the flag of the Trust Territory and manned by a crew two-thirds of which are nationals of the United States or citizens of the Trust Territory shall not be considered to be a foreign-flag vessel.

The Committee has adopted several amendments recommended by the Department of Commerce. As amended, title IV contains safeguards against the possible development of trade with the Trust Territory that might be harmful to American industry. The Department of Commerce has pointed out that in recent years duty free entry of articles such as buttons, watches and watch movements, and shower-proofed wool fabrics from insular possessions has created serious import competition to U.S. producers, and has necessitated the enactment of legislation restricting the entry of these items.

In order that there may be administrative means of dealing with such problems in the Trust Territory should they occur, language has been included in the bill providing that any duty free treatment afforded the Trust Territory shall, for purposes of title III (tariff adjustment and other adjustment assistance) of the Trade Expansion Act of 1962 (19 U.S.C., sections 1901 to 1991) be treated as a concession granted under a trade agreement.

Another amendment suggested by the Commerce Department and adopted by the Committee would preclude the duty free entry of foreign-made textiles from the Trust Territory into the United States.

A final amendment recommended by Commerce and incorporated into title IV (headnote 13(c)) makes that headnote conform to the language of the waiver in the General Agreement on Tariffs and Trade with regard to tariff treatment of the Trust Territory. Rather than "require" the President to suspend the duty free privilege in whole or in part when he determines that production and trade of the Trust Territory threatens to result, or results, in substantial injury to the competitive trade of any contracting party, to the General Agreement on Tariffs and Trade, he is "authorized" to make such suspension.

United States Development policy in the Trust Territory has been to encourage Micronesians to establish commercial and industrial enterprises. Some such enterprises have been established but there is no large-scale industrial activity. However, potential exists for the upgrading of the Micronesian economy in the development of tourist-related enterprises, marine resource processing and marketing facilities, handicraft and the copra industry. Trade preference for the Trust Territory of the Pacific Islands could make an important contribution in developing the economy and the standard of living in the area.

VOLUNTARY SERVICE IN U.S. ARMY AND AIR FORCE

Title V of S. 860 allows citizens of the Trust Territory of the Pacific Islands to serve in two additional armed services.

Title V amends sections 3253(c) and 8263 (c) of Title 10, United States Code, to make those persons who are nationals of the United States and who are citizens of the Trust Territory of the Pacific Islands acceptable for enlistment in the Army and Air Force of the United States.

Under existing law, enlistment in the Army and in the Air Force in peace time is limited to persons who are citizens of the United States, or who are aliens who have been lawfully admitted to the United States for permanent residence. Enlistment in the Navy (including the Marine Corps) is not restricted in this manner (see 10 U.S.C. 5532). Similarly, enlistment in the Coast Guard is not restricted (see 14 U.S.C. 351).

As a practical matter many Micronesians and American Samoans are presently serving in the U.S. Navy and Marine Corps. Enactment of Title V would permit these people to volunteer in two additional armed services of the United States if they wish to do so.

A formal request to allow the citizens of the Trust Territory of the Pacific Islands to serve in the Armed Forces of the United States was made by the Eighteenth Saipan Legislature in its Resolution No. 18–3–66 of January 28, 1966.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the amendments be considered en bloc.

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

The amendments were agreed to en bloc.

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

Mr. MANSFIELD subsequently said: Mr. President, I move to reconsider the vote by which S. 860 was passed.

Mr. BURDICK. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NOTICE OF CONSIDERATION OF A BILL

Mr. MANSFIELD. Mr. President, for the information of the Senate, around 1 o'clock p.m. today, the Senate will take up Calendar No. 74, S. 646, a bill to create a limited copyright in sound recordings.

FARM VEHICLE DRIVER QUALIFICATIONS

Mr. MANSFIELD. Mr. President, those of us in the Congress representing States with large agriculture interests have been receiving hundreds and thousands of letters opposing motor carrier safety regulations for farm vehicle operators. This group has been historically exempted. The new regulations, if approved, would require that every farmer, member of his family, or employee driving trucks in interstate commerce would have to be 21 years of age and meet a number of other requirements. I find it difficult to understand why this group is being brought under these regulations. It would place a great financial burden on the small farmers and ranchers. Traditionally, farmers have depended upon family members and young people hired to drive farm vehicles. It must be remembered that these young people are raised with the proper respect for the operation and use of these vehicles. In fact, I think the safety record is quite high in this area. At a time when we are attempting to place additional responsibilities on our young people, the Department of Transportation is working in the opposite direction.

I have addressed myself to the Secretary of Transportation on this matter and I ask that my letter by printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. MANSFIELD. Mr. President, the farmers and ranchers of the Nation are faced with some extremely difficult problems today. The agricultural economy has not kept up with the rest of the Nation and yet the Department of Transportation wants to place some additional burdens on these people. I understand that some of the farm groups are attempting to work out a compromise in this matter, and I do hope that the Department will, at the least, agree to an exemption for lightweight farm vehicles.

In conclusion, I ask unanimous consent to have an editorial from the Park County News of April 14, 1971, printed in the RECORD.

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

ANOTHER PENALTY FOR FARMERS

American ranchers and farmers likely will get "clipped" again, will have to pay more, go through a lot more "red tape" and some will be prohibited from driving their own trucks, regulations, effective July 1, 1971 of the U.S. Department of Transportation's Department of Motor Carrier Safety, indicate.

The Enterprise is indebted to Mr. and Mrs. J. E. Frame of Wilsall for calling this to our attention. Stiffening state driver license regulations make sense, but to add these new Uncle Sam regulations hardly makes sense at a time when Agriculture and Ranching are finding it more and more difficult to make ends meet.

The new regulations include: Drivers must be at least 21; must carry a medical certificate evidencing they meet prescribed physical requirements; must pass a road test; must take a federal safety rule test; farmers or ranchers must see that employees' records of accidents, requirements are on file at all times.

The American Farm Bureau, National Grange and other farm organizations have protested, but there needs to be a "grass roots movement"' to protest, via the Congressional delegations, for relief from such stupidity.

The Farm Bureau terms the proposed regulations "Unwarranted" on the basis of the safety record of farmer-drivers, citing actuarial data of the National Association of Independent Insurors that the amount of bodily injury claims paid per farm truck policy is about one-third the amount paid per policy for all non-fleet trucks.

Before the Federal Bureaucracy hangs another noose around your neck to hamstring farmers and ranchers it is up to them to fight. Write a letter or send a copy of this to Senators Mike Mansfield and Lee Metcalf and Congressmen Dick Shoup and John Melcher in Washington. Do it today. Don't wish you had protested after it is too late.

EXHIBIT 1

APRIL 29, 1971.

Hon. JOHN VOLPE,
Secretary, Department of Transportation, Washington, D.C.

DEAR MR. SECRETARY: In recent weeks I have received hundreds of letters from farmers, ranchers and other citizens in Montana protesting the new driver qualifications being considered by the Department of Transportation. The regulations, as I understand them, would bring farm vehicles under the motor carrier safety regulations and would require that a farmer, members of his family or employee driving a truck in interstate commerce would have to be 21 years of age and have met a number of other requirements.

The adoption of this rule would place an extreme hardship on many farmers and ranchers in a State like Montana. As you know, many farm families have relied upon their sons for help after they had met the State driving qualifications. To bring farm vehicles under the Federal regulations would make it very difficult and would place additional financial burdens on this small type of operation.

It seems strange that at a time when we are lowering the voting age and giving adult privileges to young people at the age of 18, the Department of Transportation would turn around and impose this 21-year-old restriction. I am not aware of any statistics indicating that young drivers of farm vehicles are any more irresponsible than their elders. We must not forget that these young people living on farms and ranches are brought up with proper knowledge and respect for the equipment.

I am informed that, because of the volume of complaints brought about by the proposed regulations, an effort is underway to bring about an accommodation between the Department and representative farm groups. I support this effort and believe that there should be an exemption at the least, for lightweight farm vehicles. Farmers and ranchers of my State are finding it difficult to compete economically under present conditions, and I see no reason why we should add these additional burdens.

I support efforts to impose reasonable driver qualifications in the interests of safety, but I feel that, in this instance, it is uncalled for and merely an extension of zealous, bureaucratic procedures. Your intercession with the Bureau of Motor Carrier Safety would be most appreciated.

With best personal wishes, I am

Sincerely yours,

MIKE MANSFIELD.

Mr. MANSFIELD. Mr. President, I agree completely with the distinguished chairman of the Committee on Agriculture and Forestry.

Let me reiterate that what we are doing is trying to break down established and needed patterns in the development of the farm economy. I use the word "development" advisedly because our farm economy and our farm population is decreasing. The trend is toward the urban areas.

Mr. TALMADGE. Mr. President, will the distinguished majority leader yield at that point?

Mr. MANSFIELD. I am happy to yield to the distinguished chairman of the Committee on Agriculture and Forestry.

Mr. TALMADGE. I congratulate the distinguished minority leader on the statement he has just made. I concur fully with him in that regard.

When it was called to my attention that the Secretary of Transportation was about to make some drastic regulations in this regard, in my capacity as chairman of the Committee on Agriculture and Forestry, I wrote the Secretary of Transportation protesting and asked him to reconsider the regulations that he proposed to issue.

As the able majority leader knows, most farm vehicles are used on the farms and are not used on paved roads of any kind. If the Secretary of Transportation applies regulations to members of farm families that drive their trucks incidentally on interstate highways, it will do irreparable damage to the agriculture of this Nation.

AMTRAK

Mr. MANSFIELD. Mr. President, coincidentally with the discussion of the proposed regulations to be issued by the Secretary of Transportation on drivers of farm vehicles, there has come from the Department of Transportation the question of Railpax, which takes away from the State of Montana the main passenger line, which is the Northern Pacific, and also the main short line running from Butte, Mont., down to Salt Lake City, Utah, through southern Idaho.

It is my hope that the Committee on Commerce, which I understand is in session today, will report a resolution seeking to undo what Railpax or Amtrak as it is now called, is supposed to do on May 1, this coming Saturday.

If that resolution is reported, it is my intention, if I can get the unanimous consent of the Senate, to call up that resolution for immediate consideration because time is wasting.

May I say that I have a great personal regard and affection for Mr. John Volpe, the Secretary of Transportation, but having this matter of farm vehicle driver qualification and Railpax affecting the State of Montana coming out of that department gives me cause for grave concern.

Mr. SCOTT. As far as Amtrak is con-

cerned, I can only say at this time that I fear that postponement would not result in improvement of the economic situation of the railroads over the next 6 months and that likely their condition will only worsen.

I suspect that the only way to save the railroad passenger service at all is to begin with Railpax and the Amtrak which have already been signed rather than to lose everything.

I am from a State in which we particularly deplore the loss of service to Erie, Johnstown, Allentown, York, Bethlehem, and other communities.

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

Mr. SCOTT. I yield.

Mr. MANSFIELD. Mr. President, may I say that the effort to implement Railpax, now called Amtrak, as far as the State of Montana is concerned should be called Halftrack. If it does not go into operation on Saturday, the railroads will continue. However, if this plan goes into operation on Saturday, it means that the State of Montana can lose the service of the Northern Pacific which covers 85 percent of the State and 80 percent of the population. We have 148,000 miles in the State of Montana. We need this transportation.

I am getting a little bit fed up with all the attention being paid to the urban centers and none to the rural areas. We are a part of the Union of the United States, too. When those railroads came out they were given land grants. Now they have huge forest areas. They have oil areas. One railroad, the NP, has a vice president for oil.

They got these possesions on the basis of grants from the Federal Government. They were given to the railroads to open the West and furnish service to the people. And if they cannot furnish service to the people, I say that we should take away the land grants from them and return them to the people and use them for education and other purposes.

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

Mr. SCOTT. I yield to the Senator from Ohio.

Mr. MANSFIELD. And Cleveland.

The PRESIDING OFFICER (Mr. PELL). The 3 minutes of the Senator from Montana have expired.

Mr. SCOTT. Mr. President, I ask unanimous consent that I be recognized for 3 minutes in my own right.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized for 3 minutes.

Mr. SCOTT. Mr. President, I yield to the Senator from Ohio.

Mr. SAXBE. Mr. President, I would like to point out that the statement that the Railpax was designed for the industrial urban centers has not proven to be the case when one thinks that the cities in northern Ohio, beginning at Toledo and continuing to Cleveland and Youngstown, which contain more population than several Western States, have been completely left off. For a person from Cleveland to avail himself of railroad transportation requires that he travel to Crestline or Canton, where he would find a train that would go to Pittsburgh and connect up with others to the east or west.

I might point out that the city of Detroit, Mich., has access only to the West. He would have absolutely no access to the usual routes to the east.

I cannot believe they are sincere about trying to serve people. I realize there will be extreme difficulty in getting people to ride the trains. I know there are many difficult situations involving the cities. However, unless an effort is made to run the trains where the centers of population are, then I cannot help joining with the Senator from Montana in deploring a situation in which people are not going to be served by what has been for years basic transportation.

Mr. MANSFIELD. Mr. President, I point out that there is no north-south line between Chicago and the west coast. However, as far as the east coast and the west coast are concerned, they are well taken care of. Those of us, however, who live in the heartland of America, the areas which produce the wealth of this Nation so that people can come to the urban areas, should not be left out in the cold.

The least that can and should be done is a 6-month postponement in putting Amtrak, as it is now called, into operation.

The people in the heartlands of America are entitled to consideration.

Mr. ALLEN. Mr. President, I might say at the outset that I am in complete sympathy with the distinguished Senator from Montana, the distinguished majority leader of the Senate in his plea that some attention be given to rural or agricultural areas in Government programs.

I applaud, too, his statement that his great State of Montana is part of these United States and that it should be treated as such.

The junior Senator from Alabama has stood here on the Senate floor and pled—along with other Members of the Senate from our section of the country—for equal treatment for the people of our area and specifically for a uniform Federal policy on public school desegregation. We have pled for equal treatment. We have pled that some consideration be given to the rural areas of our country and to deemphasize some of the attention that is being given to the large cities and great urban areas of our country under Federal programs.

I do not say they should not be considered jointly and in connection with each other, but some little consideration should be given to some areas of the country other than the large urban centers.

Mr. President, in the same connection, my remarks today have to do with the unfairness and shortsighted nature of the agricultural program of the administration, particularly as it affects cotton.

REQUEST FOR FURNISHING EARLIER INFORMATION TO MINORITY COMMITTEE MEMBERS OF COMMITTEE INTENTIONS

Mr. SCOTT. Mr. President, some of the minority members of the Committee on Commerce have indicated they would appreciate the courtesy of earlier information on rather sudden actions of the committee at times. I am not speaking critically. I was not there, but I understand that a nomination was to come up at 10 o'clock this morning. Members of the committee were advised at 9:15. I believe that with respect to an executive session on legislation, notice was received in less than a timely manner.

I simply suggest that it would be better if the minority were to have an opportunity to know well enough in advance so that they might prepare themselves for the legislation.

I am sure that the distinguished majority leader would feel the same way. However, it becomes very difficult when one is asked to confirm someone on 45 minutes' notice. I know of no objection to the gentleman at all.

ORDER OF BUSINESS

The PRESIDING OFFICER. Under the previous order, the Senator from Alabama is recognized for not to exceed 15 minutes.

THE 1971 COTTON PROGRAM

Mr. ALLEN. Mr. President, on March 15 and 16 the Subcommittee on Agricultural Research and General Legislation held hearings on major provisions of the 1971 cotton program. These hearings were held pursuant to the request of the chairman of the full committee, the distinguished Senator from Georgia (Mr. TALMADGE), who is making a record as an outstanding chairman of the Committee on Agriculture and Forestry, who is devoted to the interests of the farmers of this country, and who has served with distinction on the Committee on Agriculture and Forestry since coming to the Senate.

These hearings were held as a means of affording spokesmen for all segments of the cotton industry, as well as representatives of the U.S. Department of Agriculture, an opportunity to present their views on the impact of the new program as announced on December 8, 1970. More specifically the views of these spokesmen were sought with respect to three major areas of interest: First, the income of the producer; second, anticipated production; and third, levels of consumption by our domestic and export customers.

Individuals representing wide-ranging viewpoints testified at the sessions, and it is my feeling that the record of these proceedings is representative of the general attitude of the overall industry at the present time.

Now, based on the record of such hearings, I would like to make a few observations concerning what we might reasonably anticipate the general conditions to be in cotton during the 1971 producing and marketing year, and also concerning the general approach being taken by the U.S. Department of Agriculture.

Mr. President, I assure you that this Department's position, while completely amorphous a year ago, when we were attempting to draft a new farm law, has now begun to take a very definite shape; one that, in all too many instances, can only be characterized as rigid and inflexible.

Thus far the USDA has exhibited an

almost complete unwillingness to admit the possibility of a mistake having been made in its 1971 cotton program.

Yet the preponderance of the evidence submitted at the hearings last month might be summed up with one forewarning: Either cotton income will undergo a substantial reduction in 1971, or we are going to lose—and probably lose irreparably—valuable, even crucial, markets for our cotton.

Therein lies one of the chief defects of the program of the Department of Agriculture; that with an enforced scarcity of the production of cotton we are going to lose our foreign markets. The Communist nations are exporting more and more cotton, and they will seize these markets if we do not produce enough cotton to satisfy world demand.

In view of this situation, the Senate might wonder what has been the reaction of those in authority at the Department of Agriculture.

At best it has been one of complete complacency; at worst total nonchalance.

On March 19, following the hearings before our subcommittee, I wrote Secretary Hardin to inquire what, if any, action the Department contemplated to safeguard farm income adequately; and asked that certain of administrative decisions be reviewed. Although this was more than 4 weeks ago, Secretary Hardin has neither responded to my letter nor to a similar request which was directed to him by the chairman of the full committee, the distinguished Senator from Georgia.

Secretary Hardin's failure to reply is somewhat indicative of USDA's current "Why worry?" attitude. Repeatedly during our hearings departmental spokesmen blithely assured us that market prices would average above the loan of 1971, and that farm income would thus be adequately protected.

It is interesting to note that while the USDA's 1971 price support loan is the lowest for middling one-inch cotton since 1942, departmental spokesmen confidently express the opinion that it will not have an adverse effect on market prices.

Repeatedly they have stressed the point that in 1971 market prices should average considerably higher than the loan.

What they omit from that statement is the fact that if such averages occur, it will be the result of an inadequate supply of cotton—not USDA policy.

Also they provide no answer whatever for one extremely important question: if market prices are expected to average far above the loan, then why not place the loan at a higher level?

Would not this help stimulate production?

Would not this give added production incentive to producers?

Would not such a policy be especially wise in a period of short supply?

To questions such as these the Department has but one response, and that is silence.

Mr. President, the cotton situation in this country today has become quite serious.

First, even if there is good weather this year—and already major producing areas of Texas and Oklahoma are beset by drought—the U.S. cotton crop will total far short of anticipated demand.

As early as March, when its official estimate of acreage to be planted was released, Department officials knew that participation would most likely be much too low to insure adequate production. Yet they refused to act.

That report on intended acreage was released at the exact time our subcommittee held its hearings on administration of the 1971 cotton program—hearings at which a substantial body of evidence was accumulated. Had departmental officials evaluated and examined this material on an objective basis, they would certainly have learned that producers of cotton are being provided totally inadequate incentive to produce.

Therein lies the chief defect in the program of the Department of Agriculture.

The price support loan is too low.

Farmers feel the new requirement on net weight trading is going to cost them money.

Arguments for using set-aside acreage to produce needed cotton have overwhelming merit.

Each of the foregoing provisions were promulgated administratively; each could be changed. Certainly USDA cannot be blamed entirely for the present unfortunate situation. However, there is no doubt in my mind that USDA has contributed substantially to the problem; that in effect, departmental inertia coupled with misguided thinking have exacerbated an already bad situation.

First the Department set a loan level at the absolute minimum, and in so doing USDA has managed to discourage people who would otherwise prefer to produce cotton. What has happened is that producers have been discouraged and demoralized about the outlook for cotton to the point that they do not even want to grow the crop.

Actually the Department's own spokesmen do not deny that more incentive could have been provided, that the loan could have been set considerably higher.

The Agricultural Act of 1970 stipulates that the price-support loan for upland cotton shall be 90 percent of the world price.

Consider, now, the manner in which the 1971 loan was set.

As required by law, the Secretary must establish the world price for the past 2 years at major world markets such as Bremen, Germany; Liverpool, England; and Osaka, Japan. He must then deduct from the quotations the cost of transporting, storing, handling, et cetera, our cotton to those world markets. Once these deductions have been made, what is left, in effect, is the world price "backed off" 'to average location such as Lubback, Memphis, or Fresno.

The loan must be set at 90 percent of this figure.

Superficially at least there would appear to be no difference in the way USDA made these computations in 1971 than in other years.

Of course, in previous years it was on an estimated world price. For 1971 it was the actual world price for the 2 years preceding. It so happened that the Department of Agriculture always found the estimated world price was large enough to permit a loan of 20¼ cents, and this time set it at the equivalent of 18¼ cents.

However, on close scrutiny we find that the figures in 1971 were adjusted to arrive at a present level, that is, the Department for the first time in history subtracted 77 points, or almost eight-tenths of a cent, as an adjustment for a difference between U.S. grading standards and those used in foreign countries.

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

Mr. TALMADGE. Mr. President, I yield 5 additional minutes of my time to the distinguished Senator from Alabama.

Mr. ALLEN. I thank the distinguished chairman of the committee for yielding me an additional 5 minutes. I shall conclude in that time.

The so-called adjustment becomes stranger still when compared to the manner in which USDA compensated farmers for converting from gross to net weight trading. The Department announced that in 1971 all price support loans would be made on a net weight basis which simply means that farmers will not be compensated for the 21 pounds of wrapping on a 500-pound bale of cotton. In its announcement, USDA said the 1971 loan had been adjusted upward by 80 points, eight-tenths of a cent, to compensate for the change.

Is it merely coincidental that the Department reduced the loan via an arbitrary 77-point downward adjustment, and then raised it by 80 points for yet another adjustment? If USDA has, in fact, compensated the producer for his bale wrapping, which cost $5.77 apiece on a national average, then according to my calculations they have given him three-one-hundredths of a cent.

There is no question that the Department had considerable latitude in setting the loan. Administrator Kenneth E. Frick of the Agricultural Stabilization and Conservation Service testified before our subcommittee that:

> . . . the Department has the right to change it—price support loan—or it could have set it at some 39 [points] higher . . .

On this point, there was no equivocation.

However, there are a great many more facts of a highly disturbing nature concerning the 1971 cotton program.

For example, yesterday USDA released its final tabulation of figures on the program signup period ending on April 9. The figures are cause for considerable concern:

Only 297,208 farms have been enrolled in the program, compared to 476,887 last year. The tremendous reduction in number of participating farms is attributed to several factors, but it results primarily from the strict limitation of the special payment for the small farmer. It is only fair to point out that USDA actively promoted the change of this feature of the program during deliberations last year on the Agricultural Act of 1970. In effect, it means that many small farmers, who already are hard pressed—who are still being forced from their farms to migrate to already overcrowded cities—will suffer a serious loss in income.

Consider just how the situation has been permitted to deteriorate.

Compare the situation today to an analagous situation in 1967 when an inadequate cotton drop brought about higher prices, but also brought about a sudden loss of cotton markets. In 1967 the price of cotton rose by almost a full 5 cents over 1 year earlier—from 20.84 cents to 25.59 cents. As a result of these high prices domestic mill consumption fell from 9 million bales to 8.1 million bales; in addition, our exports fell sharply from 4.2 million bales to 2.7 million bales.

Yet despite current higher spot cotton quotations farmers plan to plant less cotton this year than they planted last year.

The question: "Why?" is indeed a sobering one; it is a question that officials of the U.S. Department of Agriculture should be attempting to answer—if they do not already know.

The answer is that farmers must have more incentive to produce, and that incentive can be provided if—

The price support loan is raised.

The new net weight trading requirement is abandoned.

Farmers are permitted to grow cotton on set-aside acres.

There is widespread support for these recommendations; there is also widespread concern about the future of cotton.

The most recent issue of the American Cotton Grower contains the following statement in its Outlook section, under the heading, "Kiss the Markets Goodbye?"

Has the USDA sunk cotton's chance to revitalize itself after years of frustration and declining markets?

We would hate to think so, yet the fact remains that the USDA has restricted some growers' desires to produce more cotton. We refer to the Department's refusal to allow producers to plant cotton on up to 100% of the cotton set-aside. The USDA's own planting survey revealed that no increase indicated in 1971 . . .

One would think therefore, that the USDA would like to ensure the future of the cotton industry by providing for an adequate supply of cotton so it could tap the increasing demands. Not so. It has refused to believe that there is risk of a shortage which could drive prices up a la 1967–68—it could be kissing these potential markets goodbye.

Mr. President, unless the program is changed, these markets will be lost.

If relief is not granted, income will be reduced needlessly, and to a substantial degree.

Such exhortations as "freedom-to-plant" and "market orientation" are as worthless as the paper they are written on in view of the situation I have attempted to outline in these remarks.

In concluding, I would like to comment too on a matter that I find especially troubling; one that, with the passage of time, becomes more and more difficult to understand.

President Nixon proposed in a message to Congress on March 25 a plan of executive reorganization under which many major agencies in the U.S. Department of Agriculture would be combined with a number of other agencies in a Department of Economic Affairs.

It is my understanding of the proposal that while USDA would become something on the order of an agency within a department, its basic mission, that of representing farmers, would remain unchanged. After all, the mission of the Department quite properly has not changed since it was formed during Lincoln's Presidency expressly as a means of assisting the American farmer.

When this proposal was first made, I did not feel that provisions of it relating to USDA were in any way a reflection of the fact that today our farm population has dipped to an all time low; nor did I suspect that the proposal emanated from a view that the farm segment of our population no longer need be represented by a separate department.

Today, however, we have disturbing cause for wonder.

We have disturbing cause for wonder because of recent actions taken by the Department of Agriculture with respect to commodity program administration.

And while the name of the Department has not yet changed, there is some evidence to suggest that its mission is rapidly changing.

Thus it is possible that USDA now seeks more than the proposed change in chain of command, and in line of reporting authority.

The question thus arises, and it is one of overriding significance: Does USDA seek, more exactly, a change of constituency?

Is this executive department no longer content to represent farmers?

Does it really seek to aggrandize itself through a broadened and enlarged base, one including other food and fiber production segments and consumers as well?

That basic and troubling question clearly is raised by recent action taken by the Department with respect to the 1971 cotton program. I am not fully familiar with whether the same situation exists with respect to other basic commodities, because I have not followed the actions affecting them as closely as those taken in regard to cotton.

I would add only this final point: It is a grave mistake to interpret criticism of the cotton program on a strict and narrow political basis.

Cotton is apolitical.

The income problems of those who grow the crop are apolitical, particularly when they are translated into the practical realities of stark tragedy for thousands of men, women, and children whose hopes and aspirations for a decent standard of living are inseparably tied to the soil.

These problems and this program should be viewed in an economic context—and for the time being in that context alone.

I thank the distinguished chairman of the committee for yielding this time to me. I yield the floor.

The PRESIDING OFFICER. Under the previous order, the Senator from Georgia (Mr. TALMADGE) is recognized. He has 10 minutes remaining.

Mr. TALMADGE. Mr. President, first permit me to express my deep appreciation for the generous personal references by the Senator from Alabama. I want to commend him for the hearings he has held as chairman of his subcommittee and for the good work he has done in exposing all of the controversial provisions of the 1971 upland cotton program to public view. This is a new program, provided for by the Agricultural Act of 1970, a law which was not to my liking. It was supported by the administration; but the evidence available to me indicated that it would result in a reduction in income to cotton farmers and consequently I did not sign the conference report.

As announced, the 1971 cotton program, on its face, showed a reduction of slightly over 2 cents per pound in the income guaranteed cotton farmers. In 1970 the loan was 20.25 cents per pound and the payment was 16.80 cents, making a total guarantee of 37.05 cents per pound. In 1971 the loan is 19.50 cents per pound and the payment is a minimum of 15 cents plus up to another half cent if necessary to provide a minimum average return from the market price and the payment of 35 cents per pound. However, as the hearings conducted by the Senator from Alabama brought out, there was a further, not so apparent reduction, resulting from the change to a net weight basis. In the past loans have been computed on the gross weight of the bale, including about 21 pounds of bagging and ties.

On the new net weight basis, the farmer will receive no return for these 21 pounds. Mr. Emmett Reynolds, President of the Georgia Farm Bureau, pointed out that this means a loss of about $4 per bale or over $1 million to the farmers of my State. Mr. Reynolds is a cotton farmer and knows how the cotton farmers in my State feel. They write him that they are taking a cut of $10 per bale as a result of the reduction in the guarantee from 37.05 cents to 35 cents per pound. They do not understand why they should be penalized an additional $4 per bale in this manner.

Mr. President, in conducting these hearings, the Senator from Alabama has brought light on all of the provisions of the 1971 cotton program, including those which may be hidden in procedural changes. They have been helpful to cotton farmers and others who need full and correct information on which to base our actions. They are a fine example of an exercise of the legislative oversight functions delegated to our committee by the Legislative Reorganization Act of 1946.

Mr. President, farmers, the administration, and the Senate can be assured that the Committee on Agriculture and Forestry will continue to exercise careful oversight with respect to this program. The income of the American cotton farmer is at stake, and the administration will be called to strict account for any deficiencies that may develop in this program.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point a speech I made on the floor of the Senate on Thursday, December 31, 1970, relating to the cotton program.

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

THE COTTON PROGRAM

(Speech of Hon. HERMAN E. TALMADGE)

Mr. TALMADGE. Mr. President, I am dismayed at the U.S. Department of Agriculture's actions in regard to the cotton program for 1971. I regret that this administration forced its unfavorable farm program on the Senate of the United States. At the time the Senate debated the conference report on H.R. 18546, the general farm bill, I pointed out that this was not good legislation—that its only virtue was that it was preferable to no farm bill at all.

I explained that I did not sign the conference report on the farm bill because I had concrete figures to show that the administration bill would mean a sharp reduction in income to cotton farmers.

However, I did express the hope that the Department of Agriculture would administer the new cotton program in such a manner as to avoid disastrous drops in cotton income.

My hopes were given a sharp jolt when the Department of Agriculture issued a press release announcing the new cotton program on December 8. While I realized that a fair implementation of the new law would mean a reduction in cotton income, I did not think that this administration would add insult to injury by using its administrative discretion to reduce cotton income even further.

The administrative action to which I refer is the change from gross weight to net weight in making cotton loans.

For years, farmers have been selling their cotton on a gross weight basis, which means simply that they are paid for the full weight of the bale, including the bagging and ties. After all, since the farmer pays about $4.50 for the bagging and ties, it is only fair that he regain some of the expense when he sells his cotton.

Actually, he does not now recoup all of his outlay. The average weight of these packaging materials is about 21 pounds. So if the farmer sells his cotton for 20.25 cents per pound, he presently gets back only $4.25 when the cotton is sold on a gross weight basis.

Now that the USDA has announced that price support loans will be made only on a net weight basis, farmers will get back nothing for the cost of the bale wrappings. This applies not only to cotton placed under loan with the Commodity Credit Corporation, but also to all cotton moving in normal trade channels.

As I pointed out on the Senate floor on November 19, cotton farmers will suffer a marked reduction in income because of the lower guarantee of the House bill. In 1970, cotton farmers realized a return of 38.55 cents per pound on middling 1-inch cotton. That was due to the fact that the cotton farmers received a 20.25 cent per pound loan level and payments of 16.80 cents per pound under the old law. These two figures total 37.05 cents per pound. In addition, the market price exceeded the loan level by 1½ cents per pound, which means that the cotton farmers received a total of 38.55 cents per pound for middling 1-inch cotton.

As I stated, the new administration bill—which guarantees the farmer only 35 cents per pound—could mean a reduction in cotton income of more than 10 percent.

In the December 8 press release, the Department of Agriculture stated that the loan rate would be set at 19.50 cents per pound, and that the farmer would be guaranteed a payment of 15 cents per pound, with a guarantee that the farmer receives a total of at least 35 cents per pound for his cotton. Of course, it is hoped that the market price will exceed the loan rate to an extent that the farmer will get more than 35 cents per pound for his cotton.

However, the Department of Agriculture press release failed to emphasize a number of factors which will mean a substantial reduction in the price that the farmer receives for his cotton. One factor is that under the old law the farmer who produced cotton of average micronaire received a premium of .45 cent per pound. This premium for micronaire 3.5 through 4.9, is eliminated under the new program.

Mr. President, the Department of Agriculture has stated that it cost the American farmer an average of 35.8 cents per pound to produce cotton in 1969. I was opposed to the administration bill, which guarantees only 35 cents per pound, for I don't believe we should expect the American farmer to grow cotton at a loss. However, the 35 cent guarantee of the administration was better than no guarantee at all.

I must strenuously object, however, to administrative actions which reduce the farmer's guarantee even further. Because of the USDA's arbitrary action in changing to net weight trading, cotton farmers over the land will lose over $4 per bale. During the debate on the farm bill in the Agriculture Committee, I had my staff, together with independent experts, compute income projections for actual farms in cotton growing States over the Southeast. These examples showed that many cotton farmers would suffer a reduction in farm income as much as 25 percent, and some would suffer a reduction in cotton income of 50 percent. The administration's only response to my examples was that all of these cotton farmers would be better off to grow soybeans and forget cotton. The administration's action in regard to net weight trading indicates that it intends to force all cotton farmers in my State and the Southeast into the soybean business.

If there were any useful purpose to be served by transfering to net weight trading, the Department's decision would be easier to understand. However, I see no benefit other than the possibility of easing the bookkeeping load at the Department of Agriculture. Unfortunately, I don't believe that bureaucratic convenience is an adequate justification for action which would take millions of dollars out of the farmers' pockets.

Ironically, this change will cost the USDA money since they own or have loans on over 3 million bales of cotton—which was acquired on a gross weight basis. If this decision is not changed, the cotton will be sold on a net weight basis.

During the Senate debate on the farm bill on November 19, I stated that I would be looking over the Department of Agriculture's shoulder to see that the new farm bill was administered in a manner favorable to farmers. I pledged that the Department of Agriculture would hear from me loud and often. Therefore, I strongly object to the Department's decision with regard to net weight trading and I hope that the Secretary of Agriculture will reconsider this unfortunate decision.

Mr. SYMINGTON. Mr. President, I associate myself in every way with the remarks of the able Senator from Alabama.

Under the able direction of our distinguished colleague from Alabama, and his distinguished chairman, the senior Senator from Georgia, the Subcommittee on Agricultural Research and General Legislation has brought to light many important facts about the manner in which the 1971 cotton program is being administered. May I congratulate the Senator and the subcommittee for the emphasis they have given this important matter; and also for having documented the serious economic problems in this segment of agriculture.

What has brought about this unfortunate situation? First, the 1971 cotton program apparently has been shaped administratively by the U.S. Department of Agriculture with one guiding principle: "Let's cut costs;" and so doggedly have USDA administrators pursued this policy that they have given little or no thought to just what impact their decisions will have on farm income.

The folly is compounded when the issue is viewed on a longterm basis, because in the long run these policies will end up costing the Government far more money.

In effect, the American cotton farmer is currently confronted with administrative policies which might be described as: "Heads I win; tails you lose." As a result, in 1971 cotton producers are faced with either a heavy cut in income due to market prices which hover near the new low loan, or high market prices stemming from inadequate production.

If the former occurs, the farmer loses outright; if the latter—and it now appears this will be the actual case—he will simply lose the income later because markets for the fiber will be lost—perhaps forever.

Testimony as to the problem in Missouri was presented at the subcommittee hearings by two knowledgeable cotton producers in our State.

Whether this year or next, the low loan and net weight trading will reduce net farm income many millions of dollars; and reduced returns can only result in further reductions in acreage, plus the continuation of an unfortunate cycle tied directly to these unrealistic policies.

Already the futures market for new crop cotton has reacted sharply to the supply situation; and meanwhile, as these market prices increase, cotton becomes less and less competitive with other fibres, the direct result of the cotton policy of this administration.

I invite special consideration of the impact of this program on one geographic area in the southeast section of my State, as well as in adjoining counties in Tennessee and Arkansas.

As a result of continuing adverse weather, for 5 years farmers in the Mississippi River cotton counties of these three States have sustained unusually high crop damage. In two of the past 5 years, weather conditions were characterized as disastrous; and there was a sharp drop in production.

As a result, our cotton farmers have experienced economic conditions which constitute a painful reminder of depression-style income.

When making adjustments for abnormal yields, the Department of Agriculture will not adjust to an amount greater than 80 percent for such year; but in order for a crop failure caused by a natural disaster not to affect the payment base for future years, we believe the maximum adjustment should be to 100 percent of the total of the payment yield rather than only 80 percent.

In recent years the number of farmers annually leaving this section of Missouri has been around 5 precent.

In 1970 every cotton-producing county in Missouri was declared a disaster county. In many areas farmers failed to get "a stand," therefore they simply plowed their cotton under.

It would appear that more equitable

treatment is in order, but instead of granting needed relief, with estimated farm yields continued through disaster years, the Department is, in effect, assessing an additional penalty on those already penalized by the natural disaster referred to.

Some help was given to this declared disaster area on April 9, when the Department of Agriculture announced a change in the regulation which would permit a farmer to receive total payment in the event he loses his cotton crop as a result of a natural disaster, or is unable to plant because of adverse weather conditions and the Secretary of Agriculture has declared the area in question a disaster area. This change was appreciated but the Department still stands behind the regulation which cuts estimated yields to 80 percent.

The county committeemen in this area of my State estimate that this regulation will result in an average cut of 100 pounds per acre in the 1971 payment yield to our cotton farmers.

In addition, the Department does not allow the cotton farmer to use his set-aside acreage for production of cotton and other crops which the Department contends are in short supply.

When this administration counts "skips" in skip-row planting as set-aside, that is but an added discrimination against those cotton farmers who are in areas not adapted to skip-row planting.

For 5 years the farmers of southeast Missouri have been penalized by the vagaries of the weather. Now, in 1971, those farmers are to be penalized by the vagaries of bureaucratic thinking that is unworkable, unmanageable, and unfair.

Thanks to the constructive work of the able Senator from Alabama, a record of this unfortunate problem was made in the hearings before the Senate Agriculture Subcommittee on Research and General Legislation; and we respectfully urge that further corrective administrative action be taken, now, so as to amend the cotton program in an effort to achieve a sound cotton economy.

Mr. TALMADGE. Mr. President, let me conclude by saying that I concur with the views of the distinguished chairman of the subcommittee, the distinguished Senator from Alabama (Mr. ALLEN). I compliment him on his hard work and his diligence in heading up the subcommittee and looking after the interests of the farmers, not only of Alabama but of the entire Nation.

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

Mr. TALMADGE. I yield to the Senator from Alabama.

Mr. ALLEN. Mr. President, I wish to express my sincere and deep appreciation to the distinguished chairman of the Committee on Agriculture and Forestry, the Senator from Georgia (Mr. TALMADGE), for his very kind statements. It is an honor and a privilege for me to serve on this committee under his chairmanship and his leadership. The close watch that the chairman keeps on the interests of the farm population and the rural population of this country is indeed an inspiration to the junior Senator from Alabama. I enjoy serving on this committee, and I appreciate very much the example of leadership that the distinguished chairman of the committee has set for the other members of the committee.

Mr. TALMADGE. I am grateful, indeed, to my colleague and friend from Alabama.

Mr. President, I yield 2 minutes to the distinguished Senator from Missouri (Mr. EAGLETON).

Mr. EAGLETON. Mr. President, I want to commend the distinguished Senator from Alabama (Mr. ALLEN) for the excellent series of hearings he held as chairman of the Agricultural Research and General Legislation Subcommittee on the administration of the new cotton program.

As he is well aware, this is a matter of the most serious concern in southeast Missouri, and we are deeply disturbed that the administration has thus far failed, with one exception, to respond to the very legitimate grievances of our growers.

The exception, which was undoubtedly due to the hearings, simply put cotton farmers on equal footing with other farmers by insuring their right to plant a nonquota crop on cotton land without penalty if their cotton crop were struck by a "major disaster."

The fundamental fact in Missouri is that we have had an unprecedented string of cotton crop disasters over the last 5 years. In this context, the administration's decision to limit cotton yield adjustments to 80 percent of the 1970 projected yield promises to make the economic damage of the last 5 years a permanent fact of economic life for an important Missouri industry. It is worth noting, I think, that every one of the ASC county committeemen from Missouri cotton counties has appealed to the Secretary for authority to adjust cotton yields for 1970 to 100 percent of the 1970 projected yield.

This is but one of the critically important issues which have cropped up in southeastern Missouri—and, I might add, our neighboring States as well—under the new cotton program.

The problem of net weight cotton loans is another with which my colleague from Alabama is entirely familiar. This, coupled with a loan rate 2 cents lower than last year's even though the world market is actually higher, means a cut in cotton farm income which cannot be disguised as anything else.

At the time the new farm bill was passed, I warned that it contained unprecedented arbitrary authority for the Secretary. I voted against the bill, but it passed. I am prepared—as I am sure the vast majority of Missouri farmers are prepared—to live with it and try to make it work. But we simply must have a flexible, creative response from the Department of Agriculture. It is unfair and unacceptable to ask the kind of sacrifice which is now being imposed upon the cotton farmers of my State.

Let me emphasize, once again, on behalf of the producers in Missouri, our deep appreciation to the Senator from Alabama (Mr. ALLEN) for his support and help in this matter.

Mr. TALMADGE. I yield 1 minute to the Senator from Alabama.

Mr. ALLEN. Mr. President, I thank the distinguished chairman for yielding to me.

Mr. Hilton Bracey of the Mid-Continent Farmers Association, in Columbia, Mo., has pointed out some of the disaster provisions in the present law that are inequitable. Mr. Bracey says:

> The provision that has been in effect for the past 5 years * * * permitting farmers to grow non-quota crops on acres where cotton could not be planted or was lost due to circumstances beyond the control of the farmer has been nullified by the USDA. Under the latest USDA regulation, cotton farmers will be penalized by about one-third of their cotton payments or some $25 per acre if they suffer a disaster and have to plant a non-quota crop on cotton land. In addition, they would lose 20 percent of their cotton yield for the year involved and further would not be allowed to count their lost cotton acres as set-aside. These regulations would amount to a "triple-whammy" against cotton farm income in the event of a natural disaster.

Mr. President, I commend the distinguished Senators from Missouri (Mr. SYMINGTON and Mr. EAGLETON) for their participation in this colloquy and the fine remarks that they have made. They are certainly to be commended. I appreciate the leadership that these two distinguished Senators have given in this matter, and the interest that they are taking in the rural areas of our country and the farm population of this Nation.

Mr. President, I yield the floor.

The PRESIDING OFFICER. What is the will of the Senate?

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the remaining portion of the time allotted under the previous order to the distinguished Senator from Missouri (Mr. SYMINGTON) now be vacated, he having already made his statement.

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

TRANSACTION OF ROUTINE MORNING BUSINESS

The PRESIDING OFFICER (Mr. PELL). Pursuant to the previous order, there will now be a period for the transaction of routine morning business of not to exceed 30 minutes, with statements of each Senator recognized therein limited to 3 minutes.

THE PRESIDENT'S REORGANIZATION PLAN NO. 1

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent, in behalf of the Senator from New Jersey (Mr. WILLIAMS), to have printed in the RECORD a statement prepared by the Senator from New Jersey on the subject of the President's Reorganization Plan No. 1.

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

THE PRESIDENT'S REORGANIZATION PLAN NO. 1

(Statement of Senator WILLIAMS)

Mr. President, on March 24, 1971, President Nixon transmitted Reorganization Plan No. 1 of 1971 to the Congress. By the terms of Chapter Nine of Title Five of the U.S. Code, which deals with Executive Reorganization, this Plan shall be adopted, barring Congres-

sional objection, 60 days from the date of its initial introduction into the Congress.

Over half of this period has now elapsed, and with approximately one month remaining, it is essential that the Congress, as is its duty, examine this plan quite carefully to determine whether or not it comports with the provisions of the law, and whether or not the Congress should register its disapproval.

This first Reorganization Plan, which would amalgamate several voluntary action programs into a single new agency, called Action, is one about which I have grave misgivings. The message accompanying its transmission was vague and platitudinous, the section outlining its provisions was lacking in detail and specificity, and the further exposition and rationale on its behalf which might ordinarily be expected has simply not been forthcoming from the Administration.

Moreover, because there are so many unanswered questions about the proposed new agency, because a large number of the persons to be most directly affected by the merger have emphatically expressed opposition to it, and frankly, because it is the most practical way of insuring that the plan obtains the necessary degree of scrutiny from Congress, I have introduced S. Res. 108, a resolution of disapproval to Reorganization Plan No. 1.

My own objections to the proposal are best categorized on two levels. First, I find it difficult to justify on a theoretical basis, the grouping together of organizations simply because they contain the common element of voluntarism. Voluntary action should be a means to an end, not a virtue to be glorified and institutionalized per se. I say this without intending to slight in any way the efforts of hundreds of thousands of volunteers all over America who are performing extremely valuable services for many less fortunate individuals. However, as these individuals would be among the first to acknowledge, the most important consideration for the "true volunteer" is not the fact he is volunteering, but the fact that he is genuinely assisting in the solution of a problem. An organization which stresses "the volunteer" and seeks to find new ways for people to express their altruistic impulses cannot possibly be as successful in its activities as the organization dedicated to one single function, however general.

President Nixon has maintained that the new Agency will assist "in directing those who wish to volunteer services to areas and endeavors in which their services are needed". I find it difficult to believe that at a time of so many urgent domestic problems, it would be necessary to provide such a degree of guidance to would-be volunteers. I believe that an individual who is genuinely interested in carrying out his altruistic impulses will have little trouble in finding and enlisting in the volunteer efforts he deems worthwhile. For those individuals who do wish assistance in donating their services, however, some form of guidance can be provided in the form of a clearing house for volunteer activities, at far less expense than the new agency would entail.

Second, on a pragmatic level, the proposed Action agency does not pass several of the rather elemental tests of a recommended reorganization. The provisions of Title 5, U.S. Code, Chapter 9, which set forth the President's power of Executive Reorganization, also list six purposes considered to be justification for Presidential changes in government organization. While the President is not required to make a reorganization plan conform to all of these points, they are certainly guidelines which he should attempt to follow. There are three, however, which this proposed agency could not by any stretch of the imagination fulfill. For example, the changes should:

Reduce expenditures and promote economy to the fullest extent consistent with the efficient operation of the Government (Section 901(a)2),

Group, coordinate, and consolidate agencies and functions of the Government, as nearly as may be, according to major purposes (Section 901(a)4), and

Reduce the number of agencies by consolidating those having similar functions under a single head—(Section 901(a)5).

The fact of the matter, however, is that Reorganization Plan Number One would actually:

Call for an additional $20 million above the budget requests already submitted by the President for the component agencies.

Group functions of the Government not by major purposes but by some rather vague concept of shared motivation, and

Would consolidate agencies having quite dissimilar functions under a single head.

It is also very unlikely that the other three purposes of Executive Reorganization, which relate to efficiency, will be accomplished when one considers that the new agency must handle the recruitment, training and placement of individuals as different and specialized as the young VISTA volunteer and the retired S.C.O.R.E. executive.

Additionally, major objection can be raised to the reorganization plan itself because of the effect the plan is expected to have on the constituent organizations. In particular, it is likely to affect the Vista program, which I have always considered among the finest of the volunteer efforts since it entailed some of the greatest sacrifices and hardships while offering fewer compensations in terms of foreign travel or prestige.

VISTA has compiled an excellent record of community involvement. VISTA volunteers have not only distinguished themselves in their community projects in housing, health, education and manpower, but have also become deeply involved in assisting the disadvantaged to help themselves, both individually and collectively. Despite its contributions, however, the VISTA program has occasionally, and I think unfairly, been criticized and, as certain disclosures from within the Administration have revealed, plans have been proposed to dismantle it or to dilute its influence. In December of 1970, O.E.O. officials had publicly acknowledged the authenticity of an Administration document which envisioned a cutback of over $200 million in O.E.O. and the elimination of VISTA. Although it was denied at the time that this plan was a final one, anothed memo circulated by the White House in early March indicated that within the proposed merger, to which I have now introduced a resolution of disapproval, VISTA would not continue as an entity, but would disappear, to be replaced by four new corps. These new corps would be concerned with public safety, health, ecology and education, and according to some accounts, would embrace only a small part of VISTA's present activities in behalf of the poor.

The same objection to the President's plan—that of a loss of identity—has been raised by other organizations as well. The Steering Committee of S.C.O.R.E. (the Service Corps of Retired Executives) has passed a unanimous resolution of disapproval of the proposal. The Teacher Corps interns, as volunteers within that agency are known, approved a resolution opposing the merger at a recent convention in Atlanta, and the National VISTA alliance, an organization of more that 2,000 dues-paying VISTA volunteers, is whole-heartedly and vociferously opposed to the merger.

Other opposition is beginning to surface as well, without the aid of these Congressional hearings, may not coalesce before the new plan goes into effect. I am therefore, anticipating the present hearings in the House and forthcoming hearings in the Senate as an opportunity for all of the constituent agencies to make known their views, and those of their membership, as well as an opportunity for the Administration to explain more fully the roles envisioned for the new "Action Corpsmen." With the current crises confronting our Nation's cities, we do not need a program focusing on the concerns of volunteers, we need programs which continue to stress the plight of the poor and the disadvantaged.

There are a number of articles concerning the proposed reorganization that I would like to insert into the Record at this point, for the information of my colleagues.

[From the Washington Post, Dec. 18, 1970]

OEO MEMORANDUM REVEALS PLANS TO ELIMINATE VISTA

(By Nick Kotz)

"Meet me in the little park at 18th and M streets," said the anonymous caller from the Office of Economic Opportunity. "I will have some interesting papers wrapped as a Christmas present."

The package, given to a National VISTA Alliance worker, contained internal documents from the Nixon administration describing tentative plans to dismantle large sections of OEO or to cut severely agency funds.

On another occasion, the purloined papers were left under a tree in Farragut Square. More conventionally, they sometimes are mailed.

These cloak-and-dagger activities by OEO employees represent a deadly serious effort to save threatened OEO programs by disclosing the Nixon administration's tentative plans to dismantle them.

The latest exploit came Wednesday when members of the National VISTA Alliance made public an internal OEO memorandum describing tentative proposals from the White House's Office of Budget and Management to disband VISTA and cut OEO's 1972 budget by 23 per cent.

In this instance, super-secrecy precautions taken by the Nixon administration to debate privately OEO's fate failed because an administrative assistant left a copy of the document in a Xerox machine.

Questioned about this latest document describing plans to cut back OEO activities, OBM Deputy Director Casper Weinberger provided the standard response:

"We haven't made any recommendations that are final. The budget is the President's budget and it's not final until he approves and signs it."

Nevertheless, the time for final budget decision-making draws near and supporters of threatened OEO programs grow more worried.

OEO public affairs officers confirmed the authenticity of the latest document, prepared by the staff of John Wilson, assistant OEO director for planning, research and evaluation.

Wilson protested OBM's proposed cutback of OEO funds from $894 million in fiscal 1971 to $689 million in fiscal 1972. He said the cutbacks would result in 60,000 persons being fired, including 65 per cent who otherwise would be living in poverty.

Questioning the motive behind the deep budget cuts, the Wilson memorandum stated: "If the residual OEO is to be merely a bureaucracy engaged in self-liquidation, then I would strongly urge that this not be done through a series of yearly budget reductions."

Wilson questioned the political feasibility of eliminating the VISTA Volunteers program.

He described the proposed cuts for various programs as: 41 per cent for research and development, 17 per cent for community action, 18 per cent for health and nutrition, and total elimination of VISTA and the rural loan program.

He said that a 41 per cent cutback in research funds would "negate" the President's

assignment to OEO of leadership in social research and experimentation.

"I seriously doubt whether the agency could survive cuts such as these," the memorandum states.

[From the Evening Star, Apr. 9, 1971]

OPPOSITION TO MERGER RISES IN TEACHER CORPS

(By James Welsh)

Opposition is being voiced within the Teacher Corps to President Nixon's plan to merge the corps into a new voluntary service agency.

The plan, which eventually would consolidate the Peace Corps, VISTA, Teacher Corps and several other voluntary groups, now is before Congress.

It already has aroused the strong opposition of the National Vista Alliance, an organization of active and former volunteers in the VISTA program.

On a somewhat quieter note, the Teacher Corps interns, as the volunteers in that agency are called, appear ready to join the young people of VISTA in resisting consolidation.

Earlier this week, at a convention in Atlanta, interns representing most of the Teacher Corps' 70 nationwide projects approved a resolution opposing the agency's inclusion in the new volunteer organization.

They did so following a meeting with several representatives of the VISTA Alliance.

Following the resolution's approval, the National Field Council, a 30-member advisory group for the Teacher Corps, also expressed dissatisfaction with consolidation.

"This shouldn't be overdramatized," said a Teacher Corps official today. "It's not an angry set of demands, or anything of that sort.

"But it is an indication that people don't like what's being proposed. Many of the interns and the people from the outside who are represented on the Field Council believe things are going very well, that it's a good program. They don't see that any change would be for the better."

In their resolution, the interns stated:

"There seems to be a likelihood that reorganization would serve to compromise the integrity, the effectiveness, the autonomy and the unique character of the Teacher Corps."

The administration plan, the interns further argued, "is not congruent with the professional orientation of the Teacher Corps."

The Corps, with 3,000 interns and a $30 million budget, now is administered by the Department of Health, Education and Welfare.

The Nixon plan does not call for the immediate inclusion of the Teacher Corps in the new voluntary agency, Action. But once the agency is in existence following consolidation of the other groups, legislation would be sent to Congress seeking transfer of the Teacher Corps too.

[From the New York Times, Mar. 12, 1971]

NIXON ENVISAGES ABOLITION OF VISTA IN MERGER PLAN

(By Jack Rosenthal)

WASHINGTON, March 11.—The White House has circulated a confidential plan that would dismantle VISTA, the embattled domestic volunteer service agency. The plan, a copy of which was obtained today, outlines how President Nixon's proposed merger of volunteer agencies would operate. While the Peace Corps would continue as an entity within the new agency, VISTA—Volunteers in Service to America—would disappear.

It would be replaced by four new corps—for public safety health, ecology and, later, education. But these corps, knowledgeable officials said today would embrace only a small part of VISTA's present activities in behalf of the poor.

And unlike VISTA, they said, the outline for the new agency focuses on the concerns of volunteers rather than on the needs of the poor.

The merger plan, which was circulated on March 5 to affected agencies for comment, is not final. According to senior officials believe, the plan is have to be resolved personally by the President. But, other officials believe, the plan is unlikely to be adopted, at least in major part.

The final plan will go to Congress, perhaps as soon as next week, as a formal executive reorganization proposal. Unless the plan is modified, Congressional observers said today, heated criticism is probable.

The merger plan covers 10 separate units that now engage in voluntary service. These range from the Peace Corps, with some 8,000 volunteers around the world, and VISTA, with about 4,500 around the country, to Green Thumb, which involves 2,900 older men in park and beautification work.

TWO MAJOR DIVISIONS

According to the plan, circulated by the President's Office of Management and Budget, these units would be organized into two major divisions, national and international.

The latter would consist principally of the Peace Corps, which "would continue in name and function overseas," the plan says.

In the national programs division, the merger plan says "VISTA as presently constituted would evolve into a series of 'corps' and supporting services."

The four corps proposed by the plan, however, appear to account for volunteer activities in only one of VISTA's six program fields—housing, community planning, social services, economic development, education and manpower, and health.

Housing, community planning and social services do not appear to be covered at all by the four proposed corps. Another new component would deal with economic development, but in a more limited way than does VISTA.

LIMITED EDUCATION UNIT

The merger plan includes an education component, but this is limited to the work of the Teacher Corps and does not encompass VISTA's work with street academies, tutoring and other education programs.

The only VISTA area of emphasis that is covered is health, one official said today, "and that is quite different."

VISTA's health efforts focus on community organization for health centers and volunteer medical help. The Health Corps proposed in the merger plan focuses on providing paramedical workers and trained assistants to communities with a shortage of health personnel.

It is unclear how this proposal would relate to the national Health Service Corps, including physicians as well as paramedical personnel that has been proposed by the Department of Health, Education and Welfare.

Inclusion of the Teacher Corps in the merger plan has aroused the Office of Education, where it is now located. After a controversy, it was decided that such a transfer would not be included in the reorganization plan. Such plans go into effect automatically in 60 days unless disapproved by either the House or Senate.

LEGISLATION PLANNED

Instead, the Teacher Corps shift is to be proposed in legislation that will permit full debate, a decision some officials believe is tantamount to killing the transfer proposal.

The proposed Public Safety Corps would put volunteers to work in police-community relations, "half-way houses" for prisoners, counseling and other nonhazardous activities

The Ecology Corps would provide skilled volunteers to advise public and private efforts in that field, it would provide full-time workers in such projects as management of agricultural waste and trail maintenance.

The merger plans also includes several proposed experiments. One would provide short-term service opportunities for "laid-off space engineers and other unemployed, but highly skilled, individuals, who have been affected by the vicissitudes of the economic conversion."

Another experiment proposes sabbatical leave for Federal employes who wish to work in community programs. The plan describes this as an extension of the Administration's revenue-sharing principle.

THE LEAGUE OF WOMEN VOTERS OF THE UNITED STATES,
Washington, D.C., April 20, 1971.

To: Senator Harrison A. Williams, 352 Old Senate Office Building.

From: Cynthia Hannum, Action Chairman, League of Women Voters of the United States.

Re: Joint Statement on the Future of the Office of Economic Opportunity.

For the past several months, the League of Women Voters has been the convenor of an ad hoc coalition which is concerned about people trapped in poverty conditions. The coalition came together out of common interest in the preservation of poverty programs nurtured by OEO. We met in the first instance last December in response to news about pending administrative and budgetary decisions relating to OEO and some of its more notable component programs—Community Action, Legal Services and VISTA.

At our most recent meeting, members of the ad hoc coalition prepared a statement on the future of OEO (see enclosed). The statement delineates six recommendations:

OEO program components, especially community action programs, should not be terminated or transferred to another agency without prior Congressional approval.

Strengthen and expand OEO by extending the EOA Act for at least two years.

OEO should receive increased funding.

The legal services program should be strengthened and expanded.

The VISTA program should be preserved and maintained in OEO.

The local share for community action and other OEO programs should not be raised to 25 percent.

The following organizations have joined in signing the enclosed statement:

Action for Legal Rights.
Actors Equity Association.
Adult Education Association of the U.S.A.
African Methodist Episcopal Church.
Alliance for Labor Action.
American Association of University Women.
American Baptist Convention.
American Ethical Union—Washington Office.
AFL–CIO Industrial Union Department.
American Federation of State, County, and Municipal Employees.
American Humanist Association—Washington Office.
American Institute of Architects.
American Institute of Planners.
Hyman Bookbinder, American Jewish Committee.
American Jewish Congress.
Americans for Democratic Action.
American for Indian Opportunity Action Council.
Anti-Defamation League of B'nai B'rith.
B'nai B'rith Women.
Central Conference of American Rabbis.
Center for Community Affairs.
Church Women United—Greater Washington.
City Wide Tenants Union.
Common Cause.
Council for Christian Social Action, United Church of Christ.
Day Care and Child Development Council of America.

Environmental Action, Inc.
Friends Committee on National Legislation.
Hadassah.
The Independent Foundation.
International Union of District 50, Allied and Technical Workers.
International Union of Electrical, Radio and Machine Workers, AFL–CIO.
Japanese American Citizens League.
Jewish War Veterans.
League of Women Voters of the U.S.
Mennonite Central Committee—Peace Section.
Nash United Methodist Church.
National Assembly for Social Policy and Development.
National Association for the Advancement of Colored People.
National Association of College Women.
National Association for Community Development.
National Alliance of Postal and Federal Employees.
Al Whitney, National Association of Government Employees.
National Association of Market Developers.
National Association of Social Workers.
National Bar Foundation.
National Beauty Culturist League.
National Conference of Catholic Charities.
National Council on Aging.
National Council of Catholic Women.
National Council of Churches.
National Council of Negro Women.
National Council of OEO Locals.
National Dental Association.
National Farmer's Union.
National Federation of Settlements and Neighborhood Centers.
National Jewish Welfare Board.
National Legal Aid and Defender Association.
National Medical Association Women's Auxiliary.
National Rural Housing Coalition.
National Urban Coalition.
National Urban League.
Ntional Sharecroppers Fund.
National Student Association.
National Tenants Organization.
National Vista Alliance.
National Welfare Rights Organization.
OEO Local 2677 American Federation of Government Employees.
Pioneer Women—The Women's Labor Zionist Organization of America.
Planned Parenthood—World Population.
Southwest Council of La Raza.
Synagogue Council of America.
Union of American Hebrew Congregations.
Unitarian Universalist Association—Washington Office.
United Auto Workers—Womens Department.
United Methodist Church, Womens Division.
United Presbyterian Church of the U.S.A.
U.S. Catholic Conference, SW Regional Office, Division for the Spanish.
David Dorn, U.S. Youth Council.
United Steel Workers of America—AFL–CIO.
Vernon Jordon, Exec. Director, United Negro College Fund, Inc.
Washington Office of the National Board of YMCA's.
Washington Research Project—Action Council.
Women's International League for Peace and Freedom.
Workers Defense League.
National Board of the YWCA of the U.S.A.
Zero Population Growth, Inc.

EXECUTIVE COMMUNICATIONS, ETC.

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

PROPOSED INTERNATIONAL VOLUNTARY STANDARDS COOPERATION ACT OF 1971

A letter from the Acting Secretary of Commerce, submitting a draft of proposed legislation to foster fuller U.S. participation in international trade by the promotion and support of representation of U.S. interests in international voluntary standards activities and for other purposes (with accompanying papers); to the Commitee on Commerce.

PROPOSED SEAMEN'S DOCUMENTATION ACT

A letter from the Secretary of Transportation, submitting a draft of proposed legislation to revise and improve the laws relating to the documentation of seamen (with accompanying papers); to the Committee on Commerce.

PROPOSED LEGISLATION TO AMEND THE NORTHWEST ATLANTIC FISHERIES ACT OF 1950, AS AMENDED, THE NORTH PACIFIC FISHERIES ACT OF 1954, AS AMENDED, AND FOR OTHER PURPOSES

A letter from the Assistant Secretary for Congressional Relations, Department of State, submitting a draft of proposed legislation to amend the Northwest Atlantic Fisheries Act of 1950, as amended, the North Pacific Fisheries Act of 1954, as amended, and for other purposes (with accompanying papers); to the Committee on Commerce.

REPORT OF STATISTICS OF PRIVATELY OWNED ELECTRIC UTILITIES IN THE UNITED STATES, 1969

A letter from the Chairman, Federal Power Commission, transmitting, pursuant to law, a report entitled "Statistics of Privately Owned Electric Utilities in the United States, 1969" (with an accompanying report); to the Committee on Commerce.

PROPOSED NATIONAL HEALTH INSURANCE PARTNERSHIP ACT OF 1971

A letter from the Secretary of Health, Education, and Welfare, submitting a draft of proposed legislation to amend the Social Security Act to require employers to make an approved basic health care plan available to their employees, to provide a family health insurance plan for low-income families not covered by an employer's basic health care plan, to facilitate provision of health services to beneficiaries of the family health insurance plan by health maintenance organizations by prohibiting state law interference with such organizations providing such services, and for other purposes (with accompanying papers); to the Committee on Finance.

REPORTS OF THE COMPTROLLER GENERAL

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the need for interagency consideration of applications for investment surveys and guaranties involving potential displacement of U.S. agricultural exports, Agency for International Development, Department of State, Department of Agriculture, Overseas Private Investment Corporation (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 the effective conversion of National Guard technician positions to Federal positions in the Department of Defense (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 evaluation of information from contractors in support of claims and other pricing changes on ship construction contracts issued by the Department of the Navy (with an accompanying report); to the Committee on Government Operations.

REPORT ON THE ANTHRACITE MINE WATER CONTROL AND MINE SEALING AND FILLING PROGRAM

A letter from the Secretary of the Interior, transmitting, pursuant to law, a report on the anthracite mine water control and mine sealing and filling program (with an accompanying report); to the Committee on Interior and Insular Affairs.

PROPOSED LEGISLATION TO AMEND THE ACT OF SEPTEMBER 26, 1970

A letter from the Assistant Secretary of the Interior, submitting a draft of proposed legislation to amend the act of September 26, 1970 (84 Stat. 884) (with accompanying papers); to the Committee on Interior and Insular Affairs.

PROPOSAL REGARDING THE NATIONAL WILDERNESS SYSTEM

A letter from the President of the United States, transmitting proposals which would add to the National Wilderness System vast areas where nature still predominates (with accompanying material); to the Committee on Interior and Insular Affairs.

PROPOSED LEGISLATION TO ESTABLISH AGE LIMITATIONS FOR CERTAIN APPOINTMENTS

A letter from the Attorney General of the United States, submitting a draft of proposed legislation to amend section 3307 of title 5, United States Code, to authorize the Attorney General to establish age limitations for certain appointments (with accompanying papers); to the Committee on the Judiciary.

PROPOSED LEGISLATION TO INCREASE THE RETIREMENT BENEFITS OF REFEREES IN BANKRUPTCY

A letter from the Director, Administrative Office of the United States Courts, submitting a draft of proposed legislation to amend the civil service retirement law to increase the retirement benefits of referees in bankruptcy (with accompanying papers); to the Committee on the Judiciary.

TEN-STATE NUTRITION SURVEY IN THE UNITED STATES

A letter from the Secretary of Health, Education, and Welfare, transmitting, pursuant to law, a report entitled "Ten-State Nutrition Survey in the United States, 1968–1970" (with an accompanying report); to the Committee on Labor and Public Welfare.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the PRESIDENT pro tempore:

A concurrent resolution of the General Assembly of the State of Iowa; to the Committee on Agriculture and Forestry:

"SENATE CONCURRENT RESOLUTION 34

"Whereas, the United States Department of Agriculture Veterinary Biololgics Division Laboratory situated at Ames, Iowa, is ideally located in the feeu grains and livestock center of the United States and adjacent to the National Animal Disease Laboratory and the Veterinary College of Iowa State University; and

"Whereas, the successful continuation and coordination of its work is vitally important to the basic industry of Iowa, and the loss of the employment of some one hundred persons with a payroll of one million dollars annually would be a severe economic depressant to the city of Ames and the state of Iowa; and

"Whereas, recent news articles have reported on the possibility of transferring the laboratory from Ames, Iowa, to Fort Detrick, Maryland, which follows by only two years a proposal to move this facility to Lincoln, Nebraska, now therefore.

"Be it resolved by the Senate, the House concurring, That the General Assembly deplores and opposes any plan or proposal to move the United States Department of Agriculture Veterinary Biologics Division Laboratory from its present location in Ames, Iowa; and

"Be it further resolved, That copies of this Resolution be directed to the President and

Vice President of the United States, the Secretary of Agriculture of the United States; and that copies of this Resolution combined with the General Assembly's expression of appreciation for efforts in this regard be directed to the Iowa delegation in the United States Congress, and to the Governor of Iowa."

A joint resolution of the legislature of the State of Kansas; to the Committee on Appropriations:

"HOUSE JOINT RESOLUTION No. 1002

"(A Joint Resolution memorializing the Congress of the United States to reconsider its actions on funding development of the supersonic transport.)

"Whereas, The state of Kansas has long been a leader in the aerospace industry; and

"Whereas, The city of Wichita in Sedgwick county is the home of many thousands of highly skilled, dedicated and experienced aircraft workers, scientists, technologists and engineers and is the site of large aircraft manufacturing plants; and

"Whereas, In the city of Wichita there is situated a large unit of the Boeing Company, a manufacturing plant which has contributed magnificently to the military efforts and peaceful activities of the United States and the free world; and

"Whereas, The economy of Wichita, its surrounding area and the state of Kansas are grievously depressed, unemployment is high and the economy weak; and

"Whereas, The skills and talents of the people of Wichita must be preserved now and for the future; and

"Whereas, The United States will lose markets and suffer losses of prestige should it not be competitive in the world markets: Now, therefore,

"Be it resolved by the House of Representatives of the State of Kansas, the Senate agreeing thereto:

"Section 1. The legislature of the state of Kansas hereby respectfully petitions the Congress of the United States to reconsider its actions on denial of funds for design, prototype construction and flight demonstrations of the supersonic transport. The legislature further urges that all conclusions as to the effect by the supersonic transport upon the environment be held in abeyance until after ample test flights have been made.

SEC. 2. The secretary of state is hereby directed to send enrolled copies of this resolution to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives, the Secretary of Health Education and Welfare, the Secretary of Defense, the Secretary of Labor, each member of the Kansas delegation to the Congress of the United States and to the Governor, the President of the Senate and the Speaker of the House of Representatives of the state of Washington, Olympia, Washington 98501.

"SEC. 3. This joint resolution shall take effect and be in force from and after its publication in the official state paper."

A resolution of the Senate of the State of Oklahoma; to the Committee on Commerce:

"ENROLLED SENATE RESOLUTION No. 33

"A resolution relating to driver regulations for trucks used in the transportation of farm or ranch products under proposed new driver regulations of the Department of Transportation; petitioning the Secretary of Transportation to devise and adopt certain exemptions to regulations that hinder the production of agricultural crops; and directing distribution

"Whereas, the economy of the State of Oklahoma is dependent to a large extent upon agriculture; and

"Whereas, transportation is vital to agricultural production, and more specifically the operation of trucks and other motor vehicles weighing up to 40,000 pounds gross weight is an indispensable part of today's mechanized system of farming and ranching; and

"Whereas, the agriculture segment of the economy continues to face a diminishing labor supply and it is difficult for the employing farmer and rancher to hire individuals, let alone those possessing certain age and physical qualifications as required by the new driver regulations for farm truck operators.

"Now, therefore, be it resolved by the Senate of the 1st session of the 33rd Oklahoma Legislature:

"Section 1. The Secretary of the Department of Transportation is respectfully urged to enact regulations providing for exemptions from such regulations that prohibit a farmer, rancher or custom operator from hiring a person under the age of twenty-one, and from requiring an ICC physical examination of such hired person but otherwise qualified in all respects, for the purpose of operating a farm truck, weighing up to 40,000 pounds gross weight, for hauling supplies or products to or from the place of sale or purchase.

"Section 2. Be it further resolved that authenticated copies of this Resolution be transmitted to:

"1. The President of the United States;

"2. The Presiding Officers of the United States Senate and House of Representatives;

"3. Each member of the Oklahoma Congressional Delegation; and

"4. The Secretary of the Department of Transportation.

Adopted by the Senate the 20th day of April, 1971."

A concurrent resolution of the Legislature of the State of Kansas; to the Committee on Rules and Administration:

"HOUSE CONCURRENT RESOLUTION No. 1041

"A Concurrent Resolution memorializing the congress of the United States to return the statue of George W. Glick, presented by the state of Kansas for placement in Statuary Hall and to accept in return, for placement in Statuary Hall, a statue of Dwight David Eisenhower

"Whereas, By act of congress, each state is invited to provide and furnish statues, not exceeding two in number, of deceased persons who have been citizens thereof and illustrious for their historic renown or from distinguished civic or military services, such as the state shall determine to be worthy of national commemoration in a national statuary hall; and

"Whereas, The state of Kansas has had one citizen, Dwight David Eisenhower, who stands alone in the history of this state in achievement of a distinguished career in both the civic and military services, a man whose destiny led him from a boyhood home in Abilene, Kansas, to lead the armies of his nation and those of the free world in one of the greatest and most historic military engagements of all time and to lead the people of his nation in peace as the 34th president of the United States; and

"Whereas, Dwight D. Eisenhower, citizen of Kansas, General of the Army, President of the United States and honored and respected friend of presidents, kings and leaders and peoples of the free world is eminently worthy of national commemoration in a national statuary hall; and

"Whereas, The state of Kansas in years past did provide for the placing of two statues of distinguished citizens of Kansas in statuary hall; and

"Whereas, One of such statues is of the Honorable George W. Glick, a man who although he did not hold national office or win national or international acclaim, was a most honored and distinguished governor and legislative and civic leader in the state of Kansas; and

"Whereas, Governor Glick can best be honored by the placing of his statue in the Memorial hall of the Kansas state historical society among the paintings, photographs, artifacts, mementos, materials and objects illustrative of the history of the state in which he played such a distinguished part: Now, therefore,

"Be it resolved by the House of Representatives of the State of Kansas, the Senate concurring therein: That the legislature of the state of Kansas respectfully requests that the congress of the United States return the statue of George W. Glick presented by the state of Kansas for placement in Statuary Hall and accept in return, for replacement in Statuary Hall, a statue of Dwight David Eisenhower, a citizen of the free world, and worthy of national commemoration in Statuary Hall.

"Be it further resolved: That the secretary of state is directed to transmit enrolled copies of this resolution to the president of the Senate of the United States, the speaker of the House of Representatives of the United States and to each member of the Kansas Delegation in the congress of the United States."

A resolution of the City Council of Chino, Calif.; to the Committee on Finance.

A letter from certain employees of the Argonne National Laboratory, Argonne, Ill., requesting protection for the people of East Pakistan (East Bengal); to the Committee on Foreign Relations.

A resolution of the Common Council of the City of Evansville, Ind.; to the Committee on Public Works.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McINTYRE, from the Committee on Banking, Housing and Urban Affairs, without amendment:

S. 1260. A bill to amend the Small Business Act (Rept. No. 92–90).

By Mr. PROXMIRE, from the Committee on Banking, Housing, and Urban Affairs, with amendments:

H.R. 4246. A bill to extend certain laws relating to the payment of interest on time and savings deposits and economic stabilization (Rept. No. 92–89).

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session, the following favorable executive reports of nominations were submitted:

By Mr. MAGNUSON, from the Committee on Commerce:

Catherine May Bedell, of Washington; David Walbridge Kendall, of Michigan; and John A. Volpe, Secretary of Transportation; to be members of the board of directors of the National Railroad Passenger Corporation, for a term of 2 years;

Frank S. Besson, Jr., of Virginia, David E. Bradshaw, of Illinois; and Charles Luna, of Ohio; to be members of the Board of Directors of the National Railroad Passenger Corporation, for a term of 3 years; and

John J. Gilhooley, of New York; and Roger Lewis, of New York; to be members of the Board of Directors of the National Railroad Passenger Corporation, for a term of 4 years.

BILLS AND JOINT RESOLUTIONS INTRODUCED

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. SCOTT (for himself, Mr. HART, Mr. MATHIAS, and Mr. KENNEDY):

S. 1664. A bill to authorize appropriations for the Commission on Civil Rights. Referred to the Committee on the Judiciary.

By Mr. BYRD of West Virginia for Mr. WILLIAMS (for himself, Mr. BEALL, Mr. PELL, Mr. MUSKIE, Mr. MATHIAS, Mr. RANDOLPH, and Mr. MONDALE):

S. 1665. A bill to amend the Rail Passenger Service Act of 1970 in order to prevent the discontinuance pursuant to such act of intercity rail passenger service which provides service for a substantial number of regular commuter passengers. Referred to the Committee on Commerce.

By Mr. CHURCH (for himself, Mr. MANSFIELD, and Mr. METCALF):

S. 1666. A bill to provide for the transportation of mail by the National Rail Passenger Corporation. Referred to the Committee on Post Office and Civil Service.

By Mr. HRUSKA (for himself and Mr. CURTIS):

S. 1667. A bill for the relief of Antonio Costanzo. Referred to the Committee on the Judiciary.

By Mr. TOWER:

S. 1668. A bill to establish a Lufkin Division in the eastern district of Texas, and for other purposes. Referred to the Committee on the Judiciary.

By Mr. PROUTY (for himself, Mr. BAKER, Mr. BENNETT, Mr. BROCK, Mr. BUCKLEY, Mr. DOMINICK, Mr. FONG, Mr. GRIFFIN, Mr. PERCY, Mr. SCHWEIKER, Mr. SCOTT, Mr. TAFT, and Mr. TOWER):

S. 1669. A bill to strengthen education by providing a share of the revenues of the United States to the States and to local educational agencies for the purpose of assisting them in carrying out education programs reflecting areas of national concern. Referred to the Committee on Labor and Public Welfare.

By Mr. TALMADGE (by request):

S. 1670. A bill to amend the Soil Conservation and Domestic Allotment Act, as amended. Referred to the Committee on Agriculture and Forestry.

By Mr. SPARKMAN (by request):

S. 1671. A bill to amend laws relating to savings and loan associations, to broaden their mortgage credit powers, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. BENTSEN:

S. 1672. A bill to amend section 312 of the Immigration and Nationality Act. Referred to the Committee on the Judiciary.

By Mr. KENNEDY:

S. 1673. A bill to provide for the establishment of the Plymouth Rock National Memorial, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. HATFIELD:

S. 1674. A bill for the relief of Josefa V. Aquino. Referred to the Committee on the Judiciary.

By Mr. PACKWOOD:

S. 1675. A bill for the relief of Antonio Plameras. Referred to the Committee on the Judiciary.

By Mr. FONG:

S. 1676. A bill for the relief of Lucilo Mejia Bolaoen;

S. 1677. A bill for the relief of Rodolfo Evangelista Corpuz;

S. 1678. A bill for the relief of Zosima Batoon;

S. 1679. A bill for the relief of Elpidio D. Ybarzabal, Junior; and

S. 1680. A bill for the relief of Angel Gamo Enriquez. Referred to the Committee on the Judiciary.

By Mr. FONG (for himself and Mr. MCGEE):

S. 1681. A bill to liberalize eligibility for cost-of-living increases in civil service retirement annuities; and

S. 1682. A bill to amend title 5, United States Code, to establish and govern the Federal Executive Service, and for other purposes. Referred to the Committee on Post Office and Civil Service.

By Mr. BENTSEN:

S. 1683. A bill for the relief of Natan Levy, Isabel Aron Josub Levy, Elias Levy, and Jane Esther Levy. Referred to the Committee on the Judiciary.

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

S. 1684. A bill to assure protection of environmental values while facilitating construction of needed electric power supply facilities, and for other purposes. Referred to the Committee on Commerce.

By Mr. HUMPHREY:

S. 1685. A bill to provide for the establishment and enforcement of certain interim safety standards for power rotary lawn mowers. Referred to the Committee on Commerce.

S. 1686. A bill for the relief of Mrs. Vimala Subbiah, A18 981 208, Miss Meena Kumari Subbiah, Miss Ponni Subbiah, Miss Komathi Subbiah. Referred to the Committee on the Judiciary.

By Mr. MAGNUSON:

S. 1687. A bill for the relief of Tait Stevedoring Co., Inc. Referred to the Committee on the Judiciary.

By Mr. MOSS:

S. 1688. A bill to authorize the granting of mineral rights to certain homestead patentees who were wrongfully deprived of such rights. Referred to the Committee on Interior and Insular Affairs.

S. 1689. A bill to authorize the payment of a special death gratuity to the widow, children, and parents of members of the Armed Forces who lost their lives on the U.S. ship *Scorpion*. Referred to the Committee on Veterans' Affairs.

By Mr. GURNEY:

S. 1690. A bill to amend title 18 and title 28 of the United States Code with respect to the trial and review of criminal actions involving obscenity, and for other purposes. Referred to the Committee on the Judiciary.

By Mr. FANNIN:

S. 1691. A bill to assist in the efficient production of the needed volume of good housing at lower cost through the elimination of restrictions on the use of advanced technology, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. MAGNUSON (by request):

S. 1692. A bill to provide for the development or approval of test methods for consumer products;

S. 1693. A bill to provide a new and improved system of Federal financial assistance to State and local governments for solving the transportation problems of the State and local governments and for improving the Nation's capacity to meet the demands of interstate commerce, and for other purposes;

S. 1694. A bill to authorize appropriations of the Department of Commerce to be available until expended or for periods in excess of one year;

S. 1695. A bill to authorize appropriations to carry out the Standard Reference Data Act;

S. 1696. A bill to require load lines on United States vessels engaged in foreign voyages and foreign vessels within the jurisdiction of the United States, and for other purposes; and

S. 1697. A bill to authorize appropriations to carry out the Fire Research and Safety Act of 1968. Referred to the Committee on Commerce.

By Mr. MANSFIELD (for himself and Mr. METCALF):

S. 1698. A bill to provide an additional period of time for review of the basic national rail passenger system; to postpone for seven months the date on which the National Railroad Passenger Corporation is authorized to contract for provision of intercity rail passenger service; to postpone for seven months the date on which the Corporation is required to begin providing intercity rail passenger service, and for other purposes.

(Second reading objected to. See debate thereon which appears later in the RECORD.)

By Mr. MAGNUSON (for himself, Mr. ANDERSON, Mr. BAYH, Mr. BROOKE, Mr. CANNON, Mr. CHILES, Mr. CRANSTON, Mr. FANNIN, Mr. GRAVEL, Mr. GURNEY, Mr. HARRIS, Mr. HARTKE, Mr. HOLLINGS, Mr. HUGHES, Mr. HUMPHREY, Mr. JORDAN of North Carolina, Mr. INOUYE, Mr. KENNEDY, Mr. MCGEE, Mr. MCGOVERN, Mr. MCINTYRE, Mr. MANSFIELD, Mr. MONDALE, Mr. MOSS, Mr. NELSON, Mr. PEARSON, Mr. PERCY, Mr. RANDOLPH, Mr. STEVENS, and Mr. TUNNEY):

S. 1699. A bill to establish a National Environmental Bank, to authorize the issuance of United States Environmental Savings Bonds, and to establish an Environmental Trust Fund. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. SPARKMAN (for himself, Mr. TOWER, and Mr. BENNETT):

S. 1700. A bill to amend section 14(b) of the Federal Reserve Act, as amended, to extend for two years the authority of Federal Reserve banks to purchase United States obligations directly from the Treasury. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. METCALF (for himself, Mr. MANSFIELD, and Mr. CHURCH):

S. 1701. A bill to amend the Rail Passenger Service Act of 1970 in order to give the States and consumer organizations certain rights under such Act. Referred to the Committee on Commerce.

By Mr. BURDICK (for himself and Mr. YOUNG):

S. 1702. A bill to authorize the Secretary of the Interior to accept trust title to lands within the Fort Totten Indian Reservation. Referred to the Committee on Interior and Insular Affairs.

By Mr. PELL:

S. 1703. A bill for the relief of Maria Margarida Machado de Lemos;

S. 1704. A bill for the relief of Jaime Machado de Lemos;

S. 1705. A bill for the relief of Virginio Da Costa Medeiros;

S. 1706. A bill for the relief of Antonio Machado de Lemos;

S. 1707. A bill for the relief of Antonio Ponte;

S. 1708. A bill for the relief of Rosa Ponte;

S. 1709. A bill for the relief of Leonardo Manuel da Camara Pacheco;

S. 1710. A bill for the relief of Terezinha de Jesus Mota Alves do Couto Pacheco;

S. 1711. A bill for the relief of Sandra Pacheco;

S. 1712. A bill for the relief of Jacinto Vasconcelos Franco;

S. 1713. A bill for the relief of Delino da Conceicao Cunha;

S. 1714. A bill for the relief of Odete Fernandes de Oliveira Cunha;

S. 1715. A bill for the relief of Maria Luciana de Oliveira Cunha;

S. 1716. A bill for the relief of Maria de Fatima Oliveira Cunha;

S. 1717. A bill for the relief of Elisio Antonio de Oliveira;

S. 1718. A bill for the relief of Maria Madalena Machado Oliveira;

S. 1719. A bill for the relief of Maria Isabel Ponte Almeida;

S. 1720. A bill for the relief of Manuel Machado Cardoza dos Santos; and

S. 1721. A bill for the relief of Antonio Fernando Toste de Sousa. Referred to the Committee on the Judiciary.

By Mr. PELL:

S. 1722. A bill to provide Federal financing for the provision, by States the law of which provides for the payment of extended un-

employment compensation, of payments of unemployment compensation for an additional period (up to 26 weeks) in the case of individuals whose entitlement, under State law, to unemployment compensation has been exhausted.

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

S. 1723. A bill to declare Leech Lake, Cass Lake, and Winnibigoshish Lake in the State of Minnesota to be nonnavigable waters for certain purposes. Referred to the Committee on Commerce.

By Mr. MONDALE:

S. 1724. A bill to expand the home improvement loan program under sections 203(k) and 220(h) of the National Housing Act to include interest subsidy payments on behalf of the owners of modest homes, in order to preserve and restore the residential character of neighborhoods in cities, villages, and towns. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. MONDALE (for himself, Mr. EAGLETON, Mr. MCGOVERN, and Mr. MOSS):

S. 1725. A bill to accelerate the effective dates of individual income tax reductions provided by the Tax Reform Act of 1969; to restore the investment credit for small business enterprises; and to provide for the payment of federally financed extended unemployment compensation under Federal-State agreements.

By Mr. HATFIELD:

S.J. Res. 90. A joint resolution proposing an amendment to the Constitution of the United States to limit the tenure of Senators and Representatives in Congress. Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SCOTT (for himself, Mr. HART, Mr. MATHIAS, and Mr. KENNEDY):

S. 1664. A bill to authorize appropriations for the Commission on Civil Rights. Referred to the Committee on the Judiciary.

Mr. SCOTT. Mr. President, I am pleased to join the senior Senator from Michigan (Mr. HART) in introducing this bill to increase the authorization for appropriations for the U.S. Commission on Civil Rights to $4 million. This proposed increase has already been approved by the Office of Management and Budget.

To bring the Senate up to date in this matter, the 91st Congress increased the authorization for the Commission by $750,000. This was the first increase granted the Commission since 1968 when the authorization was fixed at $2,650,000 and was intended to restore the Commission to its operating capacity of that year. Now the Office of Management and Budget has approved a modest increase in the appropriations request to enable the Commission to widen its program to take in new subjects of civil rights concern and to open a field office located in an area convenient to the center of the American Indian population.

The amount of the appropriation requested for the Commission in the budget is $3,800,000. This amount is $400,000 in excess of the current authorization for appropriations. Thus, authorizing legislation for the increased appropriation requested for the Commission is necessary. In addition, the Office of Management and Budget approved an authorization figure of $4,000,000—$200,000 in excess of the requested appropriation—to enable the Commission to request supplemental appropriations should that become necessary later in the fiscal year.

I can recall quite vividly the origins of the Civil Rights Commission. In fact, I cosponsored and voted for the bill to create it while serving in the House of Representatives in 1957. Since that time, I have supported every effort to extend its life and to expand its activities. The bill I am sponsoring today is merely another step in the direction of full equality for all Americans.

Mr. President, I ask unanimous consent to insert, at this point in the RECORD, several items documenting more fully the proposed budget and activities of the Commission. In addition, I wish to include a letter of transmittal to the Vice President written by the Commission's Chairman, Theodore M. Hesburgh, and a letter of approval submitted by the Office of Management and Budget.

Mr. President. I introduce this bill for appropriate reference and ask unanimous consent that it be printed at this point in the RECORD.

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

S. 1664

A bill to authorize appropriations for the Commission on Civil Rights

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Section 106 of the Civil Rights Act of 1957 (71 Stat. 636; 42 U.S.C. 1975e) as amended, is further amended to read as follows: "For the purposes of carrying out this Act, there is hereby authorized to be appropriated for the fiscal year ending June 30, 1972, the sum of $4,000,000, and for each fiscal year thereafter until January 31, 1973, the sum of $4,000,000."

U.S. COMMISSION ON CIVIL RIGHTS—INCREASE IN FISCAL YEAR 1972 BUDGET REQUEST BY OBJECT CLASSIFICATION

[In thousands of dollars]

		Fiscal year—		
		1971 estimate	1972 estimate	Increase
	Personnel compensation:			
11.1	Permanent positions	2,094	2,381	287
11.3	Positions other than permanent	136	149	13
11.5	Other personnel compensation	32	32	.....
11.8	Special personal service payments	2	2	.....
	Total personnel compensation	2,264	2,564	300
12.1	Personnel benefits	164	191	27
21.0	Travel and transportation of persons	238	280	42
22.0	Transportation of things	9	9	.....
23.0	Rent, communications, and utilities	202	232	30
24.0	Printing and reproduction	146	167	21
25.0	Other services	236	270	34
26.0	Supplies and materials	49	54	5
31.0	Equipment	15	33	18
99.0	Total obligations	3,323	3,800	477

Note: The $200,000 difference between the $3,800,000 appropriation request and the $4,000,000 authorization request would be used as authority for the Commission to be included in any governmentwide supplemental appropriation requests made necessary by mandatory Federal salary increases.

U. S. COMMISSION ON CIVIL RIGHTS—PROPOSED NEW PROJECTS FY 1972

1. A study of political participation by minority group members in selected states during the Spring of 1972, including the evaluation of the effects of the extended Voting Rights Act.

2. A study of equal protection of the laws in State, local, and Federal correctional institutions effecting prisoners generally and minority group prisoners particularly.

3. A study of equal opportunity in the military service.

4. A study assessing the effectiveness of Government efforts to eliminate restrictive employment practices required or supported by unions and internal restrictive union practices which limit minority employment, promotion, and union participation.

5. A study examining the extent to which health services are provided to minority citizens on a nondiscriminatory basis.

6. Current discussion guides to be used by adult groups dealing with specific civil rights issues in such fields as education, housing, and employment.

7. A publication describing examples of successful use of civil rights laws to achieve equal opportunity.

8. Two films dealing with Mexican Americans and the general topic of racism.

9. A seventh field office covering the North and Central Plains and Mountain States will be opened. This office will be located where it can service a large proportion of the American Indian minority.

Washington, D.C., April 1, 1971.

The VICE PRESIDENT,
United Staates Senate,
Washington, D.C.

DEAR MR. VICE PRESIDENT: Enclosed for your consideration and appropriate reference is a legislative proposal with regard to the appropriations authorization for the Commission on Civil Rights.

Congress established the Commission on Civil Rights in the Civil Rights Act of 1957. Its reports and recommendations have provided a basis for legislation and executive action taken during the past fourteen years to assure equal rights. In 1964 Congress authorized a civil rights clearinghouse function for the Commission. Since then the Commission has engaged in a vigorous program of fact dissemination to inform the American people concerning the dimensions of the problems of civil rights and the nature of the remedies required to solve these problems.

It is now generally recognized that civil rights problems are more complex than they were once thought to be. An impressive array of civil rights laws and programs have been enacted. Progress has been made, yet the goal has been furthered by the independent critical appraisal of Federal laws and policies respecting denials of equal protection of the laws exercised by the Commission on Civil Rights. In the months and years ahead the Commission's role as an independent critic will continue to be of use to Congress and the Executive, as well as the Nation.

In 1967, the life of the Commission was extended to 1973. At the same time, based on the needs of the Commission as of 1968, a ceiling was set on its authorizations. Last year, Congress acted for the first time in three years to raise that ceiling by a modest amount which was intended to restore the Commission to its operating capability as of 1968.

This proposal would raise the Commission's authorization from $3,400,000 to $4,000,000. The amount requested to be authorized reflects an additional $400,000 requested to be appropriated for the Commission on Civil Rights in the Budget for Fiscal Year 1972 plus $200,000 for supplemental appropriations requests, if such become necessary.

Accordingly, it is recommended that the Congress promptly consider and enact this legislation.

The Office of Management and Budget has advised that there would be no objection to the submission of this proposal and that

its enactment would be consistent with the Program of the President.

Sincerely,

THEODORE M. HESBURGH,
Chairman.

Enclosures.

EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., March 4, 1971.

Mr. HOWARD A. GLICKSTEIN,
Staff Director, Commission on Civil Rights, Washington, D.C.

Attention: Mr. Jonathan W. Fleming.

DEAR MR. GLICKSTEIN: This is in reply to your letter of February 9, 1971, requesting advice on a draft bill "To authorize appropriations for the Commission on Civil Rights."

There is no objection to the submission of this draft bill to the Congress and its enactment would be consistent with the Administration's objectives.

Sincerely,

WILFRED H. ROMMEL, *Assistant Director for Legislative Reference.*

By Mr. BYRD of West Virginia for Mr. WILLIAMS (for himself, Mr. BEALL, Mr. PELL, Mr. MUSKIE, Mr. MATHIAS, Mr. RANDOLPH, and Mr. MONDALE):

S. 1665. A bill to amend the Rail Passenger Service Act of 1970 in order to prevent the discontinuance pursuant to such Act of intercity rail passenger service which provides service for a substantial number of regular commuter passengers. Referred to the Committee on Commerce.

TO PRESERVE COMMUTER RAIL SERVICE UNDER AMTRAC

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent, in behalf of the Senator from New Jersey (Mr. WILLIAMS) to introduce a bill to amend the Rail Passenger Service Act of 1970 to prevent the discontinuance pursuant to such act of intercity rail passenger service which provides for a substantial number of regular commuter passengers. I further ask unanimous consent to have printed in the RECORD the bill and a statement prepared by Mr. WILLIAMS in connection therewith, entitled "To Preserve Commuter Rail Service Under AMTRAC."

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill and statement will be printed in the RECORD.

S. 1665

A bill to amend the Rail Passenger Service Act of 1970 in order to prevent the discontinuance pursuant to such Act of intercity rail passenger service which provides service for a substantial number of regular commuter passengers

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 404 of the Rail Passenger Service Act of 1970 is amended by inserting at the end thereof a new subsection as follows:

"(c) Notwithstanding any other provision of this Act nothing in this Act shall authorize the discontinuance of any intercity rail rail passenger service between any two cities which was provided prior to May 1, 1970, if during the year preceding such date on an average basis at least 50 per centum of the passengers using such service were regular commuter passengers to either such city."

Mr. WILLIAMS' statement is as follows:

TO PRESERVE COMMUTER RAIL SERVICE UNDER AMTRAC

Mr. President, I have just introduced a bill to amend the legislation which established the National Railroad Passenger Corporation—commonly referred to as Amtrac. This bill is necessary in order to correct an unfortunate adverse effect the basic Amtrac legislation is having on commuter rail service.

An examination of the legislative history of the Amtrac legislation reveals that it was designed to affect intercity passenger service only. Briefly, Amtrac is supposed to decide what basic passenger service is to be provided between various cities, and it is then supposed to see that such service is provided, generally by contracting with the individual railroads. The railroad would then be allowed to discontinue all other *intercity* service between the cities in question. It was not intended that these railroads be allowed to discontinue commuter service. Unfortunately, however, it is possible for them to discontinue service which is, in fact, commuter service simply because the train involved happens to run between two different cities. It is, therefore, an intercity train within the definition of the legislation.

It is not certain at this time exactly how many trains fall in the category of which I speak. One specific instance has been brought to my attention in which the lives of a large number of people will be seriously affected by the discontinuance of a so-called intercity train which has in fact been used by a large majority of its passengers as a commuter train for many years.

While this is only one specific example, I am afraid there may be a great many more instances in which vitally needed commuter service is being disrupted because the train involved runs between two or more cities.

Mr. President, as our urban areas become ever more congested; as they become ever more choked by their own traffic jabs; it becomes increasingly clear that we must provide more and more high speed ground transportation by which people may get from their homes to their jobs. I have long fought for programs which would increase the available amount of mass transportation services. I cannot now stand idly by and watch Amtrac cause a *decrease* in commuter rail service in the name of improving intercity service.

Mr. President, my bill would make it impossible, under the Amtrac legislation, for the railroads to discontinue any service where more than 50 percent of the passengers are commuters. I urge the Senate Commerce Committee to take immediate and favorable action on this bill. Not to so act will adversely affect the lives of many people. It will be a setback in our continued efforts to increase commuter rail service.

By Mr CHURCH (for himself, Mr. MANSFIELD, and Mr. METCALF):

S. 1666. A bill to provide for the transportation of mail by the National Rail Passenger Corporation. Referred to the Committee on Post Office and Civil Service.

LET US PUT MORE MAIL ON PASSENGER TRAINS

Mr. CHURCH. Mr. President, one of the most serious problems facing the new National Rail Passenger Corporation is adequate revenue to assure that the system can be truly national in scope.

One action which Congress can take to enlarge the revenue of AMTRAK would be to require the Post Office Department to give priority to AMTRAK trains in the shipment of mail. Accordingly, on behalf of myself and the distinguished Senators from Montana, Mr. MANSFIELD and Mr. METCALF, I introduce legislation which, if enacted, would achieve that goal.

Mr. President, I ask unanimous consent that my recent testimony before the Surface Transportation Subcommittee of the Senate Commerce Committee, which discusses this possibility and other related matters, appear at this point in the RECORD, along with the text of the bill I am introducing this morning.

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

S. 1666

A bill to provide for the transportation of mail by the National Rail Passenger Corporation

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 5203(c) of title 39, United States Code, is amended—

(1) by striking out "The" and inserting in lieu thereof the following: "(1) Except as otherwise provided in paragraph (2) of this subsection, the"; and

(2) by adding at the end thereof the following new paragraph:

"(2) Notwithstanding any other provision of law, in any case where adequate service in the transportation of mail is offered by the National Rail Passenger Corporation, the Postal Service shall give priority to the use of such service for such transportation."

STATEMENT BY SENATOR FRANK CHURCH

AMTRAK

Mr. Chairman, I would like to thank this Committee for the opportunity to testify on the National Rail Passenger System at these oversight hearings. Before proceeding further, I should like to make clear my position on the proposed system—whether it is called RAILPAX or AMTRAK, the label attached most recently to the system established by Public Law 91–518. Perhaps I should say the system established by the Department of Transportation and the incorporators of the National Rail Passenger System, for I feel that it bears little resemblance to what Congress envisioned when it passed the law in question.

I support improvement and preservation of this nation's rail passenger system. I support innovative programs to increase ridership. I support research to make high speed train travel in our nation economically feasible and practically sound. I will support legislation which may be necessary in the future to achieve these goals for I strongly feel that rail transportation must become an integrated part of an adequate national transportation system.

I do not support AMTRAK as it is presently constituted. It is in clear derogation of the expressed purpose of Congress in passing the Rail Passenger Service Act of 1970 that the system proposed by the Secretary of Transportation and established by the Incorporators of AMTRAK be "national" in scope. The actual proposal leaves six states totally devoid of any rail passenger service. Idaho is left with only token service furnished to the town of Sandpoint in the northern panhandle of the State. Totally ignored are the three major population areas of the State—Pocatello, Twin Falls and Boise, the State Capitol. Boise is 440 miles from Sandpoint, Pocatello, 534 miles, and Twin Falls, 573 miles. Thus, the system leaves no service whatsoever to that part of Idaho where most of the people live.

As one Senator, I can assure this Committee and the incorporators of AMTRAK that, unless service is extended to all of the 48 contiguous states, and meaningful service is provided to states like my own, I will oppose any funds for this system.

Mr. Chairman, I have received hundreds of letters from concerned Idahoans asking that rail service be preserved. In response to their pleas, I introduced, on February 26 of this year, S. 1018, a bill which would require the Secretary of Transportation to designate, and the Incorporators to implement, an extension of the basic system to include at least one major population center in each of the contiguous 48 states.

I feel this would be a sound approach inasmuch as it leaves considerable discretion in the hands of the Secretary to choose the most feasible routes, and treats with equity all of the states involved in the system. It would aid immensely in making the network the truly *national* system which Congress envisioned in the passage of the Act.

I am aware that the distinguished Senator from Ohio, Mr. Taft, has also introduced legislation which would enlarge the public subsidy to AMTRAK to cover the cost of adding certain designated lines, one of which would run through the southern portion of Idaho. When I introduced S. 1018, I stated that I was not wedded to any particular formula. Should this Committee favor the approach of Senator Taft, I certainly would support his legislation. It is not important whose bill succeeds; it is only important that the public, including the people of Idaho, be assured adequate rail passenger service.

In addition, Mr. Chairman, there are other approaches available to strengthen the financial prospects for AMTRAK. The Post Office Department could be directed to use AMTRAK trains to the maximum extent feasible in transporting mail. This Committee wisely provided for such a possibility when it enacted the Rail Passenger Service Act. Section 305 of the law authorizes the Corporation to carry mail. According to the Committee Report on S. 3706, rail mail transportation amounted to $204 million in revenue to the railroads in 1969. The Union Pacific Railroad, which serves my state, had mail income of $13,378,676, of which $10,926,926 was carried by freight trains, and $2,451,750 by passenger trains. Since AMTRAK is designed to carry passengers to many of our largest population centers, it would certainly seem feasible for more mail to be carried by these passenger trains. This could significantly enhance the income to AMTRAK and enable it to expand its passenger system.

There is another possibility. It is obvious from reading the *Congressional Record* that there is serious disagreement over the action of the Department of Transportation and the Incorporators of AMTRAK. Considerable difficulty is being encountered in setting up the system and in seeing to it that workers affected by the proposal are adequately protected. A number of legislative remedies have been introduced. Accordingly, I hope the Committee will give thought to the possibility of delaying the final implementation of AMTRAK for at least 60 days to give Congress time to work its will on the proposals which have been presented.

The damage done will be severe if trains are discontinued before Congress can act upon these proposals. A 6 month extension of existing service will avoid the problem of starting again from scratch those discontinued services which might be reinstated. As this Committee wisely noted, in its report on the original bill:

"Once passenger service on any given route is discontinued, stations, terminals, signals and necessary trackage are abolished shortly thereafter; sales and marketing organizations are disbanded; travel is diverted to other modes and must be lured back to the trains from scratch."

Mr. Chairman, I ask that these remedial proposals be given careful scrutiny by this Committee. We need a viable rail passenger transportation network for the whole country. Congress should come to the rescue of the states that have been left out.

By Mr. TOWER:

S. 1668. A bill to establish a Lufkin Division in the eastern district of Texas, and for other purposes. Referred to the Committee on the Judiciary.

LUFKIN DIVISION IN THE EASTERN DISTRICT OF TEXAS

Mr. TOWER. Mr. President, today I am introducing a bill which provides for the establishment of a new division of the U.S. district court for the eastern district of Texas to be located in Lufkin. At present the areas which would be served by a Lufkin division are located in the Tyler division and the Beaumont division. There are six divisons in the eastern district of Texas and of these, the Tyler and Beaumont divisons serve approximately 63 percent of the population and over 50 percent of the geographic area of the district. A new division in Lufkin would distribute this burden more evenly.

Last December, I wrote to the Administrative Office of the U.S. Courts presenting this proposal. I understand that it has been referred to the Committee on Court Administration of the Judicial Conference of the United States for study and recommendation. I have also written to presidents of the county bar associations and county attorneys of the counties which would be included in the proposed new division. All the response which I have received has been favorable.

The counties which I propose be included in the new Lufkin division are as follows:

Angelina, Shelby, Tyler, Cherokee, San Augustin, Nacogdoches, Trinity, Jasper, Sabine, Houston, Polk, Newton.

Two of these counties, Trinity and Polk, are presently located in the Houston division of the southern district of Texas but both counties border on Angelina and are by far closer to Lufkin than to Houston.

I believe that this new division would provide a more equitable geographic balance and improve the administration of justice in the area of east Texas. There has recently been created a third judgeship for the eastern district of Texas and, with this additional judge, and the removal of a percentage of the cases from the Tyler and Beaumont divisions to Lufkin, all litigants would be insured of a more speedy trial.

This proposal has the broad support of the legal profession and the citizens in the area of east Texas it will affect. At this period, when the dockets of the Federal courts are increasing considerably the establishment of this new division will be of immense benefit to the citizenry of the area and to the cause of justice.

By Mr. PROUTY (for himself, Mr. BAKER, Mr. BENNETT, Mr. BROCK, Mr. BUCKLEY, Mr. DOMINICK, Mr. FONG, Mr. GRIFFIN, Mr. PERCY, Mr. SCHWEIKER, Mr. SCOTT, Mr. TAFT, and Mr. TOWER):

S. 1669. A bill to strengthen education by providing a share of the revenues of the United States to the States and to local educational agencies for the purpose of assisting them in carrying out education programs reflecting areas of national concern. Referred to the Committee on Labor and Public Welfare.

EDUCATION REVENUE SHARING ACT OF 1971

Mr. PROUTY. Mr. President, on behalf of myself and Senators BAKER of Tennessee, BENNETT of Utah, BROCK of Tennessee, BUCKLEY of New York, DOMINICK of Colorado, FONG of Hawaii, GRIFFIN of Michigan, PERCY of Illinois, SCHWEIKER of Pennsylvania, SCOTT of Pennsylvania, TAFT of Ohio, and TOWER of Texas, I am introducing today, for the President, the President's proposed Education Revenue Sharing Act. I ask unanimous consent that a copy of the bill, a section-by-section analysis of the bill, and a summary of the bill be printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. PROUTY. As the ranking Republican on the Education Subcommittee of the Committee on Labor and Public Welfare, I am particularly concerned that the well-intentioned efforts of Congress in recent years have resulted in a maze of elementary and secondary education programs, which while noble in their intent are cumbersome in their implementation.

In his April 6 message on education revenue sharing, President Nixon depicted the problem by pointing out that "Under the present piecemeal system of Federal aid, education grants are available to local schools under 38 separate authorizations for 'instruction,' 37 separate authorizations for low-income students, and 22 separate authorizations for reading instruction."

I am sure each Senator has on many occasions sought to guide his constituent school districts through this maze.

Some school districts have felt compelled to hire experts in grantsmanship, full-time Federal aid coordinators.

It is clear that the burdens placed on State and local educational agencies, which wish to implement these various education programs, is often intolerable.

Guidelines, regulations, matching fund requirements ensnarl the educator in time-consuming trivia which is counterproductive to the educator's primary role—education.

For the small school districts in my State of Vermont inflexible guidelines and regulations often preclude Federal assistance, which Congress clearly intended to be available to all districts.

Clearly, remedial action is necessary to make Federal aid to education more responsive and less cumbersome.

If we review the history of our education programs, we see that, as each problem area was discerned and defined, we responded with a separate education program responsive to the particular problem. We in Congress moved rapidly in the 1960's to respond to a multitude of education problems. At the outset, categorical programs were necessary to precisely target Federal aid.

However, now that Federal support for elementary and secondary education is well established, it is time to move

from categorization to consolidation in such a way that the goals of educational quality and opportunity are met.

Mr. President, this bill responds to the need for consolidation and streamlining of our Federal educational programs in a responsive way.

It is a good, but not perfect, bill and I must, in all candor, say that I find several problems in the measure as it is now drafted.

But I do commend the bill to Senators as excellent in its basic concept and direction.

The Education Revenue Sharing Act would make funds available to States and local educational agencies in five areas of our longstanding concern—education of the disadvantaged, education of the handicapped, vocational education, education of federally connected children, and supporting materials and services. Funds would flow to States and localities on the basis of an automatic formula. The bill authorizes advanced funding so that local officials would know in advance the amount they could expect to receive and, thereby, plan ahead.

Funds derived from the presence in a school district of children whose parents live on Federal property and children from low-income families would be passed through by the State directly to the school district. Other Federal funds would be distributed among local educational agencies by the State administering agency, on the basis of their relative needs for assistance in the areas of education of the handicapped, vocational education, and supporting materials and services. The State administering agency would be given the flexibility to transfer up to 30 percent of the funds from any one category to any other category, with the exception of those funds passed through to local educational agencies. This could mean, for example, that additional funds could be made available for education of the handicapped if the State felt that this was of high priority.

The State's plan for distribution of Federal funds would be developed in consultation with a State advisory council appointed by the Governor, broadly representative of public and private educational interests and members of the public. In addition, the State's plan would be published and interested persons would be given an opportunity for comment. However, no Federal approval of the plan would be required. This is a major change from present law. It means that a State will be able to plan for its own needs, rather than trying to adapt to some preset Federal format.

As the President noted in his message:

> Non-public schools bear a significant share of the cost and effort of providing education for our children today. Federal aid to education should take this fully into account.

Education revenue sharing expands the opportunities available to children in nonpublic schools by requiring that they be allowed to participate on an equitable basis in public school programs of education for the disadvantaged, education of the handicapped, vocational education, and supporting materials and services. The act provides that, in cases where State law prohibits such participation, the Secretary of Health, Education, and Welfare shall provide similar services to nonpublic schoolchildren and shall pay the costs out of the State's allotment.

Education revenue sharing would offer State and local education officials far greater flexibility in making program decisions responsive to the needs of their students. Funds could be allotted among areas of use and among local educational agencies according to their specific needs, rather than according to some rigid Federal mandate. As the President said:

> I believe we must recognize that the Federal Government cannot substitute its good intentions for the local understanding of local problems, for local energy in attacking these problems, and for local initiatives in improving the quality of education in America. We must also recognize that state and local authorities need Federal resources if they are to meet their obligations and if they are to use the peculiar advantages of state and local knowledge, responsibility and authority to their fullest potential. Education Revenue Sharing accommodates the federal role in national education to both these realities, and it lays the foundation for a new and more productive Federal-State relationship in this area of vital national concern . . .

I agree with the President's observation and I am hopeful Congress will respond by following a course of consolidation for existing educational programs as we embark on a new era of experimentation through the proposed National Institute of Education.

We have much to learn about how we teach and it is clear that the Federal Government must serve as a catalyst for educational innovation and experimentation. We must continue to develop categorical programs for new areas of concern and commitment.

As I look ahead at the course of Federal aid to education, I envision alternate eras of categorization and consolidation.

As we move ahead in categorical programs of educational innovation and experimentation, I foresee times when we shall need to consolidate educational concepts thus developed in revenue sharing programs.

The lessons once learned must be applied through flexible mechanisms which respond best to the needs of our elementary and secondary school pupils.

We have learned much in recent years and the lessons of bureaucratic ensnarlments in education programs should not be lost on Congress. We should know that it is a time to move toward consolidation of proven education programs. Toward this end, I recommend the Education Revenue Sharing Act as a conceptually excellent proposal that is worthy of our careful study.

It is not a perfect bill as now drafted but we should promptly begin to explore its concepts and seek to perfect it.

I hope that Senators will look at the problems in this bill as challenges to be met not as insurmountable obstacles to further consideration.

With this hope, I commend to Senators the Education Revenue Sharing Act.

EXHIBIT 1

S. 1669

A bill to strengthen education by providing a share of the revenues of the United States to the States and to local educational agencies for the purpose of assisting them in carrying out education programs reflecting areas of national concern

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 "Education Revenue Sharing Act of 1971".

FINDINGS AND PURPOSE

SEC. 2. (a) The Congress hereby finds that, while public education is primarily the responsibility of the States and local communities of this country, the Federal Government has a responsibility to assist them in meeting the costs of education in areas of special national concern. The Congress finds, however, that prior programs of Federal financial assistance for elementary or secondary education are too narrow in scope to meet the needs of State and local school systems.

(b) It is therefore the purpose of this Act to replace certain current programs of Federal assistance to elementary or secondary education by a system of Federal revenue sharing for education designed to meet such needs, to encourage innovation and development of new educational programs and practices, to provide for educationally disadvantaged children an education comparable to that available to their classmates, to provide the special educatonal services needed by the physically and mentally handicapped, to encourage greater attention to the vital field of vocational and career education, to assure to children whose parents live or work on Federal property an education comparable to that given to other children, and to provide State and local educational officials with the flexibility and responsibility they need to make meaningful decisions in response to the needs of their students.

AUTHORIZATION OF APPROPRIATIONS AND PLANNING PAYMENTS

SEC. 3. (a) For the fiscal year ending June 30, 1973, and for each fiscal year thereafter, there are authorized to be appropriated, to be available without fiscal year limitation, such sums as may be necessary for carrying out this Act.

(b) There are also authorized to be appropriated such sums as may be necessary to enable the Secretary to make, during the period beginning January 1, 1972, and ending with the close of June 30, 1972, payments to States to assist them in planning for the transition from the system of categorical grants authorized by the statutes and parts thereof repealed by section 21 to the system of revenue sharing for education authorized by this Act. Such payments shall be made on such terms and conditions as the Secretary specifies for the purpose of carrying out this subsection.

ALLOTMENT AND USE OF SHARED REVENUES

SEC. 4. (a) From the sums appropriated pursuant to section 3(a) for any fiscal year and not reserved pursuant to section 11, the Secretary shall allot to each State an amount equal to 60 per centum of the average per pupil expenditure in the United States multiplied by the number of children in average daily attendance in the public elementary or secondary schools of such State during such year who resided on Federal property, which amount shall be available for any educational purpose.

(b) From the remainder of such sums, the Secretary shall allot to each State an amount which bears the same ratio to such remainder as the sum of the products determined under paragraphs (1) through (3) of this subsection with respect to such State bears to the total of the sums of such prod-

ucts with respect to all States. Such products for any State shall be—

(1) 1.0 multiplied by the number of children aged five to seventeen, inclusive, in such State who are in low-income families;

(2) .6 multiplied by the number of children in average daily attendance in the public elementary or secondary schools of such State during such fiscal year who (A) resided on other than Federal property with a parent employed on Federal property, or (B) had a parent on active duty in the uniformed services (as defined in section 101 of title 37, United States Code); and

(3) .1 multiplied by the number of children aged 5 to 17, inclusive, in the State.

(c)(1) That portion of each State's allotment derived from application of the provisions of paragraph (1) of subsection (b) shall be available only for programs and projects designed to meet the special educational needs, at the preschool or any other educational level, of educationally disadvantaged children—

(A) who reside in school attendance areas having high concentrations of low-income families;

(B) who are migratory children of migratory agricultural workers; or

(C) who are neglected or delinquent children for whose education the State, rather than a local educational agency, is directly responsible.

(2) That portion of each State's allotment derived from application of the provisions of paragraph (2) of subsection (b) shall be available for any educational activity.

(3) Except as provided in section 6—

(A) one-sixth of that portion of each State's allotment derived from application of the provisions of paragraph (3) of subsection (b) shall be available only for programs and projects at the preschool or any other educational level designed to meet the special educational needs of handicapped children;

(B) one-third of that portion of each State's allotment derived from application of the provisions of paragraph (3) of subsection (b) shall be available only for vocational education activities; and

(C) one-half of that portion of each State's allotment derived from application of the provisions of paragraph (3) of subsection (b) shall be available only for supporting materials and services.

(d) Programs, projects, or activities assisted under this Act may include construction.

(e) In the event that any State is not eligible to receive funds under this Act for any fiscal year, or notifies the Secretary that it does not desire to receive such funds, the allotment of such State for such fiscal year derived from any provision of subsection (b) shall be available for reallotment from time to time, on such date or dates during such year as the Secretary may fix, to other States in proportion to the original amount of the allotment to such other States which was derived from any such provision for that year. Any amount for a fiscal year so reallotted to a State under this subsection shall be deemed part of its allotment derived from the same provision of subsection (b) for such year.

(f) The amounts appropriated and allocated pursuant to this Act shall be paid to the States at such intervals and in such installments as the Secretary may determine, taking account of the objective that the time elapsing between the transfer of funds from the United States Treasury and the disbursement thereof by States shall be minimized.

(g) For purposes of this Act, the Secretary shall determine average daily attendance, average per pupil expenditure, and numbers of children, and in doing so he shall use the most recent satisfactory data available to him, referrable with respect to data used for each purpose to the same time period for all jurisdictions. All determinations and computations by the Secretary under this section shall be final and conclusive.

DISTRIBUTION OF SHARED REVENUES WITHIN EACH STATE

SEC. 5. (a) Each State shall pay to each of its local educational agencies for a fiscal year an amount equal to the sum allotted to such State pursuant to section 4(a) for such year on account of the number of children in average daily attendance who resided on Federal property in the school district of such agency.

(b)(1) Except for any sums retained, from the amount allotted to it for any fiscal year by application of the provisions of section 4(b)(1), by a State for meeting, in accordance with the provisions of section 4(c)(1), the special educational needs of neglected or delinquent children described in section 4(c)(1)(C), such State shall also pay to each of its local educational agencies for a fiscal year an amount equal to the sum allotted to it pursuant to section 4(b) for such year on account of the number of children in the school district of such agency who are in low-income families, but only if (A) such amount is at least $10,000, and (B) the services provided in each of the schools of such agency with funds other than funds received under this Act have been determined, by the State agency (designated pursuant to section 8(a)) in accordance with such criteria as the Secretary may prescribe, to be comparable with the services so provided in all of the other schools of such local educational agency.

(2) Any portion of an allotment which is not, but would be except for clause (A) or (B) of paragraph (1), paid to a local educational agency shall be paid by such State, in accordance with its plan developed under section 8(b), to other local educational agencies within such State to which funds are required to be paid under paragraph (1) for use in accordance with the provisions of section 4(c)(1), except that no such other agency shall be paid more for any fiscal year pursuant to this subsection than 200 per centum of the amount required to be paid to it under paragraph (1) for such year.

(3) If no local educational agency within such State which would otherwise be paid funds under this subsection has been so determined, by such State agency, to provide such comparable services, the amount allotted to such State by application of the provisions of section 4(b)(1) shall be reallotted to other States in proportion to the amounts originally allotted to such other States by application of such provision. Any portion of an allotment which is not, but would be except for paragraph (2), paid to local educational agencies within a State, shall be reallotted to other States in proportion to the amounts originally allotted to such other States by application of the provisions of section 4(b)(1). No State shall be reallotted for any fiscal year pursuant to this subsection more than 200 per centum of the amount originally allotted to such State for such year by application of the provisions of section 4(b). Any amount reallotted to a State pursuant to this subsection for any fiscal year shall be deemed to be part of its allotment for such fiscal year derived from application of the provisions of section 4(b)(1).

(c) The remainder of each State's allotment shall be available—

(1) for use, in accordance with the provisions of sections 4 and 6 and the plan developed pursuant to section 8(b), by the State agency designated pursuant to section 8(a); and

(2) for distribution, for use by them in accordance with the provisions of sections 4 and 6 and such plan, among the local educational agencies of such State on a basis reflecting the relative needs of each of such agencies for the types of assistance for which appropriations under this Act are available; except that not more than 30 per centum of such allotment derived from application of the provisions of section 4(b)(2), relating to the presence within the State of children with a parent employed on Federal property or with a parent on active duty in the uniformed services, may be paid to local educational agencies not having any of such children in average daily attendance in their schools; and except that in determining the relative needs of each of such agencies for the types of assistance for which appropriations under this Act are available, funds paid to such agencies under subsection (b) of this section shall not be taken into account.

TRANSFERS AMONG PURPOSES

SEC. 6. (a) Thirty per centum of that portion of each State's allotment which is available for the purposes described in clause (A), (B), or (C) of section 4(c)(3) may be made available for any of the other purposes described in section 4(c).

(b) The 30 per centum limitations in subsection (a) may be exceeded if the State demonstrates to the satisfaction of the Secretary that such action will achieve more effectively the purposes of this Act.

PARTICIPATION OF NONPUBLIC SCHOOL CHILDREN

SEC. 7. (a) The State agency designated pursuant to section 8(a) shall provide that—

(1) except as provided in subsection (b), children enrolled in nonprofit private elementary or secondary schools will be given an opportunity to participate, on an equitable basis, in activities for which funds are made available under paragraph (1), or clause (A), (B), or (C) of paragraph (3), of section 4(c); and

(2) title to and control of funds received under this Act and other property derived therefrom will remain in one or more public agencies.

(b) If the Secretary determines that provisions of State law prevent any State agency designated pursuant to section 8(a) from complying with subsection (a), the Secretary shall, if he finds that the State is otherwise eligible to participate in the program under this Act, permit such State to participate, but in such case he shall—

(1) arrange, by contract or otherwise, for children enrolled in the nonprofit private elementary or secondary schools within such State to receive, on an equitable basis, services similar to those provided from the funds made available under paragraph (1) or clause (A), (B), or (C) of paragraph (3) of section 4(c) to public school children within such State; and

(2) pay the cost thereof out of that portion of the allotment to such State for carrying out each such paragraph or clause.

STATE ADMINISTRATION

SEC. 8. (a) The chief executive officer of each State which desires to participate in the program under this Act shall designate a State agency which shall be the single State agency for administration (or supervision of the administration) of such program in such State, except that this requirement may be waived in accordance with the provisions of section 204 of the Intergovernmental Cooperation Act of 1968 (42 U.S.C. 4214).

(b) The State agency designated pursuant to subsection (a) shall, for each fiscal year, develop and publish a plan for the distribution of funds available therefor under paragraph (2) of section 5(b) and under section 5(c), and for the expenditure of funds retained under paragraph (1) of section 5(b) and under section 5(c)(1) for use by such State agency or distributed under section 5(c)(2) for use by local educational agencies. Such plan shall be devel-

oped after consultation with the advisory council appointed pursuant to section 9, shall not finally be adopted by such State agency until a reasonable opportunity has been given to interested persons for comment thereon, and shall be made available to the Secretary.

(c) In administering the program under this Act, the State shall comply with the provisions of this Act and with regulations prescribed by the Secretary pursuant thereto.

STATE ADVISORY COUNCIL

SEC. 9. (a) The chief executive officer of each State which desires to participate in the program under this Act shall appoint an advisory council which shall be broadly representative of the education community in the State and of the public, including at least one person representative of the public elementary or secondary schools of the State; at least one person representative of the nonprofit private elementary or secondary schools of the State; at least one person representative of each of the various populations in the State which will be affected by the activities authorized under section 4; at least one person who has special competence in the planning and evaluation of education programs, and in the assessment of the effectiveness of activities authorized under section 4; and at least one person who has special competence in each of the educational areas described in section 4(c)(1), 4(c)(3)(A), and 4(c)(3)(B).

(b) The State advisory council shall—

(1) advise the State agency designated pursuant to section 8(a) on the preparation of, and on matters of general policy arising in the administration of, the plan developed under section 8(b);

(2) evaluate activities assisted under this Act;

(3) advise State or local officials who have responsibility for carrying out activities assisted under this Act with respect to the planning, evaluation, administration, and assessment of such activities; and

(4) prepare and submit to the Secretary not less often than annually a report of its activities, recommendations, and evaluations, together with such comments thereon as the State agency designated pursuant to section 8(a) and the chief executive officer of the State deem appropriate.

TREATMENT OF FEDERALLY CONNECTED CHILDREN

SEC. 10. The State agency designated pursuant to section 8(a) shall provide that children attending school within the State who reside with a parent on Federal property, who reside with a parent employed on Federal property or have a parent who is a member of the uniformed services, will receive public elementary or secondary education on a basis comparable to that provided to other children in the State.

SPECIAL PAYMENTS BY THE SECRETARY

SEC. 11. (a) From the sums appropriated for any fiscal year pursuant to section 3(a), the Secretary may reserve not in excess of 10 per centum for use under this section.

(b) Funds reserved under subsection (a) shall be available to the Secretary for making payments to any State to assist it in carrying out activities described in section 4 which are designed to further the achievement of national policy objectives in the field of education.

RECOVERY OF FUNDS

SEC. 12. (a) If the Secretary determines that a State has failed to comply substantially with the provisions of this Act, he shall—

(1) refer the matter to the Attorney General of the United States with a recommendation that an appropriate civil action be instituted; or

(2) after reasonable notice and opportunity for hearing to the State agency designated pursuant to section 8(a), notify the State that if corrective action is not taken within sixty days from the date of such notification, revenues shared with it will be reduced in the same or succeeding fiscal year by an amount equal to the amount of funds which were not expended in accordance with the provisions of this Act; or

(3) take such other action as may be provided by law.

(b) When a matter is referred to the Attorney General pursuant to subsection (a)(1) of this section, the Attorney General may bring civil action in any appropriate United States district court for such relief as may be appropriate, including injunctive relief.

(c)(1) Any State which receives notice, under subsection (a)(2), of reduction of revenues shared may, within sixty days after receiving such notice, file with the United States court of appeals for the circuit in which such State is located, or in the United States Court of Appeals for the District of Columbia, a petition for review of the Secretary's action. The petitioner shall forthwith transmit copies of the petition to the Secretary and the Attorney General of the United States, who shall represent the Secretary in litigation.

(2) The Secretary shall file in the court the record of the proceeding on which he based his action, as provided in section 2112 of title 28, United States Code. No objection to the action of the Secretary shall be considered by the court unless such objection has been urged before the Secretary.

(3) The court shall have jurisdiction to affirm or modify the action of the Secretary or to set it aside in whole or in part. The findings of fact by the Secretary, if supported by substantial evidence on the record considered as a whole, shall be conclusive. The court may order additional evidence to be taken by the Secretary, and to be made part of the record. The Secretary may modify his findings of fact, or make new findings, by reason of the new evidence so taken and filed with the court, and he shall also file such modified or new findings, which findings with respect to questions of fact shall be conclusive if supported by substantial evidence on the record considered as a whole, and shall also file his recommendations, if any, for the modification or setting aside of his original action.

(4) Upon the filing of the record with the court, the jurisdiction of the court shall be exclusive and its judgment shall be final, except that the same shall be subject to review by the Supreme Court of the United States upon writ of certiorari or certification as provided in section 1254 of title 28, United States Code.

CIVIL RIGHTS

SEC. 13. Revenues shared under this Act shall be considered as Federal financial assistance within the meaning of title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d).

ADVANCE FUNDING

SEC. 14. To the end of affording the responsible State, local, and Federal offices concerned adequate notice of available Federal financial assistance under this Act, appropriations for carrying out this Act are authorized to be included in the Appropriation Act for the fiscal year preceding the fiscal year for which they are available for obligation. In order to effect a transition to this method of timing appropriation action, the preceding sentence shall apply notwithstanding that its initial application will result in the enactment in the same year (whether in the same Appropriation Act or otherwise) of appropriations for each of two consecutive fiscal years.

LABOR STANDARDS

SEC. 15. All laborers and mechanics employed by contractors or subcontractors in any construction which is federally assisted, which shall include revenues shared, under this Act 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). The Secretary of Labor shall have, with respect to such labor standards, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267) and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c).

ANNUAL REPORT

SEC. 16. The Secretary shall make an annual report to the President and the Congress pertaining to the effectiveness of assistance under this Act in meeting the educational needs of children and adults.

AVAILABILITY OF SHARED REVENUES FOR PAYING NON-FEDERAL SHARE UNDER OTHER PROGRAMS

SEC. 17. Payments made pursuant to this Act shall be available, subject to the provisions of this Act, for paying the non-Federal share of expenditures under other Federal programs.

RECORDS, AUDITS, AND REPORTS

SEC. 18. (a) All revenues shared with States under this Act shall be property accounted for as Federal funds in the accounts of such recipients.

(b) In order to assure that revenues shared under this Act are used in accordance with its provisions, each State shall—

(1) use such fiscal and accounting procedures as may be necessary to assure (A) proper accounting for payments received by it, and (B) proper disbursement of such amounts;

(2) provide to the Secretary, on reasonable notice, access to, and the right to examine any books, documents, papers, or records as he may reasonably require; and

(3) make such reports to the Secretary as he may reasonably require.

INTERSTATE AGREEMENTS

SEC. 19. In the event that cooperation or agreements between States is necessary in order to realize the full benefit of provisions of this Act, the consent of Congress is hereby given to such States to enter into such agreements.

DEFINITIONS

SEC. 20. For purposes of this Act—

(1) The term "adult education" means services or instruction below the college level for individuals (A) who have attained the age of 16, (B) who do not have a certificate of graduation from a school providing secondary education and who have not achieved an equivalent level of education, (C) who are not currently required to be enrolled in schools.

(2) The term "average per pupil expenditure in the United States" means the aggregate current expenditures of all local educational agencies in the United States for any fiscal year, plus any direct current expenditures by the States in which such agencies are located for the operation of such agencies during such year (without regard to the sources of funds from which either of such expenditures is made), divided by the aggregate number of children in average daily attendance to whom such agencies provided public education during such year.

(3) The term "construction" means the erection, acquisition, alteration, remodeling, or improvement of facilities, including the acquisition of land necessary therefor, and the cost of construction includes the cost of architect's fees.

(4) The term "current expenditures" means expenditures for public education, but not including expenditures for community services, capital outlay, and debt services, or any expenditures made from funds allotted under this Act.

(5) The term "elementary school" means a day or residential school which provides elementary education, as determined under State law.

(6) The term "Federal property" means real property which is owned by the United States or is leased by the United States, and which is not subject to taxation by any States or is leased by the United States, or by the District of Columbia. Such term includes (A) real property held in trust by the United States for individual Indians or Indian tribes, and real property held by individual Indians or tribes which is subject to restrictions on alienation imposed by the United States, (B) for one year beyond the end of the fiscal year in which occurred the sale or transfer thereof by the United States, any property considered prior to such sale or transfer to be Federal property for the purposes of this Act, and (C) any school which is providing flight training to members of the Air Force under contractual arrangements with the Department of the Air Force at an airport which is owned by a State or political subdivision of a State. Such term also includes any interest in Federal property (as defined in the foregoing provisions of this paragraph) under an easement, lease, license, permit, or other arrangement, as well as any improvements of any nature (other than pipelines or utility lines) on such property even though such interests or improvements are subject to taxation by a State or political subdivision of a State or by the District of Columbia. Notwithstanding the foregoing provisions of this paragraph, such term does not include (D) any real property used for a labor supply center, labor home, or labor camp for migratory farmworkers, (E) any real property under the jurisdiction of the Post Office Department and used primarily for the provision of postal services, or (F) any low-rent housing project held under title II of the National Industrial Recovery Act, the Emergency Relief Appropriation Act of 1935, the United States Housing Act of 1937, the Act of June 28, 1940 (Public Law 871 of the Seventy-sixth Congress), or any law amendatory of or supplementary to any of such Acts.

(7) The term "handicapped children" means mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed, crippled, or other health impaired children who by reason thereof require special educational services.

(8) The term "local educational agency" means a public board of education or other public authority legally constituted within a State for either administrative control or direction of, or to perform a service function for, public elementary or secondary schools in a city, county, township, school district, or other political subdivision of a State, or such combination of school districts or counties as are recognized in a State as an administrative agency for its public elementary or secondary schools. Such term also includes any other public institution or agency having administrative control and direction of a public elementary or secondary school.

(9) The term "low-income families" shall be defined by the Secretary in accordance with such criteria as he may prescribe, which criteria shall take into account migratory children of migratory agricultural workers, neglected or delinquent children, and such matters as family size and urban-rural differences.

(10) The term "nonprofit", as applied to a school, means a school owned and operated by one or more nonprofit corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

(11) The term "revenues shared" means payments under this Act.

(12) The term "secondary school" means a day or residential school which provides secondary education, as determined under State law, except that it does not include any education provided beyond grade 12.

(13) The term "Secretary" means the Secretary of Health, Education, and Welfare.

(14) The term "State" includes, in addition to the several States, the Commonwealth of Puerto Rico, the District of Columbia, Guam, and the Virgin Islands.

(15) The term "supporting materials and services" means such materials and services as the purchase of school textbooks, library resources, and educational equipment; the provision of supplementary educational centers and services, of school pupil personnel services, of adult education, and of school meals; the training or retraining of teachers, teacher aides, and other school personnel; the strengthening of State or local educational agency capabilities and of educational planning at the State or local level; the support of the advisory council appointed under section 9; and the administration at the State level of the program carried out under this Act.

(16) The term "vocational education" includes vocational or technical training or retraining (including field or laboratory work and remedial or related academic and technical instruction incident thereto and work-study programs for students who need the earnings from work in order to commence or continue their education) conducted as part of a program designed to prepare individuals for gainful employment as semiskilled or skilled workers or technicians or subprofessionals in recognized occupations and in new and emerging occupations or to prepare individuals for enrollment in advanced technical education programs, but excluding any program to prepare individuals for employment in occupations generally considered professional or which required a baccalaureate or higher degree; and such term also includes vocational guidance and counseling in connection with such training or for the purpose of facilitating occupational choices; instruction related to the occupation or occupations for which the students are in training or instruction necessary for students to benefit from such training; job placement; and the training of persons engaged as, or preparing to become, teachers in a vocational education program or teachers, supervisors, or directors of such teachers.

REPEAL OF PROGRAMS REPLACED BY THIS ACT

SEC. 21. (a) Effective with respect to appropriations for fiscal years beginning after June 30, 1972, the following statutes and parts of statutes are repealed:

(1) title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 241a–241e);

(2) title II of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 821–827);

(3) title III of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 841–848);

(4) title V of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 861–870);

(5) part B of the Education of the Handicapped Act (20 U.S.C. 871–877);

(6) the Smith-Hughes Act (20 U.S.C. 11–15, 16–28);

(7) sections 3 and 4 of Public Law 81–874 (20 U.S.C. 238–239);

(8) title III of the National Defense Education Act of 1958 (20 U.S.C. 441–455);

(9) subpart 2 of part B of title V of the Higher Education Act of 1965 (20 U.S.C. 1108–1110c); and

(10) the Vocational Education Act of 1963 (20 U.S.C. 1241–1391).

(b) Effective with respect to appropriations for fiscal years beginning after June 30, 1972, the Adult Education Act is amended by—

(1) striking out "reserved in section 304(a) for the purposes of this section" in section 309(a) and inserting in lieu thereof "appropriated pursuant to section 312(a)"; and

(2) striking out sections 304, 305, 306, 307, 308, and 310, and subsection (b) of section 312.

(c) Public Law 81–815 (20 U.S.C. 631–647) is amended by inserting "(a)" immediately after "Section 1." and by adding at the end of such section the following:

"(b) Notwithstanding any other provision of this Act, appropriations under this Act for fiscal years beginning after June 30, 1972, shall be available only for carrying out the provisions of sections 9, 10, 14, and 16.".

(d) Effective with respect to appropriations for fiscal years beginning after June 30, 1972, the Child Nutrition Act of 1966 (42 U.S.C. 1771–1785) is amended by—

(1) striking out sections 5 and 7;

(2) striking out "through 7" in section 6 and inserting "and 4" in lieu thereof;

(3) striking out "through 5" in section 11 and inserting "and 4" in lieu thereof; and

(4) striking out "section 4" in section 4(b) and inserting "section 11" in lieu thereof.

(e) Effective with respect to appropriations for fiscal years beginning after June 30, 1972, the National School Lunch Act (42 U.S.C. 1751–1761) is amended by—

(1) striking out sections 4, 5, 7, 8, and 10;

(2)(A) striking out "the amount apportioned by him pursuant to sections 4 and 5 of this Act and" in paragraph (2) of section 6 and (B) by striking out in such paragraph "sections 4, 5, and 7" and inserting in lieu thereof "section 4";

(3) striking out "section 10" in the last sentence of section 9 and inserting "section 11" in lieu thereof;

(4) striking out subsection (d) of section 11 and inserting in lieu thereof the following: "(d) The Secretary shall certify to the Secretary of the Treasury from time to time the amounts to be paid to any State under this section and the time or times such amounts are to be paid; and the Secretary of the Treasury shall pay to the State at the time or times fixed by the Secretary the amounts so certified."

(5) striking out in paragraph (g) of section 11 ", including those applicable to funds apportioned or paid pursuant to section 4 or 5 but excluding the provisions of section 7 relating to matching,";

(6) striking out in section 11(h)(1) "to extend the school lunch program under this Act to every school within the State, and (C)"; and

(7) striking out paragraphs (4), (5), and (6) of section 12(d) and renumbering paragraph (7) as paragraph (4).

SECTION-BY-SECTION ANALYSIS: EDUCATION REVENUE SHARING ACT OF 1971

SECTION 2. FINDINGS AND PURPOSE

Subsection (a) of section 2 states that the Congress has found current Federal education assistance programs too narrow in scope to meet the Federal government's responsibility to help States meet the costs of education in areas of special national concern.

Subsection (b) of section 2 sets forth the purpose of the bill, which is to replace certain existing Federal education assistance programs with a system of revenue sharing, thereby encouraging innovation in education, providing help to educationally disadvantaged and handicapped children, strengthening vocational and career education, and assuring that children of parents living or working on Federal property receive educational opportunities equal to those given other children.

SECTION 3. AUTHORIZATION OF APPROPRIATIONS AND PLANNING PAYMENTS

Subsection (a) of section 3 authorizes necessary appropriations to fund the revenue

sharing program, effective for the fiscal year ending June 30, 1973.

Subsection (b) of section 3 authorizes appropriations to enable the Secretary of HEW to make payments to States during the period January 1, 1972, to June 30, 1972, which will assist the States in planning for transition from the existing system of categorical educational grants to the revenue sharing system provided for in the Act.

SECTION 4. ALLOTMENT AND USE OF SHARED REVENUES

Section 4 prescribes the amounts of revenue to be shared with each State and how such revenue is to be used.

Subsection (a) of section 4 directs the Secretary of HEW to allot to each State, from funds appropriated under section 3(a), 60% of the average per pupil educational expenditure in the U.S. multiplied by the average daily attendance of children in public elementary or secondary schools of such State who resided on Federal property. Such amount may be used for any educational purpose.

Subsection (b) of section 4 sets forth a formula for computing a State's pro rata share of the remaining sums appropriated under section 3(a). A State's formula is derived by adding together the products of three separate multiplications:

(1) 1.0 times the number of school-age children from low-income families in the State;

(2) .6 times the number of children in average daily attendance in the State's public schools who do not live on Federal property but who have a parent who works on Federal property or is on active duty in the uniformed services;

(3) .1 times the number of school-age children in the State.

Subsection (c) of section 4 prescribes how the States may spend shares computed in accordance with subsection (b). That portion derived from the (b)(1) calculation may be used only for meeting the special educational needs of disadvantaged children who reside in areas with high concentrations of low-income families, or who are migratory children of migratory farm workers, or who are neglected or delinquent children being educated directly by the State. That portion derived from the (b)(2) calculation may be used for any educational purpose. That portion derived from the (b)(3) calculation may be used for three purposes: one-sixth for handicapped children, one-third for vocational activities, one-half for materials and services. Section 6, however, permits 30% (or more, under some circumstances) of (b)(3) money to be used for any purpose described in subsection (c) of section 4.

Subsection (d) of section 4 authorizes use of shared revenue for construction of education-oriented facilities.

Subsection (e) of section 4 permits the Secretary to reallot to other States, on a pro rata basis, funds declined by a State or funds not shared with a State by reason of the State's ineligibility to receive them. Such reallotment is at the discretion of the Secretary. Any amount so realloted shall be deemed part of a State's allotment derived from the same provision of subsection (b) which gave rise to the funds in question.

Subsection (f) of section 4 authorizes the Secretary to time the disbursement of allotted funds to the States as he sees fit, bearing in mind the desirability of minimizing delays in the use of disbursed money.

Subsection (g) of section 4 states that the Secretary shall determine average daily attendance, average per pupil expenditure, and numbers of children, using the latest data. Such determinations are final.

SECTION 5. DISTRIBUTION OF SHARED REVENUES WITHIN EACH STATE

Subsection (a) of section 5 directs that funds received by the States under section 4(a) be "passed through" to local educational authorities in accordance with the number of children in average daily attendance who resided on Federal property in the school district of such authority.

Subsection (b) of section 5 directs that funds received by the States under section 4(b)(1) be "passed through" to local educational authorities in accordance with the number of children in the district of such authority who are in low-income families. The State may, however, retain any part of such funds which are needed by the State to discharge its duty of directly educating neglected or delinquent children. Moreover, no funds are to be "passed through" to local authorities unless the amount involved is at least $10,000, and all schools in the district provide comparable educational services. If a given district is ineligible to receive funds under this subsection, the State may reallot such funds to other districts. If no district in a State is eligible to receive funds under this subsection, such funds may be reallotted, on a pro rata basis, to other States.

Subsection (c) of section 5 provides that the remainder of a State's allotment may, in accordance with sections 4 and 6 and the plan developed pursuant to section 8(b), be used by the State agency designated under section 8(a), or given to local educational authorities in accordance with their needs. However, not more than 30% of funds derived from application of the calculation in section 4(b)(2), relating to children with a parent employed on Federal property or in the uniformed services, may be paid to a district not having any such children in average daily attendance. Moreover, when determining needs of local agencies to which funds are given under this subsection, funds paid to such agencies under subsection (b) of section 5, relating to the educationally disadvantaged, are not to be taken into account.

SECTION 6. TRANSFERS AMONG PURPOSES

Section 6 allows States to use 30% of funds derived from the calculation of 4(b)(3) to be used for any of the purposes described in section 4(c). The 30% limitation may be exceeded upon a demonstration satisfactory to the Secretary that such action will be more effectively achieve the purposes of the Act.

SECTION 7. PARTICIPATION OF NONPUBLIC SCHOOL CHILDREN

Subsection (a) of section 7 directs the State agency designated pursuant to section 8(a) to give children enrolled in nonprofit private schools an opportunity to participate in activities for which funds are made available under paragraph (1), or clause (A), (B), or (C) of paragraph (3), of section 4(c), and to provide that title to and control of funds received under the Act will remain in one or more public agencies.

Subsection (b) of section 7 provides that, if the Secretary determines that a State is unable to comply with subsection (a) of section 7 by reason of State law, he must himself arrange, by contract or otherwise, for private school children to participate as contemplated in subsection (a), and pay for such participation out of funds allotted to the State for such purposes.

SECTION 8. STATE ADMINISTRATION

Section 8 provides for the designation of a State agency which will be the single agency administering the revenue sharing program established by the Act (unless the single agency requirement is waived pursuant to 42 U.S.C. 4214). The designated agency is required to develop annually in consultation with the advisory council appointed under section 9 a plan for the distribution of funds received by it under the Act. Interested persons are to be given time to comment on the plan before its adoption.

SECTION 9. STATE ADVISORY COUNCIL

Section 9 directs the chief executive officer of each State participating in the program under the Act to appoint an advisory council which shall be broadly representative of the State and the public. The section indicates certain areas of experience and competence which shall be represented on the council. The council is to assist the State agency designated pursuant to section 8(a) in the preparation of the plan, to advise it on general policy matters to evaluate activities assisted under the Act, to advise State or local officials on various mattters pertaining to the program, and to prepare and submit to the Secretary, at least annually, a report of its activities, recommendations, and evaluations.

SECTION 10. TREATMENT OF FEDERALLY-CONNECTED CHILDREN

Section 10 provides that the State agency designated pursuant to section 8(a) will require that children attending school within the State who reside with a parent on Federal property, who reside with a parent employed on Federal property or who have a parent who is a member of the uniformed services, will receive public elementary or secondary education on a basis comparable to that provided to other children in the State.

SECTION 11. SPECIAL PAYMENTS BY THE SECRETARY

Section 11 allows the Secretary to reserve up to 10% of the funds appropriated under section 3(a) to make payments to States to assist them in carrying out activities described in section 4 which are designed to further national policy objectives in the field of education.

SECTION 12. RECOVERY OF FUNDS

Subsection (a) of section 12 authorizes the Secretary, if he determines that a State has failed to comply with the provisions of the Act, to refer the matter to the Attorney General for appropriate civil action, or, after notice and opportunity for hearing, to notify the State that if corrective action is not taken within sixty days, revenues shared with it will be reduced in the same or succeeding fiscal year by an amount equal to the amount of funds which were not expended in accordance with the Act, or to take such other action as may be provided by law.

Subsection (b) of section 12 authorizes the Attorney General to bring civil action in any appropriate district court for any appropriate (including injunctive) relief.

Subsection (c) of section 12 prescribes the court procedure to be followed in the event that a State receives notice under section 12(a)(2) of reduction in revenues. The State may file a petition for review of the Secretary's action in a court of appeals for the circuit in which it is located, or in the United States Court of Appeals for the District of Columbia. The Secretary must then file in that court a record of the proceeding on which his action was based. The court may affirm, modify, or set aside in whole or in part the action of the Secretary. Upon filing the record with the court, the jurisdiction of the court shall be exclusive and its judgment final save for review by writ of certiorari from the Supreme Court.

SECTION 13. CIVIL RIGHTS

Section 13 states that revenues shared under the Act shall be considered Federal financial assistance within the meaning of title VI of the Civil Rights Act of 1964.

SECTION 14. ADVANCED FUNDING

Section 14 provides that appropriations for carrying out the Act may be included in the appropriation Act for the fiscal year preceding the fiscal year for which they are available for obligation.

SECTION 15. LABOR STANDARDS

Section 15 provides that laborers and mechanics employed in any construction assisted under the Act shall be paid wages at rates not less than those prevailing on similar construction in the locality.

SECTION 16. ANNUAL REPORT

Section 16 provides that the Secretary shall make an annual report to the President and the Congress on the effectiveness of assistance under the Act in meeting the educational needs of children and adults.

SECTION 17. AVAILABILITY OF SHARED REVENUES FOR PAYING NON-FEDERAL SHARE UNDER OTHER PROGRAMS

Section 17 provides that payments made pursuant to the Act shall be available, consistent with the provisions of the Act, for paying the non-federal share of expenditures under other Federal programs.

SECTION 18. RECORDS, AUDITS, AND REPORTS

Section 18 provides that revenues shared with States under the Act shall be properly accounted for as Federal funds in the accounts of such States. Each State is directed to use such fiscal and accounting procedures as may be necessary to assure proper accounting for payments received by it and proper disbursement of such amounts, to provide to the Secretary, on reasonable notice, access to, and the right to examine any books, documents, papers, or records as he may reasonably require, and to make such reports to the Secretary as he may reasonably require.

SECTION 19. INTERSTATE AGREEMENTS

Section 19 provides that the consent of Congress is given to agreements between States when necessary to realize the full benefit of provisions of the Act.

SECTION 20. DEFINITIONS

Section 20 of the Act sets forth the following definition:

(1) The term "adult education" means services or instruction below the college level for individuals (A) who have attained the age of 16, (B) who do not have a certificate of graduation from a school providing secondary education and who have not achieved an equivalent level of education, and (C) who are not currently required to be enrolled in schools.

(2) The term "average per pupil expenditure in the United States" means the aggregate current expenditures of all local educational agencies in the United States for any fiscal year, plus any direct current expenditure by the States in which such agencies are located for the operation of such agencies during such year (without regard to the sources of funds from which either of such expenditures is made), divided by the aggregate number of children in average daily attendance to whom such agencies provided public education during such year.

(3) The term "construction" means the erection, acquisition, alteration, remodeling, or improvement of facilities, including the acquisition of land necessary therefor, and the cost of construction includes the cost of architect's fees.

(4) The term "current expenditures" means expenditures for public education, but not including expenditures for community services, capital outlay, and debt services, or any expenditures made from funds allotted under this Act.

(5) The term "elementary school" means a day or residential school which provides elementary education, as determined under State law.

(6) The term "Federal property" means real property which is owned by the United States or is leased by the United States, and which is not subject to taxation by any State or any political subdivision of a State. Such term includes (A) real property held in trust by the United States, (B) for one year beyond the end of the fiscal year in which occurred the sale or transfer thereof by the United States, any property considered prior to such sale or transfer to be Federal property for the purposes of this Act, and (C) any school which is providing flight training to members of the Air Force under contractual arrangements with the Department of the Air Force at an airport which is owned by a State or political subdivision of a State. Such term also includes any interest in Federal property (as defined in the foregoing provisions of this paragraph) under an easement, lease, license, permit, or other arrangement, as well as any improvements of any nature (other than pipelines or utility lines) on such property even though such interests or improvements are subject to taxation by a State or political subdivision of a State. Notwithstanding the foregoing provisions of this paragraph, such term does not include (D) any real property used for a labor supply center, labor home, or labor camp for migratory farmworkers, (E) any real property under the jurisdiction of the Post Office Department and used primarily for the provision of postal services, or (F) any low-rent housing project held under title II of the National Industrial Recovery Act, the Emergency Relief Appropriation Act of 1935, the United States Housing Act of 1937, the Act of June 28, 1940 (Public Law 871 of the Seventy-sixth Congress), or any law amendatory of or supplementary to any of such Acts.

(7) The term "handicapped children" means mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed, crippled, or other health impaired children who by reason thereof require special educational services.

(8) The term "local educational agency" means a public board of education or other public authority legally constituted within a State for either administrative control or direction of, or to perform a service function for, public elementary or secondary schools in a city, county, township, school district, or other political subdivision of a State, or such combination of school districts or counties as are recognized in a State as an administrative agency for its public elementary or secondary schools. Such term also includes any other public institution or agency having administrative control and direction of a public elementary or secondary school.

(9) The term "low-income families" shall be defined by the Secretary in accordance with such criteria as he may prescribe, which criteria shall take into account migratory children of migratory agricultural workers, neglected or delinquent children, and such matters as family size and urban-rural differences.

(10) The term "nonprofit", as applied to a school, means a school owned and operated by one or more nonprofit corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

(11) The term "revenues shared" means payments under this Act.

(12) The term "secondary school" means a day or residential school which provides secondary education, as determined under State law, except that it does not include any education provided beyond grade 12.

(13) The term "Secretary" means the Secretary of Health, Education, and Welfare.

(14) The term "State" includes, in addition to the several States, the Commonwealth of Puerto Rico, the District of Columbia, Guam, and the Virgin Islands.

(15) The term "supporting materials and services" means such materials and services as the purchase of school textbooks, library resources, and educational equipment; the provision of supplementary educational centers and services, of school pupil personnel services, of adult education, and of school meals; the training or retraining of teachers, teacher aides, and other school personnel; the strengthening of State or local educational agency capabilities and of educational planning at the State or local level; the support of the advisory council appointed under section 9; and the administration at the State level of the program carried out under this Act.

(16) The term "vocational education" includes vocational or technical training or retraining (including field or laboratory work and remedial or related academic and technical instruction incident thereto and work-study programs for students who need the earnings from work in order to commence or continue their education) conducted as part of a program designed to prepare individuals for gainful employment as semi-skilled or skilled workers or technicians or subprofessionals in recognized occupations and in new and emerging occupations or to prepare individuals for enrollment in advanced technical education programs, but excluding any program to prepare individuals for employment in occupations generally considered professional or which require a baccalaureate or higher degree; and such term also includes vocational guidance and counseling in connection with such training for the purpose of facilitating occupational choices; instruction related to the occupation or occupations for which the students are in training or instruction necessary for students to benefit from such training; job placement; and the training of persons engaged as, or preparing to become, teachers in a vocational education program or teachers, supervisors, or directors of such teachers.

SECTION 21. REPEAL OF PROGRAMS REPLACED BY THIS ACT

Subsection (a) of section 21 repeals the following statutes and parts of statutes effective with respect to appropriations for fiscal years beginning after June 30, 1972:

(1) title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 241a–241*l*);

(2) title II of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 821–827);

(3) title III of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 841–848);

(4) title V of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 861–870);

(5) part B of the Education of the Handicapped Act (20 U.S.C. 871–877);

(6) the Smith-Hughes Act (20 U.S.C. 11–15, 16–28);

(7) sections 3 and 4 of Public Law 81–874 (20 U.S.C. 238–239);

(8) title III of the National Defense Education Act of 1958 (20 U.S.C. 441–455);

(9) subpart 2 of part B of title V of the Higher Education Act of 1965 (20 U.S.C. 1108–1110c); and

(10) the Vocational Education Act of 1963 (20 U.S.C. 1241–1391).

Subsection (b) of section 21 amends the Adult Education Act effective with respect to appropriations for fiscal years beginning after June 30, 1972 by:

(1) striking out "reserved in section 304 (a) for the purposes of this section" in section 309(a) and inserting in lieu thereof "appropriated pursuant to section 312(a)"; and

(2) striking out sections 304, 305, 306, 307, 308, and 310, and subsection (b) of section 312.

Subsection (c) of section 21 amends P.L. 81–815 (20 U.S.C. 631–647) by inserting "(a)" immediately after "Section 1." and by adding at the end of such section the following:

"(b) Notwithstanding any other provisions of this Act, appropriations under this Act

for fiscal years beginning after June 30, 1972, shall be available only for carrying out the provisions of sections 9, 10, 14, and 16."

Subsection (d) of section 21 amends the Child Nutrition Act of 1966 (42 U.S.C. 1771–1785) effective with respect to appropriations for fiscal years beginning after June 30, 1972, by:

(1) striking out sections 5 and 7;

(2) striking out "through 7" in section 6 and inserting "and 4" in lieu thereof;

(3) striking out "through 5" in section 11 and inserting "and 4" in lieu thereof; and

(4) striking out "section 4" in section 4(b) and inserting "section 11" in lieu thereof.

Subsection (e) of section 21 amends the National School Lunch Act (42 U.S.C. 1751–1761) effective with respect to appropriations for fiscal years beginning after June 30, 1972 by:

(1) striking out sections 4, 5, 7, 8, and 10;

(2)(A) striking out "the amount apportioned by him pursuant to sections 4 and 5 of this Act and" in paragraph (2) of section 6 and (B) by striking out in such paragraph "sections 4, 5, and 7" and inserting in lieu thereof "section 4";

(3) striking out "section 10" in the last sentence of section 9 and inserting "section 11" in lieu thereof;

(4) striking out subsection (d) of section 11 and inserting in lieu thereof the following: "(d) The Secretary shall certify to the Secretary of the Treasury from time to time the amounts to be paid to any State under this section and the time or times such amounts are to be paid; and the Secretary of the Treasury shall pay to the State at the time or times fixed by the Secretary the amounts so certified."

(5) striking out in paragraph (g) of section 11, "including those applicable to funds apportioned or paid pursuant to section 4 or 5 but excluding the provisions of section 7 relating to matching,";

(6) striking out in section 11(h)(1) "to extend the school lunch program under this Act to every school within the State, and (C)"; and

(7) striking out paragraphs (4), (5), and (6) of section 12(d) and renumbering paragraph (7) as paragraph (4).

SUMMARY OF EDUCATION REVENUE SHARING BILL

The first section of the bill provides a short title—the "Education Revenue Sharing Act of 1971."

Section 2 contains the findings and purpose provisions.

Section 3(a) authorizes the appropriation, for fiscal year 1973 and thereafter, of such sums as may be necessary, to remain available until expended. Section 3(b) authorizes the appropriation of such sums as may be necessary to enable the Secretary to make payments to States during the period January 30, 1972, to assist them in planning for transition to the new system of revenue sharing.

Section 4 provides for allotment among the States of the funds appropriated and not reserved for the Secretary's use under section 11. Appropriated funds are to be used for 5 purposes: education of the disadvantaged; education of the handicapped; vocational education; assistance for schools in Federally-affected areas; and supporting materials and services. Any of the funds may be used for construction. The entire amount allotted to the State on the basis of children living on Federal property must be "passed through" to the local educational agencies in which those children live, and, except for any amount reserved by the State for education of neglected or delinquent children, the amount alloted to the State for education of the disadvantaged must also be "passed through" to local educational agencies in which those children live.

Thirty per cent of each of the amounts allotted to any State for vocational education, education of the handicapped, and supporting materials and services may be made available for other educational purposes (§ 6). The State may exceed these 30 per cent limitations if it demonstrates to the satisfaction of the Secretary that doing so would further the purposes of the Act. Not more than thirty per cent of the amount allotted to a State on the basis of numbers of children whose parents work on Federal property or are in the uniformed services may be paid to local educational agencies which do not have any of those children in their districts (§ 5(c)).

States are required to provide equitable treatment of private school children in the activities carried out under the bill, but if they are unable to do so because of limitations of State law the Secretary is required to provide services to such children, paying the cost thereof out of the State's allotment (§7).

Under § 5 amounts for the disadvantaged will be "passed through" to any local educational agency only if that agency meets a "comparability" requirement—i.e., if the services provided in each of its schools with funds other than funds under this bill are determined by the State administering agency to be comparable to the services so provided in its other schools.

The Governor of each State is required to designate a single State agency for administration (or supervision of the administration) of the program. That agency will develop a plan for the distribution of funds not "passed through" to local educational agencies, and for the expenditure of such funds. The distribution must be made on a basis which takes into account the relative needs of the local educational agencies in the State for the types of assistance for which the funds may be used, but in doing so the amount "passed through" to local educational agencies for education of the disadvantaged may not be taken into consideration. In developing the plan the agency must give an opportunity for comment thereon to interested persons, but there is no requirement of Federal review or approval of the plan (§ 8).

The Governor of each State is required to appoint an advisory council which is to advise the State agency on the preparation and administration of the plan and to evaluate activities assisted under the bill (§ 9).

Each State must provide education for Federally-connected children on a nondiscriminatory basis (§ 10).

Ten per cent of the funds may be reserved by the Secretary for direct payments to States to assist them in carrying out activities under § 4 (§ 11).

Title VI of the Civil Rights Act is made applicable to the program (§ 13).

There is an advance funding provision (§ 14), a provision for an annual report by the Secretary to the President and the Congress (§ 16), and a provision permitting funds under the bill to be used to match other Federal funds available for educational purposes (§ 17).

There is also a provision permitting interstate agreements (§ 19), a provision concerning records, audits, and reports (§ 18), and a provision concerning the recovery of funds (§ 12).

PERCY COSPONSORING SPECIAL EDUCATION REVENUE-SHARING BILL

Mr. PERCY. Mr. President, I am honored in joining the distinguished Senator from Vermont (Mr. PROUTY) in cosponsoring the administration's special education revenue sharing bill. President Nixon's plan for education revenue sharing would revitalize the relationship between the Federal Government and the State and local governments. It would bring together more than 30 major Office of Education programs representing approximately $2.8 billion in grants in the 1972 budget. No State would receive less under this plan than it receives under the present grant system. Broad citizen participation in the allocation of these Federal resources would be insured by the appointment of advisory councils representative of the public and the education community. States and local school districts would have greater flexibility in deciding how funds should be spent in serving national priorities. And all safeguards against infringements of civil rights would be preserved.

Although I strongly commend this special education revenue sharing bill in concept, I recognize that it still has imperfections. I am especially concerned about the 30-percent transferability allowance for the four categories of handicapped, impacted aid, vocational education, and supporting materials. However, I am cosponsoring this bill in the hope that it will insure an early hearing for this bill and because HEW assures me that it will assist us in correcting the imperfections in the bill.

By Mr. SPARKMAN (by request):

S. 1671. A bill to amend laws relating to savings and loan associations, to broaden their mortgage credit powers, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

HOUSING INSTITUTIONS MODERNIZATION ACT OF 1971

Mr. SPARKMAN. Mr. President, I am introducing, by request, the proposed "Housing Institutions Modernization Act of 1971."

This bill, submitted to the Congress by Preston Martin, chairman of Federal Home Loan Bank Board, would amend Federal laws relating to Federal savings and loan association, the Home Loan Banks, the Federal Savings and Loan Insurance Corporation and the Federal Home Loan Mortgage Corporation, all of which are part of the Home Loan Bank System which supports the nation's savings and loan program. The bill is intended to broaden the powers of savings and loan associations to improve their effectiveness in meeting the home mortgage credit needs of the Nation.

The bill has many interesting and significant features which I believe should be made available for study and consideration of the Senate. Some of these would have far-reaching effects on the future of savings and loan associations and their relationship to other financial institutions in supplying mortgage credit for home financing. Some of the provisions are controversial and will, I believe, require negotiation and adjustments if the bill is to receive the approval of Congress. Some open the door for riskier and broader real estate investments which we need to study for economic soundness.

I have not yet had the opportunity to study all of the provisions in detail and cannot say at this time to what extent I can support them.

I have strongly supported the savings

and loan system over the years and have seen it grow from its infancy to its giant stature today as the principal supplier of home mortgage credit throughout the Nation.

We have legislated over the years to give more and more investment authority to savings and loan associations in the home financing field and in a limited way to related real estate activities. The broadened authority has been given on a gradual basis with due concern about soundness of the system and the adherence to its principal function of encouraging local savings and providing local credit for home financing.

In recent years, several major leaps have been made in legislative authority enabling the associations to step out of their traditional mold into new and riskier fields, such as equity financing nationwide mortgage purchasing, closer access to capital market, nonresidential financing, subsidized lending, and discounting in the secondary mortgage market.

As I read the bill, additional authority is being requested along these same lines. The provisions in title I of the bill providing for the conversion of Federal mutual associations to Federal stock associations is a case in point. This is not a new proposal. It has been rejected in the past, probably more on idealistic grounds than on economic or grounds of social benefits. I believe we should weigh the proposal on its merits and listen to the arguments of the Federal Home Loan Bank Board that Federal stock associations would add greatly to the power of the system to compete in today's financial world for the funds needed to finance the expanded future housing needs. Experience has been accumulated under State-chartered stock associations which the Congress should study and compare with the experience of nonprofit mutual associations. We also need to look at the advantages and disadvantages of converting to a highly motivated profitmaking institution in light of the fundamental purpose of savings and loan associations to promote savings and provide home financing credit.

Another provision in title III of the bill, seeking broader purchasing authority for the newly established Federal Home Loan Mortgage Corporation seems premature. The Corporation was only established last year and has not yet issued its regulations or forms in carrying out its secondary market operations. The process in drafting the legislation for the new Mortgage Corporation in 1970 was one of caution to move forward into the secondary market for conventional mortgages at a conservative pace. We wanted to give both the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation the opportunity in dealing in the less risky conventional mortgages before plunging too deeply into an area where the experience has been so limited.

The Congress will need to have justification for a change in this thinking before proceeding to grant wider purchasing authority.

A controversial provision in title II of the bill regarding conflict of interest will probably require adjustment before the Congress would approve the bill in view of the several approaches to this subject now before the Congress. The Senate may want to wait before it acts to receive the results of the House action on this subject. Last year, the House had agreed to a conflict of interest provision and tighter supervisory requirements, but the Senate conferees turned these provisions down in conference for lack of proper hearings and study. The provision before us will give the committee the opportunity to look into the subject in more detail and obtain the views of the industry and other witnesses in public hearings.

There are many other provisions of the bill which the Banking Committee will want to study and explore fully before taking action.

The bill will give the Banking Committee an opportunity for a review of the savings and loan program and the functioning of the Home Loan Bank System as it has been updated in recent years. Aside from last year's Emergency Home Finance Act, most of the legislation relevant to wider investment authority for savings and loan associations has been written as amendments to omnibus housing bills. This is somewhat less than satisfactory because it fails to give the committee the opportunity for a full oversight review and public discussion of the issues at stake and the effectiveness of the system in carrying out its responsibilities in the home credit field. This year we have the opportunity to use this bill as a vehicle for a full and open hearing on the expanding plans of the Federal Home Loan Bank System.

Mr. President, I ask unanimous consent that the bill and a section-by-section summary thereof be printed in the RECORD at this point in my remarks.

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

S. 1671

A bill to amend laws relating to savings and loan associations, to broaden their mortgage credit powers, 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 Institutions Modernization Act of 1971".

TITLE I—FEDERAL SAVINGS AND LOAN ASSOCIATIONS

ISSUANCE OF CAPITAL STOCK

SEC. 101. Section 5 of the Home Owners' Loan Act of 1933 is amended (1) by striking out in paragraph (1) of subsection (b) "and all of which shall have the same priority upon liquidation", and (2) by changing "except capital stock" to "including capital stock" in paragraph (2) of subsection (b).

FINANCING IN URBAN AREAS

SEC. 102. The twelfth sentence of section 5(c) of the Home Owners' Loan Act of 1933 is amended (1) by striking out "in subsection (a) of section 110 of the Housing Act of 1949" and substituting therefor "by the Board"; and (2) by striking out the figure "5" and inserting in lieu thereof the figure "10".

PROPERTY IMPROVEMENT LOANS

SEC. 103. Section 5(c) of the Home Owners' Loan Act of 1933 is amended by striking out the figure "$5,000" in the fourth and sixth sentences thereof and inserting in lieu thereof the figure at each such place "$10,000".

REAL PROPERTY

SEC. 104. Subsection (c) of section 5 of the Home Owners' Loan Act of 1933 is amended by adding to said subsection, immediately before the last paragraph thereof, the following paragraph: "Without regard to any other provision of this subsection, but subject to such prohibitions, limitations, conditions, and restrictions as the Board may prescribe, an association may invest in real property, including interests in real property, located within one hundred miles of its home office or within the State in which such home office is located, for the purpose of acquiring, developing, and/or improving such property or interests therein for primarily residential usage, and may hold, sell or otherwise dispose of, lease, improve, and operate any such property or any interest therein, but an association shall not make any investment under this sentence in the acquisition of real property or any interest therein if its aggregate outstanding investment under this sentence (determined as prescribed by the Board), exclusive of any investment which is or at the time of its making was otherwise authorized, would thereupon exceed 3 per centum of its assets."

LOANS FOR CONSTRUCTION

SEC. 105. The paragraph added to subsection (c) of section 5 of the Home Owners' Loan Act of 1933 by section 805(c) of the Housing Act of 1959 is amended (1) by substituting "10 per centum of assets" for "5 per centum of such withdrawable accounts", and (2) by substituting ", development, and/or improvement of land or interests therein" for "and development of land".

TITLE II—FEDERAL HOME LOAN BANK BOARD

FEDERAL SAVINGS AND LOAN ADVISORY COUNCIL

SEC. 201. Section 8a of the Federal Home Loan Bank Act is amended by substituting "nine" for "six".

SUITS INVOLVING FEDERAL HOME LOAN BANKS

SEC. 202. Section 12 of the Federal Home Loan Bank Act is amended by adding at the end thereof a new subsection (c) as follows:

"(c) Notwithstanding section 1349 of title 28 of the United States Code or any other provision of law, (1) each Federal Home Loan Bank shall be deemed to be an agency included in sections 1345 and 1442 and the first sentence of section 2408 of said title 28; (2) all civilian actions to which a Federal Home Loan Bank is a party shall be deemed to arise under the laws of the United States, and the district courts of the United States shall have original jurisdiction of all such actions, without regard to amount or value; and (3) any civil or other action, case, or controversy in a court of a State, or in any court other than a district court of the United States, to which a Federal Home Loan Bank is a party, may at any time before the trial thereof be removed by such Bank, without the giving of any bond or security, to the district court of the United States for the district (and the division, if any) embracing the place where the same is pending, or, if there is no such district court, to the district court of the United States for the district (and the division, if any) in which the principal office of such Bank is located, by following any procedure for removal of causes in effect at the time of such removal. No attachment or execution shall be issued against a Federal Home Loan Bank or any of its property before final judgment in any State, Federal, or other court."

CONFLICTS OF INTEREST AND RELATED MATTERS

SEC. 203. Section 17 of the Federal Home Loan Bank Act is amended by adding thereto the following new subsection:

"(c)(1) The Federal Home Loan Bank Board is authorized, to such extent as it may deem necessary or appropriate to prevent

materially adverse effects as to any member, or for the protection of the Federal Savings and Loan Insurance Corporation, to regulate or prohibit any member (which term as used in this subsection shall include any insured institution as defined in section 5A) or any director, officer, controlling person, or employee of, or any attorney or appraiser for, or any person occupying a fiduciary relationship with, or any other affiliated person of, any member from engaging or participating in any business or financial transaction conducted on behalf of or involving any member or other financial institution which would result directly or indirectly in a conflict of his or its financial interests with those of the member.

"(2) The provisions of subsection (f) of section 5A and of subsections (b) and (c) of section 5B, all as now in effect, are extended to include this subsection, and for purposes of this sentence the references in said subsections to those sections shall include this subsection, the references in said subsection (f) to provisions of the National Housing Act shall be deemed to be references to those provisions as now in effect, and the references in said subsections (b) and (c) to institutions and nonmember institutions shall include members and shall include affiliated persons.

"(3) In or in connection with the exercise of any function vested in or exercisable by the Board under this Act or otherwise, the Board (which term as used in this paragraph includes the Federal Savings and Loan Insurance Corporation) is authorized (A) to act through any corporate or other agency or instrumentality of the United States and utilize information, services, facilities, and personnel thereof, and any such agency or instrumentality is authorized to provide the same as requested by the Board, (B) to make payment therefor, and any expense under (A) or (B) hereof or in connection with any similar action rendered by the Board to any such agency or instrumentality shall not be considered as administrative expenses, and (C) to impose and collect fees and charges for the provision by the Board of information, services, facilities or personnel to any person, and for purposes of this subsection the references in the last two sentences of subsection (b) of section 5B as now in effect to penalties shall be deemed to be references to such fees and charges. Any such payment or collection may be in advance or by reimbursement or otherwise."

ILLINOIS BANK FOR SAVINGS AND LOAN ASSOCIATIONS

SEC. 204. Section 916 of the Housing and Urban Development Act of 1970 is amended by adding the following immediately before the period at the end thereof: ": *Provided*, That after the date of enactment of this proviso, no deposits in such bank shall be considered assets for such purposes at any time when (1) such member or insured institution does not have its principal office in the State of Illinois (except that this requirement shall not apply to any deposits held on such date by an institution which on such date is a member or an insured institution as defined in this sentence, as long as such deposits are held by such institution and no addition is made thereto), or (2) there is outstanding a determination by the Federal Home Loan Bank Board (A) that the facilities or condition of such bank are not consistent with the liquidity of deposits in such bank, or (B) that it does not possess sufficient information to make the determination specified in clause (A) above".

ADVANCES

SEC. 205. The Federal Home Loan Bank Act is amended by substituting "twenty" for "twelve" in section 6(c)(2)(ii) thereof and in the first place that it appears in section 10(c) thereof.

TITLE III—FEDERAL HOME LOAN MORTGAGE CORPORATION

REPURCHASE OF MORTGAGES

SEC. 301. Paragraph (1) of subsection (a) of section 305 of the Federal Home Loan Mortgage Corporation Act is amended by inserting after the period at the end of the first sentence thereof, a new sentence as follows: "Where a mortgage or an interest therein is sold by the Corporation, the Corporation may thereafter purchase such mortgage or an interest therein from any holder or owner."

PERCENTAGE LIMITATION ON 1 YEAR MORTGAGES

SEC. 302. Paragraph (2) of subsection (a) of section 305 of the Federal Home Loan Mortgage Corporation Act is amended by striking out the figure "10" in the third sentence thereof and inserting in lieu thereof the figure "25".

LOAN-TO-VALUE RATIO

SEC. 303. Paragraph (2) of subsection (a) of section 305 of the Federal Home Loan Mortgage Corporation Act is amended by striking out the figure "75" in the first sentence thereof in each place that it appears therein and by inserting in lieu thereof the figure "80" in each such place.

COMMITMENTS

SEC. 304. Paragraph (2) of subsection (a) of section 305 of the Federal Home Loan Mortgage Corporation Act is amended by deleting the second sentence thereof.

ELIGIBILITY AS PUBLIC INVESTMENTS

SEC. 305. Section 303 of the Federal Home Loan Mortgage Corporation Act is amended by adding a new subsection (f) at the end thereof as follows:

"(f) Subject to any regulatory authority otherwise applicable, obligations of the Corportation and (to such extent as the Corporation may prescribe) other securities of the Corporation except stock shall be lawful investments, and may be accepted as security, for all fiduciary, trust, and public, private, or other funds the investment or deposit of which shall be under the authority or control of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or any territory or possession of the United States, any public, private, or other corporation incorporated by or under any law of any of the foregoing, any county or municipality of any of the foregoing, any political subdivision of any of the aforesaid, any court or any corporate or other agency or instrumentality of any of the preceding, or any officer or officers, employee or employees, or agent or agents of any of the above."

FEDERAL NATIONAL MORTGAGE ASSOCIATION

SEC. 306. Section 302(b)(2) of the National Housing Act is amended—

(1) by inserting after the period at the end of the first sentence thereof, a new sentence as follows: "Where a mortgage or interest therein is sold by the corporation, the corporation may thereafter purchase such mortgage or an interest therein from any holder or owner.";

(2) by striking out the figure "10" in the fourth sentence thereof and inserting in lieu thereof the figure "25";

(3) by striking out the figure "75" in the second sentence thereof in each place that it appears therein and by inserting in lieu thereof the figure "80" in each such place; and

(4) by deleting the third sentence thereof.

TITLE IV—FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION ADJUSTMENTS IN ASSETS

SEC. 401. Section 403(b) of title IV of the National Housing Act is amended by adding at the end thereof the following sentence: "The Corporation shall have power to require such adjustments as it deems necessary or appropriate in the amounts appearing in the books, records, reports, or other documents of insured institutions in order that their financial condition or operations may be fairly stated."

DEFINITION OF AFFILIATE

SEC. 402. Section 407(m)(1) of title IV of the National Housing Act is amended by deleting the last sentence thereof and by adding the following sentence at the end thereof: "For purposes of this subsection, the term 'affiliate' shall have the same meaning given to it in section 408(a) of this title."

SAVINGS AND LOAN HOLDING COMPANIES

SEC. 403. Section 408(d)(4) of the National Housing Act, as amended, is further amended by striking out all which follows "(2)" and substituting therefor, the following: "property previously owned, legally or beneficially, by any savings and loan holding company or affiliate thereof, other than the parent holding company of such service corporation or any affiliate of such holding company."

MERGERS

SEC. 404. Title IV of the National Housing Act is amended by adding at the end thereof a new section as follows:

"SEC. 412. (a) Except with the prior written approval of the Corporation, no insured institution shall—

"(1) merge or consolidate with any other institution;

"(2) assume liability to pay any deposits, share accounts, or similar liabilities of any other institution;

"(3) transfer assets to any other institution in consideration of the assumption of liabilities for any portion of the deposits, share accounts, or similar liabilities of such insured institution.

"(b) Notice of any proposed transaction for which approval is required under subsection (a) (referred to hereafter in this section as a 'merger transaction') shall, unless the Corporation finds that it must act immediately in order to prevent the probable failure of one of the institutions involved, be published—

"(1) prior to the granting of approval of such transaction,

"(2) in a form approved by the Corporation,

"(3) at appropriate intervals during a period at least as long as the period allowed for furnishing a report under subsection (c) of this section, and

"(4) in a newspaper of general circulation in the community or communities where the main offices of the institutions involved are located, or, if there is no such newspaper in any such community, then in the newspaper of general circulation published nearest thereto.

"(c) In the interests of uniform standards, before acting on any application for approval of a merger transaction, the Corporation, unless it finds that it must act immediately in order to prevent the probable failure of one of the institutions involved, shall request a report on the competitive factors involved from the Attorney General. The report, or in the alternative a notification indicating that no report will be submitted, shall be furnished within thirty calendar days of the date on which the report is requested, or within ten calendar days of such date if the Corporation advises the Attorney General that an emergency exists requiring expeditious action.

"(d) The Corporation shall not approve—

"(1) any proposed merger transaction which would result in a monopoly, or which would be in furtherance of any combination or conspiracy to monopolize or to attempt to monopolize any type of business in which insured institutions engage in any part of the United States, or

"(2) any other proposed merger transaction whose effect in any section of the coun-

try may be substantially to lessen competition, or to tend to create a monopoly, or which in any other manner would be in restraint of trade, unless it finds that the anticompetitive effects of the proposed transaction are clearly outweighed in the public interest by the probable effect of the transaction in meeting the convenience and needs of the community to be served.

"In every case, the Corporation shall take into consideration the financial and managerial resources and future prospects of the existing and proposed institutions, and the convenience and needs of the community to be served.

"(e) The Corporation shall immediately notify the Attorney General of any approval by it pursuant to this subsection of a proposed merger transaction. If the Corporation has found that it must act immediately to prevent the probable failure of one of the institutions involved and the report on the competitive factors has been dispensed with, the transaction may be consummated immediately upon approval by the Corporation. If the Corporation has advised the Attorney General of the existence of an emergency requiring expeditious action and has requested the report on the competitive factors within ten days, the transaction may not be consummated before the fifth calendar day after the date of approval by the Corporation. In all other cases, the transaction may not be consummated before the thirtieth calendar day after the date of approval by the Corporation.

"(f) (1) Any action brought under the antitrust laws arising out of a merger transaction shall be commenced prior to the earliest time under subsection (e) at which a merger transaction approved under subsection (d) might be consummated. The commencement of such an action shall stay the effectiveness of the Corporation's approval unless the court shall otherwise specifically order. In any such action, the court shall review de novo the issues presented.

"(2) In any judicial proceeding attacking a merger transaction approved under subsection (d) on the ground that the merger transaction alone and of itself constituted a violation of any antitrust laws other than section 2 of the Act of July 2, 1890 (section 2 of the Sherman Antitrust Act, 15 U.S.C. 2), the standards applied by the court shall be identical with those that the Corporation is directed to apply under subsection (d).

"(3) Upon the consummation of a merger transaction in compliance with this section and after the termination of any antitrust litigation commenced within the period prescribed in this subsection, or upon the termination of such period if no such litigation is commenced therein, the transaction may not thereafter be attacked in any judicial proceeding on the ground that it alone and of itself constituted a violation of any antitrust laws other than section 2 of the Act of July 2, 1890 (section of the Sherman Antitrust Act, 15 U.S.C. 2), but nothing in this section shall exempt any institution resulting from a merger transaction from complying with the antitrust laws after the consummation of such transaction.

"(4) In any action brought under the antitrust laws arising out of a merger transaction approved by the Corporation pursuant to this section, the Corporation, and any State supervisory agency having jurisdiction within the State involved, may appear as a party of its own motion and as of right, and be represented by its counsel.

"(g) The Corporation may make such rules and regulations as it may deem necessary or appropriate for the purpose of carrying out the provisions of this section.

"(h) For purposes of this section, the term 'antitrust laws' means the Act of July 2, 1890 (the Sherman Antitrust Act, 15 U.S.C. 1–7), the Act of October 15, 1914 (the Clayton Act, 15 U.S.C. 12–27), and any other statutory provisions in pari materia therewith."

PAYMENT OF INSURANCE

SEC. 405. Title IV of the National Housing Act is amended—

(1) by adding the following two sentences at the end of section 405(b) thereof:

"The surrender and transfer to the Corporation of an insured account in any institution in default shall subrogate the Corporation with respect to such insured account and all rights incident thereto, and the insured member shall retain only those rights incident to any uninsured portion of his account. Upon the payment of insurance by the Corporation to the insured members of the institution in default, the Corporation shall become entitled to interest on the withdrawable or repurchasable amount of the accounts surrendered and transferred to it, computed at a rate determined by the Federal Savings and Loan Insurance Corporation, as of the date of default, based upon the average market yield on the Federal Savings and Loan Insurance Corporation's investments in obligations of, or guaranteed as to principal and interest by, the United States, commencing upon the date of default and continuing until the date or dates on which the Corporation's claim for the aggregate withdrawable or repurchasable amount of all such accounts is paid in full by the conservator, receiver, or other legal custodian of such institution: *Provided*, That such rate shall not be less than the rate determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturity, adjusted to the nearest one-eighth of one per centum; *And provided further*, That no such interest shall be payable to the Corporation until payment or provision for payment has been made with respect to the expenses of administering the institution in default, including tax liability, and all creditor claims against such institution, including the full withdrawable or repurchasable amount of all account claims."

(2) By inserting a period after the words "Section 405" in section 406(b) thereof and deleting the remainder of said section 406 (b) following said period.

SECTION-BY-SECTION ANALYSIS OF THE PROPOSED "HOUSING INSTITUTIONS MODERNIZATION ACT OF 1971"

TITLE I

Section 101—Issuance of capital stock

Section 101 makes two amendments to section 5 of the Home Owners' Loan Act of 1933.

Amendment (1) would amend the first sentence of paragraph (1) of subsection (b) of said section 5. That sentence provides that a Federal savings and loan association may raise capital in the form of "such savings deposits, shares, or other accounts, for fixed, minimum, or indefinite periods of time (all of which are referred to in this section as savings accounts and all of which shall have the same priority upon liquidation)" as are authorized by its charter or by regulations of the Federal Home Loan Bank Board as therein set forth.

The language "all of which shall have the same priority upon liquidation" constitutes a serious limitation on the flexibility and workability of the provision. It prevents, for example, the providing of liquidation priority for deposits over shares, or for deposits of public funds over other deposits, and it equally prevents the issuance, for example to institution investors, of accounts having deferred status upon liquidation. Accordingly amendment (1) would delete the quoted language "all of which shall have the same priority upon liquidation."

Amendment (2) would amend paragraph (2) of subsection (b) aforesaid, which now provides: "To such extent as the Board may authorize by regulation or advice in writing, and association may borrow, may give security, and may issue such notes, bonds, debentures, or other obligations, or other securities (except capital stock) as the Board may so authorize."

The parenthetical language "except capital stock" prevents the adoption for Federal savings and loan associations of the more modern method of operation known in various jurisdictions as the permanent-stock, guaranty-stock, or reserve-stock method, under which the savers are protected by the issuance of capital stock which typically is nonwithdrawable and is, upon liquidation, deferred to the claims of the holders of savings accounts. Amendment (2) would change this parenthetical language to "including capital stock", thus making this more modern method available to Federal savings and loan associations.

If this amendment were enacted, the Federal Home Loan Bank Board would have complete and effective regulatory authority as to the extent and manner of the use of this method of operation under existing provisions of subsection (a) of section 5 of the Act, which authorizes the Board, under such rules and regulations as it may prescribe, to provide (among other things) for the organization, operation, and regulation of Federal savings and loan associations. This regulatory authority would include, but would not be limited to, the required amounts of capital stock, the terms on which it could be issued, and the conversion of existing associations to the new type of operation, including the assurance of adequate protection to existing savings-account holders in the event of such conversion.

Federal savings and loan associations have no outstanding ownership equities except those represented by deposits. There are no shares of stock. The Charters of these institutions provide that in the very unlikely event of a liquidation of the institution, the excess funds, remaining after the payment of deposits, of interest, and of other obligations, will be distributed to the depositors who are customers of the association in which respect they resemble consumers.

The Bank Board must have authority to assure that the rights of the depositors to these benefits which are over and above the amount of deposits and interest, are preserved. That authority should be sufficiently flexible so that the full proceeds of the sale of stock representing ownership go to the depositors, and to protect against mass last minute deposits by insiders and other devices to water down or take away benefits that belong to the depositor. Present statutes are not adequate for this purpose. Amendment is urgently necessary.

If the savings and loan industry is to provide the housing financing needs of the country as they have in the past, and survive in a highly competitive savings market, they must benefit from all economies of scale. Since these economies do exist, it is advantageous and necessary for mergers of small associations to occur. These mergers would be greatly facilitated if the associations were in stock form prior to the merger.

Highly related to the question of providing financing needs is the question of obtaining capital in times of rising interest rates and in areas which traditionally are capital short. Even though little new equity capital is raised by stock associations in the aggregate, it is primarily raised by associations located in capital short areas from investors located in capital surplus areas. This is definitely a way of distributing funds across the country in an efficient manner to provide housing.

Section 102—Financing in urban areas

The twelfth sentence of section 5(c) of the Home Owners' Loan Act of 1933 author-

izes a Federal association to invest not more than 5 percent of its assets (1) in *real property* located within urban renewal areas designated as such by the Secretary of Housing and Urban Development under section 110(a) of the Housing Act of 1949 (42 U.S.C. 1460 (a)); (2) in *interests* in such property; and (3) in *obligations* secured by first liens on such property. The twelfth sentence also restricts investment in such *real property* and such *interests* to 2 percent of assets.

Section 102 would make two amendments. First, it would raise the 5 percent limitation to 10 percent. Second, it would permit the Board to define areas for the purposes of investment by Federal associations under the twelfth sentence.

This second amendment would make the twelfth sentence more workable and flexible since, under section 110(a) of the Housing Act of 1949, the Secretary's authority to designate an area as an urban renewal area is limited to approving the area as appropriate for an "urban renewal project", which latter term is itself subject to the complicated definitional provisions of section 110(c) of that act. While those provisions may be appropriate for determining the eligibility for loan and grant contracts under title I of the Housing Act of 1949 (42 U.S.C. 1451 *et seq.*) we believe they are not needed for the purpose of enabling Federal savings and loan associations to make loans to assist in rehabilitation operations.

Investment by Federal savings and loan associations in redevelopable and rehabilitatable real estate outside urban renewal project areas would enable these institutions to forestall urban blight and conserve the existing housing stock prior to its decay. The FHLBB would of course continue to support HUD projects by designating all such areas following the Secretary's designation. The intent of the Sec. 102 amendment is to complement HUD efforts and to utilize the comparative advantage of savings and loan associations, many of whom have large volumes of outstanding loans and thus experience in "gray areas" proximate to HUD-designated project areas.

Section 103—Property improvement loans

Section 103 would raise to $10,000 the $5,000 limitation on the maximum dollar amount of property improvement loans contained in the fourth and sixth sentences of section 5(c) of the Home Owners' Loan Act. This dollar limitation has been successively raised over the years; in 1954, from $1,500 to $2,500; in 1956 from $2,500 to $3,500; and in 1964 from $3,500 to $5,000. Changed economic circumstances have made the 1964 figure increasingly unrealistic.

In order to avoid wasteful and time-consuming piecemeal legislation, and in view of the natural limits placed on such loans by reasonable lenders and homeowners, a good case could be made for eliminating the dollar limitation entirely. It is believed, however, that a fixed $10,000 dollar figure will serve to check occasional excess and should render further amendatory legislation unnecessary for the indefinite future.

Section 104—Real property

Under present law, Federal associations may invest directly in real property only to the extent permitted under the twelfth sentence of section 5(c) of the Home Owners' Loan Act (discussed above under § 102). In a number of states, notably California, state-chartered associations may invest in real property up to some percentage of assets or some similar base or limitation. Section 104 would correct this competitive inequality by authorizing Federal associations to invest no more than 3 percent of their assets directly in real property. In addition to this percentage-of-assets limitation, section 104 would impose limitations as to the location of the property and the purpose of the investment in the property. The location of the property must be within one hundred miles of the association's home office or in the State in which such home office is located, and the purpose of the investment must be "for primarily residential usage".

Section 104 would also authorize Federal savings and loan associations to "warehouse" land for development with small percentage of assets and would facilitate housing production, including "New Towns".

Section 105—Loans for acquisition, development and improvement of land

Section 105 makes two amendments to the paragraph added to section 5(c) of the Home Owners' Loan Act of 1933 by section 805(c) of the Housing Act of 1959.

That paragraph now provides that, without regard to any other provision of subsection (c) of section 5 of the Act except the area restriction, any Federal savings and loan association with general reserves, surplus, and undivided profits in excess of 5 percent of its withdrawable accounts may invest not exceeding at any one time 5 percent of such withdrawable accounts in loans to finance the acquisition and development of land for primarily residential usage, subject to such rules and regulations as the Board may prescribe.

The object of the paragraph, as set forth (at p. 628) in the House Housing Subcommittee hearings on the Housing Act of 1959, was to provide for the development of housing sites. The term "development" is defined in section 545.6–14(d) of the Board's regulations. Loans for the construction of the housing must be made under other authority and subject to different percentage and other limitations. This fragmentation is unduly complex, prevents the paragraph from being as effective a tool for housing finance as is desirable, and is largely the result of the process of piecemeal amendment which has produced the present text of section 5(c).

Section 105 of the bill would eliminate this fragmentation by permitting loans to be made under the paragraph for the improvement of the property as well as for its acquisition and development, or any combination thereof. The section would also change the percentage limitation on such loans from 5 percent of withdrawable accounts to 10 percent of the association's assets. This would make a reasonable increase in the permitted amount of loans under the paragraph and bring this paragraph in line with the other lending limitations in section 5(c), which are based on percentages of assets rather than percentages of withdrawable accounts.

TITLE II

Section 201—Federal Savings and Loan Advisory Council

Section 8a of the Federal Home Loan Bank Act (12 U.S.C. 1428a) establishes a Federal Savings and Loan Advisory Council to consist of one member elected by the Board of Directors of each Federal Home Loan Bank (currently 12) and six members appointed by the Board. Section 201 would raise the number of appointed members to nine. It has been apparent to the Board for some time, but especially since the creation of the Federal Home Loan Mortgage Corporation, that the Council needs to be expanded to provide representation to industry groups which do not now have an institutional voice on the Council.

Section 202—Suits involving Federal home loan banks

Under existing law, the Federal Courts have original jurisdiction over suits involving the Federal Savings and Loan Insurance Corporation (12 U.S.C. 1730(k)(1)), the Federal Home Loan Mortgage Corporation (§ 303(e), P.L. 91–351), and the Federal Reserve Banks (12 U.S.C. 632). The purpose of these provisions, and similar provisions involving other Federal instrumentalities, is to insure uniformity and consistency of treatment. Section 102 would give the Federal courts comparable jurisdiction over suits involving Federal Home Loan banks.

Section 203—Conflicts of interest and related matters

Section 203 would add a new subsection (c), consisting of three paragraphs, to section 17 of the Federal Home Loan Bank Act (12 U.S.C. 1437). Paragraph (1) of the new subsection would clarify the authority of the Board to regulate conflicts of interest involving insured institutions and would extend this authority to conflicts of interest involving member institutions. Paragraph (2) would provide for enforcement by extending to this subsection the remedies available to the Board under other acts which it administers. Paragraph (3) would authorize the Board to charge user fees and to utilize and to make payment for services of other agencies in the implementation of this subsection and other statutory provisions administered by the Board.

Section 204—Illinois Bank for Savings and Loan Associations

Section 913 of the Housing and Urban Development Act of 1970 as reported by the House (H.R. 19436), reads as follows:

"SEC. 913. The provision numbered (2) in the first sentence of subsection (b) of section 5A of the Federal Home Loan Bank Act (12 U.S.C. 1425a) is amended to read as follows: '(2) unpledged deposits in a Federal Home Loan Bank or in a State bank performing similar functions and in operation on February 6, 1970, and to such extent as the Board may approve for the purpose of this section, time and savings deposits in commercial banks, and'."

In a letter to the Chairman of the House Committee on Banking and Currency the Board stated its objections to the enactment of section 913 in the following terms:

"*Sec. 913, H.R. 19436. Liquidity of Institutions.* Section 5A of the Federal Home Loan Bank Act, as amended in 1968, requires each institution which is a member of a Federal Home Loan Bank or insured by the Federal Savings and Loan Insurance Corporation to maintain certain types of assets in amounts fixed by the Board, but not less than 4% nor more than 10% of its withdrawable accounts and short-term borrowings as therein set forth or, in the case of institutions which are insurance companies, such other base or bases as the Board may determine to be comparable.

Under the statute, these assets include cash and, to such extent as the Board may approve, time and savings deposits in Federal Home Loan Banks and commercial banks. By section 523.10 of the Regulations for the Federal Home Loan Bank System (12 CFR 523.10), the Board has limited eligible deposits to demand and time deposits in a Federal Home Loan Bank and demand and time deposits in an "insured bank", defined as a bank insured by the Federal Deposit Insurance Corporation which is not under the control or in the possession of a supervisory authority. However, time deposits in an insured bank are eligible under the regulation only if (1) the total of the member's time deposits in the same bank does not exceed the greater of (a) one-fourth of 1% of the total deposits of the bank (calculated as therein set forth) or (b) $20,000, (2) no consideration other than discounting to a current market rate of interest is received by the member from a third party in connection with its making or acquisition of the deposit, and (3) the deposit is negotiable and not over one year in remaining maturity or, if not withdrawable without notice, the notice period does not exceed 90 days.

In the administrative proceedings prior to the issuance of the regulation, an Illinois corporation known as the Bank for Savings and Loan Associations, incorporated in 1966

under the general banking laws of Illinois and not a member of the Federal Reserve System or insured by the Federal Deposit Insurance Corporation, but all of whose capital stock was owned by Illinois savings and loan associations, took the position that demand and time deposits made in it should be eligible on the same basis as those in a Federal Home Loan Bank. It indicated that its ends would not be served if it were placed on the same basis as that proposed for insured banks, asserting that the provision limiting the total time deposits of a member in the same insured bank to one-fourth of 1% of the total deposits would have serious effects on it.

The Board did not grant the requested relief, and the same result is now apparently being sought directly by statute, through section 913 of H.R. 19436. The Federal Home Loan Bank Board objects to that section, for reasons briefly summarized below.

First. For a bank to qualify under section 913, it must be, *and must continue to be,* a State bank "performing similar functions" to a Federal Home Loan Bank. It is not clear how institutions making or acquiring deposits in the Bank for Savings and Loan Associations, or the Board and its examiners and other staff members, could obtain current, dependable information as to what functions that Bank was performing at any time or from time to time.

Second. The liquidity resources of the Bank for Savings and Loan Associations cannot be compared with those of Federal Home Loan Banks. It could not borrow from the Treasury, its obligations are not eligible for open-market purchase by the Federal Reserve Banks or as security for advances by those banks as obligations of the Federal Home Loan Banks are, and there is no provision of statute by which fiduciary trust, or public funds under the control of the United States could be invested in its obligations.

Third. The lack of deposit insurance and Federal Reserve membership means that the Bank for Savings and Loan Associations is not under effective supervisory, regulatory, or enforcement authority of any Federal agency. If it got into difficulties the Federal Deposit Insurance Corporation could not render with respect to it the financial assistance by loans or purchases of assets which that corporation is authorized to render as to insured banks.

Fourth. The provisions of the Board's regulation as to time deposits in insured banks are designed to restrain undue concentration of deposits and to assure ready availability. Section 913 of H.R. 19436 is obviously intended to escape those safeguards in the case of the Bank for Savings and Loan Associations. There is even danger that in other States (or in Illinois itself) State banks which were in operation on February 6, 1970, might claim that they were performing similar functions to a Federal Home Loan Bank and were entitled to the same treatment as the Bank for Savings and Loan Associations.

Finally, we note that the word "unpledged," which now appears in the regulation but not in the statute, would be carried into the statute by section 913 of the bill. We believe that situations might later develop in which it would be desirable to permit some pledged deposits to be counted as eligible, and we consider it unwise to incorporate that word in the statute.

In light of the foregoing, the Board opposes the provisions of section 913 of H.R. 19436.

The following section 916 was adopted in conference, and ultimately by the Congress, in lieu of section 913:

"SEC. 916. Unpledged deposits in the Bank for Savings and Loan Associations, Chicago, Illinois, maintained by any institution which is a member of a Federal Home Loan Bank or is an insured institution as defined in section 401(a) of the National Housing Act, shall be considered assets for purposes of meeting the liquidity requirements of section 5A(b) of the Federal Home Loan Bank Act (12 U.S.C. 1425a(b))."

This section 916, while an improvement over section 913, still suffers from the fundamental defects in section 913. Section 204 of the proposed bill is an effort to remedy two of these defects.

The first paragraph of section 204 would limit the applicability of section 916 to members located in the State of Illinois. This would eliminate the serious imbalances in distribution of mortgage funds which would result if capital from the rest of the States continued to flow into one State. The second paragraph would enable the Board to insure the full liquidity of the reserves of institutions under its supervision.

Section 205—Advances

Section 10 of the Federal Home Loan Bank Act, which provides for advances by the Federal Home Loan Banks to their members on the security of home mortgages or obligations of or fully guaranteed by the United States, provides in subsection (c) that at no time shall the aggregate outstanding advances made by any Bank to a member exceed twelve times the amounts paid in by the member for outstanding capital stock held by it. Section 6(c)(2)(ii) provides in effect that the Federal Home Loan Bank stock held by a member shall not be reduced if the effect would be to cause the aggregate outstanding advances, within the meaning of this provision of section 10(c) or within the meaning of Board regulations defining that term for the purposes of the provision, to exceed twelve times the amounts so paid in by the member. It has been the Board's experience that the 12-to-1 ratio acts as an excessive restriction on the Board's power to assure stability in the housing sector during periods of economic downturn. The Board believes that a 20-to-1 ratio is fully justified, and section 205 of the proposed bill would so provide.

TITLE III

Section 301—Repurchases of mortgages

The alteration made by section 301 in the authority of the Federal Home Loan Mortgage Corporation to conduct secondary mortgage market operations is indicated fairly plainly by the text of the section. One point is worthy of note, however. The added language means that the Corporation could purchase an interest in a whole mortgage which it had sold, and could purchase the whole of a mortgage where it had sold an interest in that mortgage. This authority is in addition to the obvious authority for the Corporation to purchase a whole mortgage where it had sold that whole mortgage, and to purchase an interest in a mortgage where it had sold that interest.

Section 302—Percentage limitation on 1 year mortgages

The third sentence of section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act provides:

"The Corporation may purchase a conventional mortgage which was originated more than one year prior to the purchase date only if the seller is currently engaged in mortgage lending or investing activities and if, as a result thereof, the cumulative aggregate of the principal balances of all conventional mortgages purchased by the Corporation which were originated more than one year prior to the date of purchase does not exceed 10 per centum of the cumulative aggregate of the principal balances of all conventional mortgages purchased by the Corporation."

Section 302 would raise the 10-percent limitation to 25 percent and would thereby increase the flexibility of Corporation's secondary-market operations in conventional mortgages.

Section 303—Loan-to-value ratio

Section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act prohibits the Corporation, except under certain specified circumstances, from purchasing a conventional mortgage under that section "if the outstanding principal balance of the mortgage at the time of purchase exceeds 75 per centum of the value of the property securing the mortgage". The customary maximum limit on conventional home mortgages, under statutes and regulations quite generally in effect, is 80% rather than 75%, and section 303 of the proposed legislation would accordingly raise this loan-to-value ratio in the Federal Home Loan Mortgage Corporation Act to 80 percent.

Section 304—Commitments

The first and second sentences of section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act provide:

"No conventional mortgage shall be purchased under this section if the outstanding principal balance of the mortgage at the time of purchase exceeds 75 per centum of the value of the property securing the mortgage, unless (A) the seller retains a participation of not less than 10 per centum in the mortgage; (B) for such period and under such circumstances as the Corporation may require, the seller agrees to repurchase or replace the mortgage upon demand of the Corporation in the event that the mortgage is in default; or (C) that portion of the unpaid principal balance of the mortgage which is in excess of such 75 per centum is guaranteed or insured by a qualified private insurer as determined by the Corporation. The Corporation shall not issue a commitment to purchase a conventional mortgage prior to the date the mortgage is originated, if such mortgage is eligible for purchase under the preceding sentence only by reason of compliance with the requirements of clause (A) of such sentence."

The effect of the second sentence is to prevent the Corporation from making forward commitments for participations. The Board believes that this restriction, while perhaps arguably justifiable on grounds of caution at the inception of the Corporation's existence, no longer serves any good purpose. The removal of the restriction would enable the Corporation to achieve greater stability and predictability in its secondary-market prices.

Section 305—Eligibility as public investments

Section 305 of the proposed bill would add a new subsection (f) to section 303 of the Federal Home Loan Mortgage Corporation Act. The new subsection (f) would provide that, subject to regulatory authority otherwise applicable, obligations and securities of the Corporation except its stock shall be lawful investments and security for fiduciary, trust, and public or other funds whose investment or deposit is under the control of the United States or its possessions, or under the control of corporations incorporated under the laws of the United States or such possessions.

There are ample precedents for this type of legislation.

One such precedent is section 15 of the Federal Home Loan Bank Act, which provides that obligations of the Federal Home Loan Banks, and it may be noted that those are not guaranteed by the United States, shall be lawful investments and security for fiduciary, trust, and public funds whose investment or deposit is under the authority or control of the United States or any officer thereof.

Another precedent is section 409 of the National Housing Act. That section provides that savings and share accounts of institutions insured by the Federal Savings and Loan Insurance Corporation shall to the extent they are so insured be lawful invest-

ments and security for public funds of the United States, fiduciary and trust funds under its control, and the funds of all corporations organized under the laws of the United States, subject to any regulatory authority otherwise applicable.

Still another precedent is section 311 of the National Housing Act which provides that all obligations, participations, or other instruments issued by either the Government National Mortgage Association or the Federal National Mortgage Association—and the latter's securities are not guaranteed by the United States except in the special case of those which are GNMA-guaranteed—shall be lawful investments and security for fiduciary, trust, and public funds whose investment or deposit is under the authority and control of the United States or any officer or officers thereof.

Section 306—Federal National Mortgage Association

Section 306 of the proposed bill would amend section 302 of the National Housing Act to grant to the Federal National Mortgage Association the same new powers which would be conferred on the Federal Home Loan Mortgage Corporation by sections 301–304 of Title III of the proposed bill.

TITLE IV

Section 401—Adjustments in assets

Section 401 would add the following sentence to section 403(b) of Title IV of the National Housing Act: "The Corporation shall have power to require such adjustments as it deems necessary or appropriate in the amounts appearing in the books, records, reports, or other documents of insured institutions in order that their financial condition and operations may be fairly stated." It has long been the position of the Board that the Federal Savings and Loan Insurance Corporation already possesses the authority intended to be conveyed by section 401 and the Board has long had a regulation (12 CFR 563.17–2) implementing that authority. However, this position represents a construction of general language found in various places in Title IV and the validity of this construction is open to possible challenge.

The Board believes, especially in view of the expansion of lending authority intended to be accomplished by Title I of the proposed legislation, that the possibility of challenge should be clearly foreclosed.

Section 402—Definition of affiliate

Section 407(m) of Title IV of the National Housing Act provides for the examination of affiliates of insured institutions. The last sentence of section 407(m)(1) defines "affiliate" as follows:

"For purposes of this subsection, the term 'affiliate' shall have the same meaning as where used in section 2(b) of the Banking Act of 1933 (12 U.S.C. 221a(b)), except that the term 'member bank' in said section 2(b) shall be deemed to refer to an insured institution."

Section 2(b) of the Banking Act of 1933 provides:

"(b) Except where otherwise specifically provided, the term 'affiliate' shall include any corporation, business trust, association, or other similar organization—

(1) Of which a member bank, directly or indirectly, owns or controls either a majority of the voting shares or more than 50 per centum of the number of shares voted for the election of its directors, trustees, or other persons exercising similar functions at the preceding election, or controls in any manner the election of a majority of its directors, trustees, or other persons exercising similar functions; or

(2) Of which control is held, directly or indirectly, through stock ownership or in any other manner, by the shareholders of a member bank who own or control either a majority of the shares of such bank or more than 50 per centum of the number of shares voted for the election of directors of such bank at the preceding election, or by trustees for the benefit of the shareholders of any such bank; or

(3) Of which a majority of its directors, trustees, or other persons exercising similar functions are directors of any one member bank; or

(4) Which owns or controls, directly or indirectly, either a majority of the shares of capital stock of a member bank or more than 50 per centum of the number of shares voted for the election of directors of a member bank at the preceding election, or controls in any manner the election of a majority of the directors of a member bank, or for the benefit of whose shareholders or members all or substantially all the capital stock of a member bank is held by trustees."

The essential effect of section 402 of the proposed bill is to substitute for the 50 percent requirement in section 2(b) the 25 percent requirement found in the Savings and Loan Holding Company Act provisions relating to affiliation. It is the experience of the Board that effective control, and therefore affiliation in fact, frequently exists in cases of less than 50 percent control. Hence, section 402 would bring the Board's supervisory authority over affiliates of insured institutions more into line with corporate reality.

Effective use of the lending and investment authority of the sort intended to be conveyed in Title I of the proposed bill commonly involves activity by affiliated persons and businesses. The Board believes that expansion of its regulatory authority over such persons and businesses is desirable to insure that this proposed lending and investment authority will be used safely and wisely.

Section 403—Savings and loan holding companies

Section 403 would make certain minor technical and clarifying changes to section 408(d)(4) of Title IV of the National Housing Act.

Section 404—Mergers

Section 404 of the proposed bill would add a new section 412 to Title IV of the National Housing Act. New section 412 would clarify the authority of the Board regarding mergers, consolidations, and similar transactions involving insured institutions and would provide procedures for the exercise of that authority which would be comparable to those applicable in the field of commercial banks.

The proposed section 412 as modeled very closely upon the Bank Merger Act, as amended (12 U.S.C. 1828(c)(1)). Under the section, insured savings and loan associations would have available to them all the protections available to banking institutions under the Bank Merger Act, and at the same time, comparable standards and procedures, particularly in the antitrust area, would be established for all financial institutions. It will be noted that new section 412 does not contain provisions comparable to 12 U.S.C. 1828(c)(9) relating to inclusion of a description of each merger transaction in the responsible agency's annual report. Comparable provisions would duplicate in large measure the existing annual report requirement specified in the second to last sentence of section 17(b) of the Federal Home Loan Bank Act under which the Board now describes merger transactions in its annual report to the Congress.

Section 405—Payment of insurance

Both section 405(b), which applies to Federal and State savings and loan associations, and section 406(b), which applies only to Federal associations, of Title IV of the National Housing Act envision that the Federal Savings and Loan Insurance Corporation, upon its insurance settlement payments incident to the default of an insured association, shall become the owner of, and succeed to all the rights in, the insured portion of the accounts of the insured members of the association in default, and that the insured members shall retain only those rights relating to the uninsured portion of their accounts. However, the present sections 405(b) and 406(b) use different terminology to describe such result. In order to achieve uniformity, section 405 of this bill would amend sections 405(b) and 406(b) of Title IV of the National Housing Act by deleting the subject provision with respect to the Corporation's insurance payments from said section 406(b) and by adding a new sentence to section 405(b) restating more precisely the present rights of the Corporation and the uninsured account holders, as follows:

"The surrender and transfer to the Corporation of an insured account in any institution in default shall subrogate the Corporation with respect to such insured account and all rights incident thereto, and the insured member shall retain only those rights incident to any uninsured portion of his account."

Section 405 of the bill also would amend the present section 406(b) of title IV of the National Housing Act by deleting all reference to the Corporation paying the valid creditor obligations of the defaulted association. The deleted language is both ambiguous and superfluous since the Corporation in any event would be obligated to pay all creditor obligations of the defaulted association, out of such institution's assets, when it acts as a liquidating receiver; however, the Corporation would not necessarily pay such obligations if it merges the association in default with another existing association or with a newly organized Federal association.

Section 405 also would add the following sentence to the end of section 405(b) of Title IV of the National Housing Act:

"Upon the payment of insurance by the Corporation to the insured members of the institution in default, the Corporation shall become entitled to interest on the withdrawable or repurchasable amount of the accounts surrendered and transferred to it, computed at a rate determined by the Federal Savings and Loan Insurance Corporation, as of the date of default, based upon the average market yield on the Federal Savings and Loan Insurance Corporation's investments in obligations of, or guaranteed as to principal and interest by, the United States, commencing upon the date of default and continuing until the date or dates on which the Corporation's claim for the aggregate withdrawable or repurchasable amount of all such accounts is paid in full by the conservator, receiver, or other legal custodian of such institution: *Provided*, That such rate shall not be less than the rate determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States or comparable maturity, adjusted to the nearest one-eighth of 1 per centum: *And provided further*, That no such interest shall be payable to the Corporation until payment or provision for payment has been made with respect to the expenses of administering the institution in default, including tax liability, and all creditor claims against such institution, including the full withdrawable or repurchasable amount of all account claims."

This provision is declaratory of the present law but the inclusion thereof in title IV of the National Housing Act is deemed advisable in order to avoid in the future unnecessary litigation concerning the matter of the type involved in past receiverships. Said provision also is intended to make clear that the obligation to pay such interest to the Corporation becomes a continuing liability of the insured association upon its default even though the interest is not payable until payment or provision for payment has been made with respect to the specified expenses and other creditor claims. In order to achieve uniformity and consistency in the event of

receiverships in different States, such interest is to be paid to the Corporation in accordance with the formulae stated in the last quoted sentence. These formulae are consistent with OMB Circular A-70 and are commonly employed in other Federal statutes. In the event of a surplus, other creditors of the association in default, including the holders of its uninsured accounts, also would receive interest on their claims, but at the rate or rates allowable by governing law or regulation.

By Mr. BENTSEN:

S. 1672. A bill to amend section 312 of the Immigration and Nationality Act. Referred to the Committee on the Judiciary.

EXTENSION OF THE IMMIGRATION AND NATIONALITY ACT

Mr. BENTSEN. Mr. President, in 1952, the Immigration and Nationality Act was amended to permit alien applicants for naturalized citizenship, who were 50 years of age and had resided in the United States for a period of 20 years, an exemption from the requirement of understanding the English language, including the ability to read, write, and speak it, in order to qualify for naturalization. Instead, they would be permitted to make the citizenship exam in their native language, being orally tested as to their knowledge and understanding of the fundamentals of the history and of the principles and form of Government of the United States.

Eighteen years have passed since the cutoff date in the 1952 legislation. This new bill would extend the exemption to applicants for naturalization who have attained the age of 50 and have resided in the United States for 20 years as of the date of filing the petition for naturalization.

Many aliens who qualify in age and years of residence and who, because of family obligations, the need and urgency of making a living, as well as the unavailability of English language and citizenship programs to aid them, have been unable to acquire and develop a reading and writing ability of the English language.

Many of these aliens have children who are not only U.S. citizens but many who have served in our Armed Forces and some who have died for their country.

These new citizens would simply be helped to overcome the language barrier in their efforts to become U.S. citizens.

By Mr. KENNEDY:

S. 1673. A bill to provide for the establishment of the Plymouth Rock National Memorial, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

ESTABLISHMENT OF THE PLYMOUTH ROCK NATIONAL MEMORIAL

Mr. KENNEDY. Mr. President, I introduce, for appropriate reference, a bill to provide for the establishment of the Plymouth Rock National Memorial, and for other purposes. I ask unanimous consent that the bill be included in the RECORD at the end of my remarks.

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

(See exhibit 1.)

Mr. KENNEDY. Mr. President, during this past year we have celebrated the 350th anniversary of the landing of the Pilgrims at Plymouth Rock. The courageous initiative and leadership of those Pilgrims is a cherished reality to every student of our national history. Seldom have we as a people been in such need of the example of valiant and dedicated leadership. Each of us as Americans cherish the unique meaning of the Pilgrim landing at Plymouth Rock. And the bravery which characterized their survival in this new world.

Plymouth Rock is a sign of hope and promise for all Americans. It is a part of our heritage and tradition as a Nation. The bill which I am introducing is a recognition of that fact. We have reached that time in our lives as Americans when we need to reach back into the past and recognize with appreciation those who provided the dynamism for the creation of our Nation.

Annually during our traditional Thanksgiving Day celebration we laud the bravery and valor of the Pilgrims. It would seem fitting to make that praise into a permanent tribute. Over 1 million tourists visit Plymouth Rock each year in recognition of their origins as Americans. How can we continue to neglect to include this site in our national park system. It would seem only appropriate to recognize the national significance of Plymouth Rock and insure its preservation as a national memorial and tribute to the spirit which motivated our founding.

As we enter the decade of the seventies, let history remember this time as the era in which we sought to rediscover our sense of national purpose and renew that vibrant and noble spirit of those who laid the foundations for our Nation. I urge the Congress to act on this measure as soon as possible.

EXHIBIT 1

S. 1673

A bill to provide for the establishment of the Plymouth Rock National Memorial, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purpose of commemorating the landing of the Pilgrims in the New World at Plymouth Bay, Massachusetts, in 1620, the Secretary of the Interior may acquire by gift, purchase with donated or appropriated funds, exchange, or otherwise, not to exceed fifteen acres of land (together with any buildings or other improvements thereon), and interests in land at Plymouth Harbor in the town of Plymouth, Massachusetts, for the purpose of establishing thereon a national memorial: *Provided,* That property owned by the Commonwealth of Massachusetts may be acquired only with the consent of the owner.

SEC. 2. The property acquired pursuant to the first section of this Act shall be established as the Plymouth Rock National Memorial, and shall be administered by the Secretary of the Interior subject to the provisions of the Act entitled "An Act to establish a National Park Service, and for other purposes", approved August 25, 1916 (39 Stat. 535), as amended and supplemented, and the Act entitled "An Act to provide for the preservation of historic American sites, buildings, objects, and antiquities of national significance, and for other purposes", approved August 21, 1935 (49 Stat. 666).

SEC. 3. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

By Mr. PACKWOOD:

S. 1675. A bill for the relief of Antonio Plameras. Referred to the Committee on the Judiciary.

Mr. PACKWOOD. Mr. President, I bring before the Senate today a heartwarming, but potentially tragic, situation involving an orphaned child in the Philippines and a loving woman who wants to adopt him, but has been thwarted by technicalities in our immigration laws.

Antonio Plameras spent his first several months in a Manila foundling home, from which babies are either adopted—if they are very lucky—or moved after 1 year to an orphanage. According to Miss Dorothy Person, a long time employee of the Agency for International Development, who is now stationed in Manila, her mother started doing volunteer work at the foundling home through an AID service organization. Tony Plameras came to her attention immediately because at 6 months he neither wriggled, cried, nor showed any signs of normal infant development. With understandable concern, Mrs. Person asked to bring Tony to their home, and this permission was granted. He was thoroughly examined by a pediatrician for possible illness, but the only prescription needed for this child was "lots of love and affection." Dorothy Person and her mother filled that gaping void in Tony's life, and now are the foster parents of a healthy, happy, normal 18-month-old boy.

Miss Person applied through Philippine and United States officials to adopt Tony, and this is where the difficulties have developed. Under Philippine law, she may not adopt Tony in the Philippines, but she may bring him to the United States for adoption.

If Dorothy Person were married, this would be perfectly routine, but being unmarried, she has so far been prevented from securing the necessary permission to bring Tony back to the United States for completion of the adoption procedures. I say with great sadness that this is just another example of the discrimination against single people which exists throughout our laws. In this case, however, the discrimination does not just affect the single person herself, but it also affects the life and well-being of a young child, who has come to accept and love a single person as his parent. If this generous woman has enough love in her heart for Tony, how can we in Congress deny him this greatest of all gifts?

The bill I introduce today, Mr. President, would prevent this tragic inequity by permitting Tony entrance as a prospective adoptive child without regard to the "spouse" requirement.

I cannot imagine that this Congress, in drafting our immigration laws on the adoption of children abroad, ever intended to prevent a fine, stable, loving, woman like Dorothy Person from adopting an orphaned child like Tony, and I therefore urge my colleagues to give this bill their favorable and expeditious consideration.

By Mr. FONG (for himself and Mr. McGEE):

S. 1681. A bill to liberalize eligibility for cost-of-living increases in civil service retirement annuities. Referred to the Committee on Post Office and Civil Service.

Mr. FONG. Mr. President, I introduce for myself and the distinguished chairman of the Senate Post Office and Civil Service Committee (Senator McGEE), a bill affecting the computation of annuities for certain Federal retirees. This legislation would allow employees eligible for retirement before a cost-of-living annuity increase goes into effect to retire after that date and still included in the computation of their annuities that cost-of-living increase.

Under present law, an employee must retire and his annuity must commence on or before the effective date of a cost-of-living annuity increase in order to have it applied in the computation of his annuity.

The present provision in law does not give to an employee who retires soon after the effective date of a cost-of-living annuity increase that increase. This, therefore, forces him to retire before the effective date of that cost-of-living annuity increase in order to receive it.

This severely hampers the administration of the civil service retirement system because present law results in bunching of retirements immediately before the effective date of every cost-of-living annuity increase. It accelerates the retirements of employees who had been planning to leave within 6 months or so after that date. For example, the last such increase, effective August 1, 1970, produced about 19,000 retirements in addition to the approximately 5,000 that occur in a normal month. In August 1969, the effective date of a similar increase, there were 25,000 retirement applications. This same type of bunching similarly occurred in the four previous occasions when cost-of-living annuity increases went into effect.

This peaking disrupts annuity payments and causes serious delays when so many retirements that would otherwise have been evenly spaced over a period of several months occur at the same time.

Work within the employing agencies is also disrupted because an inordinate number of employees decide to retire immediately before a cost-of-living annuity increase. Many of these retirees, if they are willing, must be reemployed as annuitants to complete the projects on which they were working.

The administration fully endorses this proposal and I am hopeful that the Senate Post Office and Civil Service Committee can act expeditiously on this bill so that it can be acted on by the House of Representatives and sent to the President before the next scheduled cost-of-living annuity increase goes into effect at the end of next month.

By Mr. FONG (for himself and Mr. McGEE):

S. 1682. A bill to amend title 5, United States Code, to establish and govern the Federal Executive Service, and for other purposes. Referred to the Committee on Post Office and Civil Service.

Mr. FONG. Mr. President, I introduce for myself and the distinguished chairman of the Senate Post Office and Civil Service Committee, Senator McGEE, a bill to establish the Federal Executive Service. This measure was initially drafted by the U.S. Civil Service Commission after over 4 years of intense and critical review of the existing Federal supergrade system.

The proposal I am introducing today is the result of detailed and candid discussions conducted by the Commission with personnel experts in every executive agency.

As a member of the Senate Committee on Post Office and Civil Service Committee for the past 11 years I have come face to face with many of our Government's management and personnel problems. These problems are becoming more acute with the ever-increasing types and numbers of programs which our Federal Establishment is being required to bear.

Our top management staffing system must be modernized and restructured if Federal agencies are to carry out their responsibilities efficiently and effectively.

I believe the measure I introduce today points the way to solving the problem of responsiveness voiced many times over by the American public, Cabinet officers, personnel experts in and out of Government, and Members of Congress, as one of the most critical flaws in our Federal Government's organization.

I am confident the Congress will study in detail this proposal. However, I hope that committee consideration and floor debate on this subject can be expedited so that the essential top management reforms required by our growing Federal Establishment can be implemented as soon as possible.

I ask unanimous consent that a supporting paper drafted by the U.S. Civil Service Commission, entitled "A Proposal for Improving Federal Executive Manpower Management," be printed in the RECORD at this time.

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

THE FEDERAL EXECUTIVE SERVICE: A PROPOSAL FOR IMPROVING FEDERAL EXECUTIVE MANPOWER MANAGEMENT

SECTION I: SUMMARY OF KEY FEATURES OF THE PROPOSED FEDERAL EXECUTIVE SERVICE

I. Coverage (Ref p 14)

The Federal Executive Service will include the approximately 7,000 civilian executives, with certain exceptions, now in grades GS–16, –17, and –18 and their equivalents in the executive branch. (The Appendix describes the size and make-up of the current civilian executive workforce.)

II. Size (Ref p 16)

Centralized position classification by the Civil Service Commission will be eliminated and each agency will apply a position management approach best suited to its own agency needs.

Agencies will annually review their executive manpower needs and request a specific number of executives.

The Civil Service Commission will review agency requests in collaboration with the Office of Management and Budget and authorize the number of executives for each agency.

The authorizations will be reported annually to Congress and become effective in 90 days.

III. Career and noncareer categories of executives (Ref p 19)

Appointments to the Federal Executive Service will be in two categories: Career and noncareer.

Noncareer appointments will be for executives whose employment will likely be of a temporary nature.

Career appointments will be for executives whose general employment outlook and expectations will be oriented toward Federal service.

Each category will have a different type of appointment with different conditions of employment.

Noncareer executives will be appointed and removed at the pleasure of the agency head.

Career appointments must have prior approval of a Qualifications Board.

IV. Establishing and controlling career and noncareer relationships (Ref p 21)

The Civil Service Commission after collaboration with the Office of Management and Budget will authorize a career/noncareer ratio for each agency based on individual agency requirements.

The aggregate Government-wide number of noncareer executives will be limited to no more than 25% of the total Federal Executive Service.

V. Compensation arrangements (Ref p 22)

Agency heads will have authority to set and adjust salaries of career and noncareer appointments within a range corresponding generally to that encompassed by GS–16 through GS–18 positions. Salaries may be raised but not reduced.

The Civil Service Commission will establish a Government-wide executive salary dollar figure which may not be exceeded by the average executive salaries of individual agencies.

VI. Assignments (Ref p 24)

Agencies may assign and reassign executives to any duties within the scope of the Service.

There will be no externally administered position classification system.

Career and noncareer executives may be used interchangeably.

VII. Qualifications boards (Ref p 25)

Qualifications Boards operating as agents of the Civil Service Commission must approve the qualifications of *career* executives prior to their initial appointment.

Members of Boards will be appointed from within and outside the Federal service.

VIII. Employment agreements for career executives (Ref p 27)

Employment of career executives will be governed by employment agreements.

Initial agreements will be for a period of three years. Agreements will be renewable for three-year periods.

When an employment agreement expires and an agency does not offer the executive a renewal, or makes such an offer and it is declined by the executive, the agency may involuntarily separate the executive from the service if he has completed 30 years of service and is otherwise eligible for an annuity.

If an agreement is not renewed and the executive is not separated under the "30 years of service" provision described above, the executive must be offered a GS–15 appointment in the competitive service with salary saving for two years. Thereafter, he will receive appropriate GS–15 salary with time in grade credit for his service at GS–15 and above.

In addition, if the agency does not offer an agreement renewal, the executive will be eligible for discontinued service retirement, if he meets the criteria or for severance pay.

During the period of an employment agreement the agency agrees to assign the executive to appropriate duties, to provide training and development opportunities, not to reduce his salary, and not to retire or remove

him except for offenses calling for adverse action procedures.

The executive agrees to serve where needed and to participate in training and development activities. He may resign at any time.

He may appeal assignments to duties or locations which he believes were made for reasons other than the efficiency of the Government.

If a geographical move would result in undue hardships, the executive may decline and has the following options: GS–15 employment with 2-year salary savings; discontinued service retirement if eligible; or severance pay.

The executive may transfer to another agency to complete the period of an existing employment agreement.

IX. Appeals (Ref. p. 31)

Career executives may appeal inappropriate assignments, violations of conditions of employment, and removal on charges to the Civil Service Commission which has authority to direct corrective action.

X. Reports (Ref. p. 32)

The Civil Service Commission will submit an annual Stewardship Report to the Congress with current executive authorizations and projections for the coming year. As a minimum, the Report will contain for each agency and government-wide the number authorized for the Federal Executive Service and the career/noncareer ratio.

XI. Effective date (Ref. p. 34)

The Service will become operative no later than one year after enactment of legislation.

During this period, operating procedures and regulations will be developed.

XII. Transition (Ref p 34)

Executives with career appointments will be offered initial employment agreements without the requirement of qualifications approval.

Career executives who do not accept initial employment agreements may continue in their current appointments.

Some executives now serve under noncareer executive assignment (NEA) appointments. They will be given noncareer appointments in the Federal Executive Service.

Other executives now serve in positions which are expected from the competitive service for a variety of reasons. Examples are: Attorneys in Schedule A positions; scientists and administrators in positions excepted by law.

At their option, agencies may offer employment agreements to these executives without the requirement of qualifications approval. If the individual accepts an employment agreement, he will receive a career appointment in the Federal Executive Service.

If the agency does not offer an agreement or if the executive does not accept the agreement, he may remain in his present appointment, retaining his current rights and privileges.

XIII. Excluded groups of executives (Ref p 35)

Agencies within the executive branch having excluded groups will be encouraged to review and adopt appropriate features of the Federal Executive Service.

Agencies outside the executive branch having excluded groups will be required to establish their own executive services.

SECTION II

Background

In 1966, the executive branch took an important first step to establish a modern executive manpower program for the Government. This effort, the Executive Assignment System, established by Executive Order 11315, November 17, 1966, was designed to meet the need for personnel of the highest attainable qualifications to staff General Schedule positions at grades 16, 17, and 18 in the executive branch.

The Executive Assignment System was introduced to bring about improvements as rapidly as possible within the legal authorities already available to the President and the Civil Service Commission. In addition, as charged under the Executive order, the Commission initiated a study of operations under this System with a view to recommending basic changes for its improvement, including changes in legislation if necessary.

The objectives of the Executive Assignment System emphasized the responsibility of top agency management for hiring, assigning, and developing Government executive. Within this policy, the program was designed to assure a systematic aproach to:

Agency and government-wide planning to meet present and future executive manpower requirements.

Providing the means whereby agency heads could select the most capable candidates available from the entire Federal service or from outside Government.

Giving incumbent executives and rising professionals greater opportunity to achieve their full potential for contributing to our Nation's progress and for career advancement, personal recognition, and success.

Encouraging the development of executives committed to the overall purposes of Government as a whole as well as to those of a single agency or program.

These were sound objectives. The joint efforts of agencies and the Civil Service Commission to find executive talent and expand development opportunities have produced results beneficial to both management and the executives themselves.

One critical need was an ability to find and compare high quality people quickly to fill executive vacancies or to staff new programs.

This capability now exists through the Federal Executive Inventory. It is an automated government-wide inventory containing background information on more than 30,000 executives in grades GS–15 through GS–18 and their equivalents in other salary systems. Since it was established in November 1967, over 4,400 individuals have been referred to agencies for their consideration in filling about 1,200 positions.

The Executive Inventory also provides a unique source of information for understanding the composition and characteristics of the Federal executive workforce. It makes possible a variety of analyses as a basis for planning to meet the Government's future executive staffing needs.

While these results are a good beginning, many problems remain and new challenges are emerging. The increasing complexities and rapid changes facing society bring new responsibilities to Government executives.

There is a growing recognition that one way to insure the success of public programs is to enhance the effectiveness of the men and women who manage them; and there is increasing concern that more should be done to improve the authorities under which the Federal Government manages its executive manpower. The calls for review come from many quarters: Administration spokesmen, members of Congress, political executives, career executives, Federal personnel managers and the academic community.

In response to this concern, and drawing on 3 years of operating experience with the Executive Assignment System, the Civil Service Commission conducted a comprehensive study of current executive manpower practices and results. The study was conducted with the assistance of an advisory committee of agency personnel directors. The results of the study are:

A restatement of objectives for a modern executive manpower program.

An analysis of the problems to be overcome in meeting these objectives.

A proposal for a new approach to the management of executive resources requiring legislative change.

SECTION III

Objectives

The goal of Federal executive manpower management must continue to be to provide the right number of executives with the right skills and attitudes, in the right places, at the right time, motivated to perform in the most effective way. Operating experience with the current program and recommendations of interested publics demonstrate the need for a redefinition of objectives within this broad goal.

To meet the Government's leadership needs in today's world, an effective executive manpower program must:

Require that top agency executives carry out their responsibility for executive manpower management and assist them in doing so.

Insure that executives who have responsibility for Government programs have commensurate authority over their executive resources in proper balance with the needs of the Government as a whole and the long-run needs for a career workforce.

Provide the quantity and quality of talent required by: forecasting needs; recruiting and developing potential talent at all levels; maintaining a pool of talent; and keeping it motivated.

Insure that the executives in the Federal Government are responsive to public policy as enunciated by the President and the Congress and responsive to the top political management of the Government, at all times.

Provide individual executives with opportunities to achieve their full potential for contributing to the Nation's progress and for personal growth, recognition, and work satisfaction.

Assure that high quality employees at entry level and at the mid-management level perceive that they can rise to the top and get important and influential jobs with reasonable security.

Provide a central source to review, analyze, and make recommendations on all aspects of executive manpower management, including a means for the President to hold agency heads accountable for the management of their executive manpower resources.

Major problems

The study highlighted several problems as barriers to effective executive manpower management. Not all agencies face all these problems, nor do they exist in the same degree in the agencies which do have them.

If it is agreed that these are the major executive manpower problems facing the Government as a whole, then it is essential that action be taken to correct them. Any changes in the ways in which executive manpower is managed must address itself to these problems.

The problems are:

1. Government executives (both career and noncareer) must cope with a variety of constraints on their decisions to organize programs and on hiring, assigning, and removing their key subordinates (both career and noncareer). While such restrictions may have served a purpose in the past, today they frequently inhibit the executive from accomplishing his objectives. New systems are required which remove the unneeded constraints and let executives operate more effectively, recognizing that the Congress will continue to serve as an "overseer."

Over a dozen personnel programs govern the selection, pay, assignment, and tenure of executives. Many agency heads must deal with several of these personnel programs. They may receive manpower authorizations under a number of different laws and regulations. They may pay executives under different pay systems. They often must consider a variety of career rights when they want to take any actions affecting their key subordinates. The results are:

Opportunities for friction among members of different programs.

Difficulties in assigning people into and out of different programs.

Unnecessary administrative loads.

Continuing frustrations for new executives who try to understand and use these systems.

Another problem is that each personnel program carries a number of prescriptive and restrictive requirements that greatly reduce the executives' staffing options and unnecessarily restrict his authority to decide how programs will be administered. These requirements affect every aspect of personnel management: position authorizations, position classification, qualifications of nominees, pay, promotions, assignments, and retirement. Many of these rules no longer serve the best interests of the public. The results are:

Difficult distinctions among grade levels at GS–16, –17, and –18.

Undue emphasis on prestige and status factors in determining grade levels.

Meaningless distinctions among *positions* designated as career or noncareer.

An unwillingness of agency heads to fill important executive posts labeled as "career" with individuals whom they don't know well and whom they fear will become "locked in."

An appeals system for reduction-in-force actions unsuited to the executive workforce.

Inflexible authorities for paying executives that lead to inequities in individual situations within an agency or across agency lines.

Finally, agency heads are faced with severe limitations on the numbers of executives they may hire because of the various quotas limiting the number of executive positions. These ceilings do not allow the Civil Service Commission or the agencies to assign executive resources to changing program needs on a timely and rational basis.

2. Executive manpower planning is grossly inadequate. There is almost a complete lack of planning to identify and meet future executive manpower needs and to explore and develop sources of supply. Both short-range and long-range planning are needed at the agency level and for the Government as a whole.

This lack of planning hampers executive recruitment and executive development efforts. With only a few exceptions, agencies are not forecasting executive needs—either to replace the executives they now have, or to meet changing demands resulting from modifications in program size or emphasis. For example:

Agencies have only general ideas of the number and kinds of executives to be replaced over the next five years because of retirement, death, transfer, or resignation.

The sources of supply to meet future executive needs on either a short- or long-range basis have not been identified. Legislation for new programs is typically proposed and approved with no analysis of the sources of the necessary management talent.

Executive manpower resource planning is not incorporated into program planning. Program and financial plans are not supported by the appropriate analyses of executive manpower requirements.

3. Political executives, Congress, the general public, and academics express concern that the bureaucracy (both the system and the people) is not responsive to new political and program direction.

The issue is "how to insure that the bureaucracy reflects public policy expressed through the political process."

Unnecessary friction between career and political executives frequently accompanies changes in Administrations or administrators.

The new agency head is confronted by complicated and constraining personnel systems. He finds it difficult to look immediately to the career "bureaucracy" to help him with these problems because rightfully or not, he sometimes perceives them as part of the problem.

New agency heads perceive that many of their key subordinates are "locked in," and that they have no control over who does what work. Moreover, they feel they cannot appoint new men because they cannot easily establish new positions.

Past staffing actions tend to undermine the confidence of new agency heads, especially where career employees have been placed into political jobs and political "types" into career jobs.

Present personnel systems do not adequately recognize the value of providing to agency heads a reasonable number of "their own men" to serve as advocates. This is not necessarily a partisan issue, but it is essential to building a unified and harmonious management team.

4. Agency heads must confront a great variety of pressures concerning whom they choose for their executive positions.

The growing trend to the greater professionalization of top management continues to have an increasing impact on manpower management at the executive level. Alliances develop among professionals in and out of Government to:

Influence program direction and size.

Maintain professional credentials in the staffs of agencies.

Other staffing pressures come from such sources as:

Interest groups, for their advocates.

Partisan sources, to reward party faithful.

Congress, for constituent representation.

While on the one hand these pressures are designed to influence staffing so that programs will be conducted in ways that agree with the desires of the groups exercising the pressures, on the other hand, the success of programs frequently depends upon the support of the pressure groups. Therefore, the agency head needs some way to accommodate to these pressures.

5. The Government has no assurance that the best available executive talent is being identified, developed, and utilized. It is generally agreed that the demand for high quality leadership talent in the society as a whole is already greater than the supply. Some leaders feel that important public programs frequently do not meet their objectives partly because some of the executives in those programs lack sufficient managerial skill. The Government must be prepared to develop the talent it needs now and will need in the future.

This problem has several important dimensions:

Many career executives feel frustrated because they cannot look ahead confidently to progression and career growth in the programs or organizations that interest them and to which they believe they can make their best contributions. Neither can they or their agencies assess their opportunities or plan their development and training.

Closely related to the above is the lack of clearly identified career fields, promotion ladders, or career development programs. Thus, clear career goals are not available as a basis to recruit, develop, and train executives.

A meaningful way has not been found to assess and communicate the quality of an executive's performance or to predict future performance. Thus, agency heads who are trying to fill executive vacancies frequently cannot identify potentially high quality talent and systematically develop this potential.

In most agencies systematic training and development of executives has not been made an integral part of the total management process. Thus, executive development frequently lacks institutionalized continuity and adequate attention by top agency executives.

6. Currently, there is inadequate centralized leadership and responsibility for management of executive resources. Under present arrangements, the President undoubtedly finds it difficult to hold his appointees accountable for this. The Government as a whole lacks a system to insure effective, integrated, and coordinated management of executive manpower resources across agency lines. The causes underlying this problem are:

Manpower resources, particularly executive resources, do not receive the degree and level of management attention that is devoted to financial resources. No single agency has responsibility for monitoring the total results of executive manpower management. The Civil Service Commission's responsibilities do not encompass several important personnel program areas; moreover, the Commission has only limited responsibility for other programs.

There is no systematic review and analysis to determine the government-wide effectiveness of the management of executive manpower. The President does not receive periodic reports of the stewardship of this resource, nor does he receive systematic recommendations for needed improvements.

SECTION IV: A PROPOSAL FOR A NEW FEDERAL EXECUTIVE SERVICE WITH PURPOSES AND JUSTIFICATION

To respond to the deeply felt needs for major improvements in the use of the Government's executive manpower resources, it is proposed to establish a Federal Executive Service with the features described below.

Coverage

The Federal Executive Service will include all civilian executives now in the range of the General Schedule grades 16, 17, and 18 and certain other executives falling within the same range under other pay authorities. This coverage will include about 7,000 current executives. (The Appendix describes the size and make-up of the current civilian executive workforce.) From this base, future adjustments of the size of the Service will be made and justified.

The coverage of the Service will be based on level of duties and on salary levels, not on individually classified jobs. It will include all present and future groups of civilian executives in the executive branch, *except* those specifically excluded in the statute establishing the Service and those subsequently excluded by the President.

The coverage will be extremely broad in order to correct, as far as possible, the existing fragmentation of present appointment authorities and personnel systems.

This broad coverage and elimination of duplication will:

Allow new executives to understand easily and quickly the personnel management system governing their executive manpower.

Simplify and reduce the variety of redundant administrative procedures which now accompany executive staffing.

Eliminate differences in rules governing pay, rights, fringe benefits, and recruiting which often cause misunderstandings among executives in the same organization.

Eliminate the preferential treatment previously given to some programs in requests for executive manpower resources when needs no longer exist.

Foster a government-wide career outlook on the part of executives and potential executives.

Increase opportunities for executive mobility among agencies and programs.

Permit the Administration and the Congress to exercise a more comprehensive and systematic overview of executive manpower management.

Many of the personnel systems which now operate under special authorities will be included in the new Federal Executive Service. These special authorities were originally

established to give particular agencies flexibilities for special purposes at specific points in time. The new Federal Executive Service will contain enough flexibilities to make it appropriate to encompass these separate systems.

Exclusions within the executive branch

Seventeen groups of executives within the executive branch will be excluded from the Federal Executive Service, because they have unique problems or needs that make their inclusion under a general Federal Executive Service infeasible at this time. The groups are:

Executive Levels I–V.
The Foreign Service of the United States.
The Foreign Information Service.
The Peace Corps.
The Postal Field Service.
U.S. Attorneys, and the Federal Bureau of Investigations, Department of Justice.
Hearing Examiners.
Atomic Energy Commission.
Central Intelligence Agency.
Tennessee Valley Authority.
The National Science Foundation.
The Council of Economic Advisers.
The Department of Medicine & Surgery, Veterans' Administration.
Federal Deposit Insurance Corporation.
Federal Reserve Board.
Panama Canal Company.
Canal Zone Government.
The Office of the Comptroller of the Currency, and the Office of the Assistant Secretary (International Affairs), Treasury Department.

Agencies outside the executive branch

In addition, executives in agencies outside the executive branch will be excluded. They are:

General Accounting Office.
Library of Congress.
Government Printing Office.
Architect of the Capitol.
Botanic Garden.
Tax Court of the United States.
Administrative Office of the United States Courts.
District of Columbia Government.

These will be excluded because the Federal Executive Service:

Will be established to provide a more unified, capable, and harmonious management team for the President in his role as head of the executive branch.

Assumes the need for a total coordination of executive resource management with the management of other resources in relation to the programs being managed—a task the President cannot perform for the agencies outside the executive branch.

In addition, for positions now subject to Civil Service Commission purview in agencies outside the executive branch, the proposal contemplates establishing an Executive Service in each agency to be administered by that agency.

This will permit flexible interchange of executives among all branches of the Government even though the executive branch does not have operational responsibilities for the other systems.

Size of the Federal Executive Service

The Federal Executive Service will initially consist of approximately 7,000 individuals. The size of this group will change from time to time because of changes in program requirements. No changes will result solely from establishing the new Service.

Centralized position classification by the Civil Service Commission will no longer be used as a basis for authorizing executive resources, establishing pay grades for individuals, controlling assignments, or establishing qualifications of individuals. This will:

Eliminate the existence, in practice, of two personnel systems, one for positions and one for people, which frequently are not in harmony with each other.

Permit an agency and the Administration to consider the overall leadership needs of the agency or program rather than individual position requirements.

Allow more equitable distribution of executive resources among agencies.

Permit the utilization of executives on the basis of broad career qualifications rather than on the basis of narrow professional specialization.

Eliminate grade as a status factor and substitute the prestige of membership in the Federal Executive Service.

Permit each agency to assign individuals flexibly to whatever duties are required and appropriate.

In lieu of centralized position classification, the agencies and the Civil Service Commission in collaboration with the Office of Management and Budget will have the responsibility to plan for and relate executive manpower requirements to overall program needs and priorities.

Agencies will annually review their executive manpower needs and request an authorized number of executives. The Civil Service Commission will review these requests in collaboration with the Office of Management and Budget and authorize a number for each agency.

These reviews will consider each agency's total requirements, not just changes. There will be no assumption that the same needs continue from year to year.

The annual request of the agencies; the joint review of the Civil Service Commission and the Office of Management and Budget; and the Civil Service Commission's final authorizations will be based on such factors as:

The current level of program and budget.
The current level of executive staffing.
Anticipated program and budget requests.
Pending legislation.
The level of work to be done.

The Commission will annually report the authorizations to the Congress. The authorizations will become effective 90 days after the report.

The purpose of this arrangement of request, justification, and review will be to:

Require that the Civil Service Commission, in conjunction with the agencies, relate executive manpower requirements to expanding or contracting needs.

Require that all program changes and legislation be accompanied by plans for meeting executive manpower requirements.

Assure that agency executive manpower planning is in consonance with the agency's program and financial plan as approved by Office of Management and Budget in the program review and budget process.

Assure that both within the agencies and government-wide, executive manpower is more effectively allocated in accordance with the program priorities established by the President and the Congress.

The new and comprehensive reporting system to the Congress will be provided to:

Permit the current Administration to improve and make more meaningful the overview of executive manpower management.

Allow the appropriate Committees of the Congress to offer guidance to the agencies and the Administration through the legislative oversight process.

The Civil Service Commission after collaboration with the Office of Management and Budget will also have authority to adjust the size of the Service authorized any agency for one year for emergency purposes. This authority will be subject to the following controls:

Changes may be made only for special circumstances clearly unanticipated at the time of the annual authorization.

The Commission must notify the Congress of its use of this authority and give its reasons.

The Commission may not increase the authorization in any one year by more than 1% of the total authorization.

Career and noncareer categories of executives

The members of the Federal Executive Service will be in two appointment categories; career and noncareer.

Each category will have a different type of appointment with different conditions of employment.

Noncareer

A noncareer category will be established in the Service to accommodate the agency's need for three different kinds of executives whose employment will likely be of a temporary nature as described below:

Executives whose relationships to the agency head require an interdependence based on such factors as program philosophy, political agreement or personal confidence.

Executives who work on relatively short-term projects.

Executives whose employment is more oriented toward their professions or occupations than to particular employers. These are the highly mobile people who move freely in and out of private employment, universities, private practice, and government in pursuit of their specialized interests (the so-called "in and outers").

Noncareer appointments will be made at the discretion of the agency head and serve at his pleasure.

Such appointments will not be subject to prior approval or review by a qualification review board (see later discussion).

Agency heads will be given the authority to approve the qualifications of noncareer executives so that they will have the flexibilities they need to:

Accommodate to a reasonable degree the many staffing pressures they face.

Hire a limited number of assistants with political or personal relationships or who agree on program philosophy.

Career

The career category will be composed of executives whose general employment outlook and expectations are oriented toward Federal service generally.

The majority will probably come from lower levels of Federal career employment through the promotion process.

A small number will enter laterally from outside the Federal career service expecting to make Federal employment a career in the future.

To make long-term Government service attractive and highly prestigious, considerable emphasis will be given to strengthening career appointments and to establishing an open and public review process for entry into the Service.

Career appointments will be made strictly on the basis of merit and fitness.

Provision will be made for merit entry into the career category from all sources; i.e., from the ranks of the General Schedule, from other Federal Government personnel systems, from the noncareer category, and from outside the Federal service.

All career appointments will be reviewed and approved by a Qualifications Board prior to appointment (see later discussion).

Assignments will not be designated as career or noncareer. This will overcome the following difficulties:

It is very difficult to make realistic distinctions between career and noncareer assignments.

Drawing clear lines between policy development and administration of policy on an individual position basis frequently cannot be done realistically.

There are tremendous pressures to exempt positions from the career service despite the real content of the jobs, especially when new positions in new programs are established on a projected basis.

Designation of positions as noncareer has

restricted job opportunities for career executives.

In many agencies, noncareer positions have been grouped at the top of the executive structure with the career positions grouped at the lower levels.

Many competent career executives consider assignments to noncareer positions undesirable because of the complete loss of security that goes with such assignments.

Designation of positions as career and noncareer curtails the use of a flexible management structure and the flexible use of people within that structure.

Establishing and controlling career and noncareer relationships

In lieu of designating an authorized position or list of duties as career or noncareer, each agency will be authorized a ratio of career/noncareer executives.

This will be done to allow an agency to build a management team that includes:

Executives to provide the continuity and experience needed by modern Government programs.

Executives in whom management has special confidence because of a personal or political relationship, or because of the executive's program philosophy.

Executives with specialized skills for short-term public projects or with only a temporary interest in a Government assignment or program.

The use of the career/noncareer ratio will accommodate a wide variety of problems now faced by agency heads. It will provide:

A mix of the skills of career professionals and appointed officials.

An opportunity for agency heads to make reasonable accommodations to requests for appointment of political party constituents, interest group advocates, academics, and professional group members.

A means for the Congress and the Administration to ensure that the executive staffs of the agencies can be made responsive to the public will expressed through the political mandate.

The Civil Service Commission after collaboration with the Office of Management and Budget will authorize a career/noncareer ratio for each agency based on individual agency requirements.

The aggregate government-wide number of noncareer executives will be limited to no more than 25% of the total Federal Executive Service.

Agencies will annually review their current ratios and justify continuing or changing them.

After a review of the requests and justifications, the Commission will authorize specific agency ratios.

The Commission will not apply a uniform or set ratio to all agencies.

The ratios of individual agencies will vary greatly depending on the type of program involved, the characteristics of the executive workforce, and the degree of involvement in controversial and sensitive public programs.

As with size authorizations, the ratios will become effective 90 days following the Commission's annual report to Congress.

The present ratio of career to noncareer executives in the General Schedule is approximately 76% to 24%. Experience indicates that limiting the percentage of noncareer appointments to not more than 25% of the executive workforce will provide a very satisfactory and realistic arrangement to meet executive staffing requirements on a government-wide basis.

It will permit a wide variation of the ratio from agency to agency in recognition of program needs.

It will provide a mix of career and noncareer executives throughout the top organizational structures of agencies rather than a bunching of the career group at the bottom of the executive levels as it is now in many agencies.

COMPENSATION ARRANGEMENTS

Agency heads will have authority to set and adjust the salaries of career and noncareer appointments to the Federal Executive Service according to their judgment of the value of the individual to the organization and the responsibilities and duties he carries.

This will allow the Government to be competitive in attracting and keeping high talent.

It will remove the restriction on entry pay rates.

It will allow the career executive appointed from a lower level within Government to be paid on a comparable basis with those appointed from outside the Government.

It will allow salaries to be set within broad limits in accordance with the estimate of a person's worth and how the agency intends to use him.

It will allow pay increases to reward outstanding performance.

It will recognize the need at the executive level for a different pay concept than the present automatic, periodic pay increases.

It will eliminate the disparities in compensation systems and requirements affecting similar types of executives in the same agency.

Agency heads may increase salaries. However, as an inducement to potential career executives inside and outside of the Government to accept the conditions applicable to the Federal Executive Service, the salaries may not be reduced.

This pay protection will be part of the compensation for the obligation to serve wherever assigned either organizationally or geographically.

It will provide a stability of income to make the Service more attractive.

It recognizes that in those salary systems where agencies can presently reduce salaries, they practically never do so.

Agency authorities will be limited to an authorized salary range for the Federal Executive Service.

The Civil Service Commission after collaboration with the Office of Management and Budget will recommend the range as part of its overall salary recommendation.

This range will approximate that which has been encompassed by General Schedule positions in grades GS–16/18 in the past.

In addition, agencies will be required to manage their executive salaries so that an average salary will be maintained within the limits designated by the Civil Service Commission after collaboration with the Office of Management and Budget.

The Civil Service Commission after collaboration with the Office of Management and Budget will establish a dollar figure within the executive salary range for application to all agencies. Without specific authorization this dollar figure may not be exceeded by the average salary levels within individual agencies.

The Commission after collaboration with the Office of Management and Budget may authorize exceptions to this requirement for particular agencies which have special executive staffing circumstances, such as:

Agencies with only a few executives so that an average becomes meaningless.

Agencies which have unique responsibilities that have resulted in average executive salaries near the top of the present GS–16/18 range.

This salary device:

Will prevent escalation of all salaries to the top of the range.

Will achieve reasonable equity and uniformity throughout the Government.

To provide equity for the Federal Executive Service, executives will automatically receive comparability pay increases and other fringe benefits when they are authorized for other Federal employees.

Assignments

Agency heads may assign and reassign career and noncareer executives to any duties anywhere (organizationally or geographically) which properly fall within the scope of the Service (duties higher than those classifiable at GS–15 or the equivalent).

The Federal Executive Service will not provide for a government-wide system of position classification. Agencies will devise and operate their own organization and position management systems.

Duties to which executives are assigned will not be designated "career" or "noncareer." Career and noncareer executives will be used interchangeably.

Executives may appeal, to the Civil Service Commission, reassignments to duties or locations which the executives believe were made for reasons other than the program efficiency of the Service.

In this way agencies will have the flexibility to use people based on where they are most qualified to serve or most needed, rather than on salary structure, position structure, tenure rules, or classification distinctions.

It will allow a mix of career and noncareer executives above the GS–15 level throughout the organizational structure of agencies.

Executives may be used on the basis of broad career qualifications rather than on the basis of narrow professional specialization or political background. Thus, agency heads will be able to accommodate to shifting personal relationships in accordance with individual talents and qualifications.

Agencies will be able to organize and structure executive relationships to accommodate to the needs of particular agency programs.

QUALIFICATIONS BOARDS

The Federal Executive Service will give particular attention to the needs for special arrangements to insure high quality appointments to the career service.

Agency heads will continue to select their career executives, but their appointments will be subject to the prior approval of a Qualifications Board.

This feature will insure that the Federal executive manpower management program:

Recognizes the long-run implications of career appointments for carrying out public programs.

Maintains the confidence of the public that decisions on career executive appointments will be based only on objective consideration of the needs of the Government and not to favor special groups or individuals.

Encourages agency heads to select on the basis of the best qualified.

Gives agency heads a means to resist unreasonable interest-group pressures on staffing.

Assures high quality membership in the Federal Executive Service by screening out weaker nominees.

Makes appointment to the Federal Executive Service a matter of high prestige.

The Civil Service Commission will establish the Qualifications Boards. These Boards, acting as agents of the Commission, must give prior approval to agency selections for initial career appointment in the Federal Executive Service.

The approval of a Board will *not* be required for:

Noncareer appointments

Renewals of employment agreements (discussed later).

Assignment or reassignment to duties within the agency

Transfers to the Federal Executive Service in another agency.

Incorporation into the Federal Executive Service of present career executives upon implementation of this proposal.

The Boards will be established as agents of the Civil Service Commission in order that

they may be appointed and serve as objectively as possible.

Members will be highly qualified experts in their own occupations and generally known and accepted as such.

Members will be appointed from within and outside the Federal service so that varying points of view will be represented and so that the decisions of the Boards will not be unduly influenced by any particular groups. Outside members will be paid for their services.

A number of separate Boards based on broad career programs or occupational areas will be established so that each Board will be composed of adequate program and professional expertise.

Board members will provide a high degree of personal knowledge of the kinds of people needed, who should be considered for career appointments in the Federal Executive Service, and where they are located.

The Qualifications Boards will be charged with the responsibility for insuring that initial career appointments are made with a view to the long-run needs of the Service. They will take into account:

The potential of the individual for long-term contributions in broad career areas.

Short-term staffing pressures will not be allowed unduly to influence career selections; these should be met through appointments to the noncareer category.

Such broad and thorough career consideration at the time of appointment will make it unnecessary for the Qualifications Boards to review subsequent reassignments of members of the Federal Executive Service.

The nominee's past and present performance to insure that he has as great a likelihood of being successful in the Federal Executive Service as possible.

Employment agreements for career executives

The employment of a career executive in the Federal Executive Service will be governed by an employment agreement between the executive and the agency.

This agreement will recognize the special nature of career appointments and the need to provide attractive and stable career opportunities for the career service as viewed by entry-level and mid-level employees.

The agreement will be founded upon mutually understood conditions of service agreed to by the agency in offering employment and by the career executive in accepting the employment.

A fixed-term employment agreement will be provided to:

Avoid the perception on the part of agencies and executives that incumbents are "locked in" to particular jobs or levels.

Assure that retention of executives is based on merit rather than tenure and longevity by providing periodic reviews of incumbents at the termination of their employment agreements.

Establish a clear obligation on the part of the Government to use executives productively during the period of their agreements regardless of the types of sensitive or controversial programs with which they have been or are involved.

Give executives realistic and practical employment and salary protection for fixed periods of time and to avoid:

The perception that reduction-in-force actions can be and are designed to get around the legalistic procedures now used to provide security.

Unrealistic situations where executives must appeal against the management team of which they are a part.

Give agencies a greater means of assuring that executives are responsive to public policy.

Assure that high-quality employees at entry level and at the mid-management level perceive that they can rise to the top and get important and influential jobs with reasonable security.

The initial employment agreement will be for a period of 3 years.

Initial agreements will be made without regard to the person's age or eligibility for optional retirement (age 62 with 5 years of service; age 60 with 20 years of service; age 55 with 30 years of service).

Unless three years would carry the executive past the time of mandatory retirement (age 70 with 15 years of service), in which case the initial agreement would terminate on that date.

A period of three years will be provided:

To insure that the initial agreement period will be long enough to attract high quality people and long enough to allow reasonable productivity on the part of the incumbent.

To provide a reasonable time for management to observe the performance of incumbents and reach a judgement as to whether their employment should be continued.

During the period of an employment agreement the agency will agree:

To assign the career executive for the whole period to duties properly falling within the scope of the Service.

Not to reduce the career executive's salary.

Not to remove the career executive except for offenses calling for adverse action procedures. A career executive may not be removed in consequence of a reduction-in-force or reorganization.

To provide training and career development opportunities based on individual and organizational needs, the program of the President, and congressional concern and interest.

This provision recognizes the need for the continuing, long-term development of executives to meet the Government's needs and helps overcome the short-term perspective of many agencies faced with immediate pressures for program success.

The career executive who accepts appointment into the Federal Executive Service will be governed by a number of features designed to encourage positive executive manpower management.

To allow mobility, and preclude unnecessary restrictions on personal employment choices, the career executive may:

Resign from the Federal Executive Service at any time.

Transfer to any agency or employment group excluded from the coverage of the Federal Executive Service.

Transfer to the Federal Executive Service in another agency. In this case, to insure periodic review of all Federal Executive Service appointees, his new agreement may only be for a period of time equal to the remaining time of his old agreement. Thereafter, his employment agreement may be renewed by the new agency.

Retire or be retired for medical disability.

Retire if eligible.

The executive recognizes that he will be required to serve in whatever capacity he will be needed in the organization and wherever he will be needed geographically.

He will be protected by a requirement that any duties he is given must fall properly within the scope of the Federal Executive Service.

He may appeal assignments to duties or locations which he believes were made for reasons other than the efficiency of the Government.

If the acceptance of a geographical move results in undue hardship, an executive will be able to decline the move and choose one of the following options:

GS–15 employment with 2 years salary saving.

Discontinued service retirement if eligible.

If not eligible for retirement benefits, he may resign and receive severance pay.

If an employment agreement is not renewed after a geographical move, the executive will be able to move back at the expense of the Government to his location at the time he entered into his initial employment agreement.

By his entry into the Federal Executive Service, the executive will accept the responsibility to continue his development both as an executive and as a professional within his field. At the time of his consideration for an employment agreement renewal, the agency will take into account the effort and progress the executive has made in his own continuing development.

Agencies will be encouraged to strengthen their executive manpower management program by establishing boards within the agencies to assist them in reviewing nominees for initial executive appointments or renewal of agreements.

Renewal of employment agreements

A number of specific arrangements will be provided to give the agency flexibility in continuing the employment of a career executive upon the expiration of an employment agreement and for protecting the individual should he or the agency not wish to renew the agreement.

To give the agency as much flexibility as possible, it may offer an employment agreement renewal for three-year periods until the executive becomes eligible for mandatory retirement.

The agency may offer renewal, and the executive may decline. In that case:

If the executive has completed 30 years of service and is otherwise eligible for an annuity, the agency may involuntarily separate the executive from the service.

If the executive is not separated from the service under the "30 years of service" provision described above, the agency must offer the executive a bona fide continuing position for which he is qualified at the GS–15 level in the competitive service.

This offer may not cause adverse actions to any employee already serving in a GS–15 appointment.

The agency must (as under present statutes) continue paying the employee for two years at the rate of his last salary in the Federal Executive Service.

The agency may choose not to renew an agreement. In that case:

If the executive has completed 30 years of service and is otherwise eligible for an annuity, the agency may involuntarily separate the executive from the service.

If the executive is not separated from the service under the "30 years of service" provision described above, the agency must offer the executive a bona fide continuing position for which he is qualified at the GS–15 level in the competitive service with two years of salary saving.

If the executive does not accept the GS–15 appointment, he will be separated by the expiration of his agreement. This will be considered an involuntary separation.

If he will be eligible for discontinued service retirement, he will be entitled to those benefits (age 50 with 20 years of service, any age with 25 years of service).

Otherwise, he will be eligible for "severance pay" benefits.

If the executive accepts GS–15 employment:

He will have two years of saved salary.

When the saved salary period expires he will continue in his GS–15 employment at whatever salary step would be appropriate on the basis of total time served at grade GS–15 or above.

While serving at GS–15, he will be subject to all protections and conditions of employment applicable to all other GS–15's serving in the competitive service.

Appeals

As with all personnel systems, the Federal Executive Service will have a means, inde-

pendent of management, for its members to appeal and seek relief if they feel the agency has not met its obligations or its acting contrary to official requirements.

The present rights to appeal adverse actions and involuntary disability retirement will be included.

In addition, for those rare cases when an executive feels that the agency has not met its obligations under the employment agreement regarding assignments, utilization or conditions of employment, the executive may, as a last resort, seek adjudication and redress.

To assure an independent and objective hearing the appeals will be made to the Civil Service Commission which will be given final administrative authority to take corrective action if it finds the appeals should be sustained.

Stewardship report to the Congress

A provision for a stewardship report to Congress and a congressional review will be made in recognition of the historical and appropriate interest of the Congress in the authorization and allocation of executive resources and in the general management of the Government's executive manpower.

An annual report of agency and government-wide authorizations including career and noncareer ratios will provide the Congress with periodic opportunities to review and influence the Government's executive manpower program.

This report will also be the means by which the general public will be periodically informed of the actions its Government is taking in the management of executive resources. The report will provide the openness of information that is the foundation of an effective merit system.

The Civil Service Commission will make this detailed report showing the following information *for each agency and government-wide.*

The current and projected size of the Federal Executive Service.

The current and projected ratios of career to noncareer appointments within the Service.

The current and projected salary cost of the Service.

The current and projected distribution of salaries and the average salaries.

The Civil Service Commission's actions and supporting justifications in authorizing appointments for emergency needs.

Information on the overall programs for management of the Government's executive manpower resources which might be helpful to the Congress in exercising its general oversight.

Career development activities.

Training activities and plans.

Analytical studies.

After 90 days following the submission of the report to Congress and in the absence of contrary action decided upon through the legislative oversight process, the agency size and ratio authorizations may be implemented.

SYSTEM RESPONSIBILITY PLACED IN THE CENTRAL PERSONNEL AGENCY

The administration of the Federal Executive Service will be placed in the Civil Service Commission for the following reasons:

To fix leadership responsibility for the development and operation of a positive personnel program for the upper levels that will:

Interrelate manpower management throughout all levels from professional entry to the executive levels by defining career fields and patterns of progression and insuring that developmental and training opportunities required for career progression will be provided.

Insure that manpower resources, particularly executive resources, will receive comparable top management attention to that given other resources so that:

Manpower requirements will be related to program plans, priorities, and pending legislation.

Staffing needs will be projected and sources of supply will be developed.

To enlarge the overview of the central personnel agency and give it more responsibility for stewardship and responsiveness to Congress and the Administration. This will:

Establish a single focal point for the President to manage and control the utilization of the great majority of the Government's executive resources.

Provide a unified source that will:

Be a single authority accountable for executive resource stewardship.

Assure government-wide consistency in the application of the various regulations of the Federal Executive Service.

To encourage a government-wide outlook on the part of agency management so that there will be:

A government-wide approach to executive manpower-management.

Increased opportunity for mobility of executives and potential executives among agencies and programs.

Effective date

The Federal Executive Service will come into being and the operating provisions will become effective no later than one year after enactment of the proposed legislation. During this period, operating procedures and regulations will be developed.

The Civil Service Commission will be authorized to issue such regulations as will be necessary to carry out the legislation.

Transition to the Federal Executive Service
Executives with career appointments

To give present career executives maximum opportunity to participate in the Federal Executive Service, all present career executives will be offered employment agreements.

All career executives may take 3-year agreements if that does not carry them beyond mandatory retirement. If they are subject to mandatory retirement before three years, they may take agreements for periods up to mandatory retirement.

Career executives accepting employment agreements will be exempt from the requirement of qualifications approval provided the agreement offer is accepted within a reasonable time to be established by implementing regulations.

To insure that any rights or protections presently enjoyed by career executives will be preserved, executives:

May choose not to take an employment agreement, but to continue under their current appointments with all of their rights and privileges.

Thus, incumbents will not be forced to make a change.

In the event of reduction in force, there will be no competition between executives in the Federal Executive Service and those holding other types of appointments.

To avoid inequities and hardship, the Civil Service Commission will have authority to regulate the details of the transition and to correct administrative errors and oversights in complying with its regulations.

Executives with excepted appointments:

The status of executives now serving under noncareer executive assignment (NEA) appointments will not change. They will be given noncareer appointments in the Federal Executive Service.

All of the protections of other executives serving in positions which are excepted from the competitive service will be preserved:

Because some of these appointments are actually career types of appointments (e.g., some attorneys in Schedule A), the agency, at its option, may offer individual executives career appointments with employment agreements without the requirement of qualifications approval.

Those other executives who may not be offered an employment agreement and those who do not accept an agreement, will be protected by being allowed to remain under their present appointments. They will retain all of the rights and privileges of those appointments.

Application to excluded groups

Because the features of the Federal Executive Service merit consideration for executive manpower management programs throughout the Federal Government, executive branch agencies with excluded groups will be encouraged to consider the adoption of appropriate features.

Because the Civil Service Commission now has responsibilities for certain personnel functions for executives in agencies outside of the executive branch, provision will be made for those agencies to establish their own executive services, with the agency head as the regulatory, administrative, and reporting authority.

This will be done because:

Executive manpower management should be integrated with the management of other resources in relation to the programs being managed. Since, outside of the executive branch, the agency head will determine his program plans and receive his resource authorizations in a direct relationship with Congress, it is more appropriate for that agency head to deal directly with the Congress on the administration of his executive service.

Similar executive services in the executive, judicial, and legislative branches will facilitate the exchange of executives throughout the Government.

There no longer will be new positions at GS–16, –17, or –18 established anywhere in the Federal service, in or out of the executive branch.

Appeals will continue to be heard and finally adjudicated by the Civil Service Commission.

So that any Federal agency will be able to have the benefit of the best executive manpower management services available, the services to be provided by the Civil Service Commission, such as the Executive Inventory, will be made available to any agency.

SECTION V: OPERATION OF THE FEDERAL EXECUTIVE SERVICE

Determining the size of the FES would begin within individual agencies, where reviews of executive manpower needs would be conducted annually. To make their request for executives consistent with the relative importance and priority of agency programs, agency reviews would be based on such factors as:

Current level of program and budget;

Current level and nature of executive staff;

Anticipated program and budget requests;

Pending legislation;

Nature and level of the work to be performed.

Agencies would submit to the CSC on or about February 1 their requests for:

Number of executives required;

Career/noncareer ratio;

Proposed average salary.

The CSC, after collaboration with OMB, would authorize a maximum number of executives, a career/noncareer ratio and an average salary ceiling for each agency.

The ratio of noncareer could not exceed 25 percent of the authorized FES total government-wide, but it would vary from agency to agency.

Except as specifically authorized, the average salary for an individual agency could not exceed the government-wide figure.

The CSC would report its authorizations to Congress on April 1. The authorizations would become effective in 90 days, unless Congress acted to the contrary.

Agencies could appoint (hire) executives from inside or outside of Government up to

the numbers authorized and in accordance with the career/noncareer ratio.

Agencies would not have to justify appointment of individual executives based on centrally approved position classifications—instead, agencies would develop tailored position management systems.

Individual executives could be paid salaries anywhere within the salary range for the Federal Executive Service—but the agency would have to stay within its authorized average salary ceiling.

Agencies would have complete authority to hire and remove *noncareer* executives.

Agencies would appoint *career* executives according to the following procedures:

Following an intensive search based on merit principles, the agency would make a selection subject to approval by the CSC.

Agencies would be encouraged to establish and utilize internal boards for recruiting and qualifications review.

Candidates from both inside and outside Government could be selected.

Within the CSC, selections would be presented to the appropriate qualifications board for approval prior to formal appointment by the agency head.

There would be 15–20 qualifications boards, based on occupations.

As agents of the CSC, each board would operate government-wide for the occupations within its cognizance, and be composed of recognized leaders in the Government, academic and private sectors.

The boards would review the agency's selectee in terms of:

How the agency identified likely candidates;

The selectee's potential for long-term contributions to the Federal service;

The appropriateness of his qualifications compared to the qualifications needed to carry out the agency's programs (and the qualifications on which recruiting was based); and

His professional qualifications and stature in the occupation.

Qualifications boards would not review assignments following appointment, or renewal appointments.

Agencies would have maximum flexibility in the assignment of executives.

Career and noncareer executives could be assigned to duties interchangeably—positions or duties would not be designated as career or noncareer.

All executives could be assigned wherever needed, regardless of the nature of the duties, or their organizational or geographic location, provided the duties were of executive calibre, and assignments were not made arbitrarily or capriciously. There would be a procedure whereby executives could appeal if they felt these latter provisions were not met.

Career appointments would be made on the basis of 3 year, renewable employment agreements, which would obligate the agency:

Not to reduce the executive's salary for the three-year period (although increases would be allowed at the agency's discretion).

Not to separate the executive except for cause, or to demote him from executive status by reduction-in-force or assignment of inappropriate duties.

(The executive would agree to serve wherever needed, as described above and could resign or retire (if eligible) at any time.)

When the agreement expired, the agency would have the option of offering the executive a renewal—for 3 years. The number of renewals would be limited only by the executive's reaching the mandatory retirement age.

Each agency would administer the renewal process in the manner most appropriate to its needs.

A formal review would not be mandatory; renewals could be handled informally.

Agencies would be encouraged to set up advisory boards to advise and assist the agency head as to the renewal of individual employment agreements.

If the agency chose not to offer a renewal, or if such an offer were made and declined by the executive, the agency may involuntarily separate the executive from the service if he has completed 30 years of service and is otherwise eligible for an annuity. In all other cases, the agency would have to offer the executive a continuing GS–15 position in the career service (without displacing any other employees). He would then be paid for two years at the rate of his last FES salary, before reverting to the appropriate rate of the GS–15 schedule.

Executives who chose not to continue employment as an executive or as a GS–15 and are not separated by the agency under the "30 years of service" provision, could elect optional or discontinued service retirement, if eligible, or separation with severance pay.

NOTE: This proposal presupposes maximum emphasis on the use of talent files within the agency and on a government-wide basis; on a greatly increased attention to managerial and professional development of executives; and on a much improved system of effective executive appraisal. These program approaches are not detailed as part of the FES proposal since their accomplishment does not depend on legislative system changes.

THE FEDERAL EXECUTIVE

(Under Current Personnel Systems)

There is always some confusion about who is a Federal executive. No adequate definitions exist, but salary level is a frequently used criterion. Thus, "Federal executives" could mean all of the full-time employees of the executive branch who earn as much as the beginning salary ($26,547) of a General Schedule grade 16. The table below shows the numbers of civilian executives for various personnel programs who would meet that criterion.

TABLE 1

[As of Oct. 1, 1970]

Personnel program	Number	Percent
Executive level (levels I–V)	580	5
General Schedule [1] (GS 16–18)	5,679	52
Public law type [1] [2]	1,244	12
Foreign Service (FSO and FSR levels 1 and 2)	2,117	19
Other [3]	1,265	12
Total	10,903	100

[1] The focus of attention of the existing Federal executive manpower program and the Executive Assignment System is on the 6,941 general schedule and public-law-type positions which comprise 64 percent of the total. The nature of this universe of 6,941 positions is better understood when they are broken down by type of authorization (governmentwide quota, nonquota, etc.) and by career/noncareer. Of the 1,244 public-law-type positions, 814 are in the competitive career service. The distribution of the 5,697 positions in the general schedule is shown in table 2.

[2] Certain limited scientific and professional positions involved in research and development activities requiring the services of specially qualified persons and paid at special salary rates not less than GS–16 or more than GS–18.

[3] Consists primarily of positions in TVA, AEC, Department of Medicine and Surgery of VA, and the Postal Field Service.

TABLE 2.—GENERAL SCHEDULE POSITIONS IN GRADES 16–18[1]

[As of Oct. 1, 1970]

Authorities	Total		Competitive career	Excepted/noncareer				
				Schedule				
	Number	Percent		NEA	A	B	Other	Total
Governmentwide quota	2,734	48	1,839	491	339	3	62	895
Defense quota	407	7	320	34	48	5		87
Nonquota	1,953	34	1,831	35	44	11	32	122
Special authorities	603	11	344	1	11		247	259
Total	5,697	100	4,334	561	442	19	341	1,363

[1] GS–16=4,054 (71 percent); GS–17=1,175 (21 percent); GS–18=468 (8 percent).

Note: Explanation of terms:

Competitive/Career: The Competitive Service refers to those positions where the rules of the Civil Service Act regarding entry into service must be followed. The Career Service is a generic term used to refer to those positions and incumbents governed by Civil Service Commission rules and regulations concerning recruitment, development, promotion, and tenure. This narrow definition does not take into account many career type personnel systems or positions which are excluded from the Civil Service Act. All positions are considered to be Competitive/Career unless specifically exempted under the various procedures for doing so.

Excepted/Noncareer: Those positions and incumbents specifically exempted from the competitive service by law or regulation.

Governmentwide quota: The number of positions authorized by the Congress and allocated to agencies by the Civil Service Commission. It is a ceiling on the number of positions which may be established.

Defense quota: A special allocation of positions for exclusive use by the Defense Department.

Nonquota: Congress has authorized certain types of positions that may be established outside the governmentwide quota. These nonquota positions may be authorized for professional engineering positions primarily concerned with research and development and professional positions in the physical and natural sciences and medicine.

Special authorities: These are positions specifically earmarked by legislation for particular programs or organizations.

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

S. 1684. A bill to assure protection of environmental values while facilitating construction of needed electric power supply facilities, and for other purposes. Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, I introduce, by request, the administration's bill to assure protection of environmental values while facilitating construction of needed electric power supply facilities and for other purposes. This legislation was part of the program announced in the President's environmental message on February 8, 1971, and was transmitted to the Congress by Dr. Edward David, the Director of the Office of Science and Technology on February 10.

The proposed legislation deals with a most crucial problem confronting the Nation today and in the years ahead—finding practical solution to the frequently conflicting demands for environmental protection and for electric power. Both of these demands are essential in their own right but increasingly we find more and more examples of conflict and impasse which fail to serve either purpose. When environmental groups succeed in stopping or delaying an individual powerplant or transmission line, their victory in the courtroom may be hollow since it is frequently too late to select alternate sites and the only result is to impair the reliability of electric power supply. On the other hand, when the utilities brush aside the concerns of the environmentalists, the air, water, and the landscape may suffer irreparable damage. In either case, the public loses through power shortages, unnecessarily higher rates, environmental degradation, and the uncertainty of the whole process.

The public and the Nation as a whole can no longer tolerate this form of brinksmanship choosing between brownouts on one hand and pollution on the other. I have not yet had an opportunity to evaluate every implication of the administration's bill, but it is clear that legislation is required in this area to insure that these decisions are reached by open long-range planning and administrative processes where workable compromises can be found to meet both of these important needs. If we do not take such a step now, future brownouts could lead, fairly or unfairly, to public repudiation of some of our recently enacted environmental protection measures to the detriment of us all.

Powerplant siting and adequacy of power supply are not new subjects to the Congress. Numerous bills have been introduced in Congress during the past 2 or 3 years dealing with various aspects of the question in a variety of ways and the Commerce Committee has conducted hearings on several aspects of the problem.

Some of the individual States have taken the initiative in developing legislation and new institutions in this area. I am especially proud to note the leadership role that the State of Washington has played in this respect. It has recently enacted a thermal powerplant siting act establishing a thermal powerplant evaluation council which provides the type of decisionmaking body which the administration's bill apparently contemplates for all States and regions of the Nation.

The administration bill I have been asked to introduce would expand this type of decisionmaking body at the State, regional, or Federal level to all new powerplants or transmission lines. These decisionmaking bodies would be involved in the long-range planning and preconstruction review of such facilities.

I am impressed by the fact that the administration's bill is the result of an extensive interagency study effort sponsored by the President's Office of Science and Technology, headed by the extremely able S. David Freeman, in which all of the Federal agencies concerned with electric power and the environment participated. It is also of interest that the study was made in cooperation with concerned State and local officials, industry and conservation groups. The results of this study were published last fall as a report entitled "Electric Power and the Environment." This report provides the documentation for the legislation I am introducing today. The Commerce Committee expects to give this legislation the early attention it deserves.

I ask unanimous consent that the text of the bill and the letter from the Director of the Office of Science and Technology, together with the Conclusions and Recommendations from "Electric Power and the Environment," be printed in the RECORD.

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

S. 1684

A bill to assure protection of environmental values while facilitating construction of needed electric power supply facilities, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. This Act may be cited as the "Power Plant Siting Act of 1971."

SEC. 2. The Congress, in furtherance of the national environmental policy as set forth in the National Environmental Policy Act of 1969, 83 Stat. 852, and the national electric energy policy as set forth in Section 202(a) of the Federal Power Act, 16 U.S.C. 824a(a), hereby finds and declares the national public interest in the environment, the interest of interstate commerce, the interest of public and private investors in electric utility facilities, and the interest of consumers of electric energy require:

(a) that bulk power supply facilities adequate to the Nation's need for a reliable electric power supply be constructed upon a timely basis, and in a manner consonant with the preservation of important environmental values and wise comprehensive use of the Nation's air, land and water resources for all beneficial purposes, public and private;

(b) that in order to avoid undue delays in the construction of needed bulk power supply facilities and to provide for full and timely consideration of environmental consequences well in advance of such construction, all of the Nation's electric entities should be required to engage in adequate long-range planning, and that certifying bodies be established for the preconstruction review of bulk power supply facility sites and all related bulk power supply facilities;

(c) that the siting of bulk power plants and high-voltage transmission lines be treated as a significant aspect of land use planning in which all environmental, economic and technical issues with respect to a bulk power supply project at the State or regional level should be resolved in an integrated fashion;

(d) that Federal, regional and State government authorities be authorized and empowered to act expeditiously in coordinating reviews to assure protection of environmental values and certifying the construction, operation or maintenance of bulk power supply facilities, all to the end of assuring for the Nation an adequate and reliable supply of electric power through a balanced and comprehensive use of the Nation's air, land and water resources for all beneficial purposes, public and private;

(e) that a mechanism be established to provide Federal guidelines for the functioning of these certification procedures by State, regional, or Federal certifying agencies;

(f) that long-range planning be carried out through the electric reliability councils voluntarily established on regional and national bases and open to all systems comprising the various component parts of the electric utility industry, investor owned, publicly owned and cooperatively owned, and by participation of these councils in the work of the Federal Power Commission under Section 202(a) of the Federal Power Act, 16 U.S.C. 824a(a); and

(g) that a program be undertaken by the Federal Government to assist in the development of new approaches or methods of locating or grouping bulk power supply facilities within particular geographic areas, at surface or subsurface levels, or in conjunction with the location of physical facilities used in other types of energy, transportation or communications services which may be available to the general public through public or private suppliers.

SEC. 3. As used in this Act—

(a) "electric entity" means any individual or corporation which owns or operates bulk power supply facilities, or plans to own or operate such facilities, however organized or owned, whether investor owned, publicly owned or cooperatively owned, including a "State" or a "municipality" as defined in section 3(6) and 3(7) of the Federal Power Act, 16 U.S.C. 796, but not the United States or an agency, authority or instrumentality thereof, of any corporation which directly or indirectly is wholly owned by the United States, its agencies, authorities or instrumentalities;

(b) "Federal electric entity" means the United States, an agency, authority or instrumentality thereof, or any corporation which directly or indirectly is wholly owned by the United States, its agencies, authorities or instrumentalities, which owns or operates bulk power supply facilities or plans to own or operate such facilities;

(c) "bulk power supply facilities" means electric generating equipment and associated facilities designed for, or capable of, operation at a capacity of 300,000 kilowatts or more, or any sizeable additions thereto as defined by the appropriate certifying body, or electric transmission lines and associated facilities designed for, or capable of, operation at a nominal voltage of 230 kilovolts or more, between phase conductors for alternating current or between poles for direct current, or any sizeable additions thereto as defined by the appropriate certifying body, except that any facilities subject to licensing pursuant to Part I of the Federal Power Act, 16 U.S.C. 792–823, shall not be subject to the provisions of Sections 6 and 8(c) of this Act;

(d) "Federal certifying agency" means such Federal agency, agencies or department as may be designated by the President;

(e) "State or regional certifying body"

means the State or regional agency, authority or other entity authorized and empowered to carry out the responsibilities provided for in this Act within the State or States affected.

(f) "Regional" means the Governments of two or more States;

(g) "Commencement of construction" means any clearing of the land, excavation, or other substantial action that would adversely affect the natural environment of the site or route but does not include changes desirable for the temporary use of the land for public recreational uses, necessary borings to determine foundation conditions or other pre-construction monitoring to establish background information related to the suitability of the site or to the protection of environmental values.

SEC. 4 (a). Each electric entity and Federal electric entity shall prepare annually its long-range plans for bulk power supply facilities pursuant to guidelines established by the Federal Power Commission within 90 days after enactment hereof, upon the advice of interested State and Federal agencies. These plans may be part of a single regional plan and shall

(1) describe the general location, size and type of all bulk power supply facilities to be owned or operated by such entity and whose construction is projected to commence during the ensuing 10 years or during such longer period, but not to exceed a total of 15 years, as the Federal certifying agency may determine to be necessary, together with an identification of all existing facilities to be removed from utility service during such period or upon completion of construction of such bulk power supply facilities;

(2) identify the location of tentative sites for the construction of future powerplants as defined in section 3(c), including an inventory of sites for all plants on which construction is to be commenced in the succeeding five years, and the general location of the routes of transmission lines as defined in section 3(c), and indicated the relationship of the planned sites, routes, and facilities thereon to environmental values and describe how potential adverse effects on such values will be avoided or minimized.

(3) reflect and describe such entity's efforts to coordinate the bulk power supply facility plans identified therein with those of the other entities so as to provide a coordinated regional plan for meeting the electric power needs of the region;

(4) reflect and describe such entity's efforts to involve environmental protection and land-use planning agencies in their planning process so as to identify and minimize environmental problems at the earliest possible stage in the planning process; and

(5) supply such additional information as the Federal certifying agency upon the advice of interested State and Federal agencies may from time to time prescribe to carry out the purposes of this Act.

(b) Each electric entity and the Federal electric entity, shall give initial public notice of its plans referred to in subsection (a), by filing annually a copy of such plans together with its projections of demand for electricity that the facilities would meet with the appropriate Federal, regional, or State certifying agency, with the Federal Power Commission and the Environmental Protection Agency, and with such other affected Federal, State, regional and local governmental authorities, and citizens' environmental protection and resource planning groups requesting such plans.

SEC. 5(a). The several States, within 24 months from the date of enactment hereof, may designate or establish a decisionmaking body at the State or regional level, which may be an existing or newly created body, for the certification of sites and related bulk power supply facilities of any electric entity. These State or regional certifying bodies shall be designated or established and administered in accordance with the requirements of this Act and in accordance with the guidelines to be prepared and published, pursuant to section 9 thereof, which guidelines may be revised from time to time. Each State or regional certifying body shall provide for participation in its decisionmaking processes by environmental protection, natural resource, and planning components of the State government or governments involved, and provide for participation also by components of such governments having responsibility with respect to provision of electric power service. Such body may also provide for participation by members of the public.

(b) The Governor of each State which designates or establishes such a decisionmaking body and procedures, either as a State or regional entity, shall notify the Federal certifying agency of that fact, and thereupon the Federal certifying agency, if it finds such authorities and procedures to be in accord with the requirements of this Act, including the guidelines published pursuant to section 9 hereof, shall issue a Certificate of qualification of procedure with respect to each such State, which Certificate shall be revoked by the Federal certifying agency if the State or regional certifying body fails to abide by said requirements and guidelines, but unless revoked, shall constitute conclusive evidence of its authority to exercise the provisions of section 6 hereof, for such time period as the Certificate remains effective.

(c) If, within twenty-four months from the date of enactment hereof, a decisionmaking body and procedures are not designated or established for the certification of sites and related bulk power supply facilities within one or more of the several States, and qualified in the manner as set forth in subsection (b), or if such Certificate of qualification of procedure is later revoked, the Federal certifying agency shall have exclusive authority to issue a Certificate of site and facility with respect to any bulk power supply facility of any electric entity within any said State or States applying Federal standards only. With respect to each such State the authority of the Federal certifying agency shall continue until such State or States have qualified pursuant to subsection (b) hereof. Any proceedings for the certification of sites and bulk power facilities which are pending before the Federal certifying agency on the date of issuance of any Certificate of qualification of procedure by the Federal certifying agency shall continue to be proceedings subject to the authority of the Federal certifying agency and shall require a Federal certificate before construction shall commence, except that the Federal certifying agency may in its discretion transfer such proceeding to the appropriate State or regional certifying body.

(d) The Federal certifying agency, prior to denying or revoking a Certificate of qualification of procedure in respect to matters arising under subsection (b), shall consult with the Governor or Governors of the State or States involved, informing each of the particular respects in which the State or regional certifying body's authorities or procedures fail to comply with the requirements of this Act, including the guidelines published pursuant to section 9 hereof, and shall afford each State affected a reasonable time to respond and to make appropriate changes.

(e) Any State dissatisfied with the action of the Federal certifying agency denying or revoking a Certificate of qualification of procedure as referred to in subsection (b) may appeal to the United States Court of Appeals for the circuit in which such State is located, with service of the summons and notice of appeal at any place within the United States, and the court shall have jurisdiction to affirm the action of the agency, to set it aside in whole or in part, and for good cause shown, to remand the case to the agency for further deliberation; *Provided*, That any findings of fact of the Federal certifying agency supported by substantial evidence shall be conclusive; *And provided further*, That any judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in Section 1254 of Title 28, United States Code. Upon the filing of an appeal, the Clerk of the Court of Appeals shall forthwith transmit a copy of the notice to the Federal certifying agency, which agency thereupon shall file with the court the record upon which the appealed action was entered, as provided in Section 2112 of Title 28, United States Code. Upon the filing by the agency of the record, the jurisdiction of the court shall be exclusive.

SEC. 6. (a) Effective 24 months from the date of the enactment hereof, no electric entity shall commence to construct or begin operation of bulk power supply facilities within a State or States, unless it has obtained from each such State or States a Certificate of site and facility with respect to those facilities, issued by each qualified State or regional certifying body and no Federal electric entity shall commence to construct or begin operation of bulk power supply facilities unless it has obtained from the Federal certifying agency a Certificate of site and facility with respect to those facilities. If after 24 months from the date of enactment hereof, there is no qualified State or regional certifying body in one or more of the several States, no electric entity shall commence to construct or begin operation of bulk power supply facilities within said State or States unless there shall have been obtained from the Federal certifying agency such a Certificate of site and facility with respect to such bulk power supply facilities to be constructed or operated within said State or States by any such electric entity. Such facilities shall be constructed, operated, and maintained in accordance with the terms and conditions of the Certificate. Applications for Certificates for bulk power facilities already under construction on the effective date of this subsection shall be filed promptly with the appropriate certifying body, and Certificates shall be granted for any application showing a sizeable investment applicable only to the site which is the subject of the application on the effective date of this subsection, as defined by the appropriate certifying body, solely on a showing that all permits or licenses required when construction in fact commenced had been obtained. Operation of any bulk power facilities whose construction had commenced on or before the effective date of this subsection may commence prior to certification if a timely decision has not been made, subject to any reasonable actions or conditions that may be later required by the appropriate certifying body. No Certificate is required for bulk power facilities already in operation on said effective date, but such Certificates are required for sizeable additions thereto as defined by the appropriate certifying body.

(b) All applications by any electric entity for a Certificate of site and facility from a State or regional certifying body or Federal certifying agency or by a Federal electric entity from a Federal certifying agency shall be filed with the certifying body or agency not less than two years prior to the planned date of commencement of construction of the affected bulk power supply facilities and such plans may be subject to reasonable modification during the period of review. As a prerequisite to such filing, the electric entity or Federal electric entity shall have complied with the provisions of Section 4 hereof; and with respect to power plants and transmission line routes, except for good cause shown, shall have complied with the requirement that the site selected is from

among those sites in the electric entity's or Federal electric entity's 5-year inventory of sites approved by the relevant State, regional, or Federal certifying body pursuant to Section 8(c) hereof and that it will utilize the general transmission line routes identified in the electric entity's or Federal electric entity's long-range plans.

(c) It is the intent of Congress that any State or regional certifying body or Federal certifying agency shall complete action on each application filed pursuant to the authority of this Act within the two-year period prior to construction as provided under the procedures of subsection (b). The guidelines published pursuant to Section 9 hereof shall, to the maximum extent possible, facilitate the accomplishment of these objectives. For a period of 48 months from the date of enactment hereof, any of the provisions of Section 6 may be waived by the certifying body or agency in respect to filed applications of electric entities and Federal entities for good cause shown. Compliance with the procedures of Section 4 hereof in respect to planning and filing requirements shall constitute prima facie evidence of timely disclosure of construction plans in support of petitions for expeditious proceedings involving the bulk power supply facilities in all courts and administrative agencies of the United States and of the several States.

(d) The provisions of Section 5 and subsection (a) of this Section notwithstanding, any electric entity may petition the Federal certifying agency for a Certificate of site and facility based upon the entity's showing to that agency of a failure of a State or regional certifying body or bodies to act upon a timely or conclusive basis with respect to any application of such electric entity for a State or regional certification; and that as a result thereof the public interest in an adequate and reliable regional bulk power supply imperatively and unavoidably requires a decision with respect to such certification. The Federal Power Commission shall prescribe by regulation the facts necessary to constitute the basis of such showing, giving due consideration to the effect upon adequacy and reliability of electric supply of the lack of timely, or of inconclusive, action by the State or States concerned. Such applications shall be referred to the Federal Power Commission, and if it makes a finding, upon the advice of the interested Federal agencies, that adequate and reliable regional bulk power supply will be materially impaired by reason of the fact that a State or States certifying agency shall, effective upon the date of such finding, have jurisdiction to act in these circumstances, removing from the State or States concerned any basis upon which to proceed further in respect of State or regional certification of the affected bulk power supply facilities. The Federal certifying agency shall accord priority to all petitions for Certificates of site and facility filed under this subsection and shall resolve them in accordance with the provisions of Section 7 but applying Federal standards only.

SEC. 7 (a). The State, regional and Federal certifying bodies are hereby empowered and authorized, pursuant to Section 6 hereof, to issue Certificates of site and facility for bulk power supply facilities, if such bodies find, after having considered available alternatives, that the use of the site or route will not unduly impair important environmental values and will be reasonably necessary to meet electric power needs, or otherwise to deny such Certificates if the applicant officials to conform with the requirements of this Act. The judgment of the Federal, State or regional certifying body shall be conclusive on all questions of siting, land-use, State air and water quality standards, public convenience and necessity, aesthetics, and any other State or local requirements but the Certificates shall be granted only after the appropriate certifying body has ascertained that all applicable Federal standards, permits, or licenses have been satisfied or obtained. The Certificates shall show acceptance thereof by the applicant and agreement to comply with the requirements of this Act including a showing of the applicant's action to meet the objectives of Section 202(a) of the Federal Power Act, 16 USC 824a (a), regarding reliability and adequacy of electric service.

(b) In the consideration of applications for Certificates of site and facility, the certifying agency shall assure full public review and adequate consideration of all environmental values, including the impact on adjacent States, and other relevant factors bearing on whether the objectives of this Act would be best served by the issuance of the Certificate. In the issuance of such Certificates the certifying agency may impose such reasonable terms and conditions as it deems necessary. Such Certificates, when issued, shall be final and subject only to judicial review.

SEC. 8. Each State, regional and Federal certifying agency is hereby empowered, authorized, and directed—

(a) To review and comment on the long-range plans prepared and filed pursuant to Section 4 hereof and make the information contained therein readily available to the general public and interested governmental agencies.

(b) To compile and publish each year a description of the proposed power plant sites and general locations of transmission line routes within its respective jurisdiction as identified in the long-range plans of the electric entities and Federal electric entities pursuant to Section 4(a)(2), identifying the location of such sites and the approximate year when construction is expected to commence, and to make such information readily available to the general public, to each newspaper of daily or weekly circulation within the area affected by the proposed site, and to other interested Federal, State, and local agencies.

(c) To conduct mandatory public hearings with respect to any proposed power plant sites identified five years in advance of construction and to decide whether or not any such sites should be approved for inclusion in the electric entity's five-year inventory of sites. The basis for such decision shall be whether or not construction of any plant at the proposed site would unduly impair important environmental values. It is contemplated that any such hearings on the site itself will be held promptly after the site is identified.

(d) Upon the receipt of an application for a Certificate of site and facility pursuant to Section 6 hereof, to publish a notice in each newspaper of daily or weekly circulation serving the affected area which describes the location of the facilities (power plant and transmission lines) and other pertinent details concerning the facilities, and which provides the date of the public hearing thereon which shall be held prior to the issuance of the Certificate of site and facility applied for.

(e) To require such information from electric entities and Federal electric entities as it deems necessary to accompany applications for Certificates of site and facility and to assist in the conduct of hearings and any investigations or studies it may undertake.

(f) To conduct any studies or investigations which it deems necessary or appropriate to carry out the purposes of this Act.

(g) To issue such rules and regulations, after public notice and opportunity for comment, as may be required to carry out the provisions of this Act.

SEC. 9. The President upon the advice of interested Federal agencies, and after public notice and opportunity for comment shall publish the guidelines for Federal, regional and State certifying bodies, which guidelines may be revised periodically as needed and shall include—

(a) criteria for evaluating effects of proposed sites and facilities on environmental values;

(b) criteria for use in evaluating the relative environmental impacts of alternative sites;

(c) criteria for evaluating the projected needs for electric power;

(d) procedures to ensure full public participation in the certification procedures through public notice and opportunity for public hearings, consultation with appropriate citizens' groups, rights of intervention and appeal from decisions of the certifying body and other safeguards;

(e) procedures with respect to the formation of regional certifying bodies;

(f) procedures to assure proper consideration of multi-State impacts in certification proceedings;

(g) requirements with respect to staffing and technical and professional competence of State and regional certifying bodies.

SEC. 10. An electric entity holding a Certificate of site and facility as referred to in Section 6, and which cannot acquire by contract, or is unable to agree with the individual, corporation, or other owner (other than the United States Government), of property as to compensation to be paid for the necessary rights-of-way or other property to construct, operate and maintain the certified bulk power supply facilities, may acquire the same by the exercise of the right of eminent domain in the district court of the United States for the district in which such property may be located, or in the State courts. In any proceeding brought in the district court of the United States, the petitioner may file with the petition or at any time before judgment a declaration of taking in the manner and with the consequences provided by Sections 258a, 258b and 258d of title 40, United States Code, and the petitioner shall be subject to all of the provisions of said Section which are applicable to the United States when it files a declaration of taking hereunder.

SEC. 11 (a). The consent of the Congress is hereby given to two or more States to negotiate and enter into agreements or compacts not in conflict with any law or treaty of the United States for cooperative effort and mutual assistance in certificating sites and related bulk power supply facilities of electric entities, for the enforcement of their respective laws thereon, and for the establishment of such authorities or agnecies, joint or otherwise, as they may deem desirable for implementing such agreements or compacts. The right to alter, amend, or repeal this section is expressly reserved.

(b) It is the intent of Congress to encourage cooperation among the various State and regional certifying agencies in the planning of bulk power facilities and in their review of applications for Certificates of sate and facility including the establishment of cooperative procedures and joint actions by the several States, and also to encourage compacts between the States to coordinate and resolve environmental considerations which affect bulk power supply facilities.

SEC. 12. Each State or regional certifying body qualified pursuant to a Certificate of qualification of procedure and the Federal certifying agency are hereby authorized to assess and collect fees, including filing fees, in just and equitable manner from every electric entity and Federal electric entity operating within the jurisdiction of the legal authorities and procedures of said body, such assessment and collection to be in an amount not in excess of the cost of administration of the qualified body's certification program, including the cost of all necessary studies and the cost of personnel.

SEC. 13. The Federal certifying agency, in

cooperation with other interested Federal agencies and the electric power industry, is authorized to develop a coordinated program of studies of new and evolving siting concepts relative to bulk power supply facilities in consultation with interested State, regional and local governmental authorities and the electric entities. The Federal agencies shall make public the results of their studies.

SEC. 14. All departments and agencies of the Federal government are authorized to cooperate with the State, regional, and Federal certifying bodies so as to foster and fully effectuate the purposes of this Act. Those departments and agencies are authorized to make available to the various certifying bodies, staff experts, information and technical assistance upon request or as provided for in the guidelines published pursuant to Section 9 hereof. Upon the request of one or more States for a study of the environmental considerations affecting bulk power supply in its or their region, or the regional impact of any specific proposed bulk power supply facility, appropriately directed to a Federal department or agency, said department or agency are authorized to undertake such study in cooperation with other interested Federal, State and local agencies and make its findings available to all concerned.

SEC. 15. The orders or decisions of the Federal certifying agency pursuant to this Act shall be subject to review pursuant to the provisions of 5 U.S.C. 701–706. The orders and decisions of the State or regional certifying agencies pursuant to this Act shall be subject to review pursuant to applicable State law.

SEC. 16(a). The provisions of this Act shall in no way alter or affect the jurisdiction of the Council on Environmental Quality or the requirements of the National Environmental Policy Act of 1969, 83 Stat. 852, except that the detailed statements required by Section 102(2)(c) thereof, where the certifying agency has followed a substantially comparable procedure, shall not be required for any Federal actions with respect to bulk power supply facilities which require a Certificate of site and facility pursuant to Section 6 of this Act;

(b) Nothing herein contained shall be construed to relieve any present or future requirement arising from any Federal law, which may be applicable to any natural person, artificial person, or interest of government, Federal or State, or to affect in any way the authority of the Atomic Energy Commission under the Atomic Energy Act of 1954, as amended, or the Federal Power Commission under the Federal Power Act of 1935, as amended.

SEC. 17(a). Whoever:

(1) without first obtaining a Certificate of site and facility, commences to construct a bulk power supply facility after 24 months after the enactment of this Act; or

(2) having first obtained a Certificate of site and facility, constructs, operates or maintains a bulk power supply facility other than in compliance with the Certificate; or

(3) causes any of the aforementioned acts to occur; shall be liable to a civil penalty of not more than $10,000 for each violation or for each day of a continuing violation. The penalty shall be recoverable in a civil suit brought by the Attorney General on behalf of the United States in the United States District Court for the district in which the defendant is located or for the District of Columbia.

(b) Whoever knowingly and willfully violates subsection (a) shall be fined not more than $1,000 for each violation or for each day of a continuing violation, or imprisoned for not more than 1 year, or both.

(c) In addition to any penalty provided in subsections (a) or (b), whenever the Federal certifying agency determines that a person is violating or is about to violate any of the provisions of this section, the agency shall refer the matter to the Attorney General who may bring a civil action on behalf of the United States in the United States district court for the district in which the defendant is located or for the District of Columbia to enjoin the violation and to enforce the Act or an order or certificate issued hereunder, and upon a proper showing a permanent or preliminary injunction or temporary restraining order shall be granted without bond.

EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF SCIENCE, AND TECHNOLOGY,
Washington, D.C., Feb. 10, 1971.

Hon. SPIRO T. AGNEW,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: I am pleased to transmit herewith legislation proposed by the President on February 8 in his environmental message to facilitate the siting of electric power plants and high voltage transmission lines and to assure that environmental protection is made an integral part of the planning, construction and operation of these facilities.

This legislation will provide the nation with a coordinated system of state, regional and federal certifying agencies to assure that all substantive environmental protection requirements are met before power plants and transmission lines can be built. It would also assure that if these environmental concerns are satisfied construction could proceed in a timely fashion to meet the nation's growing needs for electric power.

The legislation will implement the recommendations of an interagency task force sponsored by the Energy Policy Staff in my Office which studied this problem for over a year in cooperation with concerned federal, state and local officials, industry and conservation groups. Our report entitled "Electric Power and Environment" was released to the public last October.

The legislation includes the following provisions to resolve environmental problems in meeting growing power demands:

*Requires the nation's electric utilities to engage in long-range planning and to prepare and publish general plans for their system expansions at least ten years in advance of construction.

*Provides that each state or region may establish a decision-making body that will review alternatives in order to assure that optimum sites for power plants and large transmission lines are selected, and will assure, prior to construction, that adequate environmental protection features will be employed.

Provides that if a state or region fails to establish such a decisionmaking body in accordance with federal guidelines, then the federal government would exercise the review and approval responsibility until such time as a decision-making body is established on a state or regional level.

Requires that proposed power plant sites and general locations of transmission line routes be disclosed at least five years prior to construction and that public hearings on the plant sites be held at that time. Detailed applications for construction of power plants and transmission lines must be filed at least two years in advance and a public hearing held in which all interested persons can participate.

Provides that the decision of the state or regional power plant siting body shall be conclusive on all matters of state or local law and thus consolidates the various approvals now required at the state and local level.

Applies the foregoing requirements to all bulk power facilities regardless of ownership except that small plants and lower voltage transmission lines would be exempt.

The Administration believes that the open planning process required by the legislation will go far toward resolving many of the conflicts over the selection of power plant sites and transmission lines routes. But the best of planning may leave some important issues unresolved. The bill, therefore, establishes a mechanism whereby major electric power plants and transmission lines proposed by any utility—whether owned by private, cooperative, municipal or federal power entities—must be subjected to public hearing and certified by the siting authority before construction begins.

In keeping with the approach taken in the Air and Water Quality Acts, the actual certification should generally take place at the state or regional level. The bill provides for the establishment of federal guidelines for these state and regional agencies and for a federal certifying agency to oversee their implementation. The President intends to designate the Department of Natural Resources as the federal certifying agency after it is established. The federal certifying agency would issue certificates in cases where state or regional certifying agencies have not been established or where they fail to act. In addition, it would review and certify all federally-owned facilities.

The state and regional certifying bodies will provide for participation by the respective environmental protection agencies and others concerned with siting as well as agencies concerned with adequacy of power supply. The certifying bodies would play a continuing role in the planning process by commenting on the long-range utility plans and reviewing proposed sites after holding early hearings five years before construction timetables. Two years before scheduled construction, the certifying bodies would receive the detailed plans for any proposed power facility. After holding public hearings, the state or regional certifying body would decide whether the site should be approved.

This bill would provide the public with an early voice in the planning process and participation in the ultimate selection of sites and routes, but it would also enable facilities to be built at approved locations and with proper safeguards.

After obtaining such a certificate and any necessary federal licenses or permits, the utilities would be authorized to begin construction using the federal powers of eminent domain provided for in this bill if necessary to obtain the land.

To help resolve siting problems in the longer term, the bill authorizes studies of new and evolving siting concepts such as offshore islands and energy centers.

The power shortages experienced in the past year remind us that we live in an age of energy. But no one doubts that power plants and transmission lines present major environmental problems. The institutional arrangements proposed in this bill will enable us to minimize delays in the construction of new facilities and to avoid unnecessary degradation of the environment. The Administration, therefore, urges speedy enactment of the legislation herein transmitted.

The Office of Management and Budget advises that enactment of this legislation would be in accord with the President's program.

Sincerely,

EDWARD E. DAVID, Jr.,
Director.

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF SCIENCE AND TECHNOLOGY,
Washington, D.C., April 6, 1971.

Hon. WARREN G. MAGNUSON,
Chairman, Committee on Commerce,
United States Senate,
Washington, D.C.

DEAR MR. CHAIRMAN: In accordance with the requirements of Section 102C of the National Environmental Policy Act of 1970, I am transmitting the attached statement concerning the environmental impact of the Power Plant Siting Act of 1971. I transmitted

a draft of this legislation to the President of the Senate on February 10, 1971, and it was referred to your committee.

We would be pleased to provide you with any additional material you may require in this regard.

Sincerely,

EDWARD E. DAVID, Jr.,
Director.

ENVIRONMENTAL IMPACT STATEMENT, POWER PLANT SITING ACT OF 1971

1. NATURE OF THE PROPOSED ACT

The proposed Power Plant Siting Act of 1971 seeks to establish the institutional framework within which can be resolved the environmental questions that arise in connection with the location and construction of bulk electric power facilities. To this end, the Act would authorize State, regional, and Federal agencies to determine how best to locate those facilities necessary for reliable electric power with the least possible adverse environmental effects. The agencies would provide forums for the timely consideration and resolution of all environmental questions in cooperation with existing state and Federal agencies with environmental responsibilities.

The Act is an outgrowth of an interagency task force under the direction of the Office of Science and Technology, which recently completed its work with the publication of the report entitled "Electric Power and the Environment" (available through the U.S. Government Printing Office). This legislation was prepared to implement the recommendation in that report. All interested Federal agencies—OST, the Council on Environmental Quality, Council of Economic Advisers, Office of Management and Budget, Department of the Interior, Department of Health, Education, and Welfare, the Atomic Energy Commission, Federal Power Commission, the Rural Electrification Administration, and the Tennessee Valley Authority—participated in the deliberations and concurred in the report. In the preparation of the final report, meetings were held with representatives from the electric power industry, State and local governments, and various citizens' environmental groups to obtain their views. All these representatives were given the opportunity to comment on a draft of the report, and many of their suggestions are reflected in the final report.

Key provisions of the proposed Act would require open long-range planning by all electric utilities, with rolling ten-year projections of power needs and additional required facilities for its generation and transmission. Annual reports incorporating this and related information would be readily available to the public. Advance review of tentative sites for power plants would be held at a point five years prior to possible commencement of construction on the site; the reviewing agency would be empowered to pass judgment on such tentative sites on environmental grounds. And approved sites would be listed on the utility's inventory of possible sites. Finally, a pre-construction review would require each utility to apply for certification of each bulk power plant or major transmission line two years prior to commencement of construction. Certifying agencies would be established at the State or regional level for other than Federally-owned utilities; the latter would be regulated under the Act by a Federal certifying agency to be designated by the President. The Act would supplement and complement existing federal environmental standards applicable to bulk power facilities such as the Air and Water Quality Acts by providing a legal mechanism under which pre-construction compliance with air and water quality standards are assured for all such facilities and are considered early in the planning process in conjunction with site selection. All certifying agencies would be established and would operate according to guidelines promulgated by the President.

2. ENVIRONMENTAL IMPACT OF PROPOSED ACT

The bulk generation and transmission of electric power inherently has a potentially adverse impact on the environment surrounding the power plant sites and transmission line routes. Much of the concern has centered about discharges into the air and water as a result of generation. Sulfur oxide and other emissions into the air and heat and effluent discharge into waters have been most often cited as dangers to life and the proper use and enjoyment of our resources. Also, there is growing recognition that the deterioration of the land resource, particularly by transmission lines, is increasing at an alarming rate. Both electric power generating facilities and transmission lines use large acreages of land, although to some extent transmission rights-of-way can be used simultaneously for other purposes. The fragile interrelationships of natural air, land and water systems are becoming better understood, and all three are influenced directly by the construction of electrical power supply facilities.

The proposed Act is designed to assure that these potentially adverse impacts on the environment are minimized. At the same time, passage of the Act would result in a certification process that would resolve firmly and expeditiously any conflicts of environmental and electric power reliability goals. The result would be less costly delay in the construction of needed electric generation and transmission facilities and increased reliability of service. Like the protection of air, land and water resources, the provision of an adequate electric power supply is a significant factor in the quality of the human environment.

Assurance that the certifying bodies will carry out their functions in an effective manner would be provided by the guidelines promulgated by the President. These would include criteria related to the composition, staffing, and necessary powers of certifying agencies, as well as to the full range of environmental considerations related to the siting of power plants and the routing of transmission lines.

In summary, enactment of the proposed legislation would enhance environmental quality in three significant ways. It would provide adequate safeguards to minimize the adverse environmental effects of power plants and transmission lines. The long-range planning provisions would aid in the development of a reliable electric power supply as well. And the certification procedures would assure timely resolution of environmental issues related to each site and route, so that a decision to proceed or to seek another alternative could be made in an ordered fashion without presenting the "build or brown-out" set of alternatives.

3. ADVERSE ENVIRONMENTAL EFFECTS WHICH CANNOT BE AVOIDED

Since one of the purposes of this Act is to facilitate the construction of needed bulk power facilities and they have a potentially adverse effect on the environment, the Act could be alleged to cause some adverse environmental effects. The procedures in this Act, however, are specifically intended to minimize any potential adverse environmental effects through public and government review of proposed plans while there is adequate opportunity to modify them, and thus to put an end to the present situation in which pre-construction review as to the adequacy of environmental protection often fails to occur. Of course, to the extent that bulk power facilities are not now being constructed on a timely basis because of environmental objections, the delay in building them results in short-term protection from environmental degradation. However, without adequate means to resolve disputes, as this Act would provide, such delays will only cause precipitate action in the future in order to avoid power shortages, and will in the end be clearly harmful to environmental quality. The proposed Act, through its long-term planning provisions and its requirement of timely resolution of environmental questions, would minimize the unavoidable environmental effects caused by needed bulk power facilities.

4. ALTERNATIVES TO THE PROPOSED ACT

The most obvious alternative to the proposed Act is to do nothing. This would lead to more adverse environmental consequences as well as seriously jeopardize the Nation's electric supply system. Only to the extent that local laws required environmental reviews or Federal actions such as licensing or financing were involved (necessitating 102(2)(C) statements) would bulk power facilities receive environmental reviews. Even when such reviews take place they are often incomplete and lack a mechanism for enforcement of their recommendations prior to construction of the facility. The reviews by all levels of government and the public well in advance of construction with the authority to require actions to protect environmental values as provided by the proposed Act are designed specifically for electric power facilities and are designed to provide better results than the (at best) haphazard present arrangement.

Other alternatives primarily involve different agencies or levels of government performing the environmental review licensing. The primary distinctions are administrative and legal rather than environmental and choices made are intended to facilitate the most effective means for conducting the reviews outlined in the Act.

As with any legislation which seeks to balance two potentially conflicting goals, it can be argued that the proper equilibrium should be struck more to one side or the other. The proposed Act recognizes the need for a reliable power system throughout the Nation; a dependable energy supply is in itself an enhancement of the human environment. Yet it seeks to assure attainment of that goal with minimum adverse impact on the environment.

Alternative standards could have willingly jeopardized either environmental quality for the sake of electric power, or a dependable electric power supply for the sake of total preservation of the natural environment. The balance struck in the proposed legislation seems the most beneficial for all environmental goals as set out in the National Environmental Policy Act.

Finally, an alternative approach would have been to establish a totally Federal certification procedure. Such an alternative would be undesirable on a number of points; it would interfere with an area of traditional state regulation; it would overturn the many positive acts taken by several states in recent years to establish needed controls over the siting of power plants; and it would tend to remove many factual issues from the forum in which they could best be resolved by informed citizens and utilities working with government at all levels.

5. RELATION BETWEEN LOCAL SHORT-TERM USES AND LONG-TERM PRODUCTIVITY OF THE ENVIRONMENT

The procedures of this Act, especially long-range planning, are designed to facilitate an explicit, conscious balancing of long and short-term uses of the environment. Continuation of the present degree of conflict and delay in the construction of bulk power facilities for purposes of environmental protection may bring the short-term benefits of inaction. However, current and potential energy needs will require the construction of additional facilities, and as the need for

power becomes more critical, proper consideration of environmental factors will become relatively less critical, unless the proper institutional framework is established.

6. IRREVERSIBLE AND IRRETRIEVABLE COMMITMENTS OF RESOURCES

Since the Act only establishes governmental entities, review procedures and study policies, it makes no commitments involving natural resources. Relatively small financial commitments will be required to implement the Act. These will be used primarily to establish and maintain appropriate offices and staff for the certifying agencies.

SITING ACT OF 1971

SECTION 1.—Short title.

POLICY PREAMBLE

SEC. 2.—Congressional findings and public policy reasons for this Bill

To further national environmental policy set forth in National Environmental Policy Act of 1969

To further national electric energy policy of the Federal Power Act

To act in the interests of the environment, interstate commerce, investors and consumers.

2(a)—Finding that bulk power facilities needed for reliable power supply be constructed in a timely basis in consonance with environmental and natural resource values;

2(b)—Determination that in order to meet objective of 2(a) utilities should engage in long-range planning and bodies should be established to certify bulk power facilities prior to construction;

2(c)—Finding that the siting of bulk power facilities is a significant land use issue which should be resolved on a State or regional level;

2(d)—Finding that Federal, regional and State authorities should act expeditiously in reviewing and certifying bulk power facilities;

2(e)—Determination that Federal guidelines are needed for the Federal, regional, and State certifying agencies;

2(f)—Determination that the long-range planning should be carried out through the National and regional reliability councils, which are voluntary groups open to all systems in the industry; and that these councils participate in the work of the FPC under Section 202(a) of the Federal Power Act;

2(g)—Determination that the Federal government assist in the development of new siting approaches for power plants and in the multiple use of rights of way and facilities for other utilities and public services.

DEFINITIONS

SEC. 3—Definition section covering particular terms used in the Bill.

3(a)—Describes one of two types of regulated parties, "electric entities" which are all non-Federal systems which own or operate "bulk power supply facilities"; "electric entities" include States, municipals, individuals, corporations, cooperatives and any other types of organizations;

3(b)—Describes the other type as "federal electric entity"; e.g., the Tennessee Valley Authority and the Bonneville Power Administration;

3(c)—Identifies "bulk power supply facilities" as electric generating equipment of 300,000 kilowatts or more and transmission lines of 230 kilovolts and higher, together with associated facilities; but any facilities licensed under Part I of the Federal Power Act shall not be subject to the jurisdiction of the certifying bodies established under this Act;

3(d)—States that the "Federal certifying agency" will be such Federal agency, agencies or department as may be designated by the President (after its establishment it is intended that the Department of Natural Resources be designated the Federal certifying agency);

3(e)—Identifies the State or regional agencies who may certificate sites and facilities;

3(f)—Defines "regional" as two or more States; and

3(g)—Defines the "commencement of construction" in terms of site preparation which would adversely affect the natural environment but excludes temporary recreational use, preconstruction testing and monitoring to establish site suitability.

LONG-RANGE PLANNING

SEC. 4.—Establishes a statutory requirement that all "electric entities and Federal electric entities" prepare coordinated regional long-range plans for bulk power supply facilities and that the plans be made available to government and the public;

4(a)—Requires each "electric entity and Federal electric entity prepare annually, long-range plans for bulk power facilities in accordance with FPC guidelines and permits these to be part of a single regional plan;

4(a)(1)—Requires the plans to identify the general location, size, and type of facilities whose construction is to begin during the following 10 years or longer (not to exceed a total of 15 years) if determined to be necessary by the Federal certifying agency and also to indicate any facilities which may be removed from utility service during the period or as a result of the completion of the new facilities;

4(a)(2)—Requires that the plans identify tentative alternative sites for power plants over 300,000 kilowatts and the general location of routes for transmission lines over 230 kilovolts at least 5 years in advance of construction and that they indicate the environmental effects and how potential adverse effects may be avoided or minimized;

4(a)(3)—Requires that the plans indicate how the bulk power facilities are coordinated on a regional basis to meet the electric power needs of the region;

4(a)(4)—requires that the plans indicate how environmental protection and land-use planning agencies have been involved in the planning process to minimize environmental problems;

4(a)(5)—Requires that the plans provide such additional information as the Federal certifying agency upon the advice of interested State and Federal agencies may prescribe;

4(b)—Requires that each "electric entity and Federal electric entity" file annually, copies of the long-range plan, including projections of the electric demand they are intended to meet, with appropriate government agencies at the Federal, regional, State and local levels and with interested citizens groups requesting them.

CERTIFYING AGENCY JURISDICTION AND QUALIFYING PROCEDURES

SEC. 5—Establishes a system for the certification of large electric power plants and high voltage transmission facilities prior to their construction;

5(a)—Affords the states an initial period of two years in which to establish a decision-making body at the State or regional level to certify the sites and related bulk power facilities of non-Federal utilities. These decision-making bodies would be either an existing agency of state government such as a natural resource agency or the public utility commission, or a newly created power plant siting agency or decision-making body;

Requires that the State or regional certifying agencies provide for the participation in the decision-making process by environmental protection, natural resource, planning and electric power service agencies of the State government and for participation by the public;

Requires that the State or regional certifying agencies be established and administered in accordance with the requirements of the Act and guidelines and any subsequent revisions thereto to be prepared and published in accordance with Section 9;

5(b)—Provides for notice to the Federal certifying agency by the governor of each State which establishes a certifying agency, review of the authorities and procedures by the Federal certifying agency, and issuance of a Certificate of qualification of procedure if they are in compliance with the Act including the guidelines established in accordance with Section 9;

Requires the Federal certifying agency to revoke the Certificate of qualification if the State or regional certifying agency fails to observe the requirements of the Act;

Provides that the Certificate of qualification shall constitute conclusive evidence to exercise the provisions of Section 6;

5(c)—Authorizes a Federal certification procedure applying Federal standards only with respect to electric entities in any State which does not establish and qualify its procedures within this two year period or has its qualification of procedure revoked; such Federal certification to continue in any State until the latter has a qualified certification procedure;

Authorizes transitional procedures which the Federal certifying agency may adopt in transferring pending matters to State or regional certifying agencies which so qualify;

5(d)—Requires that the Federal certifying agency consult with the Governor of each affected State before denying or revoking a Certificate of qualification of procedure, affording the State time for responsive action; and

5(e)—Authorizes judicial review of the Federal certifying agency action denying a Certificate of qualification or revoking an effective certificate; jurisdiction being in the United States Court of Appeals, with venue stated; and provisions for subsequent judicial review by the United States Supreme Court;

CERTIFICATION IMPLEMENTATION ELECTRIC ENTITIES AND FEDERAL ELECTRIC ENTITIES

SECTION 6—Implements the certification requirements for bulk power supply facilities of all non-Federal and Federal electric systems by State, regional or Federal certifying agencies;

6(a)—Prohibits the commencement of construction or the beginning of operation of non-Federal bulk power supply facilities two years after enactment unless a certificate of site and facility is obtained from the qualified State or regional certifying agency or lacking such a qualified agency from the Federal certifying agency;

Prohibits the commencement of construction or beginning of operation of Federal bulk power supply facilities two years after enactment unless a certificate of site and facility is obtained from the Federal certifying agency;

Requires that certified facilities be constructed, operated and maintained in accordance with the Certificate;

Establishes transitional certification requirements and procedures for facilities under construction two years from enactment providing that if sizeable investments applicable only to the site in question were already made certification would be granted if all necessary permits and licenses had been obtained prior to commencement of construction; and if no such investments were made that operation of these facilities may proceed pending certification subject to any reasonable actions or conditions later required by the certificating body;

Provides that facilities operational two years from enactment need not be certified but that sizeable additions thereto must be;

6(b)—Requires that all applications for a certificate of site and facility be filed at least two years prior to the commencement of construction;

Establishes as a prerequisite for such filing that Federal and non-Federal electric entities comply with the long-range planning requirements of Section 4; that, except for good cause, the site chosen be from the list of approved sites in accordance with Section 8(c) and the transmission line routes follow the general routes identified in the long-range plans;

6(c)—Expresses the intent of Congress that State, regional, or Federal certification proceedings be completed within the two year period prior to construction;

Requires that the Federal guidelines established in accordance with Section 9 facilitate a decision on applications for certification within 2 years;

Authorizes waiver of the certification requirements in Section 6 for good cause during the first 4 years after enactment;

States a statutory presumption that compliance with the long-range planning and filing requirements of Section 4 constitutes prima facie evidence of timely disclosure of construction plans for administrative and judicial proceeding;

6(d)—Permits any non-Federal electric entity to petition the Federal certifying agency for a Certificate of site and facility if the qualified State or regional certifying agency fails to act in a timely manner on the application for that facility and if the adequacy and reliability of the regional bulk power supply system imperatively and unavoidably requires a decision;

Authorizes the Federal Power Commission to prescribe by regulation the factual bases upon which to determine whether circumstances require the Federal certifying agency to assume jurisdiction;

Requires that for the Federal certifying agency to assume jurisdiction the Federal Power Commission must first find that adequate and reliable regional bulk power supply will be materially impaired by reason of failure of State action upon a timely basis;

Directs the Federal certifying agency to accord priority consideration to such situations and to do so under the provisions of Section 7 applying only Federal standards;

PROVISIONS FOR CERTIFICATION

SEC. 7.—Establishes the provisions and certain procedures to be used by Federal, State and regional certifying agencies when certifying bulk power facilities;

7(a)—Authorizes certifying agencies to issue Certificates of site and facility if after considering available alternatives they find the site or route will not unduly impair environmental values and will be reasonably necessary to meet electric power needs; or otherwise to deny the certificate;

Provides that the judgment of the agency is conclusive on all questions of siting, land use, state air and water quality standards, public convenience and necessity, aesthetics and any other State or local requirements but requires that Federal standards, permits or licenses must have been satisfied; the intent of this section is to provide a complete one-stop final decision on all approvals necessary at the State or local level of government. The guidelines to be established pursuant to Section 9 will attempt to coordinate and integrate any reviews of these facilities under Federal law with this decision-making process so as to achieve as close to a complete one-stop procedure as is possible;

Requires that the Certificate indicate agreement by the applicant to comply with the requirements of this Act and Section 202(a) of the Federal Power Act regarding reliability and adequacy of electric service;

7(b)—Require that the certifying agency assure full public review and give adequate consideration to all environmental values including the impact on adjacent States;

Authorizes the certifying agency to impose terms and conditions when issuing certificates;

Directs that the certificates be final and subject only to judicial review;

POWERS AND DUTIES OF CERTIFYING AGENCIES

SEC. 8.—Delineates the duties and authorities of State, regional and Federal certifying agencies;

8(a)—Requires certifying agencies to comment on the long-range plans submitted by Federal and other electric entities in accordance with Section 4 and to make these comments public;

8(b)—Requires certifying agencies to publish in each local newspaper in the affected area annual lists describing proposed power plant sites and general transmission line routes including the approximate year when construction is expected to begin;

8(c)—Requires certifying agencies to conduct mandatory public hearings promptly on any sites proposed 5 years in advance of construction and to decide if they should be included on the inventory of approved sites and establishes as a basis for decision whether or not construction of any plant on that site would unduly impair important environmental values;

8(d)—Requires certifying agencies to publish promptly in each local newspaper in the affected area pertinent details concerning applications for Certificates of site and facility and to hold public hearings prior to issuance of the Certificate;

8(e)—Authorizes certifying agencies to require Federal and other electric entities to provide necessary information and to assist in the conduct of hearings, investigations and studies;

8(f)—Authorizes certifying agencies to conduct any necessary studies or investigations;

8(g)—Authorizes certifying agencies to issue rules and regulations necessary to carry out this Act after public notice and comment;

GUIDELINES FOR CERTIFYING AGENCIES

SEC. 9—Requires the President upon the advice of interested Federal agencies and after public notice and comment to issue and revise as necessary guidelines for Federal, regional and State certifying agencies which shall include;

9(a)—Criteria for effects on environmental values;

9(b)—Criteria for evaluating relative environmental effects of alternative sites;

9(c)—Criteria for evaluating projected electric needs;

9(d)—Procedures for ensuring full public participation through consultation and hearing;

9(e)—Procedures for forming regional certifying agencies;

9(f)—Procedures for dealing with multi-state impacts;

9(g)—Personnel requirements for State and regional agencies;

EMINENT DOMAIN QUICK TAKE

SEC. 10—Authorizes non-Federal systems holding certificates of site and facility (electric entities) to utilize eminent domain procedures in Federal or State courts to acquire needed non-Federal property; and where the Federal courts are used, quick take procedures apply;

COMPACTS AND JOINT ACTION

SEC. 11—Encourages and facilitates cooperation among the States in carrying out the provisions of this Act;

11(a)—Gives advance consent of Congress to the negotiation and implementation of agreements or compacts to effectuate the certification procedures of the Bill through authorities or agencies, joint or otherwise, as to non-Federal systems;

11(b)—Expresses the intent of Congress that State certifying agencies are to be encouraged to cooperate in planning of bulk power supply facilities and that States adopt compacts, cooperative procedures and joint actions to coordinate and resolve environmental considerations which affect bulk power supply facilities;

FEE ASSESSMENT

SEC. 12—Authorizes each qualified Federal, regional or State certifying agency to assess and collect fees from electric entities and federal electric entities operating within its jurisdiction to cover the agency's costs of administration, necessary studies and personnel;

ADVANCED SITING AND ROUTING CONCEPTS

SEC. 13—Authorize the federal certifying agency in cooperation with other interested federal agencies and the electric power industry to develop a coordinated program of studies of new and evolving power plant siting and transmission line routing concepts.

FEDERAL AGENCY COOPERATION

SEC. 14—Authorizes all federal departments and agencies to cooperate with the Federal, regional and State certifying authorities in carrying out the purposes of the Act; specifically to provide staff experts, information and technical assistance and to undertake studies of the environmental impact of bulk power facilities upon request;

JUDICIAL REVIEW

SEC. 15—Subjects the orders and decisions of federal certifying agency pursuant to this Act to review under provisions of 5 USC 701–706;

Subjects the orders and decisions of State or regional certifying agencies pursuant to this Act to review under applicable State laws;

RELATION TO OTHER LAWS

SEC. 16(a)—States that the Act does not alter the jurisdiction of the CEQ or the requirements of the National Environmental Policy Act except;

Federal agencies are not required to prepare detailed statements pursuant to Section 102(2)(C) of the National Environmental Policy Act for bulk power facilities certified under Section 6 of this Act. Federal agencies will re-examine procedures after enactment of this Act to utilize the findings of the State, regional and federal certifying agencies and thus achieve as close to a complete one-stop procedure as is possible;

16(b)—States that this Act does not relieve persons or governments from the requirements or authority of the Atomic Energy Act of 1954 as amended or the Federal Power Act of 1935 as amended or from any other federal law;

PENALTIES AND ENFORCEMENT

SEC. 17—Provides for civil and criminal penalties for violating the provisions of the Act;

17(a)—Establishes civil penalties up to $10,000 per day for failure to obtain a required certificate of site and facility prior to construction of a bulk power facility or for failure to comply with such a Certificate once issued or for causing one of the above acts to occur;

17(b)—Establishes criminal penalties up to $1,000 per day or one year imprisonment or both for knowingly and wilfully violating subsection (a);

17(c)—Permits the Attorney General to seek a civil injunction or temporary restraining order in the United States district court when the Federal certifying agency determines that a person is violating or is about to violate the provisions of subsection (a).

By Mr. HUMPHREY:

S. 1685. A bill to provide for the establishment and enforcement of certain interim safety standards for power rotary lawnmowers. Referred to the Committee on Commerce.

LAWNMOWER SAFETY

Mr. HUMPHREY. Mr. President, there were some 140,000 injuries caused by power lawnmowers in 1969. About 70 percent of these injuries were lacerations, amputations, and fractures resulting from the cutting and crushing action of whirling blades.

Tips of the cutting blades often spin over the grass at speeds in excess of 200 miles an hour. Solid objects like pebbles, wire, glass, nails, and bottlecaps struck by high-speed blades can be propelled out of the blade housing, usually through the discharge chute, at high velocities.

There are 27 million power mowers in use in the United States today, and more than 90 percent are of the rotary type. Statistics indicate that the rate of injuries has continued to increase as the number of machines in use has increased, and current industry sales figures leave little doubt that the number of rotary mowers in the hands of consumers will continue to climb for some years to come.

The National Commission on Product Safety reported:

> Injuries from power mowers have increased in proportion to the numbers and use of these machines.

A study by the Commission showed power mowers "topping the list of products causing injuries."

The Commission concluded that industry self-regulation tends to permit the least responsible segment of an industry to retard progress and thus reduce the standard to the lowest common denominator.

Voluntary development and/or enforcement of safety standards by any trade association or group of manufacturers cannot fully protect the consumer for a number of reasons:

First. As long as membership is voluntary, there is no way to include all producers and thus make certain that each one will subscribe to a suitable set of standards.

Second. Even if a producer voluntarily joins the association and accepts the established standards, he may elect to exclude one or more of his products from the safety program.

Third. After standards have been agreed upon by all members, there is no workable, legal method for inspecting production models to determine if specifications are being met, or for enforcing compliance when obvious violations are found.

Fourth. Since developing and testing procedures inevitably involve additional expenditures of money which may tend to force the cost of some "budget-priced" models slightly higher, some manufacturers claim there is added sales resistance when they introduce new safety features, and thus they tend to shy away from either making improvements on their own, or cooperating in the introduction of safety standards developed by others.

Fifth. Unless there is establishment of safety standards that can be legally enforced on a nationwide basis, unreasonable hazards to the consumer will continue to exist and the toll in medical costs, time lost and emotional damage will continue to climb annually.

Mr. President, today I propose legistion to establish safety standards for power rotary lawnmowers. This is not the ultimate answer, only a first step. But it represents a major advancement over the present situation of voluntary compliance with industry standards.

This bill directs the Secretary of Commerce to establish, within 90 days of enactment, safety standards for power rotary mowers. The standards shall be consistent with those adopted by the Outdoor Power Equipment Institute in January 1971.

Any person or company manufacturing or selling a power rotary lawnmower which fails to meet the standards after they take effect could be liable for fines up to $50,000 or 6 months in jail or both.

This would be interim legislation that would fill in until the Congress enacts a broad product safety law, such as S. 983, the Consumer Product Safety Act of 1971.

I am a cosponsor of that bill because I support the principle of establishing an independent, new agency to set and enforce product safety standards.

Tough standards alone are not the answer. Certainly not all product-related injuries are directly attributable to faulty construction or poor design. Some are the result of careless or improper handling, which no manufacturing could have avoided.

Nevertheless, all the evidence indicates a large percentage of these accidents could have been prevented, or their effects at least minimized by some modifications or changes in the design of the consumer product involved—or in some cases by the mere addition of permanently affixed instruction plates or adequate safety warnings.

I hope the Commerce Committee and the Congress will give prompt consideration to this measure in time to help prevent another summer of needless injuries from power rotary lawnmowers.

By Mr. MOSS:

S. 1688. A bill to authorize the granting of mineral rights to certain homestead patentees who were wrongfully deprived of such rights. Referred to the Committee on Interior and Insular Affairs.

EQUITY FOR HOMESTEADERS

Mr. MOSS. Mr. President, I send to the desk for appropriate reference a bill I am introducing which would enable certain homesteaders or their successors in title to obtain equity from their Government.

The bill would accomplish this purpose by authorizing a homestead title holder who has been wrongfully deprived by the Government of the minerals in his land to apply to the Secretary of the Interior for conveyance to him of those minerals. The homesteader shall submit proof that the withholding of the minerals was the result of error, whether intentional or not, and that he was unduly pressured into waiving his mineral rights through ignorance or fear; or that there was some other wrongful or mistaken act on the part of the Federal officials involved in the issuance of the homestead patent.

When the homestead title holder's proof is accepted, the Secretary is to convey the minerals to the surface owner.

As was pointed out in the recent report of the Public Land Law Review Commission, a great many laws were enacted in years gone by under which a citizen could go out on vacant, unappropriated public lands, make an "entry," and by performing certain work and complying with specified procedures, he could get title to a given tract, the size of which might vary from 160 acres to 640 acres.

Under certain of these homestead laws, title to the minerals passed with the surface to the homesteader, provided the land had not been classified as having known mineral values. Under other laws, the Government was required to reserve coal, oil, and gas deposits whether or not there was any reason to believe such deposits did in fact exist.

The variety of laws, procedures, and situations led to a great deal of confusion and there were instances in which a homesteader did not get the minerals in his land to which he was rightfully entitled under the law and facts as known at the time he acquired title to the surface. On occasion, Congress has passed and the President has signed private laws for the relief of individual homesteaders or for specified groups, such as the Kenai homesteaders in Alaska.

The bill I am introducing today is for a general law to provide for rectification of this situation and enable homestead titleholders to obtain equity if they were wrongfully deprived of the minerals in their lands. No existing rights acquired by others, such as those of a Federal lessee on the land, would in any way be interfered with or invalidated.

By Mr. GURNEY:

S. 1690. A bill to amend title 18 and title 28 of the United States Code with respect to the trial and review of criminal actions involving obscenity, and for other purposes. Referred to the Committee on the Judiciary.

TRIAL AND REVIEW OF CRIMINAL ACTIONS INVOLVING OBSCENITY

Mr. GURNEY. Mr. President, as a result of its inability to provide an adequate definition of obscenity, the Supreme Court has become more a censorship board than a high court on the obscenity question. This is objectionable both for the Supreme Court and for the public, first, because it ties the Court to decisionmaking on specific works, and second, because it deprives the local community of its right to determine what will, and what will not be permitted in its locale. A solution lies close at hand, however.

On September 18, 1968, the late Senator Dirksen, in behalf of himself and Senator MANSFIELD, introduced S. 4058—a bill "With respect to the trial and review of criminal actions involving obscenity." The bill was referred to the Criminal Law and Procedure Subcommittee. Congress adjourned without any action having been taken on Senator Dirksen's bill.

In the 91st Congress Senator Dirksen again introduced his bill. It was referred to the Judiciary Committee and then to the Criminal Law and Procedure Subcommittee with a request that the Attorney General forward a report to that committee. Again Senator Dirksen's bill came to nothing without the benefit of being reported to the floor of the Senate. I believe that this bill deserves a better hearing.

The conditions that prompted Senator Dirksen to submit his bill have not been ameliorated in the short time since the Senator's death. On the contrary, there is a greater need than ever to equip the States and localities with the ability to protect themselves from hard-core pornography. Since 1968 when Senator Dirksen first introduced his bill, the pornography business has grown to the proportions of a national scandal.

Senator Dirksen submitted this bill in an attempt to prevent the conditions that exist today: Legitimate theater has been forced to debase itself to compete with so-called "art theaters." Most sizable cities have been forced to put up with "peep shows" and the sale of pornographic material; and the neighborhood theater is no longer able to survive unless it offers the most degraded films available. Various factors encourage continued deterioration of the situation. Major American movie companies have moved into hardcore pornographic market; a sort of Gresham's law is working: dirty movies are driving clean movies out of circulation. Movie owners cannot get decent products for exhibition no matter how hard they try. This bill would give to the States the right to prevent the spread of pornography within their borders.

In *Roth* v. *United States*, 354 U.S. 476 (1957) the Court ruled that obscene material is not constitutionally protected speech or press under the first amendment. As a result of this and later cases, individuals could be prosecuted for violation of State and local obscenity statutes. The Roth case, further established the now classic definition of obscenity:

> Whether to the average person, applying contemporary community standards, the dominant theme of the material taken as a whole appears to prurient interest.

Under this ruling, we thought that the Court had established the right of the jury to determine the obscene nature of the material with which it dealt. It has not worked in this fashion. This bill is intended to reinforce that decision, or at least to allow it to become operational again.

Since the Roth decision the Court has continued to hear cases on appeal concerning the obscenity of specific articles. This practice has in effect undermined the basic tenets of the Roth decision. It is our contention that it is not within the purview of the Supreme Court to determine which particular article is and which is not obscene. The Supreme Court is a court of law and not a court of fact. As the Court itself set forward in Roth, the obscenity of a particular piece must be determined by the jury involved in the initial prosecution.

Although juries throughout the country are attempting to perform this function at present, the pornography dealers continue to thrive as they use the appeal process as a delaying and obfuscating tactic.

Stated simply, the problem is this: the Roth decision declared that obscene materials are not protected by the first amendment to the Constitution. The difficulty since the Roth case, however, has been in defining obscenity. For Federal courts this should not be so, as Roth provided a clear and reasonable definition of obscenity. State statutes defining obscenity, however, have not dealt adequately with the constitutional issues of law.

The most common cause of constitutional difficulty in State law has been the problem of vagueness. Generally, State and Federal statutes that attempt to legislate against obscene materials are rules to be "unconstitutionally vague." As a result of the States' inability to enact constitutionally sufficient legislation, the pornographers flourish and the courts struggle. Blount against Rizzi, decided earlier this year, makes this quite clear.

In deciding Blount against Rizzi, the Supreme Court never actually dealt with the question of obscenity. Rather, it was forced to act on other grounds thus further delaying and confusing the central issue of pornography. This bill would not prohibit appeal on other grounds, but it would make it possible for lower courts to determine what constitutes obscenity and have that decision stick.

But we have it in our power to stop the sale of filth in our communities. We can transfer permanently to the trier of fact—the jury or the judge—the power to make binding decisions as to what is, and, in fact, what is not, hardcore pornography.

This bill would make a fact of State and local control of obscenity issues.

By this bill, the question of obscenity is returned to the realm of fact where it belongs. That is, the jury would make the final determination as to whether or not a specific work is obscene. Each State and municipality, thus, would have the power to determine which films would be shown and what articles would be sold within its borders. As a result, the local community could regulate its moral atmosphere—as a community is entitled to do.

The legislation I propose would make it possible for communities to accomplish that end. On obscenity issues, the Supreme Court must be a court that considers questions of law, not of fact. Determinations of fact in obscenity cases should be made by lower level Federal and State juries. This legislation would make the question of the obscenity of a particular book, movie, et cetera, a fact. Each jury, then, would determine the question of obscenity in its individual jury room. A further result would be that the Supreme Court would not have the authority to review the jury decision that a specific article.

This bill is intended as a curb on hardcore pornography. To avoid the vagueness problem, of course, the States would be required to use caution and circumspection in passing obscenity legislation. By so doing, however, they can set standards for their legislative districts and effectively halt the present, overwhelming flow of pornography.

The legal result of this bill would be to prevent an appeal from a conviction where the determination of a jury as to the obscene character of the material is at issue. In the future, if it were enacted, appeals could be made on all matters of law and procedure of the case. Obscenity, however, would be treated as a question of fact determined by the jury, and not subject to review by the appellate courts.

I recognize that such a proposal raises significant issues in regard to constitutionality: First, we must inquire whether the Congress has the power to regulate the jurisdiction of the lower Federal courts? Second, does the Congress have the power to regulate the appellate jurisdiction of the Supreme Court? Investigation indicates that not only does the that it has exercised them in the past.

Article III of the Constitution conveys to the Congress the right to "ordain and establish" such inferior courts as it sees fit. In reference to the lower courts the Supreme Court has long upheld Congress' power to limit the jurisdictional scope of such inferior courts. Such an interpretation has rested on the Judiciary Act of 1789—viewed as a contemporary interpretation on the Constitution by Congress. The first Congress, in writing the first judiciary act, determined the jurisdiction for the Federal district courts it created and determined which categories of cases involving the Constitution, Federal laws, and treaties were to be heard in Federal courts and which matters were to be left to the State court systems. In *Turner* v. *Bank of North America* 4 Dall. 8, 9 (1799) the Supreme Court stated:

> The judicial power (except in a few specific instances) belongs to Congress. . . . Congress is not bound, and it would, perhaps, be inexpedient, to enlarge the jurisdiction of the Federal courts, to every subject, in every form which the Constitution might warrant.

Thus it falls within the rights of Congress to enlarge or limit the scope of review of Federal district or circuit courts.

In 1943 the Supreme Court staunchly defended this right in *Lockerty* v. *Phillips* 319 U.S. 183 (1943) by upholding the right of Congress statutorily to restrict the issuance of injunctions restraining price regulation. In this decision, the Court stated that there "is nothing in the Constitution which requires Congress to confer equity jurisdiction on any inferior Federal court." Emphasizing congressional power as conferred by article III of the Constitution, the Supreme Court stated that Congress could establish inferior courts "with jurisdiction from them in the exact degrees and character which to Congress may seem proper for the public good."

The significance of such pronouncements in relation to this bill is apparent. First, the Supreme Court properly recognizes that Congress possesses the power to review the decisions of a Federal jury as to determinations of obscenity. Second, it insures that rulings of State courts in regard to a determination fact on the

question of obscenity will not be overturned by Federal courts on appeals.

Also significant are those instances in the past that Congress has statutorily withheld powers from the Federal courts. A recent example is the Voting Rights Act of 1965. The Court held that Congress could, indeed, limit the inferior courts in their ability to hear broadly based attacks on the act. The Court insured this right under the "ordain and establish" clause of article III. There appears little doubt, then, that the Congress does have the power to limit the right of inferior courts to review determination of obscenity.

Just as important as jurisdiction for lower court review is the question of Supreme Court jurisdiction and review. Article III, section 2 of the Constitution states:

> In all cases affecting ambassadors, other public ministers and consuls and those in which a State shall be a party, the Supreme Court shall have original jurisdiction. In all other cases . . . the Supreme Court shall have appellate jurisdiction both as to law and fact, with such exception and under such regulations as the Congress shall make.

Our antiobscenity bill, of course, would not attempt to enter the area of original jurisdiction. Instead, it acts in regard to the plenary power provided Congress by article III of the Constitution.

Rulings by the Court have established that Supreme Court review is based not on constitutional direction, but on affirmative bestowal of jurisdiction by the Congress. This principle was first determined in *Wiscart* v. *Bauchy*, 3 Dall. 321 (1796). The Court acknowledged that in the absence of a prescribing statute, the Supreme Court lacked jurisdiction. The Court went on to indicate that were there such a rule for procedure, it could not fail to follow it. In its decision in *Ex Parte McCardle*, 6 Wall. 318 (1868), the Court further confirmed this trend by stating:

> Without jurisdiction the Court cannot proceed at all in any case. Jurisdiction is power to declare the law and when it ceases to exist, the only function remaining to the Court is that of announcing the fact and dismissing the cause.

The Court felt that congressional acts of jurisdiction were "acts granting jurisdiction and not as making exception to it."

Further, the decision of the *Francis Wright*, 105 U.S. 381 (1882), determined that entire classes of cases could be kept out of the jurisdiction of the Court to review. In the 1964 case of *Jacobellis* v. *Ohio*, 373 U.S. 184, 187–190 (1964), Chief Justice Warren stated:

> I would reiterate my acceptance of the rule of the *Roth* case: Material is obscene and not constitutionally protected against regulation and proscription if "to the average person, applying contemporary community standards, the dominant theme of the material as a whole appeals to prurient interests." I would commit the enforcement of this rule to the *Roth* rule. . . . This is the only reasonable way I can see to obviate the necessity of this Court sitting as the super-censor of all the obscenity purveyed throughout the Nation.

From the Wiscart decision to the present, then, the court has acknowledged the strength of the exceptions and regulations clause in limiting the jurisdiction of the Supreme Court. This bill would come within the areas defined over the years by the Court as proper for congressional legislation. The Supreme Court, then, can and, in my judgment, should be deprived of the need to pass on questions of fact in obscenity cases. In the Jacobellis case Chief Justice Warren stated further that—

> Protection of society's right to maintain its moral fiber and the effective administration of justice require that this Court not establish itself as an ultimate censor.

Since Supreme Court appellate jurisdiction rests on a congressional rather than on a constitutional grant, it is within the power of Congress to determine what the limits of such jurisdiction shall be. In my view, the Congress must exercise its obligation to the country on the question of obscenity. This bill would fulfill that obligation, since it would give to localities and municipalities the right and the ability to halt any unwanted flow of pornographic or obscene materials into their territories.

The major provisions of this bill are, in brief, that in any action of a criminal nature arising under the United States Code on obscenity, the jury shall determine whether or not an article is in fact obscene without instruction by the Court. Second, in any criminal action under any statute of the United States no appellate court of the United States shall have the power to set aside any determination of obscenity made by a jury pursuant to the above section. Finally, in any criminal action initiated under any State statute, no Federal court shall have the power to reverse the determination made by any State court in regard to the obscenity of any particular article, matter, thing, device, or substance.

I ask unanimous consent that the text of my bill be printed at the conclusion of my remarks.

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

S. 1690

A bill to amend title 18 and title 28 of the United States Code with respect to the trial and review of criminal actions involving obscenity, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) chapter 71, title 18, United States Code, is amended by adding at the end thereof the following new section:

"§ 1466. Determinations of fact

"In every criminal action arising under this chapter or under any other statute of the United States determination of the question whether any article, matter, thing, device or substance is in fact obscene, lewd, lascivious, indecent, vile, or filthy shall be made by the jury, without comment by the court upon the weight of the evidence relevant to that question, unless the defendant has waived trial by jury."

(b) The section analysis of that chapter is amended by inserting at the end thereof the following new item:

"1466. Determinations of fact.".

SEC. 2. (a) Title 28, United States Code, is amended by adding at the end thereof the following new chapter:

"Chapter 176.—ACTIONS INVOLVING OBSCENITY

"Sec.
"3001. Judicial review.
"§ 3001. Judicial review

"(a) In any criminal action arising under any statute of the United States for the prosecution of any person for the possession, sale, dissemination, or use of any obscene, lewd, lascivious, indecent, vile, or filthy article, matter, thing, device, or substance, no court of the United States or of the District of Columbia shall have jurisdiction to review, reverse, or set aside a determination made by a jury on the question whether such article, matter, thing, device, or substance is in fact obscene, lewd, lascivious, indecent, vile, or filthy.

"(b) In any criminal action arising under any statute of any State or under any law of any political subdivison of any State for the prosecution of any person for the possession, sale, dissemination, or use of any obscene, lewd, lascivious, indecent, vile, or filthy article, matter, thing, device, or substance, no court of the United States shall have jurisdiction to review, reverse, or set aside a determination made by a court of such State on the question whether such article, matter, thing, device, or substance is in fact obscene, lewd, lascivious, indecent, vile, or filthy."

(b) The analysis of title 28, United States Code, preceding part I thereof is amended by adding at the end thereof the following new item:

"176. Actions involving obscenity.....3001".

(c) The chapter analysis of part VI, title 28, United States Code, is amended by adding at the end thereof the following new item:

"476. Actions involving obscenity.....3001".

By Mr. FANNIN:

S. 1691. A bill to assist in the efficient production of the needed volume of good housing at lower cost through the elimination of restrictions on the use of advanced technology, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

HOUSING RIGHTS ACT OF 1971

Mr. FANNIN. Mr. President, the American people have long been accustomed to quality housing.

In recent years skyrocketing land prices, excessive construction wage increases, and an increasing multitude of technological impediments to efficient construction have forced the price of decent housing to astronomical levels. Several noted economists have gone so far as to say that the low-priced home is a thing of the past. One of the greatest roadblocks to efficient housing production is building codes.

There are some 80,000 separate jurisdictions controlling housing construction throughout the country. These codes, which are in large part instigated and maintained by the building trades unions, hit hardest in low- and moderate-income housing. In some cases they can add nearly $2,000 to the price of a home.

Today I am introducing legislation designed to help remedy this situation. The bill would cut through overlapping and impractical building codes. This would allow full use of modern construction technology, including prefabrication and modular construction. The legislation would prohibit restrictions on the use of modern technology which now denies adequate housing to a substantial portion of the American people. I am

pleased to note that 28 Congressmen in the House of Representatives, both Republicans and Democrats, have sponsored similar legislation.

Mr. President, in the Philadelphia pre-cut door case, the Supreme Court, in April 1967, indicated that unions could lawfully bar the use of prefabricated products in order to protect so-called customary on-site work. The Court said that the normal prohibitions of law against secondary boycotts and hot-cargo restrictions do not apply.

In another case at that time, the Supreme Court also upheld the union's refusal to install prefabricated insulation. The same grounds were cited:

That product restrictions only "preserve work traditionally performed by members of the union, and resulting cessation of business relations was beside the point."

The cost impact of codes must be measured not only in terms of available technology which is denied usage, but also in terms of technology not attempted due to the frustrations and financial limitations posed by the restrictive codes.

The financial impact is more pronounced for manufacturers of low and moderate income housing than for those of middle and upper income housing. Sixty percent of the low and moderate income group report significant added costs resulting from the necessity to build to varied standards. Only 30 percent of the higher income groups report the same problems.

My bill seeks to encourage the new technology and industrialization which, it should be evident, are basic ingredients for housing progress.

The acceptance of industrialization can do much to erase labor and code enforcement product boycotts.

Even some segments of organized labor favor the industrialized approach to home building. Peter Fosco, General President of the Laborers' Union, has said:

The Laborers' International Union of North America stands 100 percent behind the Government's efforts to encourage the development of new methods of industrialized homebuilding and promote their use. We see the emergence of factory-built housing as a necessary means toward catching up with the Nation's accelerating housing demands.

Industrialization should also make it more acceptable to achieve the proper balance of skilled and unskilled labor. Today, HUD officials estimate that the combined code and union rules force the use of skilled laborers for unskilled tasks equal to a 25-percent cost increase per building project.

For example, in New York City, it requires a master electrician to unload and plug in a new refrigerator.

These many problems and constraints have fragmented the housing industry to the point that 95 percent of the tens of thousands of single-family home builders build fewer than 100 units a year and 85 percent build fewer than 50 units a year. Further, 50 percent of the multifamily home builders build fewer than 100 units a year. Under these situations, very little research has been done to improve the building process. Very few companies have the financial capacity to do research. The incentive for risk in the development of new, higher-volume production approaches has not been present. And there has generally been no encouragement for upgrading the process of housing development.

Summing up the situation, the case against locally developed codes is that they add to housing costs, delay construction, block volume production, bar modern materials, inhibit creative design, and lack uniformity in requirements and administration and enforcement. They are often outdated and procedures for modernizing them are slow. We must make it possible to use such devices as prefabrication and modular construction.

Mr. President, I introduce this bill for appropriate reference.

By Mr. MAGNUSON (by request):

S. 1692. A bill to provide for the development or approval of test methods for consumer products. Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, I introduce by request, for appropriate reference, a bill to provide for the development or approval of test methods for consumer products, and ask unanimous consent that the letter of transmittal, statement of purpose and need and section-by-section analysis be printed in the RECORD with the text of the bill.

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

S. 1692

A bill to provide for the development or approval of test methods for consumer products

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 "Consumer Product Test Methods Act".

SEC. 2. DEFINITIONS. For purposes of this Act—

(a) "Secretary" means the Secretary of Commerce.

(b) "Agency" means an executive agency as defined in section 105 of title 5, United States Code but does not include the General Accounting Office; and "responsible officer" refers to the head of an agency designated by the Secretary pursuant to section 3 of this Act, or the officer designated by the head of such agency to perform the functions under this Act.

(c) "Person" includes corporation, partnership, organization, or individual.

(d) "Supplier" means any person engaged in the business of making consumer products available to consumers either directly or indirectly.

(e) "Consumer product" means any tangible personal property normally used for personal, family or household purposes; consumer product includes personal property intended to be attached to or installed in any real property without regard to whether it is so attached or installed.

(f) "Product characteristics" mean, with respect to consumer products, those important features of the product relating to functional use (including performance, safety, content, operating cost, and durability) that are measurable.

(g) "Test method" means a method or procedure by which product characteristics may be measured.

SEC. 3. PURPOSE. The purpose of this Act is to assist consumers in making informed judgments by providing suppliers with test methods which they can voluntarily utilize to afford consumers reliable and meaningful information on the performance characteristics of consumer products.

SEC. 4. IDENTIFICATION OF PRODUCTS BY THE SECRETARY. The Secretary shall, in consultation with the Office of Consumer Affairs:

(a) Assist consumers in obtaining reliable and meaningful information regarding consumer products by promoting the development, approval, and use of methods for testing objective characteristics of such products and by identifying classes of consumer products for which reliable information on product characteristics would be in the interests of consumers.

(b) Designate (with its consent), as to each class of consumer products so identified, an agency responsible for the performance of the test method development and other functions set forth in this Act giving due regard to the statutory missions and capabilities of the several agencies in relation to the consumer products involved.

(c) Establish priorities among consumer products for consideration by the designated agencies. In fixing priorities, the Secretary shall give consideration to the requests of other officers of the Government, consumers, and suppliers; to the technical complexity, economic impact, and importance of such products to consumers; and to such other factors as he may deem relevant.

SEC. 5. APPROVAL OF TEST METHODS. For each class of consumer products, with respect to which an agency has been designated pursuant to section 3(b), the responsible officer in the designated agency, after conferring and consulting with consumers, private organizations, and laboratories where appropriate and after providing interested persons an opportunity to participate and comment upon the activities covered under this section, shall:

(1) identify product characteristics that are measurable and that can and should be tested;

(2) approve test methods that will adequately measure these characteristics if such exist;

(3) encourage private organizations and laboratories to develop adequate test methods where such methods do not exist, under procedures established by the responsible officer, consistent with such guidelines as may be promulgated by the Secretary;

(4) develop and approve adequate test methods if he finds that no adequate test method exists with respect to a product or class of products, and that expeditious development of adequate test methods through qualified private organizations or laboratories is not feasible; and

(5) cause to be identified or published in the Federal Register all identified product characteristics and approved test methods.

SEC. 6. ACCREDITATION. (a) The Secretary is authorized to develop a system of accreditation to assist qualified persons in the competent performance of testing according to approved test methods. Such accreditation and all associated services will be made available on a reimbursable basis to those persons desiring to voluntarily participate in such systems. The accreditation system shall include appropriate safeguards to insure that imported consumer products do not suffer competitive disadvantage from its operation.

(b) Before the accreditation system authorized by this section may be instituted, the Secretary shall promulgate appropriate rules and regulations governing the operation of such system.

SEC. 7. ADVERTISING TESTED PRODUCTS. (a) The designated agency shall promulgate, subject to such guidelines as may be promulgated by the Secretary, rules and regulations governing the manner in which:

(1) test programs utilizing voluntary test methods approved under this Act must be

conducted to assure that the test results advertised are reasonably accurate;

(2) suppliers may advertise the results of tests and the fact that such tests were conducted according to test methods approved under this Act; and

(3) suppliers may advertise that consumer products have been tested by any person accredited pursuant to section 5.

(b) Such rules and regulations shall prohibit false and misleading representations and include a requirement that all such advertising fully and fairly disclose the complete results of such testing.

SEC. 8. UNLAWFUL ACTS. (a) It shall be unlawful for any person to induce or encourage the purchase of any consumer product:

(1) by falsely representing that any consumer product has been tested in accordance with methods approved pursuant to this Act;

(2) by making any false or misleading statement or omitting to state any material fact necessary to make any statement not misleading with respect to the test results on any consumer product represented as having been tested in accordance with such methods;

(3) by making any statement regarding a consumer product which does not comply with an applicable rule or regulation issued pursuant to the Act; or

(4) by falsely representing that he or any other person is credited pursuant to a system developed under the provisions of section 5 of this Act.

(b) It shall be unlawful for any person to whom a consumer product has been submitted for testing pursuant to test methods approved under this Act:

(1) to falsely represent that such product has been tested in accordance with test methods approved pursuant to this Act;

(2) to make any false or misleading statements or to omit to state any material fact necessary to any representation concerning test results obtained by that person; or

(3) to falsely represent that he or any other person is accredited pursuant to a system developed under the provisions of section 5 of this Act.

(c) No publisher, television or radio broadcast licensee, or agency or medium for the dissemination of advertising, except the supplier or packer of the commodity to which the violation relates, shall be liable under this section by reason of the dissemination of any advertisement or statement in violation of this section, unless he has refused, on the request of the Attorney General, to furnish the Attorney General the name and post office address of the person who caused him to disseminate such advertisement.

(d) With respect to advertising of consumer products from a foreign supplier or which were tested by persons outside the United States, the importer of such products shall be responsible for any violations of section 7 of this Act.

SEC. 9. ENFORCEMENT. (a) The Attorney General is authorized to bring actions in the district courts of the United States to prevent and restrain unlawful acts under section 7 of this Act.

(b) Any affected person may bring an action in the district courts of the United States to prevent and restrain unlawful acts under section 7 of this Act. *Provided*, that no less than 30 days prior to commencement of such action, such affected person shall give notice by registered mail to the Attorney General and to the intended defendant. Such notice shall state the nature of the alleged violation, the relief to be requested, and the court in which the action will be brought. No separate suit shall be brought under this subsection if the same alleged violation is the subject of a pending action brought by the Attorney General. *Provided further*, that in any action under this subsection, such affected person may elect, by a demand for such relief in his complaint, to recover reasonable attorney's fees. In such cases, the court shall, in addition to granting other relief as may be appropriate including costs, award to the prevailing party reasonable attorney's fees.

(c) The district courts of the United States shall have jurisdiction over suits for equitable relief authorized by subsection (a) and (b) of this section.

(d) Unlawful acts as defined in section 7 of this Act shall be unfair or deceptive acts or practices within the meaning of section 5 of the Federal Trade Commisison Act (15 U.S.C. 45).

(e) Any person who willfully violates any provision of section 7 shall, in the case of a natural person, be punished by imprisonment for not more than one year or by a fine of not more than $10,000 or both, or in any other case, be punished by a fine of not more than $100,000.

(f) The provisions of Section 13(b) of the Act of September 26, 1914, as amended (15 U.S.C. 53(b)), shall apply to the grant of equitable relief under this section.

SEC. 10. ADDITIONAL AUTHORITY. In carrying out the responsibilities conferred upon him under this Act, each responsible officer may:

(a) To the extent necessary and not inconsistent with other law, add personnel, acquire or establish additional facilities and purchase additional equipment for the purpose of carrying out such responsibilities.

(b) Request any federal agency to supply (on a reimbursable basis if appropriate) such statistics, data, testing methods, progress reports, and other information as he deems necessary to carry out such responsibilities.

(c) Subject to such general guidelines as may be promulgated by the Secretary, issue, amend, and revoke such rules and regulations as he deems appropriate to carry out such responsibilities.

SEC. 11. CONSUMER INFORMATION. The Secretary, in consultation with the Office of Consumer Affairs, is authorized to conduct appropriate information programs to assist consumers in understanding the significance of the information that may be furnished by suppliers pursuant to this Act.

SEC. 12. INTERPRETATION. Nothing in this Act shall supersede any other law relating to consumer products or any rule or regulation promulgated thereunder.

MARCH 18, 1971.

Hon. SPIRO T. AGNEW,
President of the Senate,
U.S. Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed are four copies of a draft bill "Consumer Product Test Methods Act," together with a statement of purpose and need and a section by section analysis thereof.

We have been advised by the Office of Management and Budget that there would be no objection to the submission of our draft bill to the Congress and further that its enactment would be in accord with the program of the President.

Sincerely,

MAURICE H. STANS,
Secretary of Commerce.

THE STATEMENT OF PURPOSE AND NEED FOR LEGISLATION PROVIDING FOR CONSUMER PRODUCT TEST METHODS DEVELOPMENT

The purpose of this bill is to provide for the development or approval of test methods for consumer products. These test methods when followed will produce reliable and meaningful test results relating to the performance characteristics of such products. By voluntarily utilizing such test methods, suppliers can then furnish consumers with valuable information to assist them in making informed marketplace decisions.

Experience has revealed to those members of the Federal Government concerned with consumer protection that because of the large number of technically sophisticated products on the market today it is difficult for the consumer, through his own efforts, to understand their performance characteristics. This is particularly so in the case of items which, although they represent a large portion of his budget, are purchased infrequently by the consumer.

The private sector already has the necessary resources to test and evaluate the many consumer products on the market. There are almost 900 private testing laboratories in this country and countless other qualified testing facilities connected to various segments of industry. Most of these resources have been used in the past to measure the performance of industrial products, thereby aiding the buyer and seller in the "industrial" marketplace. The methods used in this effort have proved themselves but the average consumer has not been the direct benefactor of these efforts. These same resources can and should be mobilized for the direct benefit of the consumer. Some segments of the private sector have already begun this effort and this bill should reinforce that activity.

Under the bill it would be the role of the Federal Government to mobilize these private resources and apply them to aid in the development of test methods that can be used for consumer products. It should be understood that it is not the function of the government under the bill to test consumer products. Nor would the government become a repository for test results about individual consumer products. The bill does not establish a system for the establishment of mandatory tests or test methods.

The goal of this bill is to create a system which will make it possible for the forces of the marketplace to take hold and provide the consumer with reliable and understandable information about the products he buys. The use of uniform test methods to meet this goal will benefit all segments of the economy because the objective basis for comparison that can be furnished to the consumer by this system will stimulate more effective competition in the private sector.

This legislation is needed:

(1) to authorize the federal government to develop test methods for consumer products where adequate privately developed methods do not exist and cannot be expeditiously developed;

(2) to provide test methods for suppliers to assist them in obtaining test results which they can furnish to consumers. This information will assist consumers in understanding and evaluating important product characteristics;

(3) to authorize the advertising by a supplier of the results of tests in a manner that will encourage him to furnish consumers with a means of objectively evaluating products, thereby providing both supplier and consumer with a basis for increased confidence in advertised product performance;

(4) to authorize the accreditation of manufacturers, laboratories or other suppliers performing testing in pursuance of the bill; and

(5) to authorize the government to develop information programs to assist consumers in understanding the significance of test results produced by approved test methods, thereby enabling the consumer to make informed judgments in the selection, purchase and use of consumer products.

SECTION BY SECTION ANALYSIS

Section 1 of the bill contains definitions of the terms used in the bill to include "supplier", "consumer product", "product characteristics", and "test method".

Section 2 of the bill states that the purpose of the bill is to assist consumers in making informed judgments by developing or ap-

proving test methods which suppliers may use to provide consumers with reliable and meaningful information about the performance characteristics of consumer products.

Section 3 provides that the Secretary of Commerce shall, in consultation with the Office of Consumer Affairs, promote the development, approval, and use of methods for testing objective characteristics of consumer products and shall identify classes of consumer products for which information on such characteristics would be in the interest of consumers. They shall then designate, as to each class of products so identified, an agency which will be responsible for the test evaluation and other functions prescribed in this bill. Additionally they shall fix priorities among the products to be considered by the designated agencies, taking into consideration requests from others, the technical complexity of the task, the economic impact of the product or class of products, the importance of such products to the consumer and any other relevant factors.

Section 4 outlines the duties of the agency designated to deal with such products or classes of products as the Secretary deems appropriate. Each agency designated by the Secretary shall confer, when appropriate, with consumers, private organizations and laboratories familiar with such products and afford interested parties an opportunity to participate and comment upon the activities covered by this section. The agency will then identify the product characteristics that are measurable and can and should be tested. Should there be test methods which adequately measure such characteristics, they may be approved by the designated agency. The Secretary will encourage the development of needed test methods. If there are no adequate methods in existence and expeditious development of test methods cannot be accomplished through qualified private organizations or laboratories the designated agency shall develop test methods. Finally, the designated agency shall identify or publish in the Federal Register all identified product characteristics and approved test methods.

Section 5 authorizes the Secretary to develop an accreditation system for laboratories or other facilities which may desire guidance in performing tests according to test methods approved under this bill. This service would be available to anyone who wants to voluntarily participate. Participants would reimburse the Secretary for services provided under this section.

Section 6 provides that the designated agency, following guidelines of the Secretary, shall issue rules and regulations prescribing (1) the conduct of test programs utilizing voluntary test methods approved under this bill to ensure that the test results advertised are reasonably accurate and (2) the manner in which suppliers may advertiser concerning test results, the fact that tests were conducted following approved test methods and that persons accredited pursuant to section 5 have tested the products. These rules and regulations shall, among other things, ensure that full and fair disclosure is made of the complete results of such testing and that false and misleading representations are prohibited.

Section 7 provides that it shall be unlawful to induce or encourage the purchase of any consumer product (1) by making false representations that the product has been tested in accordance with approved test methods; (2) by making false or misleading statements or omitting to state material facts concerning test results obtained using approved test methods; (3) by violating rules and regulations developed pursuant to this bill; and (4) by falsely representing that he or any other person is accredited pursuant to section 5 of this bill. Further, any person to whom a consumer product is submitted for testing pursuant to this bill is prohibited from (1) falsely representing that such product was tested; (2) making false or misleading statements or material omissions concerning the test results obtained; and (3) falsely representing that he or any other person is accredited pursuant to section 5 of this bill.

Members of the advertising media are exempted from sanctions under this section unless they refuse to divulge the name and address of the person causing publication of material violative of this bill to the Attorney General upon request. With respect to consumer products manufactured or tested outside of the United States, importers are made responsible for violations of Section 7.

Section 8 authorizes the Attorney General to judicially enforce this bill in the district courts of the United States and criminal penalties are provided. Pursuant to conditions prescribed in this section, any affected person may bring an action to prevent or restrain unlawful acts under Section 7 and such action may include a request for reasonable attorney's fees. Administrative enforcement is vested in the Federal Trade Commission under that Commission's power to restrain unfair or deceptive acts or practices.

Section 9 allows the designated agency to acquire equipment or establish the facilities required to carry out its responsibilities under the bill and to request other Federal agencies' assistance. The agency is also given the power to issue such rules and regulations as may be necessary to carry out its responsibilities.

Section 10 authorizes the Secretary, in consultation with the Office of Consumer Affairs, to conduct information programs to assist consumers in understanding the information that suppliers may furnish regarding the results of tests according to test methods approved pursuant to this bill. This program would assist the consumer interpret the test results in order to make informed judgments in the selection, purchase and use of consumer products.

Section 11 provides that this bill will not supersede any other law concerning consumer products.

By Mr. MAGNUSON (by request):

S. 1693. A bill to provide a new and improved system of Federal financial assistance to State and local governments for solving the transportation problems of the State and local governments and for improving the Nation's capacity to meet the demands of interstate commerce, and for other purposes. Referred to the Committee on Commerce.

TRANSPORTATION REVENUE SHARING ACT OF 1971

Mr. MAGNUSON. Mr. President, I introduce by request, for appropriate reference, a bill to provide a new and improved system of Federal financial assistance to State and local governments for solving the transportation problems of the State and local governments and for improving the Nation's capacity to meet the demands of interstate commerce, and for other purposes, and ask unanimous consent that the letter of transmittal be printed in the RECORD with the text of the bill.

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

S. 1693

A bill to provide a new and improved system of Federal financial assistance to State and local governments for solving the transportation problems of the State and local governments and for improving the Nation's capacity to meet the demands of interstate commerce, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress asesembled, That this Act may be cited as the "Transportation Revenue Sharing Act of 1971".

STATEMENT OF FINDINGS AND PURPOSE

SEC. 2. The satisfactory movement of people and goods within our urban areas and across our State boundaries vitally affects the commerce, welfare and prosperity of our Nation. The purpose of this Act is to improve the Nation's capacity to meet the demands of interstate commerce by enhancing the ability of State and local governments to meet their most pressing transportation needs by replacing a number of Federal assistance programs to States and localities with an improved system of sharing Federal revenues. Federal assistance through sharing of revenues is necessary to permit State and local governments to develop, operate, and maintain transportation systems, facilities, and equipment capable of providing for the fast, safe, convenient, and efficient movement of persons and goods, as determined in accord with State and local priorities.

Transportation can and should be a means for improving the quality of life. Transportation shapes communities and contributes significantly to environmental quality. It is declared to be national policy that the development of transportation systems developed under this Act shall assist in implementing community development plans and programs.

DEFINITIONS

SEC. 3. As used in this Act, unless the context otherwise requires—

(1) The term "consortium of governments" means any association which is (i) formed by general purpose governments located within a metropolitan area the combined population of which constitutes at least 75 per centum of the total population of the metropolitan area, and (ii) recognized by the Secretary, with the concurrence of the Governor of the applicable State, as an appropriate entity to act for the metropolitan area for the purposes of this Act, except that if any portion of the population comprising the 75 per centum minimum population set forth in clause (i) is located in more than one State, the concurrence of the Governor of each such State shall be necessary.

(2) The term "equipment" includes vehicles, vessels and rolling stock.

(3) The term "facilities" includes land or any interest therein, ways, terminals, devices designed for assisting or facilitating the movement of traffic or pedestrians and parking facilities.

(4) The term "Governor" means the chief executive officer of the jurisdiction involved.

(5) The term "mass transportation activities" means the acquisition, construction, reconstruction, or improvement of facilities or equipment (but not including public highways) for use in mass transportation service in urban places, and expenditures for purposes described in sections 9 and 11 of the Urban Mass Transportation Act of 1964 (49 U.S.C. 1601 et seq.).

(6) The term "metropolitan area" means a standard metropolitan statistical area defined by the Office of Management and Budget.

(7) The term "population" means the total resident population based on the most recent data compiled by the Bureau of the Cen-

sus and referable to the same point or period in time.

(8) The term "recipient" means any State, unit of general local government, Guam, or the Virgin Islands.

(9) The term "Secretary" means the Secretary of Transportation.

(10) The term "State" means any State in the United States; the District of Columbia; and the Commonwealth of Puerto Rico.

(11) The term "State Development Plan" means a plan for the obligation of shared revenues to be received under this Act by a State except for those amounts committed under sections 7(a) and 7(d) of this Act.

(12) The term "State Development Planning System" includes a State Development Planning Advisory Commission (hereinafter called the "Commission") whose duty it shall be to advise the Governor with respect to the formulation of the State Development Plan. The membership of the Commission shall be composed of representatives of each government planning board, as described in section 8(c) of this Act, together with the Governor of the State.

(13) The term "transportation activity" means (i) the acquisition, construction, reconstruction, improvement, operation, or maintenance of transportation systems, facilities, or equipment (including safety facilities and equipment); (ii) planning, training, research, development and demonstration activities, and highway safety program activities; (iii) the provision of matching shares for Federal-aid transportation programs; (iv) mass transportation activities; and (v) beautification, relocation, and environmental protection activities associated with any activity set forth in clause (i), (ii) or (iv) of this paragraph.

(14) The term "unit of general local government" means any city, municipality, county, town, township, parish, village, or other general purpose political subdivision of a State; and includes any consortium of governments.

(15) The term "urban place" means an urban place as determined by the Bureau of the Census.

BASIC AUTHORITY; TRANSPORTATION ACTIVITIES ELIGIBLE FOR ASSISTANCE

SEC. 4. The Secretary is authorized to make revenue sharing commitments and liquidating payments to recipients to carry out transportation activities in accordance with the provisions of this Act. Recipients are authorized to use revenues shared under this Act for transportation activities carried out by a governmental, quasi-governmental, or private entity, if such activities are performed for the public need and benefit as determined by the recipient.

AUTHORIZATIONS

SEC. 5.(a) There shall be available to the Secretary for obligation through revenue sharing commitments under this Act $1,285,000,000 for fiscal year 1972, and $2,800,000,000 for each of the fiscal years 1973, 1974, and 1975.

(b) There are authorized to be appropriated such sums as may be necessary for the liquidation of obligations incurred under this Act. Such sums shall be appropriated from the general fund of the Treasury, except that, to the extent that funds are available therein, (1) for fiscal year 1972, not more than $855,000,000 shall be available for appropriation from the Highway Trust Fund, and not more than $110,000,000 shall be available from the Airport and Airway Trust Fund; and (2) for each fiscal year after fiscal year 1972, there shall be available for appropriation from the Highway Trust Fund an amount equivalent to the amount obligated by recipients under this Act during the preceding fiscal year for highway related transportation activities, and for appropriation from the Airport and Airway Trust Fund an amount equivalent to the amount obligated by recipients under this Act during the preceding fiscal year for aviation related transportation activities.

ALLOCATION OF SHARED REVENUES

SEC. 6. As soon as possible after the effective date of this Act for fiscal year 1972 and not less than 90 days prior to the beginning of fiscal years 1973, 1974, and 1975, the Secretary shall allocate the amounts made available under section 5(a) of this Act as follows—

(a) The first $635,000,000 ($263,000,000 for fiscal year 1972) shall be allocated solely for mass transportation activities and apportioned as follows—

(1) Eighty per centum to those States containing in whole or in part, one or more metropolitan areas having a population of 1,000,000 or more in the ratio which the State's population in such areas bears to the total population in such areas in all States; and

(2) Twenty per centum to those States containing, in whole or in part, one or more metropolitan areas having a population between 50,000 and 999,999 in the ratio which the State's population in such areas bears to the total population in such areas in all States.

No State shall be apportioned less than $250,000 under this subsection.

(b) Of the remaining $1,022,000,000 for fiscal year 1972 and $2,165,000,000 for fiscal years 1973, 1974, and 1975, ninety per centum shall be allocated for transportation activities and apportioned as follows—

(1) Thirty-five per centum in the ratio which the population in urban places in each State bears to the total population in urban places in all States;

(2) Twenty-five per centum in the ratio which the population of each State bears to the total population of all States;

(3) Twenty per centum in the ratio which the area of each State bears to the total area of all States; and

(4) Twenty per centum in the ratio which the mileage of rural delivery routes and star routes in each State bears to the total mileage of rural delivery and star routes in all States at the close of the next preceding calendar year, as shown by a certificate of the Postmaster General, which he is directed to make and furnish annually to the Secretary.

No State shall receive less than one-half of one per centum of each year's total allocation to the States under this subsection: *Provided*, That Guam and the Virgin Islands each shall receive $1,000,000 and $2,000,000 for fiscal years 1972 and 1973, respectively, and these amounts shall be deducted from the amounts to be allocated under this subsection prior to making an allocation; and

(c) The remaining ten per centum shall be available for commitment by the Secretary at his discretion, except that if a consortium of governments shall be the recipient of shared revenues apportioned under section 7(a) or 7(d), the Secretary shall make additional commitments to that consortium equal to ten per centum of the shared revenues received by the consortium under such sections. In addition, the Secretary may commit these funds to recipients at his discretion for any transportation activity he deems appropriate but shall give priority to assisting recipients in developing and implementing comprehensive transportation plans, establishing consortia of governments in metropolitan areas having powers to implement comprehensive transportation plans for the various jurisdictions comprising the consortia, financing research, development and demonstration projects in all phases of transportation activities, and emergency relief repairs and reconstruction of serious damage resulting from natural disasters over a wide area and catastrophic failures from any cause.

(d) Not less than three months prior to the beginning of any fiscal year commencing with fiscal year 1973, the Secretary shall publish in the Federal Register (1) the amounts apportioned to each State under sections 6(a) and 6(b), respectively; and (2) the units of general local government determined by the Governor under section 7(f) to receive commitments of shared revenues under sections 7(a) and 7(d) and the amounts to be apportioned to such units by the State under such sections. All computations and determinations by the Secretary under this subsection shall be final and conclusive.

COMMITMENT OF REVENUES

SEC. 7. (a) The Secretary shall commit one-half of the shared revenues apportioned to a State pursuant to section 6(a)(1) to that State which will apportion directly to the State's units of general local government within metropolitan areas that have a population of 1,000,000 or more and that are contained in whole or in part in that State, in the ratio which the population of each such unit bears to the total population of all such units in all such metropolitan areas within the State.

(b) The remaining one-half of the shared revenues apportioned to a State pursuant to section 6(a)(1) shall be committed by the Secretary to that State for use by the State in its discretion solely for mass transportation activities in or benefiting metropolitan areas that have a population of 1,000,000 or more and that are contained in whole or in part in that State.

(c) The Secretary shall commit the shared revenues apportioned to a State pursuant to section 6(a)(2) to that State for use by the State in its discretion solely for mass transportation activities in or benefiting urban places.

(d) The Secretary shall commit the shared revenues apportioned to a State pursuant to section 6(b)(1) to that State which will apportion directly to units of general local government within the State, which are urban places. This amount shall be committed to each of these units of general local government in the ratio which its population bears to the total population of all those units of government within the State.

(e) The Secretary shall commit the shared revenue apportioned to a State pursuant to sections 6(b)(2), 6(b)(3), and 6(b)(4) to that State for use by the State in its discretion for transportation activities.

(f) As soon as possible after the effective date of this Act for fiscal year 1972 and not less than 120 days prior to each fiscal year thereafter, the Governor of each State shall determine, and notify the Secretary as to, the units of general local government within that State that are to receive commitments of shared revenues under sections 7(a) and 7(d), and the amounts to be apportioned by the State to such units under sections 7(a) and 7(d). Notwithstanding the foregoing provisions of this subsection, if the Secretary determines with the concurrence of the Governor or Governors, as the case may be, that a consortium of governments shall be the recipient of revenue sharing commitments pursuant to section 7(a) or 7(d), that consortium shall receive a commitment for an amount equivalent to the sum of the commitments which would otherwise have been received separately by the component units of government comprising the consortium.

(g) Until such time as a unit of general local government is authorized under State or local law and is eligible to receive funds and carry out activities under this Act, or in the event a unit refuses to accept funds, the shared revenues to which it would have been entitled shall be added to the apportionment of the State in which it is located for use by that State in its discretion sole-

ly for the same general purposes for which they were originally intended.

(h) Until such time as a State is authorized under State law and is eligible to receive a commitment and carry out activities under this Act, or in the event it refuses to accept funds, the shared revenues to which it would have been entitled shall be available to the Secretary for commitment under section 6(c) of this Act.

(i) The Secretary shall make payments to recipients to liquidate obligations incurred under this Act at such intervals and in such installments as the Secretary may determine, taking account of the objectives that the time elapsing between the transfer of funds from the United States Treasury and the disbursement thereof by a recipient shall be minimized: *Provided*, That the Secretary shall, with the concurrence of the Director of the Office of Management and Budget, prescribe regulations for the purpose of avoiding an inordinate rise in Federal outlays in fiscal years 1972, 1973, 1974, and 1975 resulting from concurrent disbursements pursuant to (i) funds provided prior to December 31, 1971, under the provisions of law (or predecessor statutes thereto) referred to in sections 18(a) and 18(b) of this Act and (ii) revenues shared under this Act.

(j) Advance payments made prior to and including December 31, 1971, and unearned at the close of business on December 31, 1971, shall be either returned promptly to the Federal agency concerned, or offset against the first shared revenues to which the same unit of government becomes entitled under this Act.

DEVELOPMENT PLANS

SEC. 8. (a) Commencing with fiscal year 1973 as a condition precedent to receiving a commitment of shared revenues under this Act, the Governor of each State shall publish and make available to the Secretary prior to the beginning of each fiscal year a State Development Plan formulated through the State Development Planning System: *Provided*, That the Secretary may, upon request of the Governor, accept an alternative State planning system which assures consultation and coordination with units of general local government within the State. Amendments to the State Development Plan may be submitted to the Secretary at any time prior to the termination of the fiscal year to which the Plan relates. This Plan and amendments thereto shall not be subject to approval by the Secretary.

(b) The State Development Plan shall set forth the specific program for transportation activities which are proposed to be undertaken or continued with the shared revenues received for obligation and expenditure by the State under this Act, and shall take into consideration the varying transportation objectives, needs and requirements of the several areas of the State, and the counties, municipalities and other localities within the State; and the coordination of transportation systems with those of each adjoining State to form an integrated network. This Plan shall also describe the degree to which there is coordinated use of all transportation resources and funds available for use within the State, and its counties, municipalities and other localities.

(c) For the purpose of formulating the State Development Plan, each State shall establish multi-jurisdictional government planning districts, which together shall encompass the geographic area of the entire State. Each planning district shall have a planning board to be composed of elected officials from units of local general government within such district, who shall be designated by these units. The duties and authorities of planning boards within the State shall be determined by the Governor of the State. In addition to such duties and authorities, it shall be the duty of each planning board to advise each unit of local general government which receives shared revenues under sections 7(a) and 7(d) of this Act as to the multi-jurisdictional effects and the relationship of the State Development Plan to the local plans prepared by each local government within the planning district. Representatives of each planning board, who shall be members of such board, shall be selected by the members of the board for membership on the State Development Planning Advisory Commission.

For the purposes of formulating the State Development Plan, the Governor of each State shall consult with his State Development Planning Advisory Commission, with other non-transportation development planning bodies within the State, and with the adjoining States.

(d) Prior to the receipt of any funds under this Act, commencing with fiscal year 1973 (and at least two months prior to the beginning of the appropriate fiscal year), each recipient unit of general local government shall publish and make available to the Secretary, the Governor of its State and the planning board of its multi-jurisdictional planning district, a general local government development plan which shall describe the transportation objectives and projected uses of shared Federal revenues received under this Act. The purpose of such plans shall be to permit public examination and appraisal of transportation activities carried out under this Act, to encourage the public accountability of recipients of shared Federal revenues and to facilitate coordination of activities at different levels of government. The general local government development plan shall reflect the degree to which activities under such plan relate to other State and area-wide programs and activities for transportation. Amendments to the local government development plan may be submitted to the Secretary, the Governor and the planning board at any time prior to the termination of the fiscal year to which the plan relates. Such development plan and amendments shall not be subject to approval by the Secretary, the Governor or the planning board.

RECORDS, AUDIT AND REPORTS

SEC. 9. (a) All revenues shared with recipients under this Act shall be properly accounted for as Federal funds in the accounts of the recipients.

(b) In order to assure that revenues shared under this Act are used in accordance with the provisions of this Act, each recipient shall

(1) Use such fiscal and accounting procedures as may be necessary to assure (i) proper accounting for obligations incurred and payments received by it and (ii) proper disbursement of such amounts;

(2) Provide to the Secretary, on reasonable notice, access to, and the right to examine any books, documents, papers, or records as he may reasonably require; and

(3) Make such reports to the Secretary as he may reasonably require.

RECOVERY OF FUNDS

SEC. 10. (a) If the Secretary determines after giving reasonable notice and opportunity for hearing that a recipient has failed to comply substantially with the provisions of this Act, he shall—

(1) Refer the matter to the Attorney General of the United States with a recommendation that an appropriate civil action be instituted; or

(2) Notify the recipient that if corrective action is not taken within sixty days from the date of notification, revenues shared with it will be reduced in the same or succeeding fiscal year by an amount equal to the amounts which were not expended in accordance with the provisions of this Act; or

(3) Take such other action as may be provided by law.

(b) When a matter is referred to the Attorney General pursuant to subsection (a)(1) of this section, the Attorney General may bring a civil action in any appropriate United States district court for such relief as may be appropriate, including injunctive relief.

(c)(1) Any recipient which received notice of reduction of revenues shared under subsection (a)(2) of this section may, within sixty days after receiving notice of such reduction, file with the United States Court of Appeals for the Circuit in which such recipient is located or in the United States Court of Appeals for the District of Columbia, a petition for review of the Secretary's action. The petitioner shall forthwith transmit copies of the petition to the Secretary and the Attorney General of the United States, who shall represent the Secretary in litigation.

(2) The Secretary shall file in the Court the record of the proceeding on which he based his action, as provided in section 2112 of title 28, United States Code. No objection to the action of the Secretary shall be considered by the Court unless the objection has been urged before the Secretary.

(3) The Court shall have jurisdiction to affirm or modify the action of the Secretary or to set it aside in whole or in part. The findings of fact by the Secretary, if supported by substantial evidence on the record considered as a whole shall be conclusive. The Court may order additional evidence to be taken by the Secretary, and to be made part of the record. The Secretary may modify his findings of fact, or make new findings, by reason of the new evidence so taken and filed with the Court, and he shall also file such modified or new findings, which findings with respect to questions of fact shall be conclusive if supported by substantial evidence on the record considered as a whole, and shall also file his recommendations, if any, for the modification or setting aside of his original action.

(4) Upon the filing of the record with it, the jurisdiction of the court shall be exclusive and its judgment shall be final, except that the same shall be subject to review by the Supreme Court of the United States upon writ of certiorari or certification as provided in section 1254 of title 28, United States Code.

RULES AND REGULATIONS

SEC. 11. The Secretary shall prescribe such rules, regulations, and standards as may be necessary to carry out the purposes and conditions of this Act.

ANNUAL REPORT

SEC. 12. The Secretary shall make an annual transportation report to the President and the Congress pertaining to transportation requirements and to the effectiveness of programs authorized under this Act.

CIVIL RIGHTS

SEC. 13. Revenues shared under this Act shall be considered as Federal financial assistance within the meaning of title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d).

AGREEMENTS BETWEEN THE STATES

SEC. 14. In the event that cooperation or agreements between States is necessary in order to realize the full benefit of provisions of this Act, the consent of Congress is hereby given to the States to enter into agreements.

LABOR STANDARDS

SEC. 15. All laborers and mechanics employed by contractors or subcontractors in any construction, alternation, or repair, including painting and decorating of projects, buildings, and works which are Federally assisted, which shall include revenues shared under this Act, 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). The Secretary of Labor shall have, with respect to such labor standards, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267, 5 U.S.C. appendix) and section 2 of the Act of June 13, 1934, as amended (48 Stat. 948, as amended; 40 U.S.C. 276(c)).

RELOCATION ASSISTANCE

SEC. 16. Notwithstanding the provisions of section 211 of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (84 Stat. 1894), no Federal contribution in addition to revenues shared under this Act shall be proivded for relocation payments and assistance for those displaced by transportation activities assisted under this Act.

FEDERAL USE OF AIRPORT FACILITIES

SEC. 17. Whenever any airport, or any part of an airport, is acquired, constructed, reconstructed, or improved with revenues shared under the Act—

(1) All the facilities of the airport developed with such assistance and all the facilities thereof usable for landing and takeoff of aircraft shall be available to the United States for use by Government aircraft in common with other aircraft at all times without charge, except, if the use by Government aircraft is substantial, a charge may be made for a reasonable share, proportional to such use, of the cost of operating and maintaining the facilities used; and

(2) The airport operator or owner shall furnish without cost to the Federal Government for use in connection with any air traffic control activities, or weather reporting and communication activities related to air traffic control, any areas of land or water, or estate therein, or rights in buildings of the airport operator or owner as the Secretary considers necessary or desirable for construction at Federal expense of space or facilities for such purposes.

EFFECT ON OTHER STATUTES

SEC. 18. (a) Upon the effective date of this Act, all of the unobligated balances available to the Secretary for carrying out the following provisions shall be rescinded—

(1) Section 14(b) of the Airport and Airway Development Act of 1970 (84 Stat. 224); and

(2) Section 4(c) of the Urban Mass Transportation Act of 1964, as amended (84 Stat. 965).

(b) Upon the effective date of this Act, one-half of the obligational authority for fiscal year 1972, and all of the obligational authority for fiscal year 1973 available to the Secretary under the following provisions shall be rescinded—

(1) Sections 105(a)(1), (2), (3), (4), (12), and (13) and 112(c) (1) and (2) of the Federal-Aid Highway Act of 1970 (84 Stat. 1715);

(2) Section 7(b) of the Federal-Aid Highway Act of 1966, as amended;

(3) Sections 202(f) (1) and (3) of the Highway Safety Act of 1970; and

(4) Sections 125, 131(m), 136(m), 143, and 144 of title 23, United States Code.

(c) The provisions of this Act supersede the provisions of section 208 of the Airport and Airway Revenue Act of 1970, and section 209 of the Highway Revenue Act of 1956, to the extent provisions of those sections are inconsistent with provisions of this Act.

(d) No condition, restriction, or requirement contained in the Airport and Airway Development Act of 1970, the Urban Mass Transportation Act of 1964, or title 23, United States Code, shall apply to this Act unless expressly made applicable by this Act.

(e) Revenues shared under this Act shall be considered as Federal funds within the meaning of section 308 of the Federal Aviation Act of 1958 (49 U.S.C. 1349).

(f) Nothing in this Act shall be interpreted as repealing the requirements in section 402(a) of title 23, United States Code, respecting the establishment by States of highway safety programs approved by the Secretary. For the purposes of the sixth sentence of section 402(c) of title 23, United States Code, the phrase "Federal aid highway funds apportioned" shall mean funds apportioned pursuant to section 104(b)(5) of title 23, United States Code.

EFFECTIVE DATE

SEC. 19. The effective date of this Act shall be January 1, 1972. Rules, regulations, guidelines, and other published interpretations or orders may be issued by the Secretary at any time after the date of enactment.

SECRETARY OF TRANSPORTATION,
Washington, D.C., April 6, 1971.

Honorable SPIRO T. AGNEW,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: There is transmitted herewith a proposed bill

"To provide a new and improved system of Federal financial assistance to State and local governments for solving the transportation problems of the State and local governments and for improving the Nation's capacity to meet the demands of interstate commerce, and for other purposes."

The bill is in implementation of the President's recent message to Congress on a new Special Revenue Sharing Program for Transportation. Its basic thrust is to provide for the return of Federal tax dollars to the States and local communities for investment in transportation with a minimum of Federal controls and restraints.

At present the Department of Transportation makes available to State and local governments a substantial amount of financial aid through the Federal-Aid Highway Program, the Urban Mass Transportation Program, Highway Safety Grants, and the Airport Development Assistance Program. Under the proposed bill, most operations under these programs would be phased out and over the period extending from January 1, 1972 through fiscal year 1975, the Secretary of Transportation would be empowered to commit to State and local governments a total of nearly $10 billion for transportation activities. Of that amount, $2.2 billion could be used only for mass transit activities. The remainder could be used as recipients of the funds see fit to carry out any transportation activity performed for the public need and benefit as determined by those recipients. This would include the operation and maintenance of facilities and equipment used in all modes of transportation, as well as the acquisition and construction of new systems and facilities. Nearly all the funds for these activities would be apportioned to State and local governments each fiscal year according to an allocation formula set out in the bill. Ten percent of the funds for general transportation activities would be made available to such governments at the discretion of the Secretary.

The bill authorizes the use of certain funds from both the Highway Trust Fund and the Airport, and Airway Trust Fund to meet obligations incurred under the bill. The Highway Trust Fund would continue to be used to finance the program for the completion of the National System of Interstate and Defense Highways which would not be included under revenue sharing, and the Airport and Airway Trust Fund would continue to be used in part to finance the Department's operation and support of the Federal airway system.

The new funding authorization provided for in the proposal represents a commitment to extend through 1975 funding for transportation activities at a level commensurate with the highest aggregate annual level that could be reasonably expected under the existing categorical grants that would be replaced.

As indicated in the President's message, special revenue sharing should strengthen our transportation efforts in many ways without sacrificing the strengths of our present programs. Three areas of utmost concern in our operations are safety, planning, and environmental protection. Certain provisions of this bill and of existing law should suffice to preclude any derogation of our efforts in the safety field. Provisions on planning are also included in the bill and require the coordination of transportation planning at the various levels of state and local government and provide for a single planning mechanism for various areas covered by special revenue sharing legislation.

It is our full intention to take whatever actions are necessary to carry out Federal responsibilities with regard to protecting the environment. These actions will be separate from revenue sharing legislation.

The Office of Management and Budget has advised that the enactment of this proposed legislation would be in accord with the program of the President.

Sincerely,

By Mr. MAGNUSON (by request):

S. 1694. A bill to authorize appropriations of the Department of Commerce to be available until expended or for periods in excess of 1 year. Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, I introduce by request, for appropriate reference, a bill to authorize appropriations of the Department of Commerce to be available until expended or for periods in excess of one year, and ask unanimous consent that the letter of transmittal, statement of purpose and need be printed in the RECORD with the text of the bill.

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

S. 1694

A bill to authorize appropriations of the Department of Commerce to be available until expended or for periods in excess of one year.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That appropriations of the Department of Commerce, other than appropriations specifically for salaries and expenses, are hereby authorized to be available without fiscal year limitation, or for periods in excess of one fiscal year, whenever so provided for in an appropriation act.

THE SECRETARY OF COMMERCE,
Washington, D.C., March 10, 1971.

Hon. SPIRO T. AGNEW,
President of the Senate,
U.S. Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed are four copies of a draft bill "To authorize appropriations of the Department of Commerce to be available until expended or for periods in excess of one year," together with a statement of purpose and need in support thereof.

We have been advised by the Office of

Management and Budget that there would be no objection to submission of our draft bill to the Congress from the standpoint of the Administration's program.

Sincerely,

MAURICE H. STANS,
Secretary of Commerce.

STATEMENT OF PURPOSE AND NEED

This legislation would provide authority for appropriations for the Department of Commerce to be made available for periods longer than one fiscal year without being subject to a point of order.

The authorizing legislation for a number of the Department's new programs has authorized appropriations to be available until expended. However, few of the older programs of the Department contain such authority. Despite this fact the Congress on a number of occasions has enacted appropriations for periods longer than a single fiscal year without specific substantive authority to do so. However, on some occasions when we have sought no-year or multiple-year authority in an appropriation act our right to request such provisions has been questioned.

The proposed legislation would make it possible for the Appropriations Committees to consider appropriation requests for all programs of the Department on a uniform basis and to approve proposed language for no-year or multiple-year appropriations whenever in their judgment such action would promote efficiency and economy by providing more effective planning and management of the programs involved.

Projects which are in the nature of a single job extending over several fiscal years, such as construction of facilities, procurement and installation of major items of equipment, the taking of censuses, and participation in fairs and expositions, require a continuity of planning and financing to achieve the most efficient and effective management. Implementation, control, and replanning can be carried out best in the context of total operation, rather than being conducted separately for each year.

The ideal practice in programs of these types is to appropriate incremental amounts each year, with language which allows each increment to remain available in a single appropriation account beyond the end of the fiscal year in which the funds are appropriated. Where funds have been appropriated in this manner it has proved to be an important factor in achieving savings and cost reductions through better planning and management of operations, particularly in periodic censuses. In addition, providing a single appropriation symbol for the entire operation has simplified recordkeeping and reduced accounting and bookkeeping costs. With respect to Census operations, the information collection phase and certain other early stages are subject to many circumstances which can result in delays or unpredictable increases in costs. Examples include unusually severe weather conditions during field collection, problems of respondent cooperation, inaccurate and incomplete reporting of data, and the like.

The appropriation carryover provision permits adjustments in the financial plan and rescheduling the work in a way to meet the overall timetable and budget goals to an extent not possible if the funds lapse at the end of each fiscal year. Without this flexibility work schedules are interrupted pending acquisition of supplemental funds.

Specific authority does not exist for Census' appropriation structure, however, and each census is threatened with loss of this most effective way of financing its work.

Similarly, appropriations for participation in U.S. Expositions, for research plant and equipment and facilities and satellite operations in NOAA, and plant and facilities appropriations for NBS have been made available for periods longer than one fiscal year without specific authority. The proposed bill would provide this authority. Appropriations for construction, plant improvement, and for purchase and installation of major equipment items should also be available without fiscal year limitation, or for multiple years.

Research projects typically require extensive negotiations to assure that the recipient of a research grant or contract will be able to make available its best talents and facilities and to clarify most carefully the objectives to be achieved, research procedures to be followed, etc. Such negotiations cannot always be completed within the time available after an appropriation is made until the end of the fiscal year in which it is made. If funds are available until expended, pressures to complete negotiations before the end of the fiscal year are avoided.

Multiple or no-year appropriations also provide opportunities for greater economies and efficiencies in negotiation of contracts for procurement of large equipment items and construction of facilities, as well as for research. Such projects are often carried out at least in part by Departmental personnel when satisfactory contracts cannot be negotiated and it is quite important that the funds be available for the entire cost of a project before it is initiated, in case it cannot be finished the first year. If the separate annual appropriation procedure were used, and an item could not be finished or contracted for by June 30, when the annual appropriation expired, a supplemental request might be required, or it might be necessary to delay the work until funds can be requested through the regular budget process. Delay of a year, for example, would no doubt result in cost increases.

Multiple and no-year appropriations, while providing needed flexibility, would still be subject to annual Congressional review and control.

By Mr. MAGNUSON (by request):

S. 1695. A bill to authorize appropriations to carry out the Standard Reference Data Act. Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, I introduce by request, for appropriate reference, a bill to authorize appropriations to carry out the Standard Reference Data Act, and ask unanimous consent that the letter of transmittal, statement of purpose, and need be printed in the RECORD with the text of the bill.

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

S. 1695

A bill to authorize appropriations to carry out the Standard Reference Data Act.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there are hereby authorized to be appropriated to the Department of Commerce such sums as may be necessary for fiscal year 1972 and succeeding fiscal years to carry out the purposes of the Standard Reference Data Act (15 U.S.C. 290–290f; 82 Stat. 339).

THE SECRETARY OF COMMERCE,
Washington, D.C., March 22, 1971.

Hon. SPIRO T. AGNEW,
President of the Senate,
U.S. Senate, Washington, D.C.

DEAR MR. PRESIDENT: Enclosed are four copies of a draft bill "To authorize appropriations to carry out the Standard Reference Data Act," together with a statement of purpose and need in support thereof.

We have been advised by the Office of Management and Budget that there would be no objection to submission of the draft bill to the Congress and further that enactment would be consistent with the Administration's objectives.

Sincerely,

MAURICE H. STANS,
Secretary of Commerce.

STATEMENT OF PURPOSE AND NEED

The Standard Reference Data Act (P.L. 90–396 approved July 11, 1968; 15 U.S.C. 290–290f; 82 Stat. 339) declared the policy of the Congress to make critically evaluated reference data readily available to scientists, engineers, and the general public. Under the terms of the Act the Secretary of Commerce is assigned the primary responsibility in the Government for providing for the collection, compilation, critical evaluation, publication, and dissemination of standard reference data. Section 7 of this statute precludes the enactment of any appropriations for the purposes of the Act after fiscal year 1969 unless previously authorized by legislation. Public Law 91–131 approved December 1, 1969 (83 Stat. 273) authorized the appropriation of sums not to exceed $6 million for fiscal years 1970 and 1971. The purpose of this bill is to authorize appropriations for fiscal year 1972 and for succeeding fiscal years so that the Secretary of Commerce may continue to carry out the responsibilities charged to him under the Act.

The Standard Reference Data Act authorized, at the time of its enactment, the appropriation of $1.86 million for fiscal year 1969, and that amount was allocated by the National Bureau of Standards; for the purpose of this Act, out of funds appropriated by the Congress. While Public Law 91–131, mentioned above, authorized a total of $6 million to carry out the purposes of the Act for fiscal years 1970 and 1971, the appropriations to NBS for these years permitted actual obligations during fiscal year 1970 of only $2.384 million, and it is estimated that about $2.4 million will be obligated in fiscal year 1971.

When the Standard Reference Data bill was under consideration by the Congress before its enactment in 1968, a considerably higher funding level was projected than has actually been realized. Therefore, the full benefits of the program have not been achieved. Nevertheless, the output of the program has demonstrated its value in many areas of science and technology, and it is increasingly being recognized as the source to turn to for authoritative data on the properties of substances. The operation of a number of Data Evaluation Centers has been placed on a routine basis, and a steady output of data compilations and critical reviews has been achieved. A total of 58 publications containing 8,500 pages of evaluated data have been produced since the establishment of the program. About 100,000 copies of Standard Reference Data publications have been distributed by the Superintendent of Documents. Sales of the documents are steadily increasing as the scientific and technological community become ever more aware of their quality and reliability.

In addition to providing reliable reference data for use by the entire scientific and technical community, the program serves another important function. Through the critical evaluation process, the generation of data in the laboratory is strongly influenced; standards of measurement are upgraded, and the reporting of results in the scientific literature is improved. This serves to increase the effectiveness of the national investment in scientific research. At a time of severe restrictions on science funding, this benefit from the Standard Reference Data program may be equal in importance to the benefits derived from the availability of the data.

As mentioned earlier, the Act precludes the enactment of appropriations to carry out this program unless such appropriations are pre-

viously authorized by legislation. This procedure has been followed from 1968, when the Standard Reference Data Act was enacted, to the present time. This program has now become firmly established as an ongoing activity of the National Bureau of Standards. Fiscal planning and management for this program can therefore be more effectively accomplished if the enactment of appropriations were not dependent upon the previous enactment of authorizing legislation. Accordingly, the legislation proposed by the Department would eliminate the need for periodic authorization of specific appropriations for the Standard Reference Data Act.

Although no specific amount is being requested in this bill, it is estimated that approximately $2.4 million will be obligated in fiscal year 1972, the same level as mentioned for fiscal year 1971. The activities supported by this authorization include many projects which improve the nation's capability to respond rapidly to the need for reducing air pollution, improving energy sources and distribution, developing new products, and strengthening technology and science in the United States. These benefits are derived through having good data readily available as needed to solve the technical problems associated with these areas of national need. Emphasis will be shifted to provide maximum usefulness to high priority national problems. Some continuing projects are to be strengthened while others are to be phased out. New techniques of data and information processing are to be employed to increase the efficiency of internal operations.

Section 5 of the Standard Reference Data Act authorizes the Secretary of Commerce to recover some of the costs of the program through sale of data at appropriate prices. Ultimately, data will be sold in a variety of forms—magnetic tape and other machine readable records as well as printed documents. However, the market for computerized forms is developing more slowly than was envisioned at the time the original legislation was submitted, and the financial return for the foreseeable future will largely come from sales of printed publications. The economics of the technical publication industry indicates that proceeds from such sales will be modest. Arrangements already established with both commercial and not-for-profit organizations have demonstrated this to be true. A policy of full cost recovery for special services to individuals or small groups is maintained.

Technological problems of the highest importance are now being attacked on a nationwide basis. Most of these problems will require technological solutions. The National Standard Reference Data System, a broad-gauge effort to assemble the results of completed scientific research for effective application to the solution of scientific and technological problems, is an essential resource for our nation at the present time.

By Mr. MAGNUSON (by request):

S. 1696. A bill to require load lines on U.S. vessels engaged in foreign voyages and foreign vessels within the jurisdiction of the United States, and for other purposes. Referred to the Committee on Commerce.

INTERNATIONAL VOYAGE LOAD LINE ACT OF 1971

Mr. MAGNUSON. Mr. President, I introduce by request, for appropriate reference, a bill to require load lines on U.S. vessels engaged in foreign voyages and foreign vessels within the jurisdiction of the United States, and ask unanimous consent that the letter of transmittal be printed in the RECORD with the text of the bill.

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

S. 1696

A bill to require load lines on United States vessels engaged in foreign voyages and foreign vessels within the jurisdiction of the United States, 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 International Voyage Load Line Act of 1971.

SEC. 2. The Secretary of the department in which the Coast Guard is operating (hereinafter referred to as "Secretary") shall enforce the provisions of this Act and prescribe regulations to carry out its provisions. With the consent of the Secretary of the Treasury, the Secretary may utilize officers of the Bureau of Customs to enforce this Act and the regulations established hereunder.

SEC. 3. DEFINITIONS.—As used in this Act—

(1) "new ship" means a vessel the keel of which is laid (or which is at a similar stage of construction) on or after July 21, 1968; and

(2) "existing ship" means a vessel which is not a "new ship".

SEC. 4. APPLICABILITY.—(a) This Act applies to vessels which—

(1) arrive at any port or place within the jurisdiction of the United States from foreign ports;

(2) make voyages between foreign ports (except foreign vessels engaged in such voyages); or

(3) depart from any port or place within the jurisdiction of the United States for a foreign port.

(b) This Act does not apply to—

(1) ships of war;

(2) pleasure craft not used in trade or commerce;

(3) fishing vessels;

(4) existing ships of less than one hundred fifty gross tons;

(5) new ships of less than seventy-nine feet in length;

(6) vessels which navigate exclusively on the Great Lakes; or

(7) vessels operating on sheltered waters between ports of the United States and neighboring countries as provided in any treaty of the United States.

(c) A vessel which voluntarily obtains load lines shall be treated as a vessel subject to this Act until its load line certificate is surrendered and its load line marks removed.

(d) This Act does not abrogate any provisions of treaties or conventions in effect, which are not in conflict with the International Convention on Load Lines 1966, and to which the United States is a signatory.

SEC. 5. DETERMINATION OF LOAD LINES; ISSUANCE OF CERTIFICATE; PROHIBITION.—(a) The Secretary shall prescribe load lines, the marking thereof and associated condition surveys for vessels subject to this Act to indicate the maximum safe draft to which each may be loaded, giving due consideration to, and making differentials for the service, type, and character of each vessel.

(b) Load lines shall be permanently and conspicuously marked and maintained in the manner prescribed by the Secretary. Upon completion of survey requirements and a finding that the load line is positioned and marked in the manner prescribed, the Secretary shall issue a load line certificate, to the master or owner of the vessel, which shall be carried on board the vessel

(c) A load line shall not be established or marked which is above the actual line of safety.

SEC. 6. APPOINTMENT OF SURVEYORS; REVOCATION.—The Secretary may—

(1) appoint the American Bureau of Shipping, or any other United States non-profit-making corporation or association for the survey or registry of shipping, to determine that a vessel's condition is satisfactory and whether its load line is positioned and marked in the manner prescribed by the Secretary and thereupon to issue a load line certificate;

(2) at the request of a shipowner, appoint a corporation or association for the survey or registry of shipping, or an officer of the United States, to determine that a vessel's condition is satisfactory and its load line is positioned and marked in the manner prescribed by the Secretary and thereupon to issue a load line certificate; and

(3) revoke an appointment under this section at any time.

SEC. 7. EXEMPTIONS.—When a vessel subject to this Act is shown to be entitled to an exemption from the provisions of this Act by an international agreement to which the United States is signatory, a certificate of exemption shall be issued to the vessel, and carried in lieu of the certificate required by section 5 of this Act.

SEC. 8. RECOGNITION; NONAPPLICABILITY.—(a) When it is found that the law and regulations in force in a foreign country relating to load lines are equally effective as this Act and the regulations hereunder, or when a foreign country subscribes to an international load line agreement to which the United States subscribes, the markings and certificate thereof of a vessel of the country shall be accepted as complying with the provisions of this Act and regulations hereunder. The control of such vessels shall be as provided in the applicable international agreement.

(b) Subsection (a) does not apply to vessels of foreign nations which do not similarily recognize the load lines prescribed under this Act.

SEC. 9. LOADING RESTRICTIONS; RECORDATION.—(a) No vessel subject to this Act may be so loaded as to submerge the prescribed load line, or to submerge the point where an appropriate load line under the Act and the prescribed regulations should be marked.

(b) The master of a vessel subject to this Act shall, after loading but before departing for a voyage by sea from any port or place in which this Act applies, record in the official log book or other permanent record of the vessel a statement of the relative position of the prescribed load line mark applicable at the time in question with respect to the water surface, and of the actual drafts of the vessel, forward and aft, at the time, as nearly as they may be ascertained.

SEC. 10. DETENTION OF VESSELS.—(a) When the Secretary has reason to believe that a vessel is about to leave a port in the United States or its possessions in violation of this Act or the regulations hereunder, the Secretary may, upon notifying the master or officer in charge of the vessel, order the vessel detained.

(b) Clearance required by section 4197 of the Revised Statutes, as amended (46 U.S.C. 91), shall be refused or withdrawn from any vessel so detained until correction of deficiencies.

(c) The master or officer in charge of a vessel may petition the Secretary, in a manner prescribed by regulation, to review the detention order.

(d) Upon receipt of a petition, the Secretary may withdraw the detention order, modify it, or require independent surveys as may be necessary to determine the extent of deficiencies. Upon completion of his review, including results of any required independent surveys he shall affirm, set aside, or modify the detention order.

(e) The owner of a vessel is liable for any costs incident to a petition for review and any independent surveys if the vessel is found to be in violation of this Act or the regulations hereunder.

SEC. 11. PENALTIES FOR VIOLATIONS.—(a)

Except as otherwise provided in this section, the owner and the master of a vessel found in violation of this Act or the regulations thereunder, are each liable to a civil penalty of not more than $1,000 for each day the vessel is in violation.

(b) Each person, if the owner, manager, agent, or master of a vessel who knowingly allows, causes, attempts to cause, or fails to take reasonable care to prevent the violation of subsection 9(a) of this Act or the regulations thereunder, is liable to a civil penalty of not more than $1,000 plus an additional amount of not more than $500 per inch of unlawful submergence.

(c) For any violation of subsection 9(b) of this Act or the regulations thereunder, the master of the vessel is liable to a civil penalty of not more than $500.

(d) Any person who knowingly causes or permits the departure of a vessel from any port or place within the jurisdiction of the United States or its possessions in violation of a detention order pursuant to section 10 of this Act, shall be fined not more than $1,000 or imprisoned not more than one year, or both.

(e) Any person who causes or allows the concealment, removal, alteration, defacement, or obliteration of any mark placed on a vessel pursuant to section 5 of this Act and the regulations thereunder, except in the event of a lawful change or to escape enemy capture in time of war, shall be fined not more than $2,000 or imprisoned not more than two years or both.

(f) For any penalty under this section the vessel is also liable.

(g) The Secretary may assess and collect any civil penalty incurred under this Act and, in his discretion, remit, mitigate, or compromise any penalty prior to referral to the Attorney General.

SEC. 12. Act, March 2, 1929, C. 508, 45 Stat. 1493; May 26, 1939, C. 151, 53 Stat. 783; and section 1 of Act, August 31, 1962, Public Law 87–620, 76 Stat. 415, are hereby repealed.

THE SECRETARY OF TRANSPORTATION,
Washington, D.C., March 30, 1971.

Hon. SPIRO T. AGNEW,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: There is transmitted herewith a draft of a proposed bill, "To require load lines on United States vessels engaged in foreign voyages and foreign vessels within the jurisdiction of the United States, and for other purposes."

The draft bill is submitted to implement the provisions of the International Convention on Load Lines 1966, which the United States has accepted and which came into force on July 21, 1968. The convention recognizes developments in the maritime industry since the drafting of the International Convention respecting Load Lines 1930, and the new regulations annexed to the 1966 Convention reflect these changes. The enclosed draft bill would provide for the implementation of these changes in the United States and to this end would replace existing authority commonly referred to as the "Foreign Load Lines Act", which would be repealed.

The existing law which requires load lines on certain vessels of 150 gross tons or more, would be supplanted for new vessels, by load line requirements based on a vessel's length. This is the major substantial change in the bill The proposal follows the 1966 Convention in setting forth the vessels to which the load line requirements are applicable and in enumerating vessels excepted. With the exception of a new section dealing with certificates of exemption as provided for in the Convention, the remaining provisions of the draft bill parallel existing sections 2 through 8 of the Act of March 2, 1929, which were generally in need of editorial revision.

The draft bill would authorize the Secretary of the department in which the Coast Guard is operating to prescribe regulations for determining load lines. He would also be responsible for enforcing the provisions of the Act, and to this end use of the officers of the Bureau of the Customs with the consent of the Secretary of the Treasury, is provided for. Provision is also made for the determination of the position and manner of marking of load lines by the American Bureau of Shipping or other United States nonprofitmaking organizations for the survey or registry of shipping and for the recognition of load line certificates issued by other nations which extend reciprocity to U.S. load line certificates.

Other provisions of the draft bill make it unlawful for a vessel to be so loaded as to exceed the maximum safe draft provided under the regulations and permit the detention of a vessel about to depart in an overloaded condition. The master of a vessel subject to the Act is required to record the ship's draft and position of the load line mark prior to the departure of a vessel from any port or place to which this Act applies.

Civil penalties are provided for violation of the Act or any regulations issued thereunder. The Act would also make it a crime to knowingly permit a vessel to depart from any port in violation of a detention order and to cause or allow the alteration of prescribed load line marks.

In the preamble to the 1966 Convention, the contracting governments state their intention "to establish uniform principles and rules with respect to the limits to which ships on international voyages may be loaded having regard to the need for safeguarding life and property at sea". The proposal being submitted therefore, does not apply to vessels which engage in coastwise trade, or which navigate exclusively on the Great Lakes, and existing authority requiring load lines on vessels engaged in these trades would not be affected.

The enactment of this proposed bill would not impose any additional budgetary requirement upon this Department.

It would be appreciated if you would lay this proposal before the Senate. A similar proposal has been submitted to the Speaker of the House of Representatives.

The Office of Management and Budget has advised that there is no objection from the standpoint of the Administration's program to the submission of this proposed legislation to the Congress.

Sincerely,

JOHN A. VOLPE.

By Mr. MAGNUSON (by request):

S. 1697. A bill to authorize appropriations to carry out the Fire Research and Safety Act of 1968. Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, I introduce for appropriate reference, a bill to authorize appropriations to carry out the Fire Research and Safety Act of 1968, and ask unanimous consent that the letter of transmittal and statement of need be printed in the RECORD with the text of the bill.

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

S. 1697

A bill to authorize appropriations to carry out the Fire Research and Safety Act of 1968

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there are authorized to be appropriated to the Department of Commerce such sums as may be necessary for fiscal year 1972 and succeeding fiscal years to carry out the purposes of the Fire Research and Safety Act of 1968 (Public Law 90–259; 82 Stat. 34).

THE SECRETARY OF COMMERCE,
Washington, D.C., March 26, 1971.

Hon. SPIRO T. AGNEW.
President of the Senate,
U.S. Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed are four copies of a draft bill "To authorize appropriations to carry out the Fire Research and Safety Act of 1968," together with a statement of purpose and need in support thereof.

We have been advised by the Office of Management and Budget that there would be no objection to submission of our draft bill to the Congress and further that enactment would be consistent with the Administration's objectives.

Sincerely,

MAURICE H. STANS,
Secretary of Commerce.

STATEMENT OF PURPOSE AND NEED

Title I of the Fire Research and Safety Act of 1968 (P.L. 90–259; 82 Stat. 34) calls upon the Secretary of Commerce to undertake a national fire research and safety program. This endeavor includes the gathering of comprehensive fire data, the establishment of a comprehensive fire research program aimed at reducing death, personal injury and property damage caused by fires, providing education and training programs related to fire, and conducting demonstrations of new approaches and improvements in fire prevention and control. The Act authorizes the Secretary to carry out this work directly or through the issuance of contracts or grants.

During hearings on the Act there appeared to be general agreement that the program ultimately should be funded at a level of at least $10 million annually to be fully effective. Progress toward this objective has been slow. Section 104 of the Act authorized a total of $5 million to be appropriated to cover the period from the date of its enactment to June 30, 1970. Although appropriations for fiscal years 1969 or 1970 were not adequate to permit a substantial implementation of the Act, the National Bureau of Standards reprogrammed funds to establish an office to plan and develop the larger program. The total level of effort in fiscal year 1970, including the ongoing program of research in the fundamental nature of fires in buildings, amounted to approximately $300 thousand.

A bill which would have authorized the appropriation of $5 million for fiscal years 1971 and 1972, plus such sums as required thereafter, had been favorably reported and was pending when the 91st Congress adjourned. However, the appropriation to the National Bureau of Standards for fiscal year 1971 included funds for fire research and safety which have permitted the program to operate at a level of about $1.03 million this year. The appropriation requested for fiscal year 1972 would maintain this program level.

The purpose of this bill is to authorize appropriations for fiscal year 1972 and for succeeding fiscal years so that the Secretary of Commerce may continue to carry out the responsibilities charged to him under the 1968 Act. The funds obtained through the authorization sought under this bill would be used to implement more fully the purposes of the Act. Initially, priority will be given to four areas; (1) data and information collection; (2) fire research; (3) innovation in fire fighting equipment; (4) fire service training and education.

(1) *Data and Information Collection*—Available fire records are inadequate and do not indicate reasons for our present high life and property losses or the extremely high injury rates for firefighters.

For example, in 1967, 12,200 lives were lost as a result of fire. Direct monetary loss be-

cause of fires is estimated at $2.1 billion annually. Firefighter injury rates in 1970 exceeded those for all other categories reported including miners. Hence, knowledge as to why these heavy losses are occurring is essential for determining the short-term and long-term steps which should be taken in research, provision of more effective protective equipment, development, of the techniques of fire fighting, fire detection, fire service training, and the like.

Two cooperative data collection programs have been started and must be continued and expanded with the funds requested. One involves a study of firefighter injuries and deaths and is being conducted with the assistance of local fire departments, and firefighter organizations. A start has been made, but the major part of the effort is still ahead. The other program is directed at understanding factors related to civilian injuries and property losses from fires, and is being conducted in cooperation with fire departments, county and state fire marshals and the National Fire Protection Association. Data processing and analysis, development of training aids and the training of reporting personnel is being supported with NBS funds. This work is, in part, also being supported by the Department of Housing and Urban Development. The findings of these studies will also provide a means for directing the fire research and safety programs within a cost-effectiveness framework.

(2) *Fire Research*—Present knowledge about building fires and life hazards of fire does not provide a sufficient basis for fire-safe design. To remedy this, a comprehensive fire research program, to be conducted at NBS and through contracts or grants is proposed. This program would include studies regarding the growth and spread of fire in and damage to buildings and the nature and hazard of smoke and toxic gases. Special emphasis would be given to techniques of fire detection and control.

(3) *Fire Fighting Equipment*—Tools and equipment used in firefighting and the protective clothing and equipment used by firefighters are in many instances outmoded. Funds are being used to stimulate innovation in firefighting. The first step has been to determine the kinds and severity of accidents peculiar to firefighting. A standard national firefighter's injury reporting system has been developed and is now being established. This is a part of the data collection program discussed above. Based on these findings, better performance criteria are being established for firemen's equipment and protective devices. Development of improved items is simultaneously being carried on through a cooperative effort with other Federal agencies, especially NASA, manufacturers, research laboratories, and other groups. New safety items developed will be introduced on a trial basis for fire service evaluation. Those which are truly useful will thus be able to demonstrate their value.

(4) *Fire Service Training and Education Needs*—The training of firefighters and the education of fire officers needs improving. Present programs are often fragmented and of uneven quality. It is intended to use part of the funds requested to determine the educational and training needs of fire services and to develop ways to attain improved fire service through training. One new training program for fire officers is being demonstrated. This effort must be expanded in both depth and breadth to fully meet the needs of the fire services.

Broad format educational programs to inform the public of fire hazards and fire safety techniques will be costly to execute. Moreover, their effectiveness might prove difficult to evaluate with existing statistical data on fires. Therefore, it is planned to develop a satisfactory technique and data base to evaluate their effectiveness. The funds requested would also be used in part to develop the necessary data, and to mount carefully designed pilot projects for testing prior to any large-scale educational programs, and partly to conduct educational programs directed at particular high interest problem areas and small, well defined segments of the public.

By Mr. MAGNUSON (for himself, Mr. ANDERSON, Mr. BAYH, Mr. BROOKE, Mr. CANNON, Mr. CHILES, Mr. CRANSTON, Mr. FANNIN, Mr. GRAVEL, Mr. GURNEY, Mr. HARRIS, Mr. HARTKE, Mr. HOLLINGS, Mr. HUGHES, Mr. HUMPHREY, Mr. JORDAN of North Carolina, Mr. INOUYE, Mr. KENNEDY, Mr. McGEE, Mr. McGOVERN, Mr. McINTYRE, Mr. MANSFIELD, Mr. MONDALE, Mr. MOSS, Mr. NELSON, Mr. PEARSON, Mr. PERCY, Mr. RANDOLPH, Mr. STEVENS, and Mr. TUNNEY):

S. 1699. A bill to establish a National Environmental Bank, to authorize the issuance of U.S. Environmental Savings Bonds, and to establish an Environmental Trust Fund. Referred to the Committee on Banking, Housing, and Urban Affairs.

ENVIRONMENTAL FINANCING ACT OF 1971

Mr. MAGNUSON. Mr. President, on October 13 of last year, I introduced the Environmental Financing Act to give citizens a new opportunity to insure a clean environment and to give State and local governments an additional source of funds to avert ecological degradation. The Environmental Financing Act was designed to help cities and States overcome the gap between growing environmental needs and a growing inability to meet those needs.

Events of recent months have demonstrated an intensification of this whipsaw-like problem. On the one hand, the need and the costs of essential environmental projects have risen dramatically. The National League of Cities—U.S. Conference of Mayors in a comprehensive nationwide survey estimate that $33 to $37 billion is needed over the next 6 years to effectively combat water pollution. The Council on Environmental Quality calculates that the cost of clean air for the next 4 years requires $4.5 billion. The Bureau of Solid Waste Management estimates that a minimum of $4.2 billion in new money is needed between now and 1975 to modernize trash collection systems, to eliminate open dumps, and to improve incinerators.

Yet, on the other hand, while the need and costs have been soaring, the ability of States and cities to financially meet these needs has plummeted. States and cities have been faced with record high interest rates, with voter rejection of bond issues, with poor bond ratings, and with statutory interest rate ceilings. Many communities have reached the legal limits of their taxing authority. The combination of these factors has led to what some deem a fiscal crisis. In this fiscal crisis—where authorities estimate that during this year alone State and local governments will have a $10 billion deficit—that State and local governments face this year, raises ominous implications for the environment.

Environmental programs have always been the stepchild of the budget allocation process, and in times of tight money demands for health, welfare, education and salary cost of living increases have all but precluded adequate funding of environmental programs. However, such a secondary status for the financing of environmental needs is a luxury of the past that can no longer be tolerated or supported in the present. Time is growing short to reclaim the environment.

When the cost of cleaning up the environment has been placed at $71 billion, a new effort by the Federal Government in the battle for survival is imperative. When State and local taxes have increased 262 percent over the last two decades yet State and local debt has increased more than 454 percent, a new program of Federal assistance to State and local governments is imperative. And when citizens across the Nation are crying out for clean air and clean water, a new option for direct citizen involvement and participation is imperative. Accordingly, Mr. President, today on behalf of myself and the 29 cosponsors, I am reintroducing the Environmental Financing Act which I believe to be the new program that the environmental future of our country demands.

The Environmental Financing Act consists of three integrated parts: a National Environmental Bank, an Environmental Trust Fund, and United States Environmental Savings Bonds. The National Environmental Bank will assist cities and States and other governmental entities by providing 25-year loans at a maximum interest rate of 3 percent for the construction of waste treatment plants, for the separation of combined storm-sewer systems, for the establishment and enforcement of air and noise pollution standards, for the creation and maintenance of solid waste disposal programs, and for other urgently needed programs that preserve, protect or enhance the environment. While loans could be made to States and cities for individual programs and for research and development into such critical areas as recycling, I would like to point out that the principal intent of the Bank is to assist States and cities in financing the non-federal share of existing grant programs. Viewed in this light then, the National Environmental Bank would complement and supplement existing grant programs and thereby make it easier for States, cities and other governmental entities to materially meet their pressing environmental needs.

The environmental trust fund is designed to foster proper planning by instituting an ongoing, guaranteed source of funds. In too many instances cities and States have been faced with what one Governor termed billion-dollar promises and million-dollar realities. The result has been that many governmental units, already strapped for funds, have been forced to prefinance the Federal share—only to find out later that the Federal share was impounded, delayed, or less than promised. Currently the Federal Government owes 19 States more than $800 million for prefinancing of the Federal share of waste treatment facilities. Instead of the 55 cents per

dollar authorized by Congress, one State estimates that it has been receiving only 7 cents per dollar promised. Such an additional burden on our already financially beleaguered States and cities is insufferable, and the environmental trust fund will mitigate perpetual, insured and growing source of funds guaranteed for one and only one purpose—trying to save our environment.

Initially funds will be used to underwrite the difference between what the Environmental Bank loans money out at, and what the bank borrows at. However, the trust fund is not limited to this use alone, for Congress can so decide that funds should be appropriated for other ecologically essential purposes The environmental trust fund then is a vehicle for immediate action now and a protection and insurance for the future against the poor planning and haphazard action that jeopardizes our limited resources.

U.S. environmental savings bonds will offer each and every citizen an unparalleled and unique opportunity to directly invest in the future of his environment. For the first time there will be an outlet and a new option for the citizen who wants to do more. For the first time there will be an answer to the frequent question of "What can I do?" With passage of the Environmental Financing Act, the individual citizen will be able to invest his money directly in U.S. environmental savings bonds and be secure in the knowledge these moneys will be placed in the environmental trust fund. In his first annual report on the state of the environment, the President stated that "the direct involvement of our citizens will be the critical test whether we can indeed have the kind of environment we want for ourselves and our children." I submit that U.S. savings bonds are the ideal instrument to challenge citizens to this direct involvement and to open up new previously untapped sources of funds that are so desperately needed in our fight to preserve a livable environment.

Since I introduced the Environmental Financing Act last year, widespread and enthusiastic support for the bill has developed. At the December quarterly meeting of the national board of directors of the Sierra Club, the Environmental Financing Act received the formal endorsement of that prestigious conservation group, and I quote:

> The Sierra Club supports legislation that would establish an environmental trust fund, an environmental bank, and an environmental savings bond program, with the qualification that such a program would be strictly supplemental to full funding under the various federal environmental programs and would not be used as a substitute for adequate appropriations.

Mr. President, the Sierra Club is correct in emphasizing that the Environmental Financing Act must be above and beyond existing programs. As I mentioned earlier in my remarks and as I have stated to mayors and Governors throughout the Nation, the environmental financing gap between needs and the ability to meet those needs is growing daily. A new, extraordinary program must be developed to give States and cities additional assistance, and to this end I developed the Environmental Financing Act.

The Federation of American Scientists has also written a letter endorsing the bill. Two other potent environmental groups, the Citizens for Clean Air and the Citizens Committee on Natural Resources have also written letters of encouragement and support. The Sport Fishing Institute, one of the most successful forces in our Nation for clean water, has recognized the impact that the Environmental Financing Act can have on a situation where more than 95 million Americans drink water of inferior or unknown quality and that group has also endorsed the bill. The Air Pollution Control Association, one of the oldest and most active groups in the fight for clean air, recently wrote that the Environmental Financing Act could play a significant role in the battle against air pollution.

The cost of ill health from the environment has been placed at more than $35 billion by Dr. Paul Kotin, Director of the National Institute of Environmental Health Sciences. The other day I received a letter from the National Environmental Health Association endorsing the Environmental Financing Act as a means to meet these costs.

In addition to favorable editorials in Oceanography and the San Francisco Examiner and the support of diverse groups throughout the Nation that are concerned over the fate of our environment, I have received scores of letters from private citizens, academicians, environmentalists, Government officials, and businessmen supporting the Environmental Financing Act. While I will not burden the RECORD with all these letters, Mr. President, I would like to include a partial listing of some of the individuals who have written in support of the bill:

Mr. W. H. Ferry, former Dean of the Center for the Study of Democratic Institutions, Santa Barbara, California.

Professor A. Starker Leopold, Berkeley, California, former President of the National Wildlife Society.

Doctor Arthur D. Hasler, Professor of Limnology, University of Wisconsin.

Mr. Harold P. Koenig, President of the Ecological Science Corporation, Miami, Florida.

Doctor Paul Ehrlich, Professor of Biology, Stanford University.

Professor Richard S. Caldecott, Dean, College of Biological Sciences, University of Minnesota, St. Paul, Minnesota.

Mr. Tom O'Connor, private citizen, Bronx, New York.

Mr. John Cairns, Jr., Director, Center for Environmental Studies, Virginia Polytechnic Institute and State University, Blacksburg, Virginia.

Doctor Joe A. Edmisten, Director, Office of Environmental Studies, University of West Florida, Pensacola, Florida.

Mr. J. Marc McGinnes, Attorney at Law, Santa Barbara, California.

Mr. Vincent Schaefer, Director Atmospheric Sciences Research Center, State University of New York at Albany.

Mr. Herbert C. Storey, Associate Deputy Chief of the Forest Service, Department of Agriculture, Washington, D.C.

Professor Edward S. Deevey, Past President, Ecological Society of America, Halifax, Nova Scotia.

Mr. David M. Gates, Director of the Missouri Botanical Garden, St. Louis, Missouri.

Mr. Norman L. Dobyns, Director, Government Relations, American Can Company, Washington, D.C.

Doctor Lynton K. Caldwell, Professor of Political Science, Indiana University, Bloomington, Indiana.

Mrs. Edward T. Coopa, private citizen, White Plains, New York.

Mrs. Janet Miller Ehrmantraut, private citizen, Lexington, Kentucky.

Mr. Walter Taylor, Chairman, Citizens' Task Force on the Environment, Claremont, California.

Former Secretary of the Interior, Walter Hickel, conceptually endorsed the bill when he came forward with a similar proposal, calling for issuance of Environmental Savings Bonds.

Put simply, Mr. President, the Environmental Financing Act cuts through rhetoric and gets down to reality. The pollution bill is conservatively placed at $71 billion and State and local governments face a $10 billion deficit. The National Environmental Bank strikes at the heart of both of these problems with an authorization of up to $10 billion in long-term, low-interest loans. Nearly 30 million people participated in Earth Day last year and if just two-thirds of these had bought a $25 U.S. environmental savings bond, $500 million in new capital would already be generated toward cleaner air and cleaner water.

Citizens want to do more and the Federal Government must do more if we are to win the battle of survival. Individuals and groups throughout the Nation have recognized that the Environmental Financing Act can be a potent weapon for this battle, and I would hope that the Congress would similarly recognize the need and potentiality for the Environmental Financing Act and expedite its legislative passage.

The battle for a clean environment demands no less.

I ask unanimous consent that the letters from the Federation of American Scientists, the Sport Fishing Institute, the Air Pollution Control Association, and the Environmental Health Association, be placed at the conclusion of my remarks along with the full text of the Environmental Financing Act.

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

S. 1699

A bill to establish a National Environmental Bank, to authorize the issuance of United States Environmental Savings Bonds, and to establish an Environmental Trust Fund

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. This Act may be cited as the "National Environmental Financing Act of 1970".

FINDINGS AND PURPOSE

SEC. 2. (a) The Congress makes the following findings:

(1) There is an increasing need for funds to finance State, regional, and local programs designed to insure a livable environment for the present and for the future.

(2) Inflation, tight money, high interest rates, and strained tax bases make it increasingly difficult for State and local governments to financially meet critical environmental needs.

(3) The inability of the States and the localities to finance needed environmental programs jeopardizes the environment and thereby constitutes a clear and present danger to the public health and welfare.

(4) It is necessary and in the national interest for the Federal Government to assist State and local governments in financing needed environmental programs.

(5) It is necessary to encourage and stimulate greater citizen participation in the environmental future of our country.

(6) It is essential to increase the investment in our Nation's ecological future so that man and nature can live in mutually productive harmony.

(7) An ongoing, guaranteed source of funding for environmental programs is in the national interest.

(b) It is the purpose of this Act to establish a National Environmental Bank to make and guarantee long-term loans to State and local governments and other agencies authorized by law to finance environmental programs to control or abate pollution. It is the further purpose of this Act to authorize the issuance of Environmental Savings Bonds to increase citizen investment and participation in environmental programs. It is the further purpose of this Act to establish an Environmental Trust Fund to provide a perpetual and guaranteed source of funds for environmental programs of the present and the future.

DEFINITIONS

SEC. 3. As used in this Act—

1. The term "bank" means the National Environmental Bank established by section 4.

2. The term "bond" means the Environmental Savings Bond established by section 19.

3. The term "trust fund" means the Environmental Trust Fund as established in section 20.

4. The term "environmental program" means the construction of waste treatment plants, the establishment and enforcement of air pollution standards, the creation and maintenance of solid waste disposal programs, the establishment and enforcement of noise pollution standards, and other programs and services which will preserve, protect, or enhance the environment as designated by the board of the directors of the National Environmental Bank.

5. The term "local public body" means any State, county, municipality, or other governmental entity or public body, or two or more such entities or bodies, authorized to undertake the environmental programs for which assistance under this Act is sought.

6. The term "State" means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States.

ESTABLISHMENT OF BANK

SEC. 4. There is hereby created a body corporate to be known as the National Environmental Bank.

MANAGEMENT OF THE BANK

SEC. 5. (a) The management of the bank shall be vested in a Board of Directors (hereinafter referred to as the "Board") consisting of the Secretary of the Interior, Secretary of the Treasury, the Secretary of Commerce, the Secretary of Health, Education, and Welfare, the Secretary of Agriculture (or the designees of the respective Secretaries), the Director of the Environmental Protection Agency, the Chairman of the President's Council on Environmental Quality, the Director of the National Oceanic and Atmospheric Agency, and six other persons who shall be appointed by the President with the advice and consent of the Senate. Persons so appointed shall include representatives of State and local governments, private enterprise, and members of the general public. In making such appointments the President shall select persons who, among other relevant considerations, are knowledgeable in the field of environmental needs and problems.

(b) The terms of the directors appointed by the President shall be four years, commencing with the date of enactment of this Act. Any director appointed to fill a vacancy shall be appointed only for the unexpired portion of the term.

(c) Members of the Board who are otherwise compensated by the United States for full-time service shall serve without compensation in addition to that received for their full-time service. Other members of the Board shall receive compensation at the rate of $125 per day for each day engaged in the performance of their duties as directors. All directors shall be allowed travel expenses, including per diem in lieu of subsistence as authorized by law.

APPOINTMENT OF OFFICERS AND EMPLOYEES

SEC. 6. The Board shall appoint a president of the bank and such other officers and employees as it deems necessary to carry out the functions of the bank. Such appointments may be made without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and persons so appointed may be paid without regard to the provisions of chapter 51 of subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates. The president of the bank shall be an ex officio member of the Board and may participate in meetings of the Board except that he shall have no vote except in case of an equal division. No individual other than a citizen of the United States may be an officer of the bank. No officer of the bank shall receive any salary or other remuneration from any source other than the bank during the period of his employment by the bank.

CONFLICT OF INTEREST

SEC. 7. (a) No director, officer, attorney, agent, or employee of the bank shall in any manner, directly or indirectly, participate in the deliberations upon or the determination of any question affecting his personal interests, or the interests of any corporation, partnership, or association in which he is directly or indirectly personally interested.

(b) The bank shall not engage in political activities nor provide financing for or assist in any manner any project or facility involving political parties, nor shall the directors, officers, employees, or agents of the bank in any way use their connection with the bank for the purpose of influencing the outcome of any election.

GENERAL CORPORATE POWERS

SEC. 8. Except to the extent inconsistent with the provisions of this Act, the bank shall have the general corporate powers of a corporation organized and existing under the laws of the District of Columbia.

PRINCIPAL OFFICES: BRANCHES

SEC. 9. The principal office of the bank shall be located in the District of Columbia, and it may establish agencies or branch offices in any city of the United States.

CAPITAL STOCK

SEC. 10 (a) The bank shall have capital stock of $500,000,000 subscribed by the United States, payment for which shall be subject to call in whole or in part by the Board.

(b) The Secretary of the Treasury is authorized to, and upon request of the Board, shall purchase stock in amounts designated by the Board up to a total of $500,000,000.

BORROWING AUTHORITY

SEC. 11. (a) The bank may issue notes, debentures, bonds, and other evidences of indebtedness in such amounts and on such terms and conditions as the Board may determine subject to the limitations prescribed in this Act.

(b) The aggregate outstanding indebtedness of the bank at any time, including contingent liabilities on outstanding guarantees, may not exceed twenty times the paid in capital stock of the bank at that time.

(c) The obligations of the bank under this section shall be fully and unconditionally guaranteed both as to interest and principal by the United States and such guarantee shall be expressed on the fact thereof.

(d) In the event that the bank is unable to pay upon demand, when due, any of its lawful obligations, the Secretary of the Treasury shall pay the amount thereof and thereupon to the extent of the amount so paid by the Secretary of the Treasury shall succeed to all the rights of the holder of the obligations.

LOANS TO CARRY OUT ENVIRONMENTAL PROGRAMS

SEC. 12. (a) The bank may make or guarantee loans (including the purchase of obligations) to local public bodies to finance environmental programs. Financial assistance under this section shall be provided in accordance with standards and criteria established by the Board to insure a priority of assistance with respect to those programs where the need is most critical or which involve new and improved methods of waste disposal or pollution, or which directly abate the pollution of the environment.

(b) The effective interest rate for financial assistance extended under this section shall not exceed (1) 3 per centum per annum.

(c) Loans made or guaranteed by the bank shall have maturities not exceeding twenty-five years; except that the bank may in its discretion extend the period of payment on any loan.

(d) Loans made or guaranteed by the bank shall be of such sound value or so secured as reasonably to assure repayment.

TECHNICAL AND OTHER ASSISTANCE

SEC. 13. (a) The bank may provide to borrowers whatever assistance, technical or otherwise, it considers necessary to protect its investment and to carry out the purposes of this Act.

(b) To assure fulfilling the purposes of this Act, the bank shall direct an adequate number of staff members to seek out and confer with the representatives of local public bodies to provide information about the services furnished by the bank and to provide whatever assistance is necessary for the utilization of such services.

TAXABLE STATUS

SEC. 14. The bank, its property, its franchise, capital, reserves, surpluses, security holdings, and other funds, and its income shall be exempt from all taxation now or hereafter imposed by the United States or by any State or local taxing authority; except that (1) any real property and any tangible personal property of the bank shall be subject to Federal, State, and local taxation to the same extent according to its value as other such property is taxed, and (2) any and all obligations issued by the bank shall be subject both as to principal and interest to Federal, State, and local taxation to the same extent as the obligations of private corporations are taxed.

INVESTMENT STATUS OF OBLIGATIONS OF BANK

SEC. 15. All obligations issued by the bank shall be lawful investments for, and may be accepted as security for, all fiduciary, trust, and public funds the investment or deposit of which is under the authority or control of the United States or of any officer thereof.

PURCHASE OF ASSETS BY TREASURY

SEC. 16. The Secretary of the Treasury is authorized to purchase from the bank any asset of the bank at such price as may be agreed upon between the Secretary and the bank.

AUDIT BY GENERAL ACCOUNTING OFFICE

SEC. 17. The General Accounting Office shall audit the financial transactions of the

bank and for this purpose shall have access to all its books, records, and accounts.

ANNUAL REPORT

SEC. 18. The bank shall, as soon as practicable after the end of each fiscal year, transmit to the President and the Congress an annual report of its operations and activities.

ENVIRONMENTAL SAVINGS BONDS

SEC. 19. The Second Liberty Bond Act is amended by inserting after section 22B a new section as follows:

"SEC. 22B. (a) In addition to the United States savings bonds, and retirement and savings bonds authorized under sections 22 and 22A, respectively, the Secretary of the Treasury is authorized to issue from time to time United States Environmental Savings Bonds, the proceeds of which shall be deposited in the trust fund established by section 20. Such bonds shall bear interest at such rates, be issued in such forms and in such manner, be offered in such amounts (subject to the overall debt limitation imposed by section 21) and be subject to such other terms and conditions (including restrictions on transfer) as the Secretary of the Treasury may from time to time prescribe."

ENVIRONMENTAL TRUST FUND

SEC. 20. There is hereby established within the Treasury of the United States an Environmental Trust Fund. All proceeds from the sale of bonds under section 19 shall be deposited in the fund.

AUTHORIZATION FOR APPROPRIATIONS

SEC. 21. There are authorized to be appropriated from (1) the Environmental Trust Fund, and (2) to the extent that there is an insufficiency of sums credited to such fund, from any moneys in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the purposes of this Act. Any sums so appropriated shall remain available until expended. Sums appropriated under this section shall be available, as specified in appropriation Acts—

(a) to enable the Secretary of the Treasury to carry out his functions under sections 10(b) and 11(d);

(b) to enable the bank to pay the difference, if any, between the interest paid by it on its obligations and the interest received by it on its loans; and

(c) to pay the administrative and operating expenses of the bank in carrying out its functions under this Act.

SPORT FISHING INSTITUTE,
Washington, D.C., November 17, 1970.

Senator WARREN MAGNUSON,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MAGNUSON: I am writing to you further pursuant to my letter of November 3, in response to your letter of October 28 with respect to our views on your bill S. 4465, to establish a National Environmental Bank and Trust Fund. I can now assure you that the principle of your proposal has the support of the Sport Fishing Institute, although it is our view that capitalization ought to be at a level several times the amount you are proposing.

Enclosed are copies of two Resolutions of this Institute's Board of Directors that bear on this issue. The first of these, adopted in May, 1969, proposes establishment of a CLEAN WATER TRUST FUND having annual revenues of at least one billion dollars for the particular environmental facet of clean water, alone. The second of these, adopted in November, 1970, advocates creation of special imaginative new financing devices to provide needed ENVIRONMENTAL DEFENSE FUNDS—by implication, thereby supporting your proposal (S. 4465) in principle.

Sincerely yours,

RICHARD H. STROUD,
Executive Vice President.

AIR POLLUTION CONTROL ASSOCIATION,
Pittsburgh, Pa., November 27, 1970.

Hon. WARREN G. MAGNUSON,
U.S. Senate,
Washington, D.C.

MY DEAR SENATOR MAGNUSON: Thank you for your letters dated October 28, 1970 and October 29, 1970, in which you request the reaction of the Air Pollution Control Association to your Environmental Financing Act.

As an organization with a general interest in improving the environment, we would certainly support the purposes and intent of your proposed legislation. I think the main thrust of your suggestion would be to assist in construction of waste treatment plants, water purification and solid waste disposal programs which usually require capital outlay by government entities.

On the other hand, the planning, training, and ongoing enforcement of air pollution standards is directly contingent on the ability of state and local governments to finance the nonfederal share of existing grant programs. Since these governments are faced with earmarked funds and uncontrollable demands on strained tax bases, the Association believes that your Environmental Financing Act could play a significant role in the battle against air pollution. Therefore on behalf of the Air Pollution Control Association, I am pleased to endorse and support the principles of your Environmental Financing Act.

Sincerely yours,

D. A. JENSEN,
President,
Air Pollution Control Association.

FEDERATION OF AMERICAN SCIENTISTS,
Washington, D.C., December 10, 1970.

Hon. WARREN G. MAGNUSON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MAGNUSON: Thank you for sending me a copy of S. 4465, the National Environmental Financing Act of 1970, with your covering letter of October 28, asking for comments or suggestions.

The bill is necessary, ingenious and timely, and politically promising. It is necessary because the costs of substantially improving our environment obviously go far beyond what can be financed in ordinary ways. It is ingenious and timely in suggesting, in effect, "Environmental War Bonds"—a solution that reflects a shift in national public concern from foreign to domestic priorities. It is also politically promising because it proposes a method for public financing of environmental improvement costs that avoids higher taxation.

We do wonder whether people will buy the war bonds in required amounts and question whether the inclination to do so is as high as some illustrtaive examples provided by your office suggest. Since savings bonds are becoming something of a joke to the sophisticated, it may be that you will want to permit local areas (states or cities) to reorient the ongoing publicity associated with U.S. savings bonds so that the publicity emphasizes environmental concerns. Indeed, the Treasury might consider this a way of enhancing overall sales of bonds.

In any case, your bill has our support and, within the resources available to us and consistent with your needs, we will try to help.

Sincerely,

JEREMY J. STONE,
Director.

NATIONAL ENVIRONMENTAL HEALTH ASSOCIATION,
Denver, Colo., February 11, 1971.

Senator WARREN MAGNUSON,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MAGNUSON: A couple of weeks ago we were outlining our activities for the 35th Annual Educational Conference on Environmental Health, and it came to mind that awarding "Environmental Bonds" for prize winning essays by youth attending our conference would be an excellent way to recognize their awareness. It also came to mind the tremendous potential of an Environmental Bond program similar to the old "War Bond."

After brainstorming the idea with a few of our peers, we sent a letter to President Nixon (copy enclosed) asking that an environmental bond program be established whereby we could finance education of needed environmentalists, improved air and water pollution control and solid waste management, to assist mass transportation systems, highway safety programs, and the hundreds of other needs in environmental improvement.

Now, in researching the possibility of such a program, we have come across the bill you introduced last October (S4465) which would create an Environmental Bank, an Environmental Trust Fund, and Environmental Savings Bonds. This bill is such a well written, clearly thought out, and logical piece of legislation that we want to help you and your constituents in getting it passed. We believe that selling environmental stamps to children to fill books and turn them in for bonds would be an excellent way to increase their awareness of the environment and of financial matters. What is the status of this bill and are you still working on it?

Perhaps you recall that you were scheduled to appear before the 34th Annual Educational Conference on Environmental Health which was held last June in Las Vegas, but being unable to attend, sent your deputy, Eric Redman who presented your statement.

The National Environmental Health Association is vitally interested in better environmental control which must come through citizen involvement. Our association wants to help create and promote the environmental bond program. Please let us know what we can do to help.

Sincerely,

NICHOLAS POHLIT, R.S., M.P.H.
Executive Director.

JANUARY 29, 1971.

Mr. RICHARD M. NIXON,
President of the United States,
The White House,
Washington, D.C.

DEAR PRESIDENT NIXON: We know that you are interested in solving the environmental crisis and that you are working through the Environmental Quality Council and the new Environmental Protection Agency to accomplish your stated goals.

The United States helped to win World War II by issuing War Bonds. All citizens, from the smallest school age child to the highest industrial executives participated in this program, ranging from 10 cent stamps to high payroll deduction programs, and it worked. Now, we have another crisis on our hands—the environmental crisis. We, the National Environmental Health Association, propose that an "Environmental Bond" program be established by the United States government to be implemented in the same way as the old War Bond program.

Through such a program, we could finance education of environmental technicians, four year environmental health programs, and graduate programs to produce specialty administrators in environmental control. Funds could be used to improve air pollution control, water pollution control, and solid waste management. They could be used to assist mass transportation systems that would cut down on automobile use in heavily populated areas and to improve highways and implement safety measures to cut down on highway accidents and resulting deaths. There are thousands of needs in environmental improvement which could receive attention through such a program.

Through an Environmental Bond program, every citizen of the United States could par-

ticipate in creating a cleaner, safer, more healthful environment for themselves and the coming generations. We urge your consideration of such a program.

Sincerely,

NICHOLAS POHLIT, M.P.H., R.S.
Executive Director.

SPORT FISHING INSTITUTE,
Washington, D.C., November 3, 1970.

Senator WARREN G. MAGNUSON,
U.S. Senate Office Building,
Washington, D.C.

DEAR SENATOR MAGNUSON: Thank you for your letter of October 28, about your new proposal for the Environmental Financing Act of 1970. I appreciate your thoughtfulness in forwarding by supplementary note a copy of the text (S. 4465) of the proposed Act and your accompanying introductory remarks.

I believe, Senator, that your proposal is a constructive one, reflective of the kind of imaginative new thinking that will be required if the promise of the new environmental thrust is to become implemented in a significant manner.

This is a problem that has greatly disturbed the conservation community as well as many farsighted civic leaders and legislators like yourself.

I cannot at this moment commit the Institute to support of S. 4465 because of a pending meeting of the SFI Directors. However, this kind of special funding approach will be the subject of some discussion and I anticipate adoption of a generalized policy under which such support can be forthcoming.

I shall be pleased to communicate with you further on this matter following any action in this regard on the part of the Institute's Board of Directors.

Sincerely yours,

RICHARD H. STROUD,
Executive Vice President.

By Mr. METCALF (for himself, Mr. MANSFIELD, and Mr. CHURCH):

S. 1701. A bill to amend the Rail Passenger Service Act of 1970 in order to give the States and consumer organizations certain rights under such Act. Referred to the Committee on Commerce.

Mr. METCALF. Mr. President, with my colleagues, Senator MANSFIELD and Senator CHURCH, I offer today a bill to modify the National Railroad Passenger Act.

As enacted, section 307 provides that only the Attorney General of the United States or "in a case involving a labor agreement" an employee or his duly authorized representative may petition the district court of the United States if the Amtrak Corporation "refuses, fails or neglects to discharge its duties and responsibilities."

Mr. President, we believe that this section should be enlarged to permit petition by the Governor of a State, by a public service commission of a State or by a consumer organization or any aggrieved person and our bill so provides.

It seems to me that section 307, taken with section 301, which says that "The Corporation will not be an agency or establishment of the United States Government" sets a dangerous precedent by foreclosing judicial review except by petition of the Attorney General or, in limited fashion, an employee or labor representative.

I question the constitutionality of attempting to exclude other representatives of the people of this Nation from access to our judicial system, in matters of dispute between them and a "beyond the law" private corporation whose funds come in part from the peoples' pockets. I do not believe the Congress should wait for the issue to be tested in the courts. I believe we should act now to correct what appears to me to be a gross error that violates our most fundamental traditions of equal justice before the law.

By Mr. PELL:

S. 1703. A bill for the relief of Maria Margarida Machado de Lemos;

S. 1704. A bill for the relief of Jaime Machado de Lemos;

S. 1705. A bill for the relief of Virginio Da Costa Medeiros;

S. 1706. A bill for the relief of Antonio Machado de Lemos;

S. 1707. A bill for the relief of Antonio Ponte;

S. 1708. A bill for the relief of Rosa Ponte;

S. 1709. A bill for the relief of Leonardo Manuel da Camara Pacheco;

S. 1710. A bill for the relief of Terezinha de Jesus Mota Alves do Couto Pacheco;

S. 1711. A bill for the relief of Sandra Pacheco;

S. 1712. A bill for the relief of Jacinto Vasconcelos Franco;

S. 1713. A bill for the relief of Delino da Conceicao Cunha;

S. 1714. A bill for the relief of Odete Fernandes de Oliveira Cunha;

S. 1715. A bill for the relief of Maria Luciana de Oliveira Cunha;

S. 1716. A bill for the relief of Maria de Fatima Oliveira Cunha;

S. 1717. A bill for the relief of Elisio Antonio de Oliveira;

S. 1718. A bill for the relief of Maria Madalena Machado Oliveira;

S. 1719. A bill for the relief of Maria Isabel Ponte Almeida;

S. 1720. A bill for the relief of Manuel Machado Cardoza dos Santos; and

S. 1721. A bill for the relief of Antonio Fernando Toste de Sousa. Referred to the Committee on the Judiciary.

Mr. PELL. Mr. President, on March 3 of this year a delegation from New Bedford, Mass., visited my office here in Washington on behalf of a group of approximately 150 Portuguese aliens who are facing deportation from the United States. I should like at this point to ask unanimous consent to have printed in the RECORD a communication of Mr. Antonio A. Costa of New Bedford, Mass., and a statement by Gov. Francis W. Sargent in reference to the visit of the delegation from New Bedford.

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

GRAY COMMUNICATIONS, INC.,
New Bedford, Mass., March 9, 1971.

HON. CLAIBORNE PELL,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PELL: On behalf of George Gray, president of Gray Communications, Inc., and Paul Andrade, a director of the South End Council of ONBOARD, Inc., I thank you for scheduling a meeting for us with your administrative assistant, Paul Goulding, at your Washington office on March 3, 1971.

We regret not meeting with you personally, however, Mr. Goulding treated us with a great deal of understanding and concern. He clarified many of the details regarding legalized residency for the Portuguese aliens, enabling us to continue our work in the proper direction with the approximately 150 individuals who turned to WGCY as their last resort. Although our principle aim was, in fact, to submit legislation in behalf of these aliens, we are aware of the difficulties involved and would be grateful for any alternative solution which would prevent their deportation.

As requested by Mr. Goulding, I am enclosing a list of the names and addresses of those aliens who actually reside in Rhode Island. Since a number of them are subject to deportation in the very near future, your intervention in obtaining a restraining order to stay their deportation is absolutely necessary. Can we rely upon your cooperation in this matter?

Additionally, we are presently compiling all the information and documentation for the special case-by-case review to be conducted by the Immigration and Naturalization Service. Please understand that we are working as quickly as possible in order to supply the authorities with accurate translations and detailed files for each alien.

In the meantime, I can assure you that the Portuguese-American Community of Rhode Island is fully aware of your unselfish support of our plea for compassion towards these alien visitors and of your determination to obtain favorable consideration for them. We are pleased that you share your beloved father's sympathy and love for Portugal.

Sincerely,

ANTONIO A. COSTA,
Vice President/General Manager.

GOVERNOR'S PRESS OFFICE,
STATE HOUSE,
Boston, March 3, 1971.

Governor Francis W. Sargent today announced his support of the Portuguese delegation from the New Bedford community which went to Washington today. The group has appointments with members of the Massachusetts and Rhode Island Congressional delegations to request that Congress and the President grant permanent resident alien status to approximately 128 Portuguese. These people are threatened with deportation after paying thousands of dollars in good faith to a lawyer who had promised to obtain citizenship for them.

The Governor said, "individuals who have acted in good faith in their desire to become American citizens, and who have already contributed to their adopted country, should not be deported because they have been victimized."

Mrs. Ellen Weiss, of the Governor's staff, will be accompanying the group to convey the Governor's support for their request.

Mr. PELL. Mr. Costa is vice president and general manager of WGCY–FM, a Portuguese language radio station in New Bedford. The relatives and friends of these unfortunate Portuguese aliens had communicated with Mr. Costa via his "Open-Line" radio program. Unfortunately, it would appear that these Portuguese aliens are victims of an alleged citizenship fraud.

In this regard, Mr. President, I ask unanimous consent to have printed in the RECORD at this time an article from the Boston Sunday Herald of February 28 pertaining to the plight of these Portuguese aliens.

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

PORTUGUESE VICTIMS OF ALLEGED CITIZENSHIP FRAUD: 128 ALIENS FACING DEPORTATION

(By Bob DiIorio)

Ten thousand persons have signed a petition calling on President Nixon and Congress to remove the threat of deportation hanging over 128 Portugese aliens, most of them living in New Bedford, its sponsors said last night.

The aliens were reported to have paid a lawyer thousands of dollars on his promise to get them U.S. citizenship. They had entered the U.S. on visitors' visas.

The petition, which asks the President and Congress to grant permanent resident alien status to those involved, will be presented—possibly later this week—to the Massachusetts and Rhode Island Congressional delegations.

A federal grand jury investigated the case last December for possible action against the lawyer, but no report has been filed.

The reason, a federal official confirmed in Boston last week, is that no violation punishable under federal law occurred.

However, the official said the government will press a federal disbarment action against the lawyer and will refer the case to state Atty. Gen. Robert H. Quinn. The federal official, who would not permit himself to be identified, said there "appear to be grounds for state action."

The lawyer, who reportedly had offices in Boston, New Bedford, Washington and Miami, is said to have collected $1,000 fees from scores of Portuguese on promises that he could legally transform their visitors status into full citizenship within a matter of weeks.

The lawyer had the aliens—most of them living in New Bedford; some in Fall River and Rhode Island—sign documents renouncing their Portuguese citizenship, telling them such action would speed up the issuance of naturalization papers.

On one day—last Oct. 16—104 people in New Bedford signed such a document and paid the lawyer $300, a total of $31,200. They were told to expect their citizenship papers within 10 to 15 days.

One of those who signed such a renunciation document was Antonio Gomes Cruz, the Portuguese fisherman whose scheduled deportation was averted Feb. 20 when Atty. Edward F. Harrington, the former New Bedford Mayor, won a restraining order after a plea before U.S. Court of Appeals Chief Justice Bailey Aldrich at the jurist's home.

At a hearing Thursday Harrington told the court that Cruz showed the various notices he received from the Immigration and Naturalization Service (INS) to his former lawyer and was told not to worry, that the lawyer would take care of it. Harrington said Cruz was completely surprised when the INS took him into custody.

The court, however, dismissed Cruz' petition for a review of his deportation order, saying that even assuming that this all happened, "which we do assume for present purposes, it does not warrant sustaining the petition . . . The laws of this country are not changed by the receipt of bad legal advice . . . However lacking in legal acumen he (Cruz) may have been, or whatever the advice, he knew long before he had received this advice that he had come here on a temporary visa, and that it forbade his working. He also, without doubt, knew that by violating these provisions, he had inserted himself in line, without any possible justification, ahead of his fellow citizens, who were as anxious as he was to immigrate here, but who had not violated the law . . ."

Cruz, his wife, and their three children—Tony, 14; Maria, 15, and Candida, 18—are back in their third-floor tenement at 88 Ruth St., New Bedford, Harrington says he "has reason to believe" they are being allowed to remain here because they may be witnesses in future court action—presumably against the lawyer.

George Gray, president of Gray Communications, Inc., which operates WGCY–FM, a Portuguese-language radio station in New Bedford, and Antonio A. Costa, vice president and general manager of the station, are coordinating the work of circulating the petition. Costa says he has appointments in Washington Wednesday with Sen. Edward W. Brooke (R-Mass.,) and Senator Claiborne Pell (D-R.I.) He said he hopes legislators from Massachusetts and Rhode Island will support a special bill that will remove the deportation threat.

The petition appeals to the President and the Congress "to express this true carriage of justice, moral obligation, upholding of the American image and traditionally American compassion for the human being. . . ."

Costa says it has been signed by notable figures in both Massachusetts and Rhode Island. He made available copies of supporting letters from Joseph E. Fernandes, president of Fernandes Super Markets, Inc., who was an unsuccessful Republican candidate for Massachusetts state treasurer in 1966, and from Dr. Manuel Luciano DaSilva of Bristol, R.I., president of the Portuguese-American Federation.

Costa conducts an "open line" radio program on WGCY. The deportation proceedings have been a consistent topic in recent weeks.

Gray says many Portuguese people look upon the station as their "court of last resort" and have come there seeking help. As a result Gray and Costa say they have in their possession statements from scores of people detailing their dealings with the lawyer.

Many have made available receipts they received from the lawyer when they paid him money. Gray and Costa said only one of the receipts now in their possession is hand written. It is dated March 9, 1970 and acknowledges the receipt of $500 "as a payment for her immigration case from — — — — — —," giving a woman's name. The receipt bears what is said to be the lawyer's signature.

The radio executives have copies of two other receipts executed in printing, even to the name of the lawyer acknowledging the payment. The name is spelled differently on one receipt. One of these acknowledges receipt of $300 on Oct. 18, 1970 from a man "on his and wife's case." The other is for $500, dated Aug. 4, 1970.

The prospects for action by the Congress in the case are uncertain. Earlier this month a Filipino couple, Mr. and Mrs. Apolinario Gregorio, were deported. They had come to the United States in 1968 on visitors' visas which had been extended 12 times. The Gregorios were unable to have a special bill filed for them.

Did the Portuguese aliens know they were violating the law by staying here after their visitors' visas expired?

Said one New Bedford resident, born in New Bedford of Portuguese parents: "In Portugal a lawyer is a very important man, highly respected, referred to as doctor. It would be unthinkable for these people to question his word."

Costa, who came to this country from Lisbon 22 years ago, and Gray, who left Hungary for the United States in 1927, share this view.

"Most people were told the lawyer knew a short-cut to citizenship, but a legal short-cut," Gray said. "Admittedly, we're on fairly flimsy legal grounds, but it's a question of human justice vs. legal justice."

Mr. PELL. Mr. President, I will not dwell on all the circumstances concerning this alleged citizenship fraud for this matter is now in the U.S. Federal courts and I do not believe it would be appropriate for me to do so. However, after Mr. Costa and the delegation visited my office, I asked for a list of those Portugese aliens who reside in Rhode Island in order that I might try and be of assistance to them. In this regard, Mr. President, I should like to ask unanimous consent to insert into the RECORD at this point an editorial from the Bristol Phoenix of April 16, a communication from Dr. Manuel Luciano DaSilva, president of the Portugese-American Federation, Inc., dated February 18, and a petition which was signed by over 10,000 persons on behalf of these Portugese aliens.

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

A SCANDAL WHICH NEEDS MORE LIGHT

The tragedy of immigrants being jailed and shipped back to Portugal because of underhanded practice by agents in this country is a matter which needs full airing. Only last night a local man was jailed by the U.S. Immigration Service in one of many cases where immigrants have been found to be in this country under false pretenses.

Let us not be naive about the motivation in this scandal. The immigrants involved (who invariably cannot speak English) are part of a wave of immigration which has taken place because the Congress of the United States saw fit to open the doors of this country to widespread immigration. Suddenly, because of a slowdown in the economy, the federal government has come under pressure to slow this immigration. Now, because of the forced showdown, a number of people have been caught in the middle of an apparent racket perpetrated by American lawyers in cahoots with Portuguese advisors and subconsuls.

The Immigration Service is apparently "just doing its job" in hustling the victims out of the country. But there is more to it than this. There is a story of victimization, racketeering and poor consulor service which needs to be brought out.

Certainly Senators Pell and Pastore, who are among the sponsors of the recent wave of immigration to this country, should be concerned with seeing that the truth of this racket is made known.

THE PORTUGUESE-AMERICAN FEDERATION, INC.,
Bristol, R.I., February 18, 1971.

Mr. ANTONIO COSTA,
General Manager, WGCY,
New Bedford, Mass.

DEAR MR. COSTA: You should be commended for your public campaign on the behalf of those unfortunate Portuguese-Americans who are about to be deported.

We sympathize fully with the desperate situation of our fellow immigrants and for their families.

You realize that these good people have been misled into sincerely believing that they could remain legally in the United States. Consequently they set out to make America their home by obtaining permanent jobs, buying homes, furniture, and automobiles, and even participating actively in community life. Now they have been told that they are to be deported.

Judging from the public reaction expressed in your "Open Line Program" there are many thousands of your listeners whose hearts go out to these people. Certainly this support of so many people will persuade the President and the U.S. Congress to pass legislation that will allow these people to remain in America, their new home.

I have confidence that the compassion of

the Americans will be extended to these immigrants.

Sincerely yours,

MANUEL LUCIANO DASILVA, M.D.,
President.

A PETITION TO THE PRESIDENT AND CONGRESS OF THE UNITED STATES

The below listed persons, all good sound people, interested in the betterment and welfare of these United States and more especially interested in the true carriage of American justice, do hereby petition you ladies and gentlemen, to express this true carriage of justice, moral obligation, upholding of the American image, and traditionally American compassion for the human being, by joining and acting together now for complete committal of a merciful act which will once again demonstrate this traditionally American compassion for our fellow human beings.

We, the undersigned, state to you that;

Whereas scores of innocent people and their families appear to be finding themselves in a position of extreme hardship, and;

Whereas these same people have already commited themselves and started to adjust themselves to our American way of life, and;

Whereas these same people have in great part already poured tax money into our American way of life, and;

Whereas these same people have, in part, bought property, furniture, automobiles and made investment into these United States in a manner of living a normal life, and;

Whereas these same people have completely severed ties, for the most part, with their homelands, and;

Whereas these same people have, in great number, disposed of their assets, belongings, etc., at great loss in their homelands, and;

Whereas these same people for the most part, have no jobs, life, or manner of living to return to, and;

Whereas a large number of these same people have already incurred great amounts of debt which will be physically and humanly impossible to repay if deported, and;

Whereas these same people are pleading for one thing only—and that is the opportunity to become good, solid and sincere Americans with the utmost desire to work for and love these United States, and;

Whereas this great country was built on the premise of immigration with an opportunity offered to all in justice and sincerity and;

Whereas because of the extremely unusual circumstances surrounding their arrival and stay here, and;

Whereas we feel that these United States are bound by a moral obligation to repair the damage caused intentionally or otherwise, and;

Whereas we are not asking for any expenditures on the part of our government in this case, and;

Whereas we are asking our President and Congress to provide an opportunity for life for these people, and;

Whereas to refuse to do this, you would then be sentencing so very many people to financial, educational, and economical death by forcing their deportation with a denial of a favorable act as is being requested;

Then be it resolved, by the undersigned to petition our President and Congress to act with mercy, leniency, clemency, and moral fortitude in granting that all persons presently involved in these circumstances, be immediately and without question granted the right to remain in these United States as permanent resident aliens and further that the Department of Immigration and Naturalization be commanded immediately to get right on with the business of releasing prisoners from jail, ceasing deportation proceedngs against these folks, and issuance of alien identification cards to these folks.

The undersigned extend great thanks now for your anticipated cooperation in this matter of extreme and crucial importance.

Mr. PELL. Mr. President, upon receiving a list from Mr. Antonio Costa of the 19 Portuguese aliens residing in Rhode Island who were victimized in this alleged citizenship fraud, I communicated with the Commissioner of Immigration and Naturalization, Raymond F. Farrell. While I was awaiting a reply from the Immigration and Naturalization Service there was an incident in which Mr. Antonio Sousa, one of those citizens of Portugal, was picked up at his Bristol home on April 13 by Immigration agents and transferred to the Charles Street Jail in Boston where he was being held for deportation on April 18. After my office drew to the attention of Mr. Farrell the unfair way in which it appeared Mr. Sousa and his fellow countrymen had been victimized, the Commissioner ordered a release of Mr. Sousa from the Charles Street Jail and stayed his deportation order until May 1. It has been pointed out to me that almost all of these immigrants paid large fees to their attorney and in many cases went into substantial debt in order to raise sufficient funds to pay these fees. At this point I would like to ask unanimous consent to insert into the RECORD an article from the Providence Journal of April 16 concerning a stay of deportation of Mr. Antonio Sousa.

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

BRISTOL MAN'S DEPORTATION STAYED
(By John Kiffney)

The federal government's top immigration officer has intervened to stop the immediate deportation of a Bristol resident who says he is one of 154 Portuguese citizens victimized by a Boston attorney into believing they could stay in the United States without a visa.

Raymond J. Farrell, commissioner of immigration and naturalization, ordered in Washington on Wednesday that Antonio Sousa of 63 Mount Hope Ave., Bristol, be released from the Charles Street jail in Boston, where he was being held for deportation Sunday.

Mr. Farrell, a native of Lincoln, ordered that Mr. Sousa's deportation order be stayed until May 1 for further investigation.

Mr. Sousa was picked up at his Bristol home Tuesday night by Providence immigration agents.

Antonio Costa, general manager of New Bedford radio station WGCY, which specializes in Portuguese programs and has taken up the cause of the illegal immigrants, said Mr. Sousa called him just before the agents came to his home.

Mr. Costa said Mr. Sousa told him an agent had kept him on the phone for about 30 minutes, telling him to report to the Providence immigration office the next morning.

"They apparently pretended they didn't understand him and kept him on repeating his name and address," Mr. Costa said.

Mr. Costa heard of the arrest on Wednesday and phoned Sen. Claiborne Pell, who called Mr. Farrell, who issued his stay the same day. Mr. Farrell ordered that Mr. Sousa be released in custody of his sister, who lives in Bristol.

Mr. Costa said that Mr. Sousa is one of 19 Rhode Islanders in the group of 154 immigrants allegedly victimized by the Boston lawyer. He said that for fees ranging from $800 to $2,000 they were told all details of their citizenship would be taken care of.

One family of five in the group was deported in February. No others, except for Mr. Sousa, are believed to have been arrested.

Mr. Costa said an Acushnet woman is scheduled for deportation next Wednesday, and he is hopeful either Sen. Edward M. Kennedy or Sen. Edward Brooke will be able to postpone this.

Mr. Costa said that all the immigrants realize they will have to return to their homeland, but the hope is that legislation will be passed delaying for a while their immigration.

"They want to stay temporarily to straighten out their lives and pay their debts," he said. "They should at least leave voluntarily without the humiliation of deportation, and without having to owe everyone money."

Edward F. O'Brien, acting director of the immigration office here, said he and another agent drove to Bristol and made the arrest after he talked briefly to Mr. Sousa on the phone. He said the time lapse between the call and the arrest was much longer than five minutes.

He said he didn't know why Mr. Sousa thought he was to report in the morning, but noted there were great language problems. He said the office had been looking for Mr. Sousa for several months, since he had not responded to a deportation order.

Mr. Costa also argued that they should be allowed to stay until they have had a chance to try in the courts to get the money back that they paid to the Boston lawyer.

A petition filed by the federal government in U.S. District Court, Boston, would bar the lawyer, Murray H. Rittenberg, from practicing in the federal courts. The petition alleges he collected $23,200 from Portuguese citizens in the United States on visitor's visas.

Mr. PELL. Mr. President, because of the compassionate nature of these Portuguese aliens' situation, because they were apparently victimized, and because of the many debts they have incurred in attempting to become citizens of the United States, I believe it only fair and just that I should take positive action to insure that they will not be deported immediately. Therefore, I am introducing legislation for the relief of these 19 Portuguese aliens in order that they shall have time to either legally adjust their position under the present Immigration law or so they might be in a position to pay their debts and depart from the United States in an orderly manner.

As you know, Mr. President, it has been the custom of the Immigration and Naturalization Service not to deport aliens while private legislation is pending in their behalf. Therefore, with this thought in mind, I should like to ask unanimous consent at this time to introduce legislation on behalf of the following 19 aliens and I ask unanimously to have the 19 bills printed in the RECORD at this point:

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

S. 1703

A bill for the relief of Maria Margarida Machado de Lemos

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Maria Margarida Machado de Lemos shall be held and considered to have been lawfully admitted to the United States

for permanent residence as of the date of the enactment of this Act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by one number, during the current fiscal year or the fiscal year next following, the total number of immigrant visas and conditional entries which are made available to natives of the country of the alien's birth under paragraphs (1) through (8) of section 203(a) of the Immigration and Nationality Act.

S. 1704

A bill for the relief of Jaime Machado de Lemos

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Jaime Machado de Lemos shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by one number, during the current fiscal year or the fiscal year next following, the total number of immigrant visas and conditional entries which are made available to natives of the country of the alien's birth under paragraphs (1) through (8) of section 203(a) of the Immigration and Nationality Act.

S. 1705

A bill for the relief of Virginio Da Costa Medeiros

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Virginio Da Costa Medeiros shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by one number, during the current fiscal year or the fiscal year next following, the total number of immigrant visas and conditional entries which are made available to natives of the country of the alien's birth under paragraphs (1) through (8) of section 203(a) of the Immigration and Nationality Act.

S. 1706

A bill for the relief of Antonio Machado de Lemos

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That for the purposes of the Immigration and Nationality Act, Antonio Machado de Lemos shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by one number, during the current fiscal year or the fiscal year next following, the total number of immigrant visas and conditional entries which are made available to natives of the country of the alien's birth under paragraphs (1) through (8) of section 203(a) of the Immigration and Nationality Act.

S. 1707

A bill for the relief of Antonio Ponte

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Antonio Ponte shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by one number, during the current fiscal year or the fiscal year next following, the total number of immigrant visas and conditional entries which are made available to natives of the country of the alien's birth under paragraphs (1) through (8) of section 203(a) of the Immigration and Nationality Act.

S. 1708

A bill for the relief of Rosa Ponte

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Rosa Ponte shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by one number, during the current fiscal year or the fiscal year next following, the total number of immigrant visas and conditional entries which are made available to natives of the country of the alien's birth under paragraphs (1) through (8) of section 203(a) of the Immigration and Nationality Act.

S. 1709

A bill for the relief of Leonardo Manuel da Camara Pacheco

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Leonardo Manuel da Camara Pacheco shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by one number, during the current fiscal year or the fiscal year next following, the total number of immigrant visas and conditional entries which are made available to natives of the country of the alien's birth under paragraphs (1) through (8) of section 203(a) of the Immigration and Nationality Act.

S. 1710

A bill for the relief of Terezinha de Jesus Mota Alves do Couto Pacheco

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Terezinha de Jesus Mota Alves de Couto Pacheco shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by one number, during the current fiscal year or the fiscal year next following, the total number of immigrant visas and conditional entries which are made available to natives of the country of the alien's birth under paragraphs (1) through (8) of section 203(a) of the Immigration and Nationality Act.

S. 1711

A bill for the relief of Sandra Pacheco

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Sandra Pacheco shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by one number during the current fiscal year or the fiscal year next following, the total number of immigrant visas and conditional entries which are made available to natives of the country of the alien's birth under paragraphs (1) through (8) of section 203(a) of the Immigration and Nationality Act.

S. 1712

A bill for the relief of Jacinto Vasconcelos Franco

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Jacinto Vasconcelos Franco shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by one number, during the current fiscal year or the fiscal year next following, the total number of immigrant visas and conditional entries which are made available to natives of the country of the alien's birth under paragraphs (1) through (8) of section 203(a) of the Immigration and Nationality Act.

S. 1713

A bill for the relief of Delino da Conceicao Cunha

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Delino da Conceicao Cunha shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by one number, during the current fiscal year or the fiscal year next following, the total number of immigrant visas and conditional entries which are made available to natives of the country of the alien's birth under paragraphs (1) through (8) of section 203(a) of the Immigration and Nationality Act.

S. 1714

A bill for the relief of Odete Fernandes de Oliveira Cunha

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Odete Fernandes de Oliveira Cunha shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required

visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by one number, during the current fiscal year or the fiscal year next following, the total number of immigrant visas and conditional entries which are made available to natives of the country of the alien's birth under paragraphs (1) through (8) of section 203(a) of the Immigration and Nationality Act.

S. 1715

A bill for the relief of Maria Luciana de Oliveira Cunha

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Maria Luciana de Oliveira Cunha shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper officer to reduce by one number, during the current fiscal year or the fiscal year next following, the total number of immigrant visas and conditional entries which are made available to natives of the country of the alien's birth under paragraphs (1) through (8) of section 203(a) of the Immigration and Nationality Act.

S. 1716

A bill for the relief of Maria de Fatima Oliveira Cunha

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Maria de Fatima Oliveira Cunha shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by one number, during the current fiscal year or the fiscal year next following, the total number of immigrant visas and conditional entries which are made available to natives of the country of the alien's birth under paragraphs (1) through (8) of section 203(a) of the Immigration and Nationality Act.

S. 1717

A bill for the relief of Elisio Antonio de Oliveira

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Elisio Antonio de Oliveira shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by one number, during the current fiscal year or the fiscal year next following, the total number of immigrant visas and conditional entries which are made available to natives of the country of the alien's birth under paragraphs (1) through (8) of section 203(a) of the Immigration and Nationality Act.

S. 1718

A bill for the relief of Maria Madalena Machado Oliveira

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Imimgration and Nationality Act, Maria Madalena Machado Oliveira shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by one number, during the current fiscal year or the year next following, the total number of immigrant visas and conditional entries which are made available to natives of the country of the alien's birth under paragraphs (1) through (8) of section 203(a) of the Immigration and Nationality Act.

S. 1719

A bill for the relief of Maria Isabel Ponte Almeida

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Maria Isabel Ponte Almeida shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by one number, during the current fiscal year or the fiscal year next following, the total number of immigrant visas and conditional entries which are made available to natives of the country of the alien's birth under paragraphs (1) through (8) of section 203(a) of the Immigration and Nationality Act.

S. 1720

A bill for the relief of Manuel Machado Cardoza dos Santos

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Manuel Machado Cardoza dos Santos shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by one number, during the current fiscal year or the fiscal year next following, the total number of immigrant visas and conditional entries which are made available to natives of the country of the alien's birth under paragraphs (1) through (8) of section 203(a) of the Immigration and Nationality Act.

S. 1721

A bill for the relief of Antonio Fernando Toste de Sousa

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Antonio Fernando Toste de Sousa shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by one number, during the current fiscal year or the fiscal year next following, the total number of immigrant visas and conditional entries which are made available to natives of the country of the alien's birth under paragraphs (1) through (8) of section 203(a) of the Immigration and Nationality Act.

By Mr. PELL:

S. 1722. A bill to provide Federal financing for the provision, by States the law of which provides for the payment of extended unemployment compensation, of payments of unemployment compensation for an additional period—up to 26 weeks—in the case of individuals whose entitlement, under State law, to unemployment compensation has been exhausted.

FEDERAL EXTENDED UNEMPLOYMENT COMPENSATION ACT OF 1971

Mr. PELL. Mr. President, in the past two elections there was much rhetoric about the administration's concern for the workingmen. The labor movement was told that if it supported President Nixon and the administration in the elections, the workingmen's worries about law and order would be relieved. What the workingmen were not told, however, was that they would also be relieved of their jobs.

Today there are 5 million unemployed in the Nation, that is a 6-percent unemployment rate. In my own State of Rhode Island, there are over 29,200 unemployed, and that is a phenomenal 7.4 percent of the working force that is unemployed.

These unemployment statistics, despite the impact of the Vietnam inflation of 1967–68, must now be directly attributed to the present administration which has now been in control of the Nation's economic machinery for 2½ years. In the period it has been in power, the economic situation has become worse. We have had what economists thought was an impossible phenomenon, increasing unemployment rates simultaneous with an increasing rate of inflation.

When the administration should have been pursuing an easy money policy in 1969, it was pursuing a tight money policy which resulted in a cutback in plant investment and a reduction in jobs in 1971.

Although the Congress gave the administration authority to impose the wage and price controls needed to curb inflation, the administration refused to utilize that authority, and thus inflation became worse, consumer demand dropped, and more persons became unemployed.

The impact of the administration's economic policies in my own State of Rhode Island have been very harmful.

As the result of the administration's tight money policy in 1969, and its refusal to impose wage and price controls, there has been an unusually long period of unemployment in Rhode Island.

Despite the fact that the State extended the unemployment compensation program for an additional 13 weeks beyond the traditional 26 weeks, unemployment compensation for many persons has now been expended. Nearly 400 persons a week are exhausting their unemployment benefits, that means 5,495 persons have now completely exhausted their benefits; and many of these people are now being forced to apply for welfare benefits, and thus the State's budgetary crisis is being further aggravated as an indirect result of the administration's economic policies.

Extended benefits for the emergency 13 weeks which are now expiring for many persons have been financed by a 50–50 funding agreement between the State and Federal Government.

Due to the impact of the Federal Govgovernment of Rhode Island, and the State governments of many other States are no longer capable of funding extended unemployment compensation benefits.

I am therefore introducing today a bill to allow States to enter into an agreement with the Federal Government through which unemployment compensation benefits would be extended in a State for an additional 26 weeks through 100-percent Federal funding. Those 26 weeks would be in addition to the 13 weeks already being provided through 50-percent funding by the Federal Government.

I believe the financing of additional extended unemployment compensation benefits must be a Federal responsibility for the following reasons:

First, the planning of the general economy is the responsibility of the Federal Government. Unemployment in the States is the result of errors in planning by the Federal Government, and it should bear the responsibility for the results of its policies.

Second, the administration has announced its support of bills that would provide more financial aid to the States and would help relieve them of some welfare costs. By providing extended unemployment compensation benefits, the number of people going on the welfare rolls can be reduced and the costs to State government can be held down, and thus the administration's goals in their other bills can be reached.

Mr. President, my fellow colleague from the State of Rhode Island in the House of Representatives, Congressman FERNAND ST GERMAIN, has also introduced an excellent bill to extend unemployment compensation benefits. I would hope that consideration could be given to Congressman ST GERMAIN'S bill in the House and to my similar bill in the Senate as soon as possible. For each day the Congress delays in acting on a measure such as my own, there are more workingmen being forced to go on welfare because of the expiration of their unemployment benefits.

I believe that the passage of the bill I introduce today together with the bill which I cosponsored to establish a public service unemployment program and the imposition of wage and price controls would provide the country with effective ways of ending inflation, promoting economic recovery, and helping our workingmen. I know these steps have the support of many of my colleagues; I would also hope that my colleagues on the other side of the aisle would see fit to translate their party's rhetoric of past elections into a similar support for these measures.

It would be my hope that the most recent changes by the administration directed toward a reduction of the high interest rates and the full employment budget result in an improved economic situation. In fact, there are some signs that these recent too long delayed changes will bear fruit in the coming year. I hope these signs come into full bloom soon.

Mr. President, I ask unanimous consent that my bill and the two articles from the Providence Evening Bulletin regarding unemployment benefits and welfare payments be printed in the RECORD at this time.

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

S. 1722

A bill to provide Federal financing for the provision, by States the law of which provides for the payment of extended unemployment compensation, of payments of unemployment compensation for an additional period (up to 26 weeks) in the case of individuals whose entitlement, under State law, to unemployment compensation has been exhausted

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 "Federal Extended Unemployment Compensation Act of 1971".

DEFINITIONS

SEC. 2. For purposes of this Act—

(a) the term "Secretary" means the Secretary of Labor;

(b) the terms "compensation", "regular compensation", "extended compensation", "base period", "benefit year", "State", "State agency", "State law", and "week" shall have the meanings assigned to them under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970;

(c) the term "extended benefit period" shall have the meaning assigned to such term under section 203 of the Federal-State Extended Unemployment Compensation Act of 1970;

(d) the term "further extended compensation" means the compensation payable pursuant to an agreement under this Act; and

(e) the term "qualified State" means a State the State law of which provides for the payment of extended compensation.

AGREEMENTS WITH STATES

SEC. 3. (a) (1) Upon the request of a qualified state, the Secretary shall enter into an agreement under which the payment (by the State agency of such State) of further extended compensation will be made—

(A) for any week of unemployment which begins in—

(i) the individual's period of eligibility; and

(ii) a period which, in the case of such State, is an extended benefit period (as determined in accordance with section 203 of the Federal-State Extended Unemployment Compensation Act of 1970);

(B) to individuals who—

(i) have exhausted all rights to compensation (including both regular compensation and extended compensation) under the State law;

(ii) have no rights to compensation (including both regular compensation and extended compensation) with respect to such week under such law or any other State unemployment compensation law or to compensation under any other Federal law; and

(iii) are not receiving compensation with respect to such week under the unemployment compensation law of the Virgin Islands or Canada.

(2) For purposes of paragraph (1) (B) (i), an individual shall have exhausted his rights to—

(A) regular compensation under a State law when—

(i) no payments of regular compensation can be made under such law because such individual has received all regular compensation available to him based on employment or wages during his base period; or

(ii) his rights to such compensation have been terminated by reason of the expiration of the benefit year with respect to which such rights existed; and

(B) extended compensation under a State law when no payments of extended compensation can be made under such law because such individual has received all the extended compensation available to him from his extended compensation account (as established under State law in accordance with section 202(b) (1) of the Federal-State Extended Unemployment Compensation Act of 1970).

(3) For purposes of paragraph (1) (A) (i), an individual's period of eligibility under any agreement with a State under this Act means the 26-week period commencing with—

(A) the first week in which he meets the conditions specified in clauses (A), (B), and (C) of paragraph (1); or

(B) if the week referred to in clause (A) occurs prior to the first week that the agreement with the State under this Act is effective, the first week for which such agreement is effective.

(b) For purposes of any agreement under this Act—

(1) the amount of the further extended compensation which shall be payable to any individual for any week of total unemployment shall be equal to the amount of the regular compensation (including dependents' allowances) which would have been payable to him under the State law if he had not exhausted his rights to regular compensation under such law; and

(2) the terms and conditions of the State law which apply to claims for regular compensation and to the payment thereof shall (except where inconsistent with the provisions of this Act or regulations of the Secretary promulgated to carry out this Act) apply to claims for further extended compensation and the payment thereof.

PAYMENTS TO STATES

SEC. 4. (a) (1) There shall be paid to each State which has entered into an agreement under this Act an amount equal to 100 per centum of the further extended compensation paid to individuals by the State pursuant to such agreement.

(2) No payment shall be made to any State under this subsection in respect of compensation for which the State is entitled to reimbursement under the provisions of any Federal law other than this Act.

(b) There shall be paid to each State which has entered into an agreement under this Act, either in advance or by way of reimbursement under the provisions of any Federal law other than this Act.

(b) There shall be paid to each State which has entered into an agreement under this Act, either in advance or by way of reimbursement (as may be determined by the Secretary), such sum as the Secretary estimates the State will be entitled to receive under this Act for each calendar month, reduced or increased, as the case may be, by any sum by which the Secretary finds that his estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made upon the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency of the State involved.

AUTHORIZATION FOR APPROPRIATIONS

SEC. 5. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

[From the Providence Evening Bulletin, Apr. 10, 1971]

SEVEN AND ONE-HALF PERCENT OF R.I. POPULATION ON WELFARE

Nearly one out of every 13 Rhode Islanders is now on welfare and officials are wondering how the state is going to support them all.

Statistics released today by the state Department of Social and Rehabilitative Services continue to show an increase in welfare caseloads. An increase of 639 in the number of persons on welfare was reported for February, the latest month for which figures are available.

There are now 71,099 Rhode Islanders receiving some form of public assistance. The state's 1970 population was 949,723, according to the U.S. Census Bureau.

That means about 7½ per cent of the state's population is on welfare. Figured another way, that is three persons out of every 40, or nearly one in 13.

Since February of 1970, the total welfare caseload has increased by 13,759 persons. Since the fiscal year began last July 1, the increase is 13,301. In the relatively halcyon days of last summer, a shade over 6 per cent of the state apparently was on welfare—not quite one person in 16.

Joseph F. Murray, chief of special services in the state Department of Social and Rehabilitative Services, attributed the increase to "the present state of the economy."

"Layoffs are continuing and unemployment benefits are starting to run out," Mr. Murray explained. Asked where the state was going to find the money for the various welfare programs, he said, "that's a real problem."

"We're frankly in a quandary now about our present circumstances all around," he said.

He noted that the General Assembly has mandated a $1,000,000 cut in special supplemental welfare payments and that U.S. District Court has restrained the department from reducing the special needs payments.

"Therefore, we are now spending at a rate which may exceed our present appropriation," he said.

"I think the important thing is that within the next few weeks we have to develop a new program which will meet both the mandate of the General Assembly and the Federal requirements," Mr. Murray commented.

He expressed confidence that both the state and federal demands could be met.

"But," he added, "I think it will mean some far-reaching changes in making payments to people." He said the department is currently trying to determine whether such changes will include reduced welfare payments.

The department is "exploring the impact" of several possible alternatives, he said. He declined to give details.

"I suspect we have not finished with federal litigation yet," he added. However, he said, "the department is considering new programs with which federal officials agree."

Other statistics released by the department this week include the following:

A total of 12,154 families with 31,448 children received aid for families with dependent children (AFDC) the largest of the state-federal welfare programs.

This was a decrease of 10 families and 85 children over January but an increase of 3,458 children and 1,697 families since last July.

There are two categories of AFDC—the so-called regular program where the father is dead, divorced, separated or physically or mentally incapacitated, and the unemployed AFDC program, where there are two parents in the home and need is due to lack of employment.

From the end of January through February, the number of families receiving AFDC for the unemployed increased by 115 to 1,542 for a total of 2,303 children. In the same category of the unemployed, there was an increase of 887 families from February, 1970.

Expenditures in all categories of assistance totaled $4,700,000 in February, an increase of $123,000 over the prior month. Sixty per cent of this was paid by Rhode Island and about 40 per cent by federal funds.

[From the Providence Sunday Journal, Apr. 18, 1971]

MORE THAN 350 EXHAUST JOBLESS PAY EACH WEEK

Between 350 and 400 unemployed Rhode Islanders are exhausting their regular unemployment benefits each week, double the number that were using up the maximum 26-week entitlement as late as September of last year.

Thanks to action by a special one-day session of the General Assembly last October, however Rhode Islanders are eligible for a special extension of benefits for up to 13 weeks.

Through March 31, the state has paid out a total of 4.5 million dollars in extended payments, according to Miss Mary C. Hackett, director of the state Department of Employment Security.

Miss Hackett said that the timely legislative action has helped greatly to lessen the effects of the state's economic problems on unemployed workers.

The extension likely has had a bonus effect of slowing the rush of families onto the welfare rolls once unemployment payments stop coming in.

In January, however, unemployed workers also began exhausting their extended benefits at a rate somewhat below the 350 to 400-a-week rate, Miss Hackett said. A natural flow of applicants between employment security offices and welfare offices began at that time.

But Miss Hackett emphasized that not all workers leaving the employment security rolls automatically go on welfare rolls. And many people, especially those with large families, are eligible for supplementary welfare support while collecting unemployment insurance, she said.

Some unemployment insurance recipients are married women who were laid off and never go back to work after their entitlement runs out, Miss Hackett said.

Other recipients take new jobs, often at a lower wage rate than they were earning previously, as soon as their unemployment payments stop coming in, she said.

Rhode Island regulations allow an unemployed person the maximum 26 weeks of entitlement if he has worked at least 42 weeks during the preceding year. A person employed 20 weeks during the preceding year, the minimum employment necessary to collect any insurance, would get 12 weeks of benefits.

After the regular entitlement is exhausted, the special entitlement allows payments for half as many weeks as the regular entitlement.

Rhode Island's maximum payment is $71 a week, with an additional dependency allowance of $5 per child to a maximum of four.

The basic payment is determined according to the average salary while working, and the average payment in the state presently is about $51. This compares to the nation's low of $29.54 in Puerto Rico, and the high in Hawaii of $61.53.

All payments during the regular entitlement come out of the state's employment security fund, sustained by employer contributions. During the extended period, state payments are matched by federal funds.

No state general funds, where welfare money comes from, are used for unemployment payments, Miss Hackett said.

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WASHINGTON.—Thousands of Americans have exhausted their unemployment insurance benefits and the number is rapidly increasing as the unemployment situation continues to stagnate.

One result is that a swelling number of people who were members of the work force before the recession began now are going on the already crowded welfare rolls or receiving other forms of public assistance.

There is no precise estimate of the number of people who are now without work and who have exhausted unemployment insurance because there is no record of those who eventually find jobs. But the monthly totals of those exhausting their benefits rose sharply through 1970 and into 1971.

In December, 1970, the last month for which complete figures are available, 150,905 people used up their unemployment benefits, according to Department of Labor statistics. This was more than double the number in December, 1969.

By Mr. MONDALE:

S. 1724. A bill to expand the home improvement loan program under sections 203(k) and 220(h) of the National Housing Act to include interest subsidy payments on behalf of the owners of modest homes, in order to preserve and restore the residential character of neighborhoods in cities, villages, and towns. Referred to the Committee on Banking, Housing, and Urban Affairs.

Mr. MONDALE. Mr. President, today I am introducing the 1971 Home Rehabilitation Act which will amend sections of the National Housing Act to include interest subsidy payments on behalf of owners of modest homes who make major improvements. This bill, which provides a long-awaited and much-needed expansion of the home improvement loan program, will help to preserve and restore the residential character of neighborhoods in cities, villages, and towns. The intent of the act is to provide for the rehabilitation of some 500,000 homes, each year, for the next 10 years.

I feel that the importance of this act, and its potential impact on the rehabilitation of our Nation's homes, can hardly be overstated. It will help to eliminate much of the redtape which has so often discouraged people from making home improvements, and it will encourage home rehabilitation and make it financially feasible for most homeowners. This legislation will help protect against the deterioration and evacuation of homes in all parts of our cities and towns.

There is a need for this new legislation because the present property improvement loan programs are inadequate. Under the title I program, the maximum loan available is only $5,000 and longest term is 7 years. When you couple the high interest rates of the last few years with the short repayment period it is easy to see why these payments are too high especially if the homeowner is also paying on a first mortgage.

There is also the 203(k) and the 220(h) programs that make loan insurance for

major home improvements available at an interest rate that is set by the Secretary of the Department of Housing and Urban Development. Even though these loans have a 20-year repayment possibility and a $12,000 maximum, there is still a problem with the high interest rate that must be charged in order to attract money to this program. The bill that I am introducing today will amend these two programs so that an interest subsidy is provided for interest above 5½ percent plus the ½ percent insurance fee.

This legislation will provide that the subsidy to the financial institution be the difference between 5½ percent and the maximum rate of interest established by the Federal Housing Administration for other FHA insured mortgages plus three-eighths of 1 percent. The three-eighths of 1 percent is to be paid to the mortgagee instead of discount points and in fact, points that are not directly related to the closing costs will be prohibited under this program. The mortgagor will also be required to pay the customary one-half of 1 percent insurance fee and thus the net result will be a 6 percent home improvement loan with a 20-year repayment period if the economic life of the property justifies it. The maximum loan available for single family dwelling will be $15,000.

Loans can go to any person, regardless of income, so long as the house being improved is the primary residence, and the value of the home after rehabilitation does not exceed $30,000, in the case of a one-family dwelling. In addition the legislation provides that the homeowners may include essential appliances—such as stove, refrigerator, washer, dryer, carpet, and so forth in the initial loan. Rather than being forced to go to the store and buy these items at an 18 percent interest rate, persons can include such items in rehabilitation costs at the 6 percent rate of interest.

If the completed property is to exceed $30,000 in value this program can still be used but without the interest subsidy feature. In other words the mortgagor would have to pay the market rate of interest but the mortgage would still be insured by FHA and available for up to 20 years.

Mr. President, today our Nation's housing program has reached a critical stage. We must take every opportunity to check and reverse the exodus from our cities which leaves them to the fate of decay and deterioration. The 1971 Home Rehabilitation Act will make more people eligible for loans at lower rates of interest and with a longer repayment period. This bill will play an important part in our efforts to rehabilitate and improve these areas which are now reasonably stable, from becoming the waste and renewal areas of tomorrow.

Mr. President, I, therefore, submit the 1971 Home Rehabilitation Act, and respectfully request that my colleagues will give it every consideration and their support. I ask unanimous consent that the bill be printed in the RECORD at this point.

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

S. 1724

A bill to expand the home improvement loan program under sections 203(k) and 220(h) of the National Housing Act to include interest subsidy payments on behalf of the owners of modest homes, in order to preserve and restore the residential character of neighborhoods in cities, villages, and towns

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 220(h) of the National Housing Act is amended—

(1) by inserting before the semicolon in subparagraph (1)(B) the following: ", and includes the provision of necessary fixtures and equipment approved by the Secretary";

(2) by striking out "$12,000" in subparagraph (2)(i) and inserting "$15,000" in lieu thereof;

(3) by striking out "three-quarters of" in subparagraph (2)(iv);

(4) by inserting after paragraph (3) a new paragraph as follows:

"(4) The security for any home improvement loan insured under this subsection may include a second mortgage in any case where there is outstanding a first mortgage on the property to be improved."; and

(5) by adding at the end thereof a new paragraph as follows:

"(12)(A) The Secretary is authorized to make, and contract to make, interest subsidy payments to the holder of any home improvement loan insured after the date of enactment of this paragraph under this subsection, if—

"(i) the loan is made to an individual or family (hereinafter referred to as the 'borrower') to effect improvements in a one- to four-family dwelling in which the borrower has his principal residence; and

"(ii) the estimated value of the property, as determined by the Secretary, after the proposed improvements are made will not exceed $30,000 in the case of a property upon which there is situated a one-family dwelling; $40,000 in the case of a two-family dwelling; $52,500 in the case of a three-family dwelling; or $60,000 in the case of a four-family dwelling.

"(B) Interest subsidy payments under this paragraph (12) shall be equal to an amount representing the difference between the amount which the borrower would be required to pay on his home improvement loan if the loan bore interest at the rate in effect for such loan, plus three-eighths of 1 per centum per annum, and the amount which the borrower would be required to pay on such loan if the interest rate applicable thereto was 5½ per centum per annum.

"(C) The Secretary shall condition the making of interest subsidy payments with respect to any home improvement loan upon the submission of proof satisfactory to him that no charges or discounts in the nature of points have been demanded or received in connection with the making of such loan."

SEC. 2. Section 203(k) of the National Housing Act is amended—

(1) by inserting "(1)" after "(k)"; and

(2) by adding at the end thereof a new paragraph as follows:

"(2) The Secretary is further authorized to make, and contract to make, interest subsidy payments to the holder of any home improvement loan insured after the date of enactment of this paragraph under this subsection in accordance with the provisions of paragraph (12) of section 220(h)."

SEC. 3. There are authorized to be appropriated such sums as may be necessary to enable the Secretary of Housing and Urban Development to make interest subsidy payments under contracts entered into under sections 203(k)(2) and 220(h)(12) of the National Housing Act. The aggregate amount of contracts to make such payments shall not exceed amounts approved in appropriation Acts, and payments pursuant to such contracts shall not exceed $60,000,000 during the first year of such contracts prior to July 1, 1972, which amount shall be increased by an additional $60,000,000 during the first year of an additional number of such contracts on July 1 of each of the years 1972 and 1973.

By Mr. MONDALE (for himself, Mr. EAGLETON, Mr. MCGOVERN, and Mr. MOSS):

S. 1725. A bill to accelerate the effective dates of individual income tax reductions provided by the Tax Reform Act of 1969; to restore the investment credit for small business enterprises; and to provide for the payment of federally financed extended unemployment compensation under Federal-State agreements.

Mr. MONDALE. Mr. President, over the past 6 months, we have been paying the mounting price of a mindless economic policy.

The administration assures us we are not in a "recession." That is a cruel joke to those who are the victims of the administration's economic "game plan"; to the 5 million people out of work throughout the country; to teenagers who are now experiencing their highest unemployment since 1963; and most of all to Vietnam veterans who come back from the horror of war only to stand in an unemployment line—in the 3-month period ending in January, almost 10 percent of veterans aged 20 to 29 were out of work.

The ultimate national shame is in the enormous waste of this unemployment; $60 billion is lost in goods and services; 25 percent of our plant and equipment goes unused.

This means $30 billion of personal income and $20 billion of Federal revenues down the drain. It means a loss of $150 for every man, woman, and child in the Nation.

For all State and local governments, the revenue loss is $3 billion—full employment would return almost as much money to State and local governments as the President's revenue-sharing program.

In his budget for 1972, the President proclaimed an expansionary policy. That was a major departure, and I applaud him for it. But the rhetoric and the hope cannot conceal one fact: The President's budget for fiscal 1972 is about as expansionary as his program for this fiscal year—a year during which unemployment has risen by a million people.

Some recent measures by the Congress moved us in the right direction. The 10 percent social security increase will give a $3.5-billion stimulus to the economy. The Emergency Employment Act which just passed the Senate would create up to 200,000 new jobs—many of them for unemployed engineers and scientists.

But I believe that more is needed. As Herbert Stein of the Council of Economic Advisors said on March 25:

We don't believe we have an economy wound up to run to achieve the nation's growth goals without further stimulus.

A year ago the problem was the high interest rates. Since then, interest rates have dropped dramatically. Although I would like to see further reductions, I think monetary policy has been doing its share to stimulate recovery. We now need a comparable boost from fiscal policy.

Therefore, I am proposing today that we alter fiscal policy to stimulate the sagging economy. My bill has three main features. It will:

First. Cut personal income taxes by increasing the personal exemption to $750 and the standard deduction to 15 percent. These cuts are presently scheduled to take place in 1972 and 1973. My proposal would move them up to this year.

Second. Create an interim program extending unemployment compensation benefits by 13 weeks. This program would be 100 percent federally funded, thus allowing the 13-week extension to be implemented in all States now when the need is greatest.

Third. Establish a 7-percent tax credit on the first $25,000 of investment in plant and equipment. This tax credit would take the place of the administration's depreciation changes—which I strongly oppose.

My tax credit proposal is geared to bringing relief to the small businessman and the farmer, who are among those hardest hit by the high interest rates and low consumer demand of the past year and a half. The administration proposal would cost four times as much; it would represent a $36 billion gift to business that we cannot afford. And at a time when firms are using three-fourths of their capacity, it is hard to understand why the new rules would result in much new investment, as claimed by the administration.

This is not the only policy that should be reversed. In particular, I am concerned that the President refuses to spend almost $13 billion that the Congress has appropriated. In my judgment, this represents a serious disregard for the expressed will of Congress and the people it represents.

Moreover, the President should end his opposition to jawboning and adopt a consistent, even handed wage-price policy which applies to all industries, and which covers prices, profits, and credit as well as wages.

But I believe that the prime ingredient in a successful economic recovery over the next year and a half is a more vigorous fiscal policy now. That is what my bill calls for.

In recent months a number of arguments have been employed against a more expansionary policy. These arguments must be faced squarely.

First, the argument has been made that economic stimulation will lead to more inflation.

At present, with the economy operating $60 billion below capacity, there is no reason to believe that inflationary pressures are threatening. Prices continue to rise, but the inflation is of the cost-push variety.

The real danger is in late 1972 and beyond when we should be approaching full employment. My bill would result in a revenue loss to the Treasury of $5.9 billion in 1971, $3.1 billion in 1972, and $0.9 billion annually thereafter. Thus, its effect would be to stimulate the economy now when it is needed, and to fade out later when we near full employment. This is just the opposite of the President's liberalized depreciation program which will reduce Treasury revenues by $2.5 billion in fiscal 1972, rising to a peak of $4.1 billion in fiscal 1976, at about the time that demand inflation is most likely to confront us again.

Second, it has been argued that additional stimulation would give us a full employment deficit.

Actually, the President has already implicitly accepted a full employment deficit for fiscal 1972; the social security increase which he signed recently guarantees such a deficit.

But the real answer to this argument is that at a time of high unemployment there is nothing intrinsically desirable about a full employment balance, any more than there is about a regular budget balance. The new dogma is infinitely preferable to the old dogma, but it is still dogma.

What we need now is a budget that will help bring economic recovery without creating renewed inflationary pressures. Given present conditions, this requires a full employment deficit. As Hobart Rowen has written in the Washington Post:

> Getting so "locked" into the concept of a "full employment balance", rejecting a "full employment deficit" was neither good politics nor good economics.
>
> It is going to be difficult for Mr. Nixon to explain, after his advisors have made such a solid case against a "full employment deficit", why they happen to be running one.

Third, the argument is made: With all our unmet social needs, how can we afford to cut taxes?

The case against cutting taxes is a strong one. Those of us who have been arguing that more money must be spent for our cities, for education, health and the environment, cannot responsibly advocate large tax cuts. That is one reason why I have vigorously opposed the new depreciation rules which amount to a 7-percent tax break for business.

My bill does not effect permanent tax changes—except for the small tax break for small business and farmers. Its essential feature is to alter the timing of changes presently scheduled for 1972 and 1973. Moreover, my bill would bring relief directly to those in greatest need—the unemployed, the small businessman and the farmer. In this sense, it does affect some of our highest priority areas.

Finally, the argument has been made that the economy does not need stimulation because it is now recovering.

The evidence on this is mixed. First quarter GNP grew by a sizable 12 percent over the last quarter of 1970. However, much of this growth simply reflects inflation—"real" GNP grew by only 6.5 percent. Moreover, as much as half of this 6.5 percent was due to the rebound of the automobile industry. Had there been no auto strike in the fourth quarter of 1970, real GNP would have grown by only 3 to 4 percent in the first quarter of 1971.

This is better than the 1970 performance. But we must remember that the economy's potential output grows annually at 4 to 4½ percent. Thus, we actually fell further behind in the first quarter. The gap between potential output and actual output increased.

In the face of this mixed record, the administration insists that the economy is recovering—"a good solid expansion" in the words of Budget Director Shultz.

I had hoped for a more cautious response. The administration has embarrassed itself so often in the past by making euphoric predictions based on fragmentary evidence that one might have expected it to have learned a lesson.

In any event, I hope we can be forgiven for being highly skeptical about these predictions. Nor is our confidence in them increased by administration efforts to hide the economic facts, as when it muzzled BLS economists by canceling their regular press briefings.

But the issue now is more important than misplaced optimism and lost credibility. It has to do with the burdens of the current economic stagnation. The administration continues to adhere to a "wait and see" attitude. But while the administration is waiting and seeing, what are the families of America's 5 million unemployed to do? Where are they to turn for help?

I think we must act now to reverse the do-nothing policy of this administration, and get the economy moving again.

Mr. President, I ask unanimous consent that a summary of the provisions and a text of my bill be printed in the RECORD.

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

S. 1725

A bill to accelerate the effective dates of individual income tax reductions provided by the Tax Reform Act of 1969; to restore the investment credit for small business enterprises; and to provide for the payment of Federally financed extended unemployment compensation under Federal-State agreements

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 "Economic Recovery Act of 1971".

TITLE I—INCREASE IN PERSONAL EXEMPTIONS AND STANDARD DEDUCTION

SEC. 101. PERSONAL EXEMPTIONS.

(a) Section 151 of the Internal Revenue Code of 1954 (relating to allowance of personal exemptions) is amended by striking out "$650" wherever it appears therein and inserting in lieu thereof "$750".

(b) Section 6013(b)(3)(A) of such Code (relating to assessment and collection in case of certain returns of husband and wife) is amended by striking out "$650" wherever it appears therein and inserting in lieu thereof "$750", and by striking out "$1,300" wherever it appears therein and inserting in lieu thereof "$1,500".

(c) Subsections (c) and (d) of section 801 of the Tax Reform Act of 1969 are repealed.

SEC. 102. PERCENTAGE STANDARD DEDUCTION; LOW INCOME ALLOWANCE.

(a) Section 141 of the Internal Revenue Code of 1954 (relating to standard deduction) is amended by striking out subsections (b) and (c) and inserting in lieu thereof the following:

"(b) Percentage Standard Deduction.—The percentage standard deduction is an amount equal to 15 percent of the adjusted gross income, except that such deduction shall not exceed $2,000 ($1,000, in the case of a separate return by a married individual).

"(c) Low Income Allowance.—The low income allowance is $1,000 ($500 in the case of a separate return by a married individual)."

(b) Section 802(e) of the Tax Reform Act of 1969 is repealed.

SEC. 103. FILING REQUIREMENTS.

(a) Section 6012(a)(1) of the Internal Revenue Code of 1954 (relating to persons required to make returns of income) is amended—

(1) by striking out "$600" each place it appears therein and inserting in lieu thereof "$750";

(2) by striking out "$1,700" each place it appears and inserting in lieu thereof "$1,750"; and

(3) by striking out "$2,300" each place it appears and inserting in lieu thereof "$2,500".

(b) Section 941(d) of the Tax Reform Act of 1969 is repealed.

SEC. 104. COLLECTION OF INCOME TAX AT SOURCE ON WAGES.

(a) Section 3402(a) of the Internal Revenue Code of 1954 (relating to requirement of withholding) is amended—

(1) by striking out "January 1, 1972" in paragraph (3) and inserting in lieu thereof "the 15th day after the date of the enactment of the Economic Recovery Act of 1971";

(2) by striking out paragraph (4) and by renumbering paragraph (5) as (4); and

(3) by striking out "after December 31, 1972" in paragraph (4) (as renumbered) and inserting in lieu thereof "on or after the 15th day after the date of the enactment of the Economic Recovery Act of 1971".

(b) Section 3402(b) of such Code (relating to percentage method of withholding) is amended by striking out the table contained therein and inserting in lieu thereof the following:

"Percentage Method Withholding Table

"Payroll period	*Amount of 1 withholding exemption:*
Weekly	$14.40
Biweekly	28.80
Semimonthly	31.30
Monthly	62.50
Quarterly	187.50
Semiannual	375.00
Annual	750.00
Daily or miscellaneous (per day of such period)	2.10."

(c) Paragraphs (3) and (4) of section 805(b) of the Tax Reform Act of 1969 are repealed.

SEC. 105. EFFECTIVE DATES.

(a) The amendments made by sections 101, 102, and 103 shall apply to taxable years beginning after December 31, 1970. The amendments made by section 104 shall apply with respect to wages paid on or after the 15th day after the date of the enactment of this Act.

TITLE II—PARTIAL RESTORATION OF INVESTMENT CREDIT

SEC. 201. CREDIT FOR $20,000 OF INVESTMENT A YEAR.

(a) Section 49 of the Internal Revenue Code of 1954 (relating to termination of investment credit) is amended—

(1) by inserting after "pre-termination property" in subsection (a) the following: "and property to which subsection (e) applies";

(2) by inserting after "any property" in subsection (d) the following: "(other than property to which subsection (e) applies)"; and

(3) by adding at the end thereof the following new subsection:

"(e) Small Business Exemption.—

"(1) IN GENERAL.—In the case of section 38 property (other than pre-termination property)—

"(A) the physical construction, reconstruction, or erection of which is completed on or after the date of the enactment of the Economic Recovery Act of 1971, or

"(B) which is acquired by the taxpayer on or after such date.

and which is constructed, reconstructed, erected, or acquired for use in a trade or business, the taxpayer may select items to which this subsection applies to the extent that the qualified investment for the taxable year attributable to such items does not exceed $20,000. In the case of any item so selected (to the extent of the qualified investment attributable to such item taken into account under the preceding sentence), subsection (c) of this section, paragraphs (5) and (6) of section 46(b), and the last sentence of section 47(a) (4) shall not apply. In applying section 46(c) (1) (A) in the case of property described in subparagraph (A), there shall be taken into account only that portion of the basis which is properly attributable to construction, reconstruction, or erection on or after the date of the enactment of the Economic Recovery Act of 1971.

"(2) SPECIAL RULES.—

"(A) MARRIED INDIVIDUALS.—In the case of a husband or wife who files a separate return, the amount specified in paragraph (1) shall be $10,000 in lieu of $20,000. This subparagraph shall not apply if the spouse of the taxpayer has no qualified investment for, and no unused credit carryback or carryover to, the taxable year of such spouse which ends within or with the taxpayer's taxable year.

"(B) CONTROLLED GROUPS.—In the case of a controlled group, the $20,000 amount specified in paragraph (1) shall be reduced for each component member of the group by apportioning $20,000 among the component members of the group in such manner as the Secretary or his delegate shall by regulations prescribe. For purposes of the preceding sentence, the term 'controlled group' has the meaning assigned to such term by section 1563(a), except that the phrase 'more than 50 percent' shall be substituted for the phrase 'at least 80 percent' each place it appears in section 1563(a)(1).

"(C) PARTNERSHIPS.—In the case of a partnership, the $20,000 amount specified in paragraph (1) shall apply with respect to the partnership and with respect to each partner.

"(D) OTHER TAXPAYER.—Under regulations prescribed by the Secretary or his delegate, rules similar to the rules provided by sections 46(d), 48(e), and 48(f) shall be applied for purposes of this subsection."

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

TITLE III—EXTENDED UNEMPLOYMENT COMPENSATION

AGREEMENTS WITH STATES FOR PAYMENTS OF EXTENDED UNEMPLOYMENT COMPENSATION

SEC. 301. (a) Any State which is able and willing to do so may enter into an agreement with the Secretary of Labor (hereinafter in this section referred to as the "Secretary") under which—

(1) the State agency of such State will make payments of extended compensation in such State in like manner as if—

(A) the State law of such State contained a currently effective requirement that extended compensation be payable thereunder as provided by the Federal-State Extended Unemployment Compensation Act of 1970; and

(B) the "4 per centum" contained in section 203 (e) (1) (B) of such Act read "3.5 per centum"; and

(C) The "4.5 per centum" contained in Section 203 (d) of such Act read "3.5 per centum"; and

(2) payments will be made to the State in like manner as if—

(A) the State law of such State contained the requirement referred to in clause (1) (A); and

(B) the "one-half" contained in section 204 (a) (1) of such Act read "100 per-centum".

(b) Any agreement entered into by a State under this section shall be effective for sucn period as may be specified by such State except that no such agreement shall be effective—

(1) for any period after December 31, 1971; or

(2) for any period beginning prior to—

(A) in case such agreement is with a State which, prior to the date such agreement is entered into, had included in its State law a requirement that extended compensation be payable thereunder as provided by the Federal State Extended Unemployment Compensation Act of 1970, the effective date of such requirement; or

(B) in case such agreement is with a State other than a State described in clause (A), the date such agreement is entered into.

(c) As used in this section, the terms "extended compensation", "State", "State agency", and "State law" shall have the meaning prescribed therefor under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970.

(d)(1) There shall be paid to each State, which has entered into an agreement under this section, either in advance or by way of reimbursement, as may be determined by the Secretary, such sum as the Secretary estimates the State will be entitled to receive under such agreement for each calendar month, reduced or increased, as the case may be, by any sum by which the Secretary finds that his estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made upon the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency.

(2) If any State having an agreement entered into under this section has, in its State law, a requirement described in subsection (a) (1) (A), the amount otherwise payable to such State under this section with respect to any payments by it of extended compensation shall be reduced by any amount paid to such State on account of such payments under the Federal-State Extended Unemployment Compensation Act of 1970.

(e) Funds in the extended unemployment compensation account (as established by section 905 of the Social Security Act) of the Unemployment Trust Fund shall be used by the Secretary for the making of payments to States having agreements entered into under this section. There are hereby authorized to be appropriated to such account such additional sums as may be necessary to assure a sufficiency of funds in such account for the making of the payments authorized by this section and by section 204 of the Federal-State Extended Unemployment Compensation Act of 1970.

SUMMARY OF PROVISIONS OF ECONOMIC RECOVERY ACT OF 1971

Title I would move forward to 1971 the income tax cuts presently scheduled for 1972 and 1973—by increasing the personal

exemption to $750 and the standard deduction to 15%. These changes would go into effect retroactively to January 1, 1971. They would cost the Treasury approximately $4.5 billion in 1971, and $2.2 billion in 1972.

Title II would grant a 7% tax credit on the first $25,000 of investment in plant and equipment. This is similar to Amendment No. 326 to the 1969 Tax Reform Act which passed the Senate but was deleted in conference. The estimated cost to the Treasury is $900 million.

Title III would provide an additional 13 weeks (beyond the traditional 26) of unemployment insurance payments. The Employment Security Act of 1970 provides for such payments effective January 1, 1972 (and in a few states July 1, 1972). This provision is not an amendment to the 1970 Act, but an interim program designed to fill the gap until this Act's effective dates. The extended benefits would be available if the national insured unemployment rate was above 3.5% or if the rate in any state was above 3.5%. At present, this would affect the unemployed in 32 states. Since it is 100% federally funded, it would not require action by the state legislatures and would go into effect immediately. Estimated net cost (above what would be spent in the absence of this measure) is $500 million.

By Mr. HATFIELD:

S.J. Res. 90. A joint resolution proposing an amendment to the Constitution of the United States to limit the tenure of Senators and Representatives in Congress. Referred to the Committee on the Judiciary.

Mr. HATFIELD. Mr. President, I am today introducing a joint resolution to amend the Constitution of the United States to limit the tenure of Senators and Representatives in Congress.

I have discovered that many regard this proposal as unwarranted and even "radical." A Representative who introduced similar legislation in the House of Representatives several years ago had the unusual pleasure of seeing his bill placed on lists of "legislation least likely to succeed." Naturally, it is difficult for those of us whose careers are directly affected to take an unbiased look at this concept; yet, if we do, it is possible to see that the idea has merit and precedence.

Briefly, my bill would limit the terms of Senators and Representatives to 12 consecutive years of service—two terms in the Senate and six in the House of Representatives. After a period of 2 years, or "sabbatical leave," Members of Congress would be able to seek office again.

Historically, it appears that the framers of our Constitution ignored the problem of tenure simply because they could not imagine anyone willing to serve indefinitely, and becoming entrenched in office. Originally a term of 9 years for Senators was proposed. Gen. Thomas Pickney opposed the reduction from 9 years to 6 and favored 4-year terms. In the Records of the Federal Convention, General Pickney states:

> If Senators should be appointed for a long term, they would settle in the State where they exercised their functions; and would in a little time be rather the representatives of that than of the State's appointing them.

Mr. Elbridge Gerry stated:

> A longer term would defeat itself. It would never be adopted by the people.

The final vote on the length of Senatorial service being 6 years was seven ayes and four nayes.

Similarly, the Federal Convention originally placed service in the House of Representatives at 3 years, but changed this to 2 with serious consideration given to the possibility of annual elections. As Mr. Peyton Randolphe put it, he would "have preferred annual to biennial, but for the extent of the United States and the inconveniency which would result from them to the representatives of the extreme parts of the Empire. The people were attached to frequency of elections."

Note, then, that tenure was a deeply contested issue in the Constitutional Convention and the actual number of years in the terms established was less than first proposed—6 years from an original 9 in the Senate, 2 years from 3 in the House.

Today we must realize that the median age in the United States is 27.7 years—the median age of the Congress, on the other hand, is 52.7 years. However, a more radical difference is noted when one realizes that the median age of Senate committee chairmen is 67 and that of House committee chairmen is 69. Henry Clay served as Speaker of the House when he was 33 years old. Speaker McCormack just retired at 78. Emphatically, I would agree that age need not disqualify a person. Speaker McCormack's contributions to the House, Justice Black's service on the Supreme Court, and many others in the history of the Congress provide examples of experienced people who offer our country seasoned service. At the same time, our country, a young country, has been making a plea for participative government. Can we really imagine a 33-year-old Speaker of the House in our present tradition-bound Congress? One way to keep Congress responsive, one way to insure that new and young blood enters the national legislative arena is to put a limit on service, providing the turnover to insure such opportunities.

Consider, too, that the activities of the Federal Government that are conducted in each congressional district are greater than those of the entire Federal Establishment during Washington's years as President. Yet, Congress itself has not made itself a 20th-century institution capable of dealing with contemporary problems.

Congress' chief power, perhaps, is the power of the purse; however, its procedures and structure hopelessly frustrate a rational, reliable approach to funding the activities of our Federal Government. The authorization-appropriation process struggles through 18 committees in the House and 15 in the Senate. The system duplicates itself four times and obviously causes great delay. This is all further complicated by the fiscal year beginning on July 1. Last July 1, at the beginning of the 1971 fiscal year, no Federal department or agency knew how much money it would have that year, or what projects would be approved. Not a single authorization or appropriation had been made by Congress and the agencies were forced to rely on supplemental appropriations which do not allow old and poor programs to be cut or urgently needed programs to be initiated. It was not until November or December of 1970 that the appropriations process was completed for most departments—half way through the fiscal year. Obviously, this makes rational planning and budgeting impossible. Congress' cumbersome structures and inefficiencies frustrate the entire budget procedure.

Civics classes teach that Congress is run by the democratic principle of majority rule. In reality, the situation is very different. The filibuster procedure in the Senate enables any one-third of the body to thwart the will not just of a majority, but of up to two-thirds of the Senate. Committee chairmen can also deny majority rule—often they can decide what does and does not reach the floor for a vote and in what form. And finally, the system of seniority insures that power goes to those who are the oldest, those from "safe" districts, often one-party districts. No other free world legislature and no State legislature is bound by the seniority system.

Seniority is not intrinsic to our system. In fact, the official rules of the Senate, adopted in 1789, state:

> All committees shall be appointed by ballot and a plurality of votes shall make a choice.

Yet, the unwritten rule of the Congress for committee assignments, chairmanships, and even office space is the dictate of seniority.

Since my proposal would allow Members of Congress to run again after a sabbatical of 2 years, it would still be possible for experience and seniority to have a part in the legislative process. However, seniority could not dominate the system to the extent it does today. With its debilitating presence removed, it seems likely that other necessary reforms would follow.

The sabbatical concept has long been employed by colleges and universities who recognize the healthy aspects of allowing, or even forcing, personnel to refresh their knowledge and not to become insular. Many industries are coming to employ the same reasoning and sending their personnel on sabbaticals that take them abroad or into government or back to school. The healthy effects of an enforced sabbatical for Members of Congress would surely be reflected in a better awareness of their constituencies and a better awareness of their world. Washington, D.C. is, after all, a company town and the company is the Federal Government. It is in the interests of keeping the Government responsive to the people that we should require Members of Congress to reacquaint themselves with their State, their district and their constituents, and to be removed periodically from the daily pressures of congressional life, gaining new perspectives and ideas.

The limitation of service as a means to control power and to insure responsiveness is hardly a new thought. We already limit the terms a President may serve. Eighteen States limit the tenure

of their Governors. I ran for the office of Governor in Oregon knowing that my service was specifically limited by State Constitution to two terms. This had no effect on my desire to serve, nor gave me any misgivings about what I could accomplish in office.

Limitation of tenure produces an opportunity for public service, pure and simple. We are all too well aware that the demands on a Senator or Representative are unreasonable—there is never enough time. Committee meetings, voting and hearings—the business of Congress—suffer most. In all candor much of the congressional day is spent pursuing those tasks essential to reelection—heavy concentration on mail, press activities, meeting lobbyists and constituents, and speaking before numerous groups on every imaginable subject. Of course, these are immensely important tasks. Yet, the pressures of perpetual reelection push them to unrealistic lengths. Unfortunately, what often suffers is the time devoted to the actual legislative process. The simplest solution is to limit tenure and thereby insure that a portion of the legislative body would be relatively free from the demands of reelection to concentrate on legislative activity.

There is a groundswell of feeling that we need to make our Government more attuned to citizen needs—that somehow it has gotten out of hand. George Wallace threatens to throw the bureaucrats into the Potomac. Gene McCarthy rallied his supporters with a more poetic vision of similar action. Even President Nixon has called for a new American revolution. In essence what these diverse people have called for, and what my legislation would provide, is citizen government, a government attuned to the needs and desires of the people. Though this proposal may not be greeted today with any great enthusiasm here in the Congress, I believe the people of our country would give it their decisive support. They feel estranged from us, their elected representatives.

Mr. President, I am proud to put forth this proposal as one means to return to the people the control of their Republic.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 10

REVITALIZATION OF RURAL AND OTHER ECONOMICALLY DISTRESSED AREAS

Mr. PERCY. Mr. President, as the acting ranking member of the Government Operations Committee, I am pleased to join the distinguished senior Senator from Arkansas (Mr. McCLELLAN), our chairman, in cosponsoring S. 10. S. 10 would establish Federal programs to revitalize rural and other economically distressed areas by providing incentives for a more even and practical geographic distribution of industrial growth and activity.

As the opening hearings on S. 10 demonstrated, our rural areas are continually loosing economic strength and vitality as against metropolitan areas. Because of declining economic activity in rural America many of our citizens are forced to move to urban America, where community facilities are already overburdened and beset by exceptionally complex problems.

Though S. 10 as presently drafted has flaws, it is a valuable vehicle for exploring these problems—for investigating the causes of rural economic stagnation and outmigration, and for helping us draft programs to revitalize rural areas and stem the population outflow. Additional hearings in Washington will be valuable in shaping appropriate legislation, but hearings in the field—where the problems and people are—are even more important. Thus I am very pleased that the Rules Committee has agreed to a unanimous resolution offered by the members of the Government Operations Committee for a modest amount of additional funds for such hearings.

I also want to point out the relationship between S. 10 and the proposals of the Ash Council on Executive Organization for reorganizing the Federal Government. A major finding of the Ash Council was that the effectiveness of Federal Government programs is blunted by overlapping regional administrative structures. I think we will find as we explore the effectiveness of Federal programs for rural development that there are close relationships between S. 10 and the proposed Department of Community Development—S. 1430—and its proposals for grouping all Federal community development programs and organizing an effective new field structure to implement them. I look forward to the beginning of hearings on S. 1430 and the President's other departmental reorganization proposals.

S. 685

At the request of Mr. PACKWOOD, the Senator from New Jersey (Mr. CASE), the Senator from Maryland (Mr. BEALL), and the Senator from Florida (Mr. GURNEY) were added as cosponsors of S. 685, the Humane Seal Protection Act of 1971.

S. 717

At the request of Mr. PACKWOOD, the Senator from New Jersey (Mr. CASE), the Senator from Massachusetts (Mr. KENNEDY), the Senator from South Dakota (Mr. McGOVERN), and the Senator from Florida (Mr. GURNEY) were added as cosponsors of S. 717, a bill to establish the Hells Canyon-Snake National River in the States of Idaho, Oregon and Washington.

S. 976 AND S. 986

At the request of Mr. MANSFIELD (on behalf of Mr. MAGNUSON), the Senator from Minnesota (Mr. HUMPHREY) was added as a cosponsor of S. 976, a bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 in order to promote competition among motor vehicle manufacturers in the design and production of safe motor vehicles having greater resistance to damage, and for other purposes; and of S. 986, a bill to provide minimum disclosure standards for written consumer product warranties against defect or malfunction; to amend the Federal Trade Commission Act in order to improve its consumer protection activities, and for other purposes.

S. 983

At the request of Mr. MANSFIELD (on behalf of Mr. MAGNUSON), the Senator from Illinois (Mr. STEVENSON) was added as a cosponsor of S. 983, a bill to protect consumers against unreasonable risk of injury from hazardous products, and for other purposes.

S. 1188

At the request of Mr. CHURCH, the Senator from Indiana (Mr. BAYH), the Senators from Nevada (Mr. BIBLE and Mr. CANNON), the Senator from Hawaii (Mr. INOUYE), and the Senator from Idaho (Mr. JORDAN) were added as cosponsors of S. 1188, a bill to amend the Foreign Aid Assistance Act.

S. 1392

At the request of Mr. MONDALE, the Senator from New Jersey (Mr. WILLIAMS) was added as a cosponsor of S. 1392, a bill to provide certain services for Government employees in order to assist them in preparing for retirement.

S. 1483

Mr. BYRD of West Virginia. Mr. President, on behalf of the Senator from Georgia (Mr. TALMADGE) I ask unanimous consent that, at the next printing, the names of the Senator from West Virginia (Mr. BYRD), the Senator from Kentucky (Mr. COOPER), the Senator from Minnesota (Mr. HUMPHREY), the Senator from North Carolina (Mr. JORDAN), the Senator from Minnesota (Mr. MONDALE), and the Senator from Illinois (Mr. STEVENSON) be added as cosponsors of S. 1483, to further provide for the farmer-owned cooperative system of making credit available to farmers and ranchers and their cooperatives, for rural residences, and to associations and other entities upon which farming operations are dependent, to provide for an adequate and flexible flow of money into rural areas, and to modernize and consolidate existing farm credit law to meet current and future rural credit needs, and for other purposes.

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

S. 1592

At the request of Mr. McGEE, the Senator from Rhode Island (Mr. PELL), the Senator from Illinois (Mr. STEVENSON), and the Senator from Indiana (Mr. BAYH) were added as cosponsors of S. 1592, a bill to establish a commission to investigate and study the practice of clear-cutting of timber resources of the United States on Federal lands.

S. 1615

At the request of Mr. BIBLE, the Senator from New Jersey, (Mr. WILLIAMS) was added as a cosponsor of S. 1615, a bill to amend the Internal Revenue Code of 1954 to provide income tax simplification, reform, and relief for small business.

S. 1618

At the request of Mr. SPARKMAN, the Senator from Tennessee (Mr. BROCK) was added as a cosponsor of S. 1618, a bill to provide Federal revenue to State and local governments and afford them broad discretion in carrying out community development activities and to

help States and localities to improve their decisionmaking and management capabilities.

S. 1649

At the request of Mr. BIBLE, the Senator from Alaska (Mr. GRAVEL) was added as a cosponsor of S. 1649, a bill to amend the Small Business Act to authorize assistance to small business concerns in financing structural, operational, or other changes to meet standards required pursuant to certain Federal or State laws.

SENATE JOINT RESOLUTION 8

At the request of Mr. MANSFIELD, the Senator from Florida (Mr. CHILES) was added as a cosponsor of Senate Joint Resolution 8, proposing an amendment to the Constitution of the United States relative to equal rights for men and women.

SENATE JOINT RESOLUTION 48

AFTER PING-PONG, WHAT?

Mr. CHURCH. Mr. President, cold war barriers separating the United States and China are beginning to crumble, thanks to President Nixon's willingness to encourage the interchange of citizens with Peking, as well as China's own diplomatic initiative in inviting American ping-pong players and journalists to the mainland. These are very welcome developments. They represent the first steps toward counteracting the antagonisms and frigidity between the two countries over the past 23 years.

Much more, however, needs to be done before the relationship returns to civility and normalcy. Relaxing the military confrontation between the United States and mainland China is the place to start. To encourage this, the distinguished Senator from Maryland (Mr. MATHIAS) and I introduced, on February 23, a measure to repeal the Formosa Resolution of 1955 which gives the President the unilateral right to involve American forces in a conflict between Nationalist and Communist China.

Mr. Darius S. Jhabvala, diplomatic correspondent of the Boston Globe here in Washington, reported recently that the repeal of the Formosa Resolution "is bound to impress Peking of America's intentions to reestablish friendly relations." Mr. Robert W. Barnett, an experienced China-hand and now director of the Washington chapter of the Asia Society, argued the same way in a Washington Post article. He wrote:

The United States should, by revoking the Formosa Resolution of 1955, bring to an end dangerous uncertainty as to whether the United States would lend assistance to Republic of China defense of positions and forces on the off-shore islands. We should let both Taipei and Peking know that we will not fight over Quemoy.

So far, 12 Senators have asked to cosponsor the repeal of the Formosa Resolution; the Committee on Foreign Relations will hold hearings on it later this year. I hope that more Senators will join in this congressional move not only to restore congressional participation in any decision committing American forces to a war in the Formosan Straights, but also to help stimulate the long overdue thaw in Sino-American relations. I ask unanimous consent that Senate Joint Resolution 48 be reprinted at this point in the RECORD and that the names of Senators INOUYE, PACKWOOD, MCGOVERN, MOSS, HUGHES, HART, EAGLETON, PELL, CASE, CRANSTON, STEVENSON, and GRAVEL be added to it as cosponsors.

The PRESIDING OFFICER. Without objection, the joint resolution will be printed in the RECORD and the names of the Senators mentioned will be added as cosponsors.

S.J. RES. 48

Joint resolution to repeal authorization for the employment of Armed Forces for the protection of Formosa and the Pescadores.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, The joint resolution entitled "Joint resolution authorizing the President to employ the Armed Forces of the United States for protecting the security of Formosa, the Pescadores, and related positions and territories of that area", approved January 29, 1955 (69 Stat. 7; Public Law 84–4), is repealed effective upon the date of adjournment sine die of the first session of the Ninety-second Congress.

ADDITIONAL COSPONSORS

Mr. Inouye, Mr. Packwood, Mr. McGovern, Mr. Moss, Mr. Hughes, Mr. Hart, Mr. Eagleton, Mr. Pell, Mr. Case, Mr. Cranston, Mr. Stevenson and Mr. Gravel.

Mr. CHURCH. I ask unanimous consent that Mr. Jhabvala's article in the Boston Globe of April 21, 1971, and Mr. Barnett's article in the Washington Post of April 25, 1971, be printed at this point in the RECORD.

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

[From the Boston Globe, Apr. 21, 1971]

AN OPENING TO THE EAST

WASHINGTON.—President Nixon's decision last week to remove some of the "needless obstacles" to improved trade with China is, indeed, a bold and significant gesture.

And so, a chance has been created for a reopening to the East. So that the momentum would not dwindle into inaction, the next step has to be the political arena and there is no reason why Washington should not take the initiative.

It can begin by repealing the Formosa Resolution, an act that is bound to impress Peking of America's intentions to re-establish friendly relations.

That resolution was adopted by Congress in 1955 and it authorizes the President to use the armed forces of the United States to protect Formosa, the Pescadores and related positions and territories against armed attacks.

A week after the resolution was passed, the Senate gave its advice and consent to the Southeast Asian Treaty and seven days later the President signed the Mutual Security Treaty with the Republic of China.

The explicit purpose of the two agreements and the resolution was to give the executive a free hand in dealing with any Communist Chinese military moves against Taiwan.

But implicitly it sought to create an armed cordon to isolate the mainland.

Those actions may have been justifiable in 1955. But, as Sen. Frank Church pointed out recently, "Conditions have changed since then."

In a speech to the Senate earlier this year, the senator claimed that "the threat of Communist invasion of Formosa has dwindled." He based his assessment on testimony that was offered to the Symington subcommittee by the US ambassador in Taipei, Walter P. McConaughy.

The ambassador said that "over the past five years" the government of the Republic of China "has been more active than the Communist Chinese in conducting low level small scale military actions against the Mainland China for both military and political reasons."

Hints of change in Peking's attitude were also revealed by John Roderick, the Associated Press Correspondent who recently toured the mainland with the American table tennis team.

He said he was given the impression by Communist officials that the question of Taiwan could be resolved without use of force.

The Administration has taken the position that "Repeal of the resolution would not affect our commitment to the defense of the treaty area or our ability to meet it."

It stated furthermore that "In the event of a new crisis in the Formosa Straits this Administration would not view the continued existence of the Formosa Resolution as a source of congressional authority."

Sen. Church has pointed out that the repeal would leave intact not only the SEATO Treaty, "but more important in the case of Formosa it leaves intact our Mutual Security Treaty with the Republic of China."

The latter contains an unequivocal promise that an attack on Formosa would be considered dangerous to the US "peace and security."

Sen. Church has offered an appealing rationale for the repeal. "Practically and factually, it is important to recognize the world as it exists in 1971 and not to continue basing our policies on the world of 1955. Politically, it is important that we move toward an opening to the East which hopefully will replace armed confrontation with more normal relationships," he explained.

[From the Washington Post, Apr. 25, 1971]

AFTER PING-PONG, WHAT?

(By Robert W. Barnett)

What we have heard from the China mainland in the last two weeks, and our own response to it, has revealed a longing, far wider than we might have supposed, for a lighter, more relaxed way of talking about China. We should welcome the relief of ping-pong, but there remains serious business, particularly the issue of Taiwan, and the moment has come for an urgent appraisal of how Washington should respond to the new opportunities for rearranging U.S.-China relations.

The United States must normalize relations between Washington and Peking on a basis that offers promise that both will resolve present and future disputes without resort to war. This is, I believe, a national goal set forth in President Nixon's State of the World Message of 1971, and most Americans applaud it. Here, boldly oversimplified, are the tactics I believe required to achieve that agreed goal:

The United States should remove its military presence on the island of Taiwan, and terminate assistance to the Republic of China's military establishment; it should commence this process without awaiting U.S. troop withdrawal from Vietnam, or completion of the reversion of Okinawa to Japan.

The United States should welcome admission of the People's Republic of China into the United Nations and other international organizations. At the same time, the United States should support Republic of China membership in these organizations. Some will claim that these two aims are contradictory, mutually canceling, but the United States should not take that contention for granted. If it be so, the United States should accept, gracefully, the will of the international community as a whole, expressed in the United

Nations and elsewhere, on the "membership" issue. Nonmembership does not mean extinction. Switzerland, West Germany and South Korea know this.

The United States should continue ambassador-level talks with Peking, and be prepared to proceed towards establishment of normal diplomatic relations with the People's Republic of China, while continuing to recognize the Republic of China on Taiwan as the legitimate government over the area it effectively controls.

The United States should join with both Taipei and Peking in looking to a day when Taiwan will be a province of China, insisting only that timing and terms of arranging that reunification should be decided peacefully by the Chinese people. Meanwhile, the United States should honor the commitments made to the Republic of China in the Mutual Defense Treaty of 1954, and thus help to forestall resort to force by either party in the disputes that Peking and Taipei could have with each other. The United States should, by revoking the Formosa Resolution of 1955, bring to an end dangerous uncertainty as to whether the United States would lend assistance to Republic of China defense of positions and forces on the off-shore islands. We should let both Taipei and Peking know that we will not fight over Quemoy.

Over the coming months we must learn to talk about Taiwan without proprietary interest. We must not act as though it were primarily our affair—belonging to us, if not as a colony, then as our uniquely agonizing moral and strategic dilemma. Also, we cannot act as though it did not exist.

How can we begin to look at Taiwan afresh, more realistically, and in historical perspective? It might help to listen to the men whose voices matter: to Generalissimo Chiang Kai-shek, a towering personality who has earned his place in history, and to Chairman Mao Tse-tung, with his own sense of mission in shaping China's destiny. In all respects, Chiang and Mao reject the wisdom and legitimacy of all that the other believes in and aspires to, with one exception: they both agree that Taiwan is a province of China.

As Taiwan's former colonial masters and as leading trading partners with both Taiwan and mainland China, the Japanese also have a special concern that was recognized in the 1969 Nixon-Sato communique. Japanese newspapers suggest that Japan would like to resolve the Taiwan Strait confrontation by moving toward a One China, One Taiwan situation. Japanese officials are more ambiguous, perhaps fearing that both Peking and Tapei would construe announcement of that preference as a Japanese neocolonial appeal to Formosan nationalism.

Other influential Asian leaders think about Taiwan: Suharto, Marcos, Indira Gandhi, Thanom, Razak and Lee Kwan Yew. For most of them, any practical arrangements for Taiwan that diminished generally the possibility of war and insurgency would be acceptable.

THE TAIWANESE PERSPECTIVE

Chiang Kai-shek lives among people who have mixed and conflicting views about the future of Taiwan. Madame Chiang, for example, speaks year after year about return to the mainland as a practical prospect, with what appears to be total sincerity. The leadership of the Formosan independence movement, largely underground in Taiwan but quite articulate in places like Tokyo, Honk Kong, New York, San Francisco and St. Louis, rejects the notion of "homeland" at all. Senior officers in Chiang's military establishment will embroider plans for defending Taiwan with preparation of targets of opportunity on their "homeland." However, the rank and file of Chiang's military establishment is now largely Taiwan-born and for them such operations would be invasion of a foreign country. These particular anomalies in mainland-Taiwanese attitudes are largely absent in the community of businessmen and bureaucrats, industrialists and farmers who, collectively, have been responsible for the so-called Taiwan success story.

Taiwan's social and economic successes have taken place, astonishingly, during a span of time when Chiang devoted, year after year, around 10 per cent of Taiwan's gross national products to his military establishment. Possibly it is the most highly militarized area of all Asia; still, only Japan and Hong Kong have achieved greater economic development successes over the past decade. It is true that Taiwan has received some $1.7 billion in U.S. economic aid and almost $3 billion of military assistance, but U.S. economic aid ended in 1965 and U.S. military assistance has dropped to very low level.

I must not yield to the temptation to analyze at length the secret of Taiwan's economic achievements: I suspect that part of it is that *Chinese* enterprisers live there. Some intimation of what their achievements have been can be seen in Taiwan's 10 per cent per year growth rate over the past decade. Comfortable reserves, a stable currency, a skilled labor force, intelligent and vigorous managers and submanagers, a generally cooperative bureaucracy, and other features have attracted foreign investors to Taiwan from all over the world.

The real international relationships created by the Taiwanese responsible for these achievements are far-flung, diversified, and becoming less and less ideological. Chinese from Taiwan participate in technical, scientific, and economic meetings everywhere, even in East European Communist countries.

President Nixon's State of the World Message of 1971 states that we will honor our commitments to the Republic of China on Taiwan while trying to normalize our relations with the People's Republic of China. What is striking is that implicit in President Nixon's message is abandonment of the time-encrusted premises which underlay most of U.S. attitudes and policies throughout the 1950s and the 1960s. There is no homogeneous "Communist world" any longer. There is no longer expectation that the Chinese Communist administration on the China mainland is a passing phenomenon. There is no intimation that Chiang's claim of sovereign authority over the Chinese people on the mainland is plausible. Even less, there is no suggestion that Taipei, on the strength of its sturdy tradition of anti-communism, knows better than Washington, for this reason, what is best for the United States to do in rearranging its policies, priorities, and purposes in the Pacific area as a whole.

I am not blind to the fact that some 12 million Taiwan-born Chinese call Chiang a tyrant who subordinates the interests of the majority to the purposes of a willful, wishful handful of discredited exiles; they charge that he does not let them be first-class citizens, and they do not want to return to the mainland, or go anywhere else with him. But these Taiwanese would also view with horror, I think, the prospect of a decision made in Taipei, or somehow by the international community, to subject the population of Taiwan, without its having any participation in the decision, to the Cromwellian authority of Peking.

Knowing this, I still embrace the concept—or, perhaps put more loosely, the ultimate prospect—of One China, as contributing to lasting peace in the Pacific area, because I believe that on Taiwan there is at work a dynamic—now social and economic, and bound later to be political—which will heal and ultimately eliminate present strains between "Formosans" and mainlanders. This evolving community promises, even under present conditions, to have the power to make Taiwan the most modern and vigorous of East Asia's developing countries.

With international approval of Taiwan's right to separate existence—but not as "China—and to choose the moment it wishes to become associated with what I believe will always be at a very deep level of popular consciousness the "homeland" of China Taiwan can help to become, in important ways, pacemaker and catalyst for change in Peking. Itself meeting standards and expectations of the general international community, Peking will then have earned the right to welcome home a lost but willing province into the large system of historic China. This may take many years to be achieved.

On the other hand, international "recognition" in an "independent" Taiwan, is, in my opinion, a way to perpetuate endless and dangerous irredentism, and a way to tempt Japan to throw over Taiwan a protective arm that could provoke Peking to mount a major war. Whatever may be the nomenclature and practical arrangements for keeping Taipei and Peking separate for awhile, these dangers exist. But the separation has different strategic connotations, I believe, if separation is *legal*, or merely *de facto*.

For both the Chinese living on Taiwan, whose present scope for creative enterprise may soon seem to them too small, and for Chinese whose mainland world, one early day, may seem too enclosed, promise of an ultimate One China can give challenging common purpose in differing present endeavors. Taiwan's military "return to the mainland" is an absurdity. However, in cultural and political terms a peaceful "return to the mainland" would be the best hope we have for lasting peace in the Pacific, provided all show—not least the United States—steadiness, compassion and patience, as preparatory changes occur in the separate territories now governed by the Republic of China and the People's Republic of China.

SENATE CONCURRENT RESOLUTION 22—SUBMISSION OF A CONCURRENT RESOLUTION DESIGNATING VOLUNTARY OVERSEAS AID WEEK AND HUMAN DEVELOPMENT MONTH

Mr. HUMPHREY. Mr. President, I submit, for appropriate reference, a concurrent resolution calling upon the President to designate the week of May 9, 1971, as "Voluntary Overseas Aid Week" and the month of May 1971, as "Human Development Month."

There is profound truth in the well-known statement that "Development is the new word for peace." But I wonder if we really understand that truth as our Nation continues its involvement in the tragedy of war and as the two major world powers are caught up in a nightmarish race in strategic nuclear weapons.

The month of May will provide the American people with opportunities to clearly and constructively demonstrate their commitment to a world peace that means not only the urgently required end to international violence, but also a world peace built on the foundations of freedom, justice, and opportunity for all peoples. For too long, these foundations have been undermined by hunger, illiteracy, disease, and poverty, where populations are denied the right to live in reasonable security, and in an environment of decency and promise. For too many people in America and throughout the world, life continues to mean

nothing more than the constant struggle to survive.

Millions of Americans have made a substantial voluntary contribution to the continuing effort to correct this international condition of human injustice. The vital work of American voluntary agencies in overseas relief and development assistance will be recognized in May on the occasion of the 25th anniversary of the Advisory Committee on Voluntary Foreign Aid which has operated to coordinate governmental and private programs in the field of foreign relief. Attached to the Agency for International Development, the Advisory Committee maintains a register of 82 voluntary agencies. In fiscal 1970, commodities and funds sent abroad in support of programs of U.S. voluntary agencies were valued at $467,636,689.

During my previous service in the Senate and as Vice President, I worked to promote voluntarism in humanitarian activities and maintained a close associa- with many of these agencies. These agency activities include training citizens of the host countries in rural and urban development, cooperatives, small industries, basic education and vocational training, health, basic sanitation, nutrition, material-child health, and population control.

But the fact remains that a great deal more needs to be done if a vigorous attack is to be waged on the causes of domestic and international poverty. That is why the International Walk for Development Weekend, May 8–9, 1971, is so important. Sponsored by the American Freedom From Hunger Foundation, in cooperation with Young World Development, this walk will involve the active participation of young and older citizens in more than 300 towns and cities nationwide in a program of public education and contribution solicitation for the continuing war on poverty, both at home and abroad. I strongly endorse this intensive effort to address the critical needs of human development.

Mr. President, I ask unanimous consent that the full text of the resolution be printed at this point in the RECORD.

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

S. CON. RES. 22

Whereas the month of May, 1971, marks the 25th Anniversary of the major American voluntary programs of overseas relief and development assistance carried out under the guidance of the Advisory Committee on Voluntary Foreign Aid;

Whereas the International Walk for Development has been organized for the second weekend in May, 1971;

Whereas the American people and their Government have consistently supported the humanitarian work of the voluntary agencies to the end that people throughout the world can be free from hunger, illiteracy, and disease and poverty; and

Whereas these agencies are to be commended for their outstanding work in the area of humanitarian relief and the International Walk for Development for its planned program to focus attention on the tremendous need to continue the work of human and economic development; Now, therefore, be it

Resolved by the Senate (the House concurring), That it is the sense of the Congress that in recognition of the 25th anniversary of the American voluntary foreign aid programs and the International Walk for Development that the President should designate the week of May 9, 1971, as "Voluntary Overseas Aid Week" and the month of May, 1971, as "Human Development Month."

(The remarks of Mr. HUMPHRY and the ensuing debate when the resolution was agreed to appear later in the RECORD.)

SENATE CONCURRENT RESOLUTION 23—SUBMISSION OF A CONCURRENT RESOLUTION WITH RESPECT TO MOTOR VEHICLE INSURANCE AND AN ACCIDENT COMPENSATION SYSTEM

Mr. MAGNUSON. Mr. President, I submit, for appropriate reference, a concurrent resolution to express the sense of Congress with regard to the importance of adoption by the States of "no-fault" automobile insurance and accident compensation systems; and requesting that the Secretary of Transportation assist and interact with the States with respect to the adoption of such "no-fault" automobile insurance and accident compensation systems, thereafter reporting results to Congress. I ask unanimous consent that the letter of transmittal be printed in the RECORD along with the text of the concurrent resolution.

The PRESIDENT pro tempore. The concurrent resolution will be received and appropriately referred; and, without objection, the concurrent resolution and letter will be printed in the RECORD.

The concurrent resolution (S. Con. Res. 23), which reads as follows, was referred to the Committee on Commerce:

S. CON. RES 23

Whereas the existing system for compensating motor accident victims results in the unavailability of any benefits to many persons sustaining loss arising out of motor vehicle accidents, including many seriously injured persons and the dependents of many persons killed in such accidents; and

Whereas the existing system's uneven allocation of compensation benefits results in the excessive compensation of many persons sustaining only minor loss, and whereas by contrast many persons with severe and permanently crippling injuries recover only a fraction of their losses in compensation benefits from the system; and

Whereas administration of the system consumes an inordinate amount of resources which might be put to better use in compensating accident victims; and

Whereas the system's benefits tend to be ill-timed and unresponsive to victims' needs both because of long delays in payment and because benefits are predominantly in the form of lump sum payments, and whereas effective rehabilitation of the accident victim tends to be a practical impossibility under the system; and

Whereas the system is supported by, and dependent upon, compulsory insurance or financial responsibility laws which exert varying degrees of compulsion upon motorists to purchase liability insurance without invariably assuring motorists of the availability of automobile insurance; and

Whereas the counterproductive regulatory pressures placed by the system on insurers has led to the development of socially undesirable competition in risk selection accompanied by arbitrary and capricious declinations of insurance, cancellations and refusals of renewal with the consequent growth of a high-risk automobile insurance market serviced in some cases by insurers of questionable financial stability; and

Whereas the system has imposed intolerable burdens on State officials responsible for regulating the rating, underwriting and claims practices of insurers and responding to consumer complaints relating thereto; and

Whereas the system has placed an unreasonable workload on the Federal and State courts which have been forced to devote a disproportionate part of their time and resources to motor vehicle accident civil litigation; and

Whereas the system has resulted in the denial of substantial and equal justice to seriously injured accident victims who are unable to withstand the financial burdens consequent upon long court delays and who are, therefore, forced into inadequate settlements of their claims; and

Whereas the existing liability insurance system renders it impossible rationally to allocate insurance premium costs so as to reflect the ability of a motor vehicle to protect its occupants from serious injury in the event of a crash or to reflect differing costs of repairing motor vehicles; and

Whereas, however, prompted by the Automobile Insurance and Accident Insurance Study mandated by Congress, the Hearings of Congressional committees and the various hearings and studies conducted by many State legislatures, it is now almost universally conceded that there is an imperative need for prompt and far-reaching reform; and

Whereas one State, the Commonwealth of Massachusetts, has taken the lead by enacting the first partial no-fault plan in the country and many of the State legislatures are even now considering far-reaching reforms suited to the needs of their constituencies; and

Whereas the principal problems and abuses with respect to automobile insurance clearly stem from defects in the system for compensating accident victims and from the compulsions upon motorists to obtain the insurance which sustains and upholds that system rather than from defects in the insurance institution or in its regulation by the several States; and

Whereas assumption of the present comprehensive State regulatory authority over automobile insurance by the Federal Government would be fraught with great and grave consequences giving rise to issues and problems of great magnitude, and is highly undesirable; and

Whereas mere speculation without actual observation of experience with a new plan is an inadequate basis for massive, uniform national reform; and

Whereas one State, Massachusetts, has taken an important step toward the principles endorsed herein, and others promise to do so soon so that variants of the plan we endorse will, in the laboratory of the several States, soon be proved and perfected by experience. Now therefore be it

Resolved, That it is the sense of the Congress that the regulation of insurance should, in general, continue with the States, subject to the admonition, however, that Congress cannot, and will not, long ignore the need for evolving new and updated approaches to insurance and accident compensation.

That it is the further sense of the Congress that there must evolve at the State level a rational, equitable and compatible reparation system for motor vehicle accident victims supported and sustained by a similarly rational, equitable and compatible private insurance system, such combined system to be built upon the following principles:

1. Basic benefits should be forthcoming to the injured person on a first-party, contractual basis to the end that such person would be receiving benefits from the insurer with whom he has contracted and to whom he has

paid his premiums and to the further end that competition among insurers would take the form of competition to provide prompter and more effective compensation for the premium payer.

2. Basic benefits under the reparations system should be payable to all accident victims without regard to fault, excluding, of course, those who willfully injure themselves.

3. Such benefits should provide compensation for all economic loss, subject to reasonable deductible and limits, and the tort lawsuit should be eliminated, at least *pro tanto*, avoiding the adversary process for the mass of accidents.

4. The function of the reparations system should be to afford adequate, but not excessive, compensation to the accident victim at minimum cost. Therefore, the benefits obtainable by the accident victim from other benefit sources should be coordinated and meshed with those obtainable from the automobile accident reparations system with a view toward internalizing automobile accident loss costs by making automobile insurance the primary benefit source whenever feasible.

5. Maximum choice should be afforded the motorist in selecting his insurance source provided the coverage complies with the principles for the required minimum mandatory coverage.

6. Rehabilitation, avocational as well as vocational, should be a primary function and objective of the compensation system.

That it is the further sense of the Congress that the Secretary of Transportation be authorized and directed to request that the Council of State Governments, using the appropriate instrumentalities, develop model legislation for submission to the States for their consideration. The Secretary is further authorized and directed to analyze the actions of the States, their legislatures and insurance regulatory officials to determine to what extent such States act hereafter to bring about motor vehicle insurance and accident compensation systems consistent with the intent of this resolution; to provide technical assistance to and interact with such States, their legislatures and insurance regulatory officials in effecting in all the States compensation systems consistent with such principles, and to report such progress as has been made, or is being made, in effecting such compensation systems, with a final report to be made by the Secretary not later than 25 months hereafter detailing the action taken by each State in moving toward or providing an automobile accident compensation system consistent with these principles; the experience of the States with these systems; and, concluding with the Secretary's views regarding the feasibility of attaining a satisfactory and compatible motor vehicle accident reparations system without further Federal legislation.

The letter submitted by Mr. MAGNUSON follows:

THE SECRETARY OF TRANSPORTATION,
Washington, D.C., March 18, 1971.

HON. SPIRO T. AGNEW,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: There is transmitted herewith a draft of a proposed concurrent resolution expressing the sense of the Congress with respect to motor vehicle insurance and an accident compensation system.

In May 1968, the Congress enacted a joint resolution (P.L. 90–313), authorizing the Secretary of Transportation to conduct a comprehensive study and investigation of the existing compensation system for motor vehicle accident losses. It also required the Secretary to submit a final report containing a detailed statement of his findings, conclusions, and recommendations based on this study and permitted him to propose whatever legislation or other action he considers necessary to carry out such recommendations.

This study has been made, and the report has been submitted today to the Congress and the President. It expresses our best judgment as of this point in time as to the kind of reform in our reparations system which holds the most promise for meeting the needs of all our citizens. Suffice it to say that the present system needs change badly and needs it now.

We recommend that after the Congress has had the opportunity to review the report and consider the views of other interested parties, it consider enacting a concurrent resolution similar to the proposed resolution submitted herewith. The proposed resolution sets forth the "principles" of a reparations system toward which we believe the individual States should strive, and states the intent of the Congress and the Executive to review the States' progress toward these goals over a reasonable period of time. We further propose that after analyzing the experience of the States under new systems, recognizing these suggested "principles", there should be a reexamination of the whole question of auto accident compensation reform and of the need or desirability of any further Federal action.

We have been advised by the Office of Management and Budget that enactment of this concurrent resolution would be consistent with the program of the President.

Sincerely,

JOHN VOLPE.

SENATE CONCURRENT RESOLUTION 24—SUBMISSION OF A CONCURRENT RESOLUTION PERTAINING TO PARITY OF FARM PRICES

Mr. HUMPHREY. Mr. President, I submit, on behalf of myself and Mr. BURDICK, for appropriate reference, a concurrent resolution stating the sense of Congress that to enable farmers to receive parity prices for their products, the Senate Agriculture and Forestry Committee and the House Agriculture Committee should conduct investigations of the implementation of existing law relating to the determination of the parity price and ratio for commodities, and of whether the ratio statistic recently employed by the U.S. Department of Agriculture discriminates against farmers in their effort to improve economic conditions on farms of the Nation. An identical resolution is to be introduced in the House by Representative GRAHAM PURCELL of Texas.

By January of this year farm income had dropped to 67 percent of the fair-price parity formula—the lowest level since the depths of the depression in 1933. I have been deeply concerned about what appears to be a disguise of this decline in farm income through the employment by the administration of a ratio calculation, utilizing a 1967 base period and reflecting the ratio of the index of prices received by farmers to the index of prices paid, interest, taxes, and wage rates. By contrast, the formula applied under Federal statute utilizes a 1910–14 base period, a time during which farm prices and costs were considered to be in balance. The administration's new ratio formula constituted a paper increase in the January parity index of 23 points.

But our farmers have not been deceived. The fact remains that American farmers are suffering from an economic depression, unparalleled since the days of Herbert Hoover. They need help now; not new formulas, but better prices. To this end, Congress must assure that a useful indicator of farm prices and costs is employed and clearly identified in USDA reports, to promote the effective implementation of Federal support of farm product prices.

Mr. President, I ask unanimous consent that the text of the concurrent resolution be printed at this point in the RECORD.

The PRESIDENT pro tempore. The concurrent resolution will be received and appropriately referred; and, without objection, will be printed in the RECORD.

The concurrent resolution (S. Con. Res. 24), which reads as follows, was referred to the Committee on Agriculture and Forestry:

S. CON. RES. 24

Whereas, under the present Administration prices received by farmers for their products have consistently averaged below 75 per centum of parity, costs of farm production have steadily increased, and the resulting cost-price squeeze has been accompanied by a severe loss of farms and farm population; and

Whereas, the Congress of the United States has declared it to be a national objective that marketing conditions for agricultural products be such as to enable farmers to receive parity prices for their products; and

Whereas, Section 2 of the Agricultural Marketing Agreement Act of 1937, as amended by Section 302 of the Agricultural Act of 1948, states that the powers conferred upon the Secretary of Agriculture are to be exercised to "establish and maintain such orderly marketing conditions for agricultural commodities in interstate commerce as will establish, as the prices to farmers, parity prices as defined in the Agricultural Adjustment Act of 1938;" and

Whereas, the USDA, at the urging of the Office of Management and Budget and without legislative approval, is attempting to obscure the true level of the parity ratio, by publishing a statistic called Ratio, which is based on a 1967 level and reflects the ratio of the index of prices received by farmers to the index of prices paid, interest, taxes and wage rates; Now, therefore, be it

Resolved, That it is the sense of Congress that investigations be conducted by the Senate Agriculture and Forestry Committee and by the House Agriculture Committee, the purposes of which shall be (1) to determine whether the provisions of existing law as related to the determination of the parity price for any commodity and the parity ratio, are being implemented, and (2) to determine whether the new basis of calculating and reporting the new ratio discriminates against farmers in their effort to improve economic conditions on farms of the nation and (3) to examine the provisions of existing law relating to the goal of parity for our farmers and to determine whether such provisions maintain fair and equitable standards for calculating parity prices and indexes.

ECONOMIC STABILIZATION ACT OF 1970—AMENDMENT

AMENDMENT NO. 62

Mr. PACKWOOD. Mr. President, I am today submitting an amendment which I regard as the single most significant way in which Ccngress can demonstrate

to the American people whether or not it wants to reassert its historic constitutional role as a coequal branch of Government.

For a number of years, we have seen many Members of Congress criticize the handling of foreign policy by the President. Many of these same Members have insisted that Congress must reassert itself as a vital force in the determination of American foreign policy. At the very same time, however, that these Members have insisted on congressional reassertion of foreign policy power, they have also been willing, unfortunately, with the acquiescence of the majority of the rest of Congress, to give to the President substantial control over our domestic economy.

On August 15, 1970, Congress gave sweeping powers to the President to implement wage and price controls. Since then, the Congress collectively and individually has grumbled and second guessed the President on what should or should not be done about the economy in general and wage and price controls specifically. Some urged that he enact wage and price controls. Others urged that he not. But what was never mentioned was the fact that the imposition of wage and price controls is the single most important economic action that could be taken at anytime by either a President or Congress. The decision to exercise such broad powers, which have such a fundamental effect on the operation of the American economy, should be made by Congress. It is time that Congress quit delegating power to the President and then criticizing the President for his actions or lack of them. It is time for Congress to make the decisions at the time they have to be made and not second guess the President after he has made them. I am therefore offering an amendment to House bill 4246 which will be considered Monday. This amendment will prohibit the President from exercising general wage and price controls until Congress by current resolution authorizes him to do so.

Mr. President, in conclusion, let me put it simply: If Congress wants the general imposition of wage and price controls it is a decision which Congress itself should have the courage to make.

The PRESIDING OFFICER. The amendment will be received and printed, and will lie on the table.

NATIONAL TRAFFIC AND MOTOR VEHICLE SAFETY ACT OF 1966—AMENDMENT

AMENDMENT NO. 63

Mr. MAGNUSON. Mr. President, today I offer an amendment to S. 976, the "Motor Vehicle Information and Cost Savings Act," on behalf of Senator HART and myself, which would prohibit the disconnecting or turning back of odometers with the intent to defraud purchasers of motor vehicles.

I am introducing this amendment so that interested parties may be informed of its contents and be given the opportunity of testifying on this amendment at the hearings before the Senate Commerce Committee during the week of May 3 and May 10.

It is a well established fact that consumers buying a car rely heavily upon the odometer reading to determine its fair value as well as to evaluate the likely safety characteristics of a car based upon its apparent use. Yet, today more than 1 million cars yearly are sold which have had odometers turned back to show mileage much lower than the mileage those cars have actually been driven.

Presently some 17 States have enacted legislation to curb this practice. However, States without such legislation have found this practice on the increase, especially when a neighboring State has an odometer law. This results in the practice of odometers being turned back in States without odometer laws and being subsequently marketed for inflated values in States with such laws. Thus, State odometer laws are easily circumvented and people in a State with such a law suffer because of this practice.

Federal legislation at this time would establish a uniform and equitable solution to this problem. It should be emphasized that this amendment would not preempt any State odometer law unless the State law is inconsistent with the proposed Federal law.

The PRESIDING OFFICER. The amendment will be received, printed, and appropriately referred.

The amendment (No. 63) was referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that the text of this amendment and a brief analysis of its provisions and other explanatory materials be printed at this point in the RECORD.

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

AMENDMENT NO. 63

On page 19, following line 15, insert the following:

VI—Odometer Requirements

SEC. 601. The Congress hereby finds that purchasers, when buying motor vehicles, rely heavily on the odometer reading as an index of the condition and value of such vehicle; that purchasers are entitled to rely on the odometer reading as an accurate reflection of the mileage actually traveled by the vehicle; that an accurate indication of the mileage traveled by a motor vehicle assists the purchaser in determining the safety and reliability; and that motor vehicles move in the current of interstate and foreign commerce or affect such commerce. It is therefore the purpose of this bill to prohibit tampering with odometers on motor vehicles and to establish certain safeguards for the protection of purchasers with respect to the sale of motor vehicles having altered or reset odometers.

SEC. 602. As used in this title—

(1) "person" means any individual, a sole proprietorship, partnership, corporation, or business trust;

(2) "motor vehicle" means any vehicle driven or drawn by mechanical power for use on the public streets, roads and highways;

(3) "odometer" means an instrument for measuring and recording the actual distance a motor vehicle travels while in operation;

(4) "repair and replacement" means to restore to a sound working condition by replacing the instrument or any part thereof or by correcting what is inoperative;

(5) "transfer" means to acquire ownership by purchase, gift, bequest or any other means.

SEC. 603. It is unlawful for any person to advertise for sale, to sell, to use, or to install or to have installed, any device which causes the odometer to register any mileage other than the true mileage driven. For the purpose of this section the true mileage driven is that mileage driven by the vehicle as registered by the odometer within the manufacturer's designed tolerance.

SEC. 604. It is unlawful for any person or his agent to disconnect, reset or alter the odometer of any motor vehicle with the intent to reduce the number of miles indicated thereon.

SEC. 605. It is unlawful for any person with the intent to defraud to operate a motor vehicle on any street or highway knowing that the odometer of such vehicle is disconnected or nonfunctional.

SEC. 606. No person shall conspire with any other person to evade the intent and purpose of this Act.

SEC. 607. Nothing in this Act shall prevent the service, repair or replacement of an odometer, provided the mileage indicated thereon remains the same as before the service, repair or replacement. Where the odometer is incapable of registering the same mileage as before said service, repair or replacement, the odometer shall be adjusted to read zero and a notice in writing shall be attached to the left door frame of the vehicle by the owner or his agent specifying the mileage prior to repair or replacement of the odometer and the date on which it was repaired or replaced. Any removal of such notice so affixed shall be unlawful.

SEC. 608. It shall be unlawful for any person to transfer ownership of a motor vehicle unless such person:

(1) enters on a form prescribed by the Secretary of Transportation or as prescribed by state law the mileage said motor vehicle has been operated. Said form as completed shall then be attached to the instrument evidencing transfer of ownership; or

(2) enters upon such form "true mileage unknown" in the event that the odometer mileage is known to such person to be less than such motor vehicle has actually traveled; or

(3) enter the total cumulative mileage on the form in the event that it is known that the mileage indicated on the odometer is beyond its designated mechanical limits.

It shall be a violation of this Act for any person to give a false statement to a transferee under the provisions of this section provided, however, that no person shall be in violation of this Act where a vehicle has been resold in reliance on the required statement of the prior owner made pursuant to this section.

SEC. 609. "Any person who, with intent to defraud, violates any requirement imposed under this Act shall be liable in an amount equal to the sum of

"(1) three times the amount of actual damages sustained or $1,500, whichever is the greater; and

"(2) in the case of any successful action to enforce the foregoing liability, the costs of the action together with a reasonable attorney's fee as determined by the court."

SEC. 610. An action to enforce any liability created under this Act may be brought in any appropriate United States district court without regard to the amount in controversy, or in any other court of competent jurisdiction, within two years from the date on which the liability arises.

SEC. 611. This Act does not annul, alter, affect, or exempt any person subject to the provisions of this Act from complying with the laws of any State with respect to the disconnecting, altering, or tampering with odometers with the intent to defraud, except to the extent that those laws are inconsistent with any provision of this Act, and then only to the extent of the inconsistency.

SEC. 612. This Act shall take effect ninety calendar days following the date on which this Act is approved.

ANALYSIS OF THE PROPOSED FEDERAL ODOMETER LEGISLATION

Prior to drafting this proposed odometer legislation, NADA's Legal Department reviewed all state odometer statutes, amendments and pending bills. A list of states with such enacted laws is attached hereto.

Many states have excellent odometer laws enacted. Thus, in NADA's attempt to establish uniformity in this area, several of the states' provisions have been incorporated into this draft.

The following section by section analysis will explain the intent and effect of this draft.

Section 100—sets forth the Congressional findings that purchasers rely on the odometer reading as an index of the condition, value, safety and reliability of the motor vehicle; and are entitled to rely on that odometer reading as an accurate indication of the miles traveled by the motor vehicle.

In light of these findings, the purpose of this bill is to prohibit any acts which result in the disconnecting, tampering with, or turning back of odometers with the intent to defraud.

Section 101—sets forth definitions for key words as used in the proposed bill.

Section 102—is aimed at eliminating the practice of selling, or advertising for sale, using or installing devices which change the actual mileage registered on an odometer.

Section 103—is aimed at eliminating the practice of disconnecting, or tampering with, in any way the odometer with the intention of reducing the actual mileage registered on that odometer.

Section 104—is aimed at eliminating the practice of operating a motor vehicle on any public roadway knowing that the odometer is disconnected or inoperative with the intent to defraud.

Section 105—eliminates conspiracies established to evade the intent and purpose of the Act through the use of authorized agents.

Section 106—maintains the right of any person to have an odometer serviced, repaired, or replaced so long as the mileage of that odometer remains the same. If this cannot be accomplished, the odometer should register zero and a written notice should be attached to the left door frame of the vehicle by the owner or his agent. This notice must specify the mileage prior to the actual repair or replacement of the odometer as well as the date on which it was repaired or replaced.

Section 107—sets forth the basis upon which a person can transfer a motor vehicle by complying with one of the following provisions:

(1) by entering upon the appropriate form the mileage of the vehicle as it appears on the odometer at the time of transfer;

(2) by entering "true mileage unknown" on the appropriate statement if the odometer mileage is known to be less than the motor vehicle actually traveled;

(3) by stating the total cumulative mileage on the proper statement in the event that the odometer has traveled beyond its designated mechanical limits.

This section further sets forth the fact that if any person gives a false statement under the provisions of this section, such person shall be in violation of this Act. However, if such statement was given in reliance on the required statement of the prior owner which was made pursuant to this Act, then such person will be exempt from prosecution under this Act.

Section 108—sets forth the penalties for violating any of the provisions of this Act.

Section 109—sets forth the area of proper jurisdiction as well as the time element limiting one's right to bring a cause of action accruing under the provisions of this Act.

Section 110—sets forth the standard Federal preemption provision which allows Federal law to prevail where any State law is inconsistent with the provisions of this Act.

Section 111—sets forth the time period in which this Act would become law.

(This form, which is presently used in New York, would be presented to the Secretary of Transportation as the suggested form to accompany the bill.)

USED CAR ODOMETER MILEAGE STATEMENT

(Required by Sec. 392-e, General Business Law)

Make
Body Type
Year
Model
Color(s)
Number of Cylinders
Vehicle Identification Number
Last Plate Number

The mileage appearing on the odometer of the motor vehicle described above at the time of transfer to ——— was as follows:

1. ——— miles.
2. ——— total cumulative miles (if over 100,000).
3. ( ) True Mileage Unknown.

(Seller's name: Please print)_____
(Seller's address)_____
(Seller's signature)_____
(Signature of witness)_____
Date of this Statement_____

STATES WITH ODOMETER LEGISLATION AS OF FEBRUARY 22, 1971

State, Date Enacted, and Copy

1. California, August 12, 1969; copy on file.
2. Connecticut, January 28, 1969; copy on file.
3. Delaware, copy on file.
4. Florida, January 1, 1971; copy on file.
5. Hawaii, May 13, 1969; none.
6. Kansas, July 1, 1969; copy on file.
7. Kentucky, July 15, 1963; copy on file.
8. Maryland, April 19, 1970; copy on file.
9. Massachusetts, October 30, 1966; copy on file.
10. Michigan, July 23, 1970; copy on file.
11. New Jersey, 1957; copy on file.
12. New York, April 16, 1969; copy on file.
13. Oregon, June 10, 1969; copy on file.
14. Rhode Island, April 6, 1969; none.
15. Washington, June 12, 1969; copy on file.
16. Wisconsin, 1939 (amended 1953); none.
17. Vermont, March 19, 1970; copy on file.

PROPOSED STATE ODOMETER LEGISLATION

(State, status, and copy)

1. Arizona, introduced January 4, 1971; copy on file.
2. Colorado, to be introduced January 1971; copy on file.
3. Iowa, introduced February 10, 1971; copy on file.
4. Montana, introduced January 4, 1971; copy on file.
5. Utah, introduced February 19, 1969: copy on file.

PENALTY PRESCRIBED BY STATE LAWS

1. Arizona (B)—misdemeanor.
2. Connecticut (L)—misdemeanor—first offense $10 to $50; second offense $50 to $100—30 days.
3. Delaware (L)—misdemeanor—$100 to $300 each offense.
4. Florida (L)—misdemeanor—$1,000 or 6 months or both.
5. Kansas (L)—conviction leads to $1,000 or 6 months or both.
6. Kentucky (L)—$100 to $500 per offense.
7. Maryland (L)—misdemeanor—$500 or 6 months or both.
8. Massachusetts (L)—misdemeanor—$100 fine.
9. Michigan (L)—misdemeanor.
10. Montana (B)—misdemeanor.
11. New Jersey (L)—misdemeanor—$100 each offense.
12. Ohio (B)—misdemeanor—$500 or 6 months or both.
13. Oregon (L)—misdemeanor.
14. Vermont (L)—misdemeanor—first offense $100 or 6 months or both; second offense $500 or 3 years or both.
15. Washington State (L)—Plaintiff recovers court costs and attorney's fees upon showing tampering with odometers.

(B) Proposed bill.
(L) Enacted law.

MILITARY SELECTIVE SERVICE SYSTEM ACT OF 1967—AMENDMENT

AMENDMENT NO. 64

NO DRAFTEES IN COMBAT

Mr. NELSON. Mr. President, I submit today an amendment to prohibit the assignment of draftees to combat in Southeast Asia.

The worst of the burden of the Indochina war has been borne by draftees. At the end of 1970, the latest available tabulation, draftees comprised 31 percent of the Army's enlisted ranks worldwide and 37 percent of the Army's enlisted ranks in Vietnam. But during 1970 they accounted for 57 percent of the combat deaths and 57 percent of the wounded within the Army enlisted ranks in Vietnam.

In our draft and enlistment procedures there is a process of natural selection which pushes the draftee toward the hazardous job of combat soldier in Vietnam. First, throughout the war the draft has been used to supply manpower primarily for the Army. Currently all draftees go into the Army. Second, within the Army, those who voluntarily enlist for 3 years may select a special training program and occupation, for example, being a mechanic or an electronics technician. Few volunteer for what the Army calls the "combat arms"—armor, infantry, and artillery. As a result, these combat arms assignments are filled mostly with draftees plus men who voluntarily enlisted, generally for 2 years, but who chose no training specialty. Some 60 percent of Army casualties in Vietnam are in these combat arms branches. About 67 percent of the Army's combat infantrymen are draftees.

I have opposed the Indochina war throughout. In recent years what once was a small minority of opinion against deepening involvement in the war has become national policy. The policy of withdrawal has been accepted. The issues have been how this will be done and how fast.

In this context, in a war from which we are withdrawing, we have no moral right to draft young men to fight and perhaps die in Indochina. It would be best to get out of Indochina right now. To this end, I have supported the Vietnam Disengagement Act of 1971, which calls for withdrawal of U.S. forces by December 31, 1971.

But if the Congress does not vote to end the war that soon, at least we can take the step I am proposing. There is no moral justification for continuing to compel combat service in a war that has been rejected by the Nation, while the politicians flounder around seeking a face-saving pretext to step out. No young man should be required to risk his life to "save face" for the political leaders who blundered into this mistaken war in the first place. I would not ask my son or any other young man to risk his life for such a flimsy cause.

Because it will take some time to readjust U.S. forces to such a new policy, I have made the effective date of this amendment December 31, 1971, the same date as the McGovern-Hatfield disengagement bill. I am well aware that the Army would have to solve a number of manpower planning problems to put this amendment into practical effect. Indeed objections are already made by the Pentagon that it cannot be done in the near future. I submit that it can be done, given a national policy directive to do so. It is also clear that questions of interpretation as to what is a "combat role" could arise under this amendment in a war like that in Vietnam. But a good faith compliance with the intent of the amendment can certainly be made.

Congress, in the months ahead, will be considering both the war and the draft. They are closely linked, and many including myself strongly wish we could immediately end both. If we can, fine. If not, then this amendment will remove one of the major injustices involved in both the war and the draft.

The PRESIDING OFFICER. The amendment will be received, printed, and appropriately referred.

The amendment (No. 64) was referred to the Committee on Armed Services.

NOTICE OF HEARINGS BY SENATE SUBCOMMITTEE ON REORGANIZATION PLAN NO. 1 OF 1971

Mr. BYRD of West Virginia. Mr. President, at the request of the Senator from Connecticut (Mr. RIBICOFF), I ask unanimous consent to insert in the RECORD a statement with respect to hearings on Reorganization Plan No. 1 of 1971.

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

STATEMENT BY SENATOR RIBICOFF

Mr. President, the Senate Subcommittee on Executive Reorganization and Government Research of the Committee on Government Operations will hold hearings on Reorganization Plan No. 1 of 1971, which would consolidate various voluntary action programs into one agency called "Action." The hearings will be held next Wednesday and Thursday, May 5 and 6 at 10:00 a.m. in Room 3302 of the New Senate Office Building. The hearings will be open.

NOTICE OF HEARINGS ON S. 1229 AND H.R. 5765—COMMISSION ON THE ORGANIZATION OF THE DISTRICT OF COLUMBIA

Mr. EAGLETON. Mr. President, I wish to announce that the Committee on the District of Columbia will hold public hearings on S. 1229 and H.R. 5765, to extend for 6 months the life of the so-called Little Hoover Commission, on Tuesday, May 11, 1971, at 9:30 a.m., in the Committee Hearing Room, 6226 New Senate Office Building. Anyone wishing to testify at this hearing should notify the committee office.

POSTPONEMENT OF HEARINGS OF JUDICIARY COMMITTEE

Mr. BYRD of West Virginia. Mr. President, at the request of the Senator from Mississippi (Mr. EASTLAND), I ask unanimous consent to have printed in the RECORD a notice of postponement of hearings.

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

POSTPONEMENT OF HEARINGS

The hearings originally scheduled to commence at 10:30 A.M., Wednesday, May 5 before the Internal Security Subcommittee, have been postponed to 10:30 A.M., Tuesday, May 11. The Subcommittee will hear witnesses on the six bills introduced by the Chairman of the Judiciary Committee, Senator James O. Eastland, and dealing with various aspects of Internal Security matters.

These bills are, respectively:

S. 1499. A bill to amend title 18, United States Code, with respect to certain offenses against the security of the United States;

S. 1500. A bill to amend the Immigration and Nationality Act, and for other purposes;

S. 1501. A bill to amend titles 18 and 28, United States Code, with respect to proceedings before committees of the Congress, and for other purposes;

S. 1502. A bill to amend the Internal Security Act of 1950, and for other purposes;

S. 1503. A bill to amend the Foreign Agents Registration Act of 1938; and

S. 1504. A bill to provide for the internal security of the United States Government, and for other purposes.

The hearings will continue from day to day as the convenience of the Subcommittee permits until all those wishing to testify have been heard. A witness may desire to submit a statement on any one or more of these six bills at the time of his appearance before the Subcommittee; but a separate record with respect to the testimony on each bill will be maintained.

All those desiring to testify should communicate with the Chief Counsel of the Subcommittee at Room 3234 New Senate Office Building. The attention of prospective witnesses is called to the Rule of the Committee requiring that any witness desiring to read a prepared or written statement should file a copy of such statement with the Counsel or Chairman of the Subcommittee twenty-four hours in advance of the hearing at which the statement is to be presented.

"MAY DAY" DEMONSTRATORS

Mr. BYRD of West Virginia. Mr. President, I would like to comment briefly on the events of recent days as they relate to the so-called May Day protesters. The remarks which follow are in no way intended to apply to any person or persons who have engaged in legitimate dissent; they are meant to apply only to those persons who have taken part in deliberately disruptive activities.

On Monday, a number of these individuals visited the Senate. Many of them behaved in a manner which was crude, disrespectful, and unlawful. This should not surprise us, inasmuch as their leaders have been saying for some time that their avowed purpose is to "stop the Government." Rennie Davis, for example, has said that, if the Government does not stop the war, then his followers will stop the Government.

Mr. President, as a result of this group's activities here on Monday, the police made 31 arrests. These have included destroying Federal property, destroying private property, unlawful entry, and violations of Public Law 570, which includes disruptions of Congress by a variety of means. It seems to me that there is no doubt as to the unlawful intent of these demonstrators. Their pronouncements and their literature are replete with references to such an intent. The May Day tactical manual—a handbook for disrupting the Government—specifically outlines a program for forcing Congress to remain in session until it ratifies the so-called People's Peace Treaty.

In view of these facts, I hope the U.S. attorney for the District of Columbia will prosecute those arrested to the full extent of the law. Yesterday, I sent a telegram to the U.S. attorney, urging that that be done.

Throwing paint, destroying property, forcing one's way into an office and frightening and intimidating employees at their work cannot, in my opinion, be classified as nonviolent acts. Willfully disrupting and harassing Congress as it conducts its business is a serious matter and should be dealt with as a serious matter.

Mr. President, I know that the police are charging violators under the appropriate statutes which reflect the gravity of the offenses I have described. I just hope that the Government prosecutors do not in this instance—as they have done in the past—reduce the charges.

I also hope that judges, themselves, will act accordingly. If these individuals end up being charged with disorderly conduct, and allowed to forfeit nominal collateral, they will have made a mockery of Congress. I, for one, want them prosecuted as charged, and I hope the Government will spare no effort in obtaining their convictions.

There has been some talk that new statutes are needed to deal with the type of protests to which I have referred here. There are sufficient laws already on the books. What is needed now is the will to enforce those laws and the penalties they carry—a fine not exceeding $500, or imprisonment not exceeding 6 months, or both. And I think the punishment ought to be both.

What is really involved here—especially in the long run—is the ability of the legislative branch to openly and freely conduct the people's business and to be protected from interference of that function.

Mr. President, I ask unanimous consent to have printed in the RECORD section 9–123(a) and (b)—"unlawful conduct on Capitol Grounds or in buildings"—of title IX of the District of Columbia Code, and also, that there be printed in the RECORD section 9–125, "prosecution and punishment of offenses," together with a copy of a telegram which I sent yesterday to the U.S. attorney of the District of Columbia, and an April 15 news ticker story that thousands of antiwar demonstrators plan to occupy the Halls of Congress and stay in the Nation's Capital until the war is ended.

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

SECTIONS REFERRED TO IN OTHER SECTIONS

These sections are referred to in sections 9–118b, 9–125.

§ 9–123. Unlawful conduct on Capitol Grounds or in buildings.

(a) It shall be unlawful for any person or group of persons—

(1) Except as authorized by regulations which shall be promulgated by the Capitol Police Board:

(A) to carry on or have readily accessible to the person of any individual upon the United States Capitol Grounds or within any of the Capitol Buildings any firearm, dangerous weapon, explosive, or incendiary device; or

(B) to discharge any firearm or explosive, to use any dangerous weapon, or to ignite any incendiary device, upon the United States Capitol Grounds or within any of the Capitol Buildings; or

(C) to transport by any means upon the United States Capitol Grounds or within any of the Capitol Buildings any explosives or incendiary device; or

(2) Knowingly, with force and violence, to enter or to remain upon the floor of either House of the Congress.

(b) It shall be unlawful for any person or group of persons willfully and knowingly—

(1) to enter or to remain upon the floor of either House of the Congress, to enter or to remain in any cloakroom or lobby adjacent to such floor, or to enter or to remain in the Rayburn Room of the House or the Marble Room of the Senate, unless such person is authorized, pursuant to rules adopted by that House or pursuant to authorization given by that House, to enter or to remain upon such floor or in such cloakroom, lobby, or room;

(2) to enter or to remain in the gallery of either House of the Congress in violation of rules governing admission to such gallery adopted by that House or pursuant to authorization given by that House;

(3) to enter or to remain in any room within any of the Capitol Buildings set aside or designated for the use of either House of the Congress or any Member, committee, subcommittee, officer, or employee of the Congress or either House thereof with intent to disrupt the orderly conduct of official business;

(4) to utter loud, threatening, or abusive language, or to engage in any disorderly or disruptive conduct, at any place upon the United States Capitol Grounds or within any of the Capitol Buildings with intent to impede, disrupt, or disturb the orderly conduct of any session of the Congress or either House thereof, or the orderly conduct within any such building of any hearing before, or any deliberations of, any committee or subcommittee of the Congress or either House thereof;

(5) to obstruct, or to impede passage through or within, the United States Capitol Grounds or any of the Capitol Buildings;

(6) to engage in any act of physical violence upon the United States Capitol Grounds or within any of the Capitol Buildings; or

§ 9–125. Prosecution and punishment of offenses—General laws not superseded.

(a) Any violation of section 9–123(a), and any attempt to commit any such violation, shall be a felony punishable by a fine not exceeding $5,000, or imprisonment not exceeding five years, or both.

(b) Any violation of sections 9–119 to 9–122, 9–123(b) and 9–124, and any attempt to commit any such violation, shall be a misdemeanor punishable by a fine not exceeding $500, or imprisonment not exceeding six months, or both.

(c) Violations of this Act, including attempts or conspiracies to commit such violations, shall be prosecuted by the United States attorney or his assistants in the name of the United States. None of the general laws of the United States and none of the laws of the District of Columbia shall be superseded by any provision of this Act. Where the conduct violating this Act also violates the general laws of the United States or the laws of the District of Columbia, both violations may be joined in a single prosecution. Prosecution for any violation of section 9–123(a) or for conduct which constitutes a felony under the general laws of the United States or the laws of the District of Columbia shall be in the United States District Court for the District of Columbia. All other prosecutions for violations of this Act may be in the Superior Court of the District of Columbia. Whenever any person is convicted of a violation of this Act and of the general laws of the United States or the laws of the District of Columbia, in a prosecution under this subsection, the penalty which may be imposed for such violation is the highest penalty authorized by any of the laws for violation of which the defendant is convicted. (July 31, 1946, 60 Stat. 719, ch. 707, § 8; July 8, 1963, Pub. L. 88–60, § 1, 77 Stat. 77; Oct. 20, 1967, Pub. L. 90–108, § 1(c), 81 Stat. 277; July 29, 1970, Pub. L. 91–358, title I, § 155(a), 84 Stat. 570.)

APRIL 28, 1971.

Hon. THOMAS A. FLANNERY,
U.S. Attorney,
U.S. Courthouse,
Washington, D.C.

On Monday, 26 April, 31 individuals were arrested on the Senate side of the Capitol charged with disrupting the work of the Congress by various means. It is my understanding that in each of these instances the defendants were charged under the appropriate provisions of the statutes relating to the protection of the Capitol grounds and buildings.

I hope that you will direct your assistants to prosecute these cases to the fullest extent of the law and to avoid reducing the charges to disorderly conduct or some other lesser offense unless such reduction can be shown to be justified beyond any question.

I intend to speak to this matter on the Floor of the Senate on Thursday, and I request of you a report on each of these cases and its ultimate disposition.

ROBERT C. BYRD,
U.S. Senator.

DURHAM, N.H.—Antiwar leader Rennie Davis says thousands of demonstrators planning to march on Washington May 1 will occupy the Halls of Congress and stay in the Nation's Capital "until the war is ended."

"If the Government of the United States does not stop the war in Vietnam, we will stop the Government of the United States," Davis told students at the University of New Hampshire yesterday.

"We are going to Washington with 8,000 Vietnam veterans, surrounding Congress, going into the halls on simulated search and destroy missions," he said.

"This time we are going to stay. And stay. And stay until the war is ended."

QUORUM CALL

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

CLEAR CUTTING ON FOREST LANDS

Mr. PACKWOOD. Mr. President, we have recently seen a substantial impact on both the private and public sectors concerning the issue of the clear cutting of forests on national timberland.

I ask unanimous consent to have printed in the RECORD an editorial entitled "Legal Clear-Cut Ban?" published in the Medford Mail Tribune of April 19, 1971, which I think puts the issue of clear cutting in the best perspective possible.

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

LEGAL CLEAR-CUT BAN?

Despite the prettied-up pictures published by some of the forest products industry giants, a clear-cut is not a thing of beauty and a joy forever.

No one will ever convince us that a clear-cut, with the great forest giants and their small brothers all gone and the ground bare and charred, is more to be desired, from a visual and recreational standpoint, than the forest that originally stood there.

There is a movement in Congress to ban by law the use of clear-cutting as a method of timber harvest. But, despite the sentiments expressed above, we think it is wrong-headed and inappropriate legislation, and should be shelved.

The fact is that clear-cutting is a tool of forest management that in some places and at some times is the proper one. This is true in the Douglas fir rain-forests along the coast and in some cases on the western slopes of the Cascades.

These are even-aged stands of trees, and they are trees that, in the climate in question, do best when the seedlings are not shaded by other trees. In these limited situations, clear-cutting is the most efficient method of harvest, as well as the one that provides the optimum conditions for regeneration.

At the same time, long years of experience have shown increasingly that real care and sensitivity must be used by professional foresters in selecting the method for harvest.

Here in southern Oregon, for instance, both the Forest Service and the Bureau of Land Management (as well as some private timber companies) have come to the conclusion that clear-cutting is not the best way in most cases. Something less than 10 per cent of current harvests in this area are now clear-cuts, and this may, and probably should, decline even more.

This area is classed as semiarid, and it has hot summers. It has mixed standards of trees, with a variety of species and ages. In such conditions, selective cutting is the method of choice. Properly done, it also looks a whale of a lot better than clear-cutting, to. Regeneration of clear-cuts in southern Oregon has proven to be extremely difficult.

The point of all this is that determination of what method to use is, and should be, a professional one, based on knowledge and experience, and on the factors on the ground.

It is not a proper subject for all-embracing prohibitory legislation, and we think the proposed measure should be defeated.

At the same time, we're glad to see the national discussion and criticism of clear cutting, for, while it is appropriate in some situations, it may be that it is inappropriate in many more situations than some gung-ho foresters and loggers would have us believe.

We have a high degree of respect for professional foresters, and the best of them will tell you honestly that a lot remains to be

learned about the best way to harvest and to grow trees.

Although clear-cutting should not be banned by law, it should be used sparingly, and when it is used, the burden of proof that it is appropriate should be borne by those who advocate its use.

Someone would have to be awfully persuasive to convince us that those ugly clear-cuts on the mountains to the south of Medford were necessary, proper or desirable, for any reason.

QUORUM CALL

Mr. BYRD of West Virginia. 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. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

ORDER FOR RECOGNITION OF SENATOR MONTOYA ON THURSDAY, MAY 6, 1971.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that, on Thursday next, May 6, 1971, immediately following the recognition of the two leaders under the standing order, the distinguished Senator from New Mexico (Mr. MONTOYA) be recognized for not to exceed 15 minutes.

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

QUORUM CALL

Mr. BYRD of West Virginia. 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.

ORDER FOR ADJOURNMENT TO MONDAY, MAY 3, 1971

Mr. MANSFIELD. Mr. President, after looking at the calendar and finding out that with the disposal of the bill which will soon be pending before the Senate, the calendar will again be clear so far as items are concerned: I ask unanimous consent, at this time, that when the Senate completes its business today, it stand in adjournment until 12 o'clock noon on Monday next.

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

(Subsequently, this order was changed to provide for the Senate to adjourn until 12 noon tomorrow.)

ADDITIONAL STATEMENTS

DAV DAY IN CONGRESS REPRINTS

Mr. HUMPHREY. Mr. President, it is my intention to have reprints made of the remarks made in the Senate relating to DAV Day in Congress. If any Senator objects to the reprinting of his remarks in booklet form, please contact my office or the CONGRESSIONAL RECORD clerk in the Capitol within 5 days. I make this statement in accordance with the rules of the Joint Committee on Printing with regard to reprinting the remarks of other Senators.

RECENT EVENTS IN EAST PAKISTAN

Mr. SAXBE. Mr. President, I recently received a letter from a physician who worked in East Pakistan under USAID. He gives a good account of the recent events in East Pakistan. As you know, I objected last year to the sale of $15,000,000 worth of military equipment to Pakistan because I feared the tragic consequences of this action. I have just cosponsored Senate Concurrent Resolution 21 which urges the suspension of our military assistance to Pakistan until the conflict is resolved.

I ask unanimous consent to have printed in the RECORD the letter from Dr. John E. Rohde because I feel that Senators should have the benefit of his insight.

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

HUDSON, OHIO,
April 17, 1971.

Hon. WILLIAM B. SAXBE,
New Senate Office Building,
Washington, D.C.

DEAR SENATOR SAXBE: Two days ago my wife and I were evacuated from Dacca, East Pakistan where I have been posted for the past three years as a physician under USAID. I am certain that you are aware of the political events preceding the army crackdown on March 25th. As a result of complete censorship and the expulsion of journalists, banning of the major political party in Pakistan, and repressed information about the military campaign against the civilians of East Pakistan, it must have been difficult to obtain a clear picture of events since that date. From the outset of the army action, the American Consul General and his staff in Dacca, have continued to send detailed factual accounts enumerating first hand reports of the situation. These reports have been carefully collected and verified before transmission to the State Department. Publicly the State Department claims they do not have enough facts; but I have seen the factual reports sent daily from Dacca. The American Consul in Karachi stated to me that they only recently began to receive the accounts about the situation in East Pakistan, when the Consulate in Dacca has been transmitting information from the very start of the action.

Although Consul Blood's reports contain a more detailed account of the current situation, I wish to bring to your attention the observations I have made in the past weeks in Dacca. My wife and I watched from our roof the night of March 25th as tanks rolled out of the Cantonment illuminated by the flares and the red glow of fires as the city was shelled by artillery, and mortars were fired into crowded slums and bazaars. After two days of loud explosions and the continual chatter of machine guns, we took advantage of a break in the curfew to drive through the city. Driving past streams of refugees, we saw burned out shacks of families living by the railroad tracks, coming from Gulshan to Mohakhali crossing. A Bengali friend living close by had watched the army set fire to the hovels, and as the families ran out, he saw them shot down "like dogs." He accepted our offer to take him and his family of twelve into our home. In the old city we walked through the remains of Nayer Bazaar, where Moslem and Hindu wood cutters had worked, now only a tangle of iron, and sheet and smouldering ruins. The Hindu shopkeepers and craftsmen still alive in the bombed ruins of Shankari Bazaar, begged me to help them only hours after the army had moved in with the intention to kill all inhabitants. One man had been shot in the abdomen and killed only one half hour before we arrived. Others were lying in the streets rotting. The day before we were evacuated, I saw Moslem names in Urdu, on the remains of houses in Shankari Bazaar, previously a totally Hindu area. On the 29th we stood at Ramna Kali Bari, an ancient Hindu village of about two hundred fifty people in the center of Dacca Ramna Race Course, and witnessed the stacks of machine-gunned, burning remains of men, women and children butchered in the early morning hours of March 29th. I photographed the scene hours later.

Sadarghat, Shakaripatti, Rayerbazaar, Nayer Bazaar, Pailpara, and Thataribazaar are a few of the places where the homes of thousands are razed to the ground.

At the University area on the 29th, we walked through Jagannath Hall and Iqbal Hall, two of the student dormitories at Dacca University shelled by army tanks. All inmates were slaughtered. We saw the breach in the wall where the tank broke through, the tank tracks and the mass grave in front of the hall. A man who was forced to drag the bodies outside, counted one hundred three of the Hindu students buried there. Outside were the massive holes in the walls of the dormitory, while inside were the smoking remains of the rooms and the heavily blood-stained floors. We also saw evidence of tank attack at Iqbal Hall where bodies were still unburied.

The two ensuing weeks have documented the planned killing of much of the intellectual community, including the majority of professors of Dacca University. These include: Professor G. C. Dev, Head of the Philosophy Department; Professor Maniruzzaman, Head of the Department of Statistics; Professor Jotirmoy Guhathakurta, Head of the English Department; Dr. Naqvi, and Dr. Ali, Head of the Department of History. Professor Innasali, Head of the Physics Department and Professor Dr. M. N. Huda, Head of the Economics Department, former Governor and Finance Minister were shot in their quarters, injured and left for dead. Many families of these professors were shot as well. Full documentation of the people is difficult due to the army's thorough search leaving Dacca. Complete censorship was facilitated when three prominent mass circulation dailies were burned: The People, The Ittefaq, and the Sangbad.

Military action continued after the attack of the first two days. We listened as the early morning of April first was wracked for two hours by artillery pounding Jinjira, a town across the Buriganga from Dacca, that had swollen in size with an estimated one hundred thousand civilians fleeing terrorized Dacca. Radio Pakiston continued to broadcast that life in Dacca had returned to normal but we witnessed a nearly deserted city.

In Gushan, one of the suburban areas of Dacca, where we lived, we witnessed the disarming of the East Pakistan Rifles, stationed in the Children's Park across the street, the army looting the food supplies from the market nearby, and finally the execution of several EPR as they were forced by Punjabi soldiers onto a truck to be "taken away". The mass execution of several thousands of Bengali policemen and *East Pakistan Rifles* is already documented. We also witnessed

from a neighbor's house, army personnel fire three shots across Gushan Lake at several little boys who were swimming. Nearly every night there was sporadic gunfire near our home adding to the fear of twenty-six refugees staying with us. During the day Pak planes flew overhead to their bombing missions.

It would be possible for me to chronicle many specific atrocities, but we have left close friends behind whose lives might be more endangered. It is clear that the law of the jungle prevails in East Pakistan where the mass killing of unarmed civilians, the systematic elimination of the intelligentia, and the annihilation of the Hindu population is in progress.

The reports of Consul Blood, available to you as a Congressman, contains a more detailed and complete account of the situation. In addition, he has submitted concrete proposals for constructive moves our government can make. While in no way suggesting that we interfere with Pakistan's internal affairs, he asserts, and we support him, that the United States must not continue to condone the military action with official silence. We also urge you to read the Dacca official community's open cable to the State Department. It is for unlimited distribution and states the facts about the situation in East Pakistan.

By not making a statement, the State Department appears to support the clearly immoral action of the West Pakistani army, navy, and air force against the Bengali people.

We were evacuated by Pakistan's Commercial airline. We were loaded on planes that had just disembarked full loads of Pakistani troops and military supplies. American AID dollars are providing support of military action. In Teheran, due to local support of Pakistan, I was unable to wire you the information I am writing.

Fully recognizing the inability of our government to oppose actively or intervene in this desperate oppression of the Bengalis, I urge you to seek and support a condemnation by Congress and the President of the United States of the inhuman treatment being accorded the seventy-five million people of East Pakistan.

No political consideration can outweigh the importance of a humanitarian stand, reiterating the American belief in the value of individual lives and a democratic process of government. The action of President Yahya banning the democratically elected majority party, who had ninety-eight percent of the East wings electorate backing them, ought to arouse a country which prides itself on the democratic process.

We urge you to speak out actively against the tragic massacre of civilians in East Pakistan.

Sincerely yours,

JON E. ROHDE, M.D.

NASA SKYLAB AND SPACE SHUTTLE PROJECTS ESSENTIAL

Mr. ALLEN. Mr. President, the events that have taken place in the Soviet Union's space program during the past few days give us ample notice that they have not dropped out of the manned space flight field. Any such idea has now been shown to be nothing but wishful thinking.

There is plenty of positive evidence, indeed, that the Russians are now about to put into action a new and powerful effort aimed at placing a very large manned space laboratory into earth orbit.

On April 19, the Soviet Union launched an unmanned "orbital scientific station" called Salyut, or in English, Salute, into earth orbit. As is the usual Soviet custom, they did not give us very much information at the time, either about the spacecraft itself or about its intended mission. However, as the days go by and additional events take place, the pattern is beginning to become fairly clear.

The original announcement by Tass, the Soviet news agency, simply stated that the craft Salute was aiming to perfect elements of design and on-board systems and conduct scientific research and experiments. Its size and weight were not mentioned, but there were some interesting hints. Soviet journalists had been telling Western correspondents for days that one or two manned spaceships would soon be launched.

We had also been given a few other pieces of the jigsaw puzzle. Last month the chief designer of Soviet spacecraft, who has not to my knowledge ever been identified by name, made some interesting statements. Among other things, he said that the U.S.S.R. was preparing another long duration manned flight as a prelude to the creation of a permanent orbiting space laboratory. He told a newspaper reporter that the Soyuz vehicles had undergone necessary modifications to insure fulfillment of a long and extensive program.

He added that the crew of the next Soyuz spacecraft would test what he described as "mobile mechanical devices," improved porthole windows, and other instruments needed on future flights.

Two days after Salute was launched, the Soviet trade-union newspaper Trud quoted the senior cosmonaut of the Soviet Union, Gen. Georgi Beregovoi, as saying that orbital space stations would be a normal development in the 1970's, and predicting that a multistory international station would be put into an extensive orbit that would encompass both the earth and the moon.

Perhaps even more interesting, from our national point of view, is the fact that before Salute was launched, Soviet sources had reported that it would be "the biggest unit ever sent into orbit." From the way the statement was phrased, however, it was not clear whether this would be the result of assembly work in space. As I have said, there has been no official Soviet announcement about the weight and size of Salute itself, and they have given only the most limited details about the craft.

On Friday, April 23, came the important announcement that the Soviet Union has placed in orbit a three-man spacecraft called Soyuz 10. Again, there were not too many details—just the announcement that the craft was to conduct joint experiments with the Salute unmanned spaceship already in orbit. We can only speculate about the success of the mission, which was quite short. Soyuz 10 stayed in space for only 2 days before returning to earth. But while some of our experts think the Russians may have run into unexpected difficulties, West Germany's Dr. Heinz Kaminski has suggested that the flight might have been deliberately short, its prime and only mission being an engineering test of the docking mechanism.

The real point is, however, not whether this particular mission was a complete success. At this point, that is immaterial. What we have is clear-cut evidence of Soviet intentions to build a large orbiting space station, and we can be sure they will succeed before too much longer.

These major Soviet efforts, at a time when our own space program has been so heavily curtailed, are extremely alarming. I am growing increasingly concerned about our Nation's long-term position in space relative to the Soviet Union. I can only hope that we are able to profit from the lessons of history. Surely, this country cannot so soon have forgotten the tremendous shock we faced in 1957 when the first Sputnik went beeping around the world to give us warning that another country was challenging our position of technological leadership. It took us many years of hard work and unflagging effort to regain that position of leadership, and today we see it again being strongly challenged. What I am most strongly concerned about—and I agree wholeheartedly with NASA's acting administrator, Dr. George Low, on this—is that if we lose our position of leadership again, we may not have the capacity to catch up. As he has pointed out, for a period of at least 4 years after our Skylab program is completed, there will be no Americans in space. During that rather long period of time, we can be quite sure that the Russians will continue to make major advances in manned space flight, and specifically, space station technology.

That is why I think it is of the utmost importance that we of the legislative branch give our strong support to the U.S. space program of the next decade. Even more than that, I feel we must urge that all steps possible be taken to strengthen it, to keep us from falling too far behind.

Skylab will be a good beginning, and fortunately, it is already well under way. As I am sure you know, this will be our first experimental space station, scheduled for launch early in 1973. It should give us a lot of valuable experience on the problems of long-term manned flight. This is an area where we need much more knowledge, of course, and that is why the plans call for the lab to be visited three separate times by three-man crews of astronauts, who will stay aboard for periods of as long as 2 months. From Skylab, we will be learning much about man's physical reaction to long-term space flight—particularly the prolonged conditions of weightlessness. At the same time, the crews will be performing important scientific and applications experiments.

But important as Skylab is, it will be coming to an end all too soon, and it is the gap between the end of that experiment and the time that the space shuttle is developed and made ready to fly that we must really be concerned about.

That is why the space shuttle rocket plane—the craft Dr. Wernher von Braun calls the DC–3 of space transportation—is of such key importance to our future. This craft, designed to fly to orbit from

the surface of the earth and back down again, would be used and reused many times. For the first time it will be possible to convert space travel to a low-cost airline mode of operation.

This vehicle would take off and carry up to orbit perhaps 10 to 20 tons of payload and a dozen or so passengers. With this kind of capability, it offers the best possible support for our own plans to place a large permanent space station in orbit around the earth.

But that is just one of the many possibilities the space shuttle will offer. If NASA should decide to orbit, for example, a spacecraft carrying an unmanned astronomical observatory, there will no longer be any risk of losing this highly expensive item through technical failure, as has sometimes happened in the past.

This is the way the system would work: the shuttle will carry the craft into space, deploy its antennas, start up and check out its systems, and when it has been assured everything is functioning properly, it will be left in orbit.

If for any reason something goes wrong, the technicians simply fold it up again and return it to laboratories back on earth for further checkout. As Dr. von Braun puts it:

> In essence, the shuttle system will remove what we call the activation hurdle.

But there are many other advantages as well. One problem our space program has had to face from the beginning has been the necessity for project scientists to make their plans as much as 5 years in advance. In no other way was it possible to have all the experiments worked out and the hardware ready at time of launch. Then, all too soon, the scheduled experiments would all be completed according to the program that had been set up. The instruments might still be perfectly good, and operating as well as ever. But there would really not be much of anything left for them to do.

With the shuttle, it would be quite easy to retrieve such satellites, return them to earth, check out and renew their operating systems, and put in new experiments designed to obtain totally different information from that gathered on the earlier mission.

At the same time, the need for planning and building experiments so many years in advance would be eliminated. Replacement experiments could be designed and built even while earlier experiments were still flying and functioning. Thus, the useful lifetime of each satellite could be extended over a much longer period. Where we could fly perhaps 10 experiments by present methods on such a satellite, by using the space shuttle it would become readily possible to fly 50 or even a 100 over a period of time.

The same kind of approach could be used with earth resources satellites, permitting the scientists to design and fly a whole catalog of multispectral sensors to perform all kinds of tasks—from detecting sources of pollution to spotting forest fires—from locating diseased trees to indicating the best times to harvest crops.

Even more important than any of these things however, is the fact that the shuttle is going to increase enormously the opportunity for scientists to go into space and perform experiments there. Only the actual flight crews—that is to say, the men actually piloting the shuttle craft—will have to be astronauts who have undergone the rigorous training that characterizes that demanding profession.

While they are on the flight deck, there will be plenty of room in the passenger compartments for scientists and technicians with no special flight training. These men and women can ride up, spend as much time in orbit as necessary, and then return to earth on another shuttle flight.

This will remove the one barrier that has created so much dissatisfaction in the ranks of scientists up until now—the necessity for their having to undergo full-time, demanding astronaut training. By splitting functions, the space shuttle will wipe out this limitation completely.

The shuttle's economy is readily demonstrable. As Dr. Paine, NASA's former Administrator, liked to point out, even a Volkswagen would be expensive if you had to throw it away after it was used once. The reusable shuttle is expected to drop the cost of a given launch by tenfold or more. Of course, its economy will be closely related to the number of flights it makes, and how often it is scheduled to fly. Like an airliner, it will not be economical if it just sits on the ground.

Thus, while any single flight could conceivably be made more economically if it were launched by another system than the shuttle, over the long haul, the total savings will still greatly favor the shuttle in multiple missions.

For all of these reasons, I hope it is clear why I believe that strong support of the national space program, and particularly, the space shuttle, is absolutely essential to our continuing leadership in space.

It is hard for me to imagine that this country would be willing to dissipate and abandon the great technological dexterity that we have managed to build up during the last decade. But such things have been known to happen before, notably in the case of the airplane. Even though the first successful airplane was an American invention, by the time World War I came along, the United States had lagged far behind many other countries. Our American pilots were forced to fly their aerial combat missions in French and English planes. Even Mexico had many more aircraft than we did.

We cannot afford to make such mistakes again. The entire Free World looks to this country for leadership, on Earth and in space. We have proved, with our policy of openness, what we can do when we put our minds to it. The whole world watched and applauded when our Apollo astronauts landed on the Moon.

Now, again, we must look to our laurels. If we will only commit ourselves to the task, I know we can do the job.

INVESTMENT TAX CREDIT BILL

Mr. TOWER. Mr. President, I invite the attention of Senators to the recent speech by the distinguished Secretary of the Treasury, Hon. John B. Connally, delivered to the annual meeting of the U.S. Chamber of Commerce. The Secretary observed in that speech that the economy is growing in strength, that the rate of increase in consumer prices is lower, and that output is increasing. The Secretary also noted that the principal inflationary pressures we face today are wage increases in excess of productivity increases, which I think we should be more aware of during consideration of future strike-settlement questions in Congress.

In his remarks, the Secretary discussed the investment tax credit concept in connection with our productivity problems, a concept in which I myself place a great deal of credence as an incentive for improving our productivity. The Secretary noted that business investment should be encouraged by the Government, rather than frightened off by the prophets of economic despair. I have introduced a bill, S. 1647, calling for the restoration of the investment tax credit to help do just that, and I am pleased to see the Secretary indicate that the administration, the Ways and Means Committee, and the Finance Committee would support retroactivity of restoration to at least April 1, 1971, if the question is actually taken up and favorably acted upon this year. This would encourage businesses to go ahead with any equipment investment plans they may now have, rather than artificially postponing such investment in hopes of catching the tax credit later. We need continual updating of our capital equipment in order to maintain our competitive position in world trade and to maintain our high wage levels and high employment levels in this country.

In this same connection, I note that there is current criticism of the President's program of improved tax depreciation schedules as "unwarranted and unlawful" by some in Congress. I suggest that the administration and Secretary Connally are more fully informed of both the wisdom and the lawfulness of these provisions for improving our economic structure than are any of the critics in Congress.

Mr. President, I ask unanimous consent that the text of Secretary Connally's speech be printed in the RECORD.

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

ADDRESS BY THE HONORABLE JOHN B. CONNALLY

The goals of Administration economic policy are well known: To take up existing economic slack in the months ahead—to raise output and reduce unemployment—while at the same time continuing to make real progress in the battle against inflation.

This strategy is working, and working well. The rate of increase in consumer prices is much lower than a year ago. A healthy renewal of economic expansion is becoming a reality rather than an expectation.

Despite this progress, there are still those in the business community and elsewhere

who believe that our goals of expansion and greater price stability are incompatible. These people are wrong.

There are also those whose words and actions are making our economic goals more difficult to achieve. These observers are hurting the very people they profess to protect—the workers and consumers of this Nation. I shall return to this point. Let me first speak about the compatibility of our economic goals as I see them.

Far from being contradictory, the twin goals of renewed economic expansion and continued progress against inflation now reinforce each other. The source of price increases today is not that of two years ago, when "too much money was chasing too few goods." Then prices were being pulled up by excessive demand. Now the problem is one of wage increases far in excess of any possible increase in productivity.

But on the other hand productivity tends to rise rapidly in a business recovery. Consequently, the next year or so could well be a period of high productivity increases. If so, the rise in unit labor costs should slacken. This would be translated into reduced price pressures at both wholesale and retail levels.

Needless to say, this transition to stability would be greatly assisted by more reasonable wage settlements in industry.

I am not worried about resumption of economic overheating so long as significant slack remains in the economy. But we must be concerned about the future, as well as today. As unemployment declines and plant utilization rises, we shall have to be increasingly careful about the continuing amount of fiscal and monetary thrust. Concern over the "re-entry problem"—moving back into the full employment zone—is fully justified. If we want to avoid re-creating the very conditions that led to inflation in the first place, we must take care as to how hard we press the accelerator and avoid locking it into position.

In this respect, let me emphasize a very important qualification. We know that some types of fiscal actions affect the economy quickly, but that monetary moves have their major impact many months later. This means that the adequacy of monetary actions taken recently cannot be judged solely in terms of today's movements in the economy. It also means that the danger of overshooting is always present.

The view that I have expressed—that economic recovery and continued progress against inflation are compatible goals—is gaining increasing acceptance in the business and financial community. Nevertheless, there are many who obscure this large measure of agreement by playing games with numbers—will the Administration achieve its professed GNP target for 1971 or not?

I have absolutely no interest in engaging in such a game with aspirants for high office or politically-oriented economists who were once close to power and long to return. The fact is that the first quarter GNP results were a record-breaking increase. It was both solid and satisfying, an important first step on the road back to high employment, with better price performance. Whether or not it was sufficient to achieve some specific dollar GNP figure for 1971 is not of consuming interest.

We are determined *not* to depart from the path of balanced and sustainable growth, or to risk re-igniting the fires of inflation, in an effort to achieve a particular figure.

My reading of the first quarter figures convinces me that no additional monetary or fiscal stimulus (other than the final implementation of the new depreciation rules) is at this time called for. In fact, Congress, by enacting big spending legislation that threatens to raise outlays far beyond full employment revenues, may be pushing the fiscal engine into too high a gear.

However, nothing is certain when it comes to the economy—the strong upswing which I expect later this year is a promise rather than a sure thing. Things may change. If so, I will not hesitate to recommend appropriate steps to the President. Above all, let me emphasize: The economy is not a Polaroid Camera which you snap, and then pull the results out in a minute. The economy is vastly complicated. Results take work, time, cooperation and patience.

I, for one, am confident that if we concentrate on the job to be done, business, labor and consumers will make the decisions that will sustain an economic advance. An extra dividend from such an effort is that a solid and sustainable type of recovery is fully consistent with our international financial responsibilities.

Recently, large amounts of dollars have left this country in response to the pull of higher interest rates overseas. These movements have caused some concern, and corrective steps have been taken both here and abroad. Obviously, however, it is neither feasible nor desirable to put the U.S. economy through the wringer in order to stop this type of capital outflow. A sluggish U.S. economy—in addition to all of its other difficulties—is prone to encourage large capital outflows.

This does not mean that we can conduct our domestic affairs with a cavalier disregard for the crucial role that the dollar fulfills in the international monetary system. Far from being a matter to be handled with "benign neglect," restoration of lasting equilibrium in our underlying balance of payments has been—and continues to be—in the highest order of national priorities.

I see no irreconcilable conflict between our domestic and international goals. The path that we have charted is giving us much better cost performance than in most other industrial nations. And that path will lead us to an output and employment situation which is both sustainable and in the best interests of workers and employers alike.

I referred earlier to some observers who, for political reasons or out of ignorance, are engaging in actions or making statements that could make our economic tasks more difficult to achieve. I also stated that these people could well be hurting those workers and consumers whom they profess to want to help. Interestingly, but not surprisingly, they include some of the same people who poor-mouth the solid economic advance of the first quarter. This combination of viewpoints would normally seem most unusual—were it not for the fact that the 1972 Presidential campaign already seems to be underway.

I refer to the attacks on the proposed revision in depreciation policies, as announced by President Nixon on January 11. Some people have said these outcries are "orchestrated." The fact that most of them were delayed for more than three months following the original announcement may lend some support to this view.

Thorough hearings on the proposed regulations will start on May 3 and I shall not comment on the legal and administrative basis for our proposed actions, which were thoroughly considered before the proposals were made. Suffice it to say that we are convinced that we are on solid ground. But I feel compelled to comment on the economic case.

The essence of the criticism is that the proposed changes will represent a massive "giveaway" to business. Nothing could be further from the truth. This charge would be a mystery to me, if it were not for the fact that political considerations can sometimes cause otherwise reasonable people, who really know better, to let their rhetoric rule their reason.

Most businessmen will reinvest the proceeds from the accelerated depreciation in new equipment. That's one of the major purposes, along with much needed simplification, for the proposed new regulations. And it is in evaluating the impact of the reinvestment and additional investment that we discern the true impact on workers, consumers, and the economy.

The simple truth is that investment in new equipment increases productive capacity, which provides more jobs for our growing labor force, or it increases efficiency, which helps the consumer by dampening the rate of inflation. Perhaps in most instances new investment enhances both capacity and efficiency.

The critics have completely ignored these public benefits, but they would do better to "tell it like it is." Instead, they insist upon trying to drive a wedge between the legitimate, common interests of management and worker by foisting age-old and discredited dogma upon the public.

In truth and fact, management, labor and the consuming public *all* realize major benefits from greater efficiency and a high level of economic activity in the United States.

The really unfortunate result of all this is that uncertainty has been raised in the minds of some businessmen as to whether proposed changes will become effective. We have carefully tested the water in the Congress—we did that even before the original announcement in January—and see no likelihood of any legislation. As to the courts, I repeat that we are convinced we are on sound legal and administrative ground.

But to the extent the so-called orchestrated outcry has caused any businessman to go slower than he otherwise would in ordering new equipment, then it's the unemployed men and women in the capital goods industries who bear the biggest burden—and who can least afford to do so.

One other uncertainty that may be dampening a revival of spending on equipment results from the belief in some quarters that the investment tax credit may be restored. The Administration does not at this time have any intention of making such a recommendation to the Congress. However, in any event, I have been assured by the chairmen and ranking members of the tax-writing committees that any such restoration would at least be retroactive to April 1, if not earlier.

There is therefore no gain to be had by withholding new equipment purchases at this time.

Let me close on a broad matter which has serious implications for our nation as a whole, as well as the economy. I refer to the crying need for more effective, statesmanlike leadership—leadership such as President Nixon is providing—at all levels of government, and in business, finance, and labor.

The type of leadership in the private sector that we so sorely need and are not getting would result in all groups—workers, management, stockholders—exercising restraint to permit a stabilization of inflation and a further expansion of the economy to everyone's benefit.

And, in referring to business leadership, I cannot help but express my disappointment that this very group which I am addressing has *not* supported the President on two vital aspects of his program to lead this nation out of its troubles—general revenue sharing and welfare reform.

I urge you to reexamine those positions in the light of the alternatives available. To say that they both may be less than perfect is to ignore the fact that we now and always will live in a less-than-perfect world. And when you discuss alternatives, remember that merely proposing them does no good—they have to be enacted by the Congress.

One man, sitting in the White House, regardless of talent, regardless of staff, cannot do it alone. The genius of the American system lies precisely in the effective harnessing of a wide range of groups, some similar and some diverse, to work for the public good.

We know the problems, we know the pitfalls, we know the range of solutions. We know the huge magnitude of the tasks. I say let's get on with the job—by exercising the type of leadership that has served us so well in the past and must again in the future.

LET US COME OUT TOGETHER—ADDRESS BY SENATOR CHURCH

Mr. CHURCH. Mr. President, on April 20, 1971, I presented the John F. Kennedy and Robert F. Kennedy Memorial Lecture on International Affairs at the Johns Hopkins University, in Baltimore. I ask unanimous consent that my address, entitled "Let Us Come Out Together," be printed in the RECORD.

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

LET US COME OUT TOGETHER

(By Senator FRANK CHURCH)

Being invited to deliver the John F. Kennedy and Robert F. Kennedy Memorial Lecture on International Affairs, here at Johns Hopkins University, presents challenge enough, without making the war in Vietnam the principal focus of these remarks.

Prior to his assassination in 1963, President Kennedy had begun to question the very involvement of the United States in Indochina which he, himself, had so substantially enlarged. His brother, Robert, before being struck down by another assassin, had become an impassioned opponent of the war.

Both men, with that capacity for detached judgment for which each was known, would readily have understood what James Madison meant, when he once explained the perils of foreign policy in these words:

"The management of foreign relations appears to be the most susceptible of abuse of all the trusts committed to a government, because they can be concealed or disclosed in such parts and at such times as will best suit particular views; and because the body of people are less capable of judging and are more under the influence of prejudices on that branch of their affairs, than any other."

Madison's admonition provides us with a sobering perspective of our protracted ordeal in Vietnam, now the longest war in our history; a war three American Presidents have found repugnant and yet would not repudiate; a war waged for nearly a decade in search of a reason.

When American involvement in Vietnam began in earnest, during the Presidency of John F. Kennedy, our intervention was explained within the larger concept of our cold-war mission. Communism, as we envisioned it then, was seen as one great octopus; the American responsibility was to cut off its tentacles, one by one, each time it ventured to reach out. Otherwise, we told ourselves, the red monster would eventually envelop the earth and squeeze us to death.

In this context, North Vietnam was viewed as a tentacle of communism reaching out for South Vietnam. Our duty, therefore, was to cut the tentacle off, thus demonstrating to the monster—described by conservatives of the day as "the international communist conspiracy" and by liberals as the "Sino-Soviet bloc"—that we would resist its wars-by-proxy, knowing full well that Vietnam was but a segment of a seamless strategy to engulf the world.

But as the war proceeded, Ho Chi Minh stubbornly resisted the proxy role we assigned him. He danced neither on the strings of Moscow nor Peking. No one's puppet, he was, rather, an authentic Vietnamese hero, in the South as well as the North, the leader of their common struggle for national independence against the French. And when we replaced the French, his legions fought on against us, not out of abject obedience to foreign masters, either Russian or Chinese, but out of a fierce indigenous will to drive the hated foreigner from their land.

Their zeal against staggering odds played havoc with our simplistic view of communism. If a reunited, independent Vietnam was the driving dream of Ho Chi Minh, how did his national goal differ from that of Tito? Why, if we could have amicable relations with a communist Yugoslavia, must we fight against a communist Vietnam? If North Vietnam were not a pawn in the global game of power politics, how could such a small country possibly pose a threat to the United States? How were our vital interests involved, anyway?

These questions must have deeply disturbed President Kennedy as he groped for a line to draw against an open-ended commitment by the United States to fight in Indochina. In a television interview given at Hyannis Port on September 2, 1963, John F. Kennedy reminded his audience that the American pledge was to assist the Government of South Vietnam, not fight the war for it. "In the final analysis," he said, "it's their war. They're the ones who have to win it or lose it. We can help them, give them equipment, we can send our men out there as advisors, but they have to win it, the people of Vietnam, against the Communists."

We shall never know, for sure, what President Kennedy would have done, had he lived. Kenneth O'Donnell, intimate friend and confidant of both John and Robert Kennedy, tells us of sitting in on a conversation between the President and Senator Mike Mansfield in the Spring of 1963. O'Donnell recalls that Kennedy told Mansfield that he "agreed with the Senator's thinking on the need for a complete military withdrawal from Vietnam." Then he quotes the President as saying: "But I can't do it until 1965—after I'm re-elected."

1965 never came for John F. Kennedy. The re-election he anticipated turned out instead to be a landslide victory for his successor, the man who campaigned on the pledge never "to send American boys 9 or 10 thousand miles away from home to do what Asian boys ought to be doing for themselves."

By 1965, in the teeth of his landslide victory, Lyndon Johnson had already foresworn his pledge to the American people. He had decided to send an American army to southeast Asia, and he needed a new reason to erect and embellish, with which to justify our escalating participation in the war.

"Why are we in South Vietnam?" President Johnson asked rhetorically at this very university on April 7, 1965. "We are there" he said, "because we have a promise to keep. Since 1954, every American President has offered support to the people of South Vietnam. We have helped to build, we have helped to defend. Thus, over many years, we have made a national pledge to help South Vietnam defend its independence. And I intend to keep that promise."

This new theme—that a pledge made to the American people must be broken in order that a promise made to others might be kept—was entrusted to the Secretary of State, Dean Rusk, to propagate. He cloaked it in the language of diplomacy, calling it "the sanctity of the American commitment."

If we didn't soldier on in South Vietnam, he argued, who would trust us when it really mattered! To promote this theme, he traveled extensively on one of the strangest diplomatic treks in modern history.

I recall visiting West Germany shortly after Rusk had delivered his extraordinary message in that country. With puzzled expressions, Germans asked me if it were true that they couldn't trust us to stand with them at Berlin if we didn't persist in the war in Southeast Asia. Apparently, it had never occurred to them to equate Berlin with Saigon until our own Secretary of State insisted on it!

However, the new rationale for the war soon fell short of bridging the credibility gap that had begun to plague the Johnson years. To start with, those promises we had to keep, kept growing with the war. Eisenhower's original pledge of conditional aid, extended in the hope that the Saigon government would "be so responsible to the nationalist aspirations of its people, so enlightened in purpose and effective in performance" as to discourage its enemies, gave way to Johnson's sweeping substitution of an American shield. "To any armed attack," President Johnson declared, "our forces will reply."

In such manner, the civil war in Vietnam was converted into a full-scale American engagement on the mainland of Asia. As the world looked on with increasing apprehension and disbelief, an American army of half a million men was dispatched across the vast Pacific to quell Vietnamese insurgents in their own land. Shackled to a government whose adversaries were often indistinguishable from the people, American forces groped for an elusive enemy who kept surfacing from nowhere and then disappearing again. In our frustration, we defoliated the jungles that gave him cover, struck at his long supply lines from the air, and rained down more bombs upon him than we had ever dropped on all our previous enemies combined. The war became a nightmare of napalm, herbicides, electronic sensors, hovering helicopters, everything our advanced technology could hurl into a medieval quagmire. Yet there we found ourselves stuck fast, a giant engaged in an unseemly struggle with a dwarf.

So the war we fought to prove we'd keep our word, far from reassuring our allies, actually filled them with alarm. Even those "dominoes" which were supposed to fall, would not stand with us on the battlefield. They extended no more than token support to our war effort and for that we had to pay extravagantly.

At last, an aroused world opinion turned against us, the moral leadership we once enjoyed evaporated, and even at home spreading opposition to the war led, in 1968, to the abdication of Lyndon B. Johnson.

His successor, Richard Nixon, the man with the secret plan to end the war, came up instead with a new reason for remaining in it. "Our essential objective in Vietnam," he explained on May 14, 1969, is to furnish the South Vietnamese people with the opportunity "to determine their own political future without outside interference." The "outside interference," of course, was not meant as a reference to our own, but rather to that of other Vietnamese fighting against the Thieu-Ky regime.

Of all the reasons offered as window-dressing for this misbegotten war, self-determination for the people of South Vietnam is the most hypocritical. How can there be self-determination in a land occupied by a foreign power, where the government is spoon-fed from a foreign treasury, and defended in the field with foreign troops? Is there no limit to our capacity for self-delusion?

Besides, even if it were possible for us to assure another people of a "free choice" in their own land, since when has this become the objective of American policy abroad? Do we concern ourselves about self-determina-

tion for the conquered people of Taiwan, the oppressed people of Greece, or the disenfranchised people of Spain, Czechoslovakia, Cuba, Brazil, or East Bengali? If guaranteeing free government for other people were ever to become the governing principle of American foreign policy, we would soon lose free government for our own. Nothing could bury and bankrupt us faster. The awful price we've paid in Vietnam alone should be proof enough of that: over 50,000 young Americans dead, some 300,000 maimed and wounded, 120-billion dollars blown!

The bitter truth is that no nation, including our own, is entitled to summon its sons to battle in foreign wars unrelated to its vital interests. And Vietnam has always been unrelated to the vital interests of the United States, which is to say, the freedom and safety of the American people. Whether or not the Thieu-Ky regime survives, our country will be little affected. We are not dependent on whether the two Vietnams stay divided or on whether South Vietnam remains non-communist. We have preferences, to be sure, and our pride is at stake after involving ourselves so deeply, but preference and pride are sentiments, not interests. From the standpoint of our interests, we have been fighting an unnecessary war for seven long years, making it possibly the most disastrous mistake in the history of American foreign policy. It can never be vindicated; it can only be liquidated.

Why, then, have three American Presidents refrained from ending our participation in this war? Why have they, each in his turn, sought in vain to find some new argument with which to convince the people that we must keep on fighting? The answer to this riddle cannot be found in the geopolitics of Southeast Asia, as it lies, instead, deeply imbedded in the domestic politics of the United States.

Like Kennedy and Johnson before him, Richard Nixon is haunted by the fear of being charged with losing. He has reason to remember how he, himself, became Vice President in 1952, after a harsh campaign of indictment against the Democrats for having "lost China." Nor does he need to be reminded of the turn-about in 1960, when John F. Kennedy narrowly defeated Nixon for President in a campaign which held the Republicans accountable for the "loss" of Cuba.

I do not mean to imply that three Presidents have waged war in Indochina out of selfish, political motives, far from it. Lyndon Johnson, after all, chose to give up the Presidency, rather than give up the war.

But Presidents, like other men, learn from experience. Their views are shaped by their recollections. Richard Nixon remembers the epidemic of hate after Korea which all but tore this country apart. He knows that the accusation of "losing Vietnam"—or simply "losing a war"—could rally again the hounds of a new McCarthyism and set them loose upon the country. Even though he once ran with that pack, I believe he sincerely wants to forestall another such calamity. What else did he mean when he warned the nation, in his first major Presidential address on Vietnam, that we must come out of the war in such a manner as to avoid "inevitable remorse and devisive recrimination that would sear our spirit as a people."

Thus, President Nixon faces the same dilemma as his predecessors: how to leave the war without being charged with "losing" it. He can't be sure that his formula, "Vietnamization," will work, yet he isn't prepared to take upon his own shoulders the risk of its failure. So, even as he withdraws American troops from Vietnam, he invades Cambodia, lunges into Laos, and fudges on the question of our future role.

The American people are left to wonder whether the war is being wound down or widened out; whether we really mean to leave or to find a new way to stay. A permanent American garrison, to be left in Vietnam, called a "residual force," is talked about. No one knows how long American participation in the fighting is to last, how many more years we shall remain committed to giving air, artillery, naval and logistical support to South Vietnamese forces.

Total withdrawal is rarely mentioned by the President. Nor does he even claim anymore that "Vietnamization" will end the conflict, but says only that, if it doesn't, it won't be our fault! Listen to his words: "If Vietnamization leads to perpetuating the war, it is not by our design, but because the other side refuses to settle . . ." Yet he admits that the other side has "the manpower, the logistical network and the dedication to continue the fighting . . ." But if they do, the President goes on to say, "I will take strong and effective measures to prevent the enemy from jeopordizing our remaining forces."

Small wonder that the American people are bewildered; or that the debate over the war rages on; or that the latest public opinion polls disclose that barely a third of those questioned were willing to give the President a favorable rating on the war issue. The confusion is compounded by critics who accuse Mr. Nixon of trickery and bad faith, while the President strikes back with a haymaker of his own, castigating his critics as "neo-isolationists."

Meanwhile, with the repeal of the Gulf of Tonkin resolution last year, no Congressional authorization remains to sanction continued American participation in the war. A Constitutional vacuum has been created which Congress has the duty to fill.

A great opportunity is thus presented, a chance to fill that vacuum with an end-the-war policy that could help pull the country together again. Having fought the war so deeply divided, it may be possible to end it—at least our part in it—in a manner that most of us, erstwhile hawks and doves alike, could support.

Quite aside from whether we should have gone into Vietnam in the first place, the fact is that we have done all we went there to do. With our own men, we prevented the forceable overthrow of the Saigon Government. In the process, we built up a South Vietnamese army of over a million strong. They now possess the means, if they have the will—something we can never furnish them no matter how long we stay—to successfully defend themselves.

So, without doubt, the time has come to transfer the war back to the Vietnamese, a process the President himself has started. Nearly all of us could get together on that process if three things were settled and made clear:

First, it must be settled that our purpose is to withdraw all American forces—land, naval and air—from Indochina, including the return of all American prisoners of war. The notion of a residual force to be left behind must be rejected. Obviously, our prisoners will never be released, and nothing in the long run will be gained, by attempting to retain an American garrison in South Vietnam, at the door-step of China.

Second, the President should agree to fix a date for the completion of the withdrawal. It is unlikely that Congress will ever force a date upon the President but it is possible that the President, himself, can be persuaded to negotiate a final date with the enemy in exchange for the release of our prisoners of war.

Agreement on a deadline for our withdrawal could thus become a lifeline to our prisoners. As the French learned before us, the release of prisoners does not precede, but follows, the commitment to withdraw.

Thirdly, it must be provided that, as we withdraw from South Vietnam, American armed forces shall not participate, directly or indirectly, in any invasion of North Vietnam, nor in any more incursions of Laos or Cambodia, and that any further fighting in South Vietnam be restricted to defensive action found necessary to protect our troops as they withdraw.

Here, then, are the elements of an end-the-war policy which could command majority support from both Republicans and Democrats in Congress, furnishing, at long last, a legislative perch on which hawks and doves could come together again. If it took the form of a joint resolution, passed by both Houses of Congress and signed by the President, the Constitutional vacuum which now exists would be filled.

No longer would it be necessary for the President alone to shoulder all the risks of withdrawal, should the South Vietnamese army subsequently falter and collapse. The policy would be one of shared responsibility in which the Congress fully participates. This is the indispensable basis for any lasting bipartisanship in foreign affairs. The lack of it in the past, both with respect to Korea and Vietnam, has opened a gulf between the legislative and executive branches which must be closed.

Most of all, the passage of such a joint resolution, embracing both political parties, would go far toward avoiding, in the aftermath of Vietnam, another epidemic of Joe McCarthyism like that which poisoned the country following the Korean War. Timely action now, embracing the largest possible consensus, might well prevent a post-war era of bitter recrimination, about which the President has correctly expressed his apprehension.

We could thus come out of Indochina, largely reunited as a people. What could serve the county better than that?

Whatever happens, one day, in one way or another, we will put Vietnam behind us. When we do, and find the time to reflect back upon it, I hope we recognize that the United States is not the first great power to have been victimized by the excesses of a faulty foreign policy.

John Bright, the noted Nineteenth Century English critic of empire, described the folly of his country's overextension during the disastrous Crimean campaign. "I believe," Bright said, "If this country, seventy years ago, had adopted the principle of nonintervention in every case where her interests were not *directly and obviously assailed*, that she would have been saved from much of the pauperism and brutal crimes by which our Government and people have alike been disgraced. This country might have been a garden, every dwelling might have been of marble, and every person who treads its soil might have been sufficiently educated. We should have indeed had less of military glory. We might have had neither Trafalgar nor Waterloo. But we should have set a high example of a Christian nation, free in its institutions, courteous and just in its conduct toward all foreign states, and resting its policy on the unchangeable foundation of Christian morality."

TECHNOLOGICAL ADVANCES RESULTING FROM SPACE PROGRAM

Mr. TOWER. Mr. President, I ask unanimous consent to have printed in the RECORD a very interesting statement written by a group of aerospace scientists and engineers, brought to my attention by Mr. Richard Bollich of LaPorte, Tex. The paper deals with the various technological advances brought about by the U.S. space program, many of which go

unheralded. The space program has its own direct advantages for our future use of the resources of our solar system, not the least of which will be the conversion of solar rays to electrical energy. But the whole program carries more immediate spin-off benefits which greatly increase the value of the space program to the everyday concerns of our Nation and the world. Some of these are described in this interesting paper, and I hope that Senators will review these accomplishments closely in considering space program funding in the new budget.

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

BENEFITS OF SPACE EXPLORATION AND UTILIZATION

EXISTING BENEFITS

A. Medical

1. The "telemedic" device is used for immediate electrocardiograms. It is connected to the telephone in one's home and monitored at the hospital, clinic, or doctor's office.

2. The "sling" used to acquaint astronauts with lunar gravity conditions was developed. It is currently in use at Texas Institute of Research and Rehabilitation. It reduces the gravitational pull on a body. The "sling" is used in handling handicapped people.

3. The Space Program developed integrated circuitry used to modify tracheotomy tubes to ease breathing. When the tube becomes clogged, an alarm is set off and the patient is immediately attended. This procedure eliminates full time patient supervision.

4. A wireless patient monitoring system with central display from 64 hospital beds has been developed. This system monitors heart beat, body temperature, and blood pressure continuously, thus saving lives that might need immediate attention before a nurse can make routine "bed checks."

5. Accelerometers developed to study acceleration effects in space travel are being used to study the protective value of football helmets, the tremor pattern in patients afflicted with Parkinson's disease, and how injuries are produced in automobile accidents.

6. A switch operated simply by eye movements was developed for NASA and has now been adapted for use in a motorized wheelchair. The sight switch, properly relayed, enables a paraplegic to control the wheelchair without moving his body or limbs. The same switch could be adapted for use as a mechanical pageturner or to enable a patient to control lights, thermostat, radio, or television set without moving.

7. The use of foamed splints for broken limbs would be a great boon. Lightweight but sufficiently rigid, foamed supports can readily replace the heavy plaster casts now used to protect limb fractures.

8. Physiological monitoring systems have been installed in hospitals and are being marketed commercially. The systems include bedside consoles and oscilloscopes, two multiplexers used to display several traces simultaneously on each scope, strip chart recorder, magnetic drum recorder, and an audio alarm. Also, biological sensors used to monitor astronauts can now provide vital information pertaining to a patient's condition so that it can be radioed ahead to a hospital from an ambulance.

9. A six-legged walking vehicle devised as a remotely controlled instrument carrier for automated exploration of the Moon has been adapted for use as a walking chair for limbless or otherwise crippled individuals. It can be controlled either by a chin strap or by hand and it can negotiate terrain, such as curbs and beaches, that would be impossible for an ordinary wheelchair.

10. A telemetry unit designed for cardiac monitoring of astronauts has been modified for marketing to hospitals for use in intensive care units.

11. Medical monitoring requirements of space flight have results in microminiaturized electronics now used in cardiac pacemakers and assist devices; electroencephalographic sensor systems; and other compact, reliable, medical monitoring, and recording equipment.

12. Techniques for automatically recording the blood pressure of astronauts and pilots have been adapted to commercial use in a portable automatic bloodpressure recorder. It gives consistent results even when used by untrained persons, and thus frees trained nurses for other duties.

13. Medical training, diagnosis and consultation on a real-time basis are now possible internationally and were demonstrated in the following transmissions: The Relay 1 satellite transmitted an electroencephalogram from the Burden Neurological Institute in Bristol, England, to the Mayo Clinic where it was processed by a computer. After diagnosis was made, the analysis was sent via satellite immediately to the doctors in England.

14. A pressure transducer, used to measure Apollo impact during drop tests, is being used in the Rancho Los Amigos hospital, Downey, Calif., as a standard for checking other similar instruments.

15. An automatic living-cell analyzer for recognizing patterns of possible life forms on Mars can be modified for significant uses in counting blood cells on Earth. In the event of an atomic disaster, it would be imperative to the nation to identify quickly those who could be saved. This automatic analyzer can provide almost instantaneous blood counts reflecting the degree of radiation damage incurred, and thus the relative chance of recovery.

16. Laser technology, developed for defense and space, has led to delicate and precise use in surgery, especially eye surgery. Such surgery can be painless and bloodless in many cases.

17. A sensor, smaller than the head of a pin, can be inserted into a vein or artery to measure blood pressure without interfering with circulation. The probe is inserted through a standard hypodermic needle. The sensor was originally developed to provide pressure distribution measurements over the surfaces of small wind tunnel models.

B. Materials

1. An ultra-thin high strength aluminum foil, developed for a communications satellite, is used for packaging quick-freeze-dried food and sensitive pharmaceuticals.

2. Aluminized plastic only half a thousandth of an inch thick, created initially for superinsulation in space, is now being sold commercially for use in blankets for emergency rescue and similar purposes. The material has unique heat-reflecting properties and surprising strength despite its thinness. It is made into full-size blankets that can be folded into pocket-size packages. The blankets can also serve as stretchers, windbreaks, or water containers.

3. "No defect" welding techniques developed for the 33-foot-diameter Saturn V second stage are now used by a number of welding industries. The perfect welds are accomplished automatically by machine with 100 percent penetration.

4. Beta fabric, woven of pure glass, resists temperature as high as 1500 F. and is as soft and resilient as conventional woven materials. Developed in support of the Apollo program, it can be used for everything from waste containers to sleeping covers to thick mattress-like batting used in couches, upholstery, flame protection around rubber parts, theater drapes, tents, slips, etc.

5. Foamed resins have also been used to refloat sunken ships by displacing the water in flooded compartments with the air-containing foamed cells. Foamed materials are also being studied for instantly inflatable life jackets.

6. Another Apollo material, the thermal control coatings employed to maintain a viable temperature in manned spacecraft during space voyages by dissipating internal heat and rejecting solar radiation, has an excellent potential as a universal temperature conditioner. Coatings with thermal behaviors similar to those of Apollo external-coated surfaces can lower temperatures of cars, trains, trucks, buses, homes, and factories by as much as 10 degrees.

7. High-speed ground and ocean transportation is benefiting from the use of materials and construction methods that stem from aerospace advances. Railroad tankcars weighing one-half as much as steel cars are being produced from the lightweight plastics developed for NASA for use in its rockets.

8. Adhesives developed for the Apollo program are now in more mundane service. An adhesive-bonded car that is as strong as conventionally joined autos is the dream of virtually every automobile manufacturer. Elimination of the hole machining in body panels and the assembly operations associated with mechanical fasteners represent substantial savings. Further, water and salt that cause extensive corrosion cannot enter without holes and other opening. One auto maker uses adhesives to eliminate fasteners on body trim. Another auto manufacturer used the adhesive to bond a racing car in the Grand Prix.

9. In the field of industrial technology, the foamed-in-place, freon-filled polyurethane covering that insulates super-cold liquid hydrogen tankage and prevents hydrogen boiloff is being applied to ships. A 200-foot-long tuna clipper has applied the foam in place of cork coated with asphalt. The foam is about five times lighter than cork. This same foam is being considered as insulation for freight cars, tankers, trucks and houses.

10. One more Apollo-generated material development has stimulated great interest among designers of fire-resistant structures. The novel material is a glass-fiber-reinforced composite that will not burn in a 100% oxygen atmosphere. It is ideal for autos, trucks, aircrafts, or installations where fire constitutes a major hazard.

11. Development of a high-temperature plastic, when at high temperature is stronger than aluminum and compares with stainless steel alloys, has application as structural members of aircraft, electric motor winding, printed electronic circuits, etc.

C. Transportation

1. Newly assembled automotive brake cylinders are being automatically tested under fluid pressure. The test fixture is an outgrowth of techniques devised for testing the Saturn 18 hydraulic components prior to launch.

2. Many treacherous sections of highways and airports are safer as the result of a discovery by NASA test pilots in high speed planes. They found that cars and airplanes "hydroplane" when water builds up under their tires. A grooving technique has been developed by NASA allowing water to drain off a wet pavement and runways preventing skidding. The study of "hydroplaning" phenomenon has also led to improved tire tread design.

3. Air traffic control system has been devised to eliminate aircraft collisions using satellites with computers. The system provides 60 times more accuracy than current systems in plotting the aircraft's position.

D. Energy and natural resources

1. Thermal mapping and infrared photography can detect and map fires, classify

vegetation, measure water transpiration, and detect insects and insect migration.

2. Stress devices developed for measuring thrust of rocket engines are being used to monitor internal stresses in dams, bridges, and buildings provide scientists with previously unavailable information about changes in the structures due to earthquakes, faulty construction, and aging, new Castaic Dam in California is equipped with devices.

3. An advanced nuclear plant is developed to produce power and make fresh water from the sea.

4. The fuel cell, which was lain dormant for many years, was activated to supply electrical power for spacecraft in orbit. Twenty-eight natural gas companies now have a $20 million program for adaptation of the fuel cell for home power plants.

5. Infrared photographs of the Gulf Stream taken from a meteorological satellite show promise of being of tremendous value to the commercial fishing industry as well as to weather forecasters. Because of the Gulf Stream being about 10 degrees warmer than surrounding waters, it shows up clearly in the infrared spectrum. NASA scientists and Navy oceanographers were able to locate its northern boundary near Cape Hatteras very distinctly. Fishing experts say that they would know consistently where to find several species of fish if they could accurately plot the daily wanderings of the Gulf Stream. A better understanding of the Gulf Stream's shape and almost constantly shifting course would also be of great importance to weather prediction.

6. Fresh water photography from satellites have enabled scientists to evaluate their biology, chemical, sediment, and pollutant content, locate where fresh water escapes along coastlines, detect growth and decline of glaciers, and locate areas of water trapped by faults in the earth's crust.

7 The use of a T.V. camera system designed to visibly detect escaping hydrogen during testing of the J–2 rocket engine has led geologists to discoveries in Gemini photographs about possibilities of detecting oil and mineral deposits in remote areas of the globe.

8. A two-gas-breathing technique using gaseous helium originally developed for space use is now being used in underwater activities. This two-gas system allows the user to stay down for longer periods of time without being connected to an above surface system.

9. Underwater vehicles currently utilize silver zinc batteries and fuel cells developed for spacecraft and space vehicle applications. Nuclear powered electric systems developed for space are being utilized as non-tended long term power sources for underwater use.

E. Urban affairs

1. Space-oriented planning techniques developed for the Apollo program are now helping point the way to a better life for the 60,000 residents of Turtle Creek Valley, Pa. Turtle Creek Valley is participating in the Department of Housing and Urban Development Model Cities Program. Turtle Creek Valley has adopted space age reporting techniques including organization charts, and a form of "systems engineering" for planning the community's rehabilitation.

2. One aerospace corporation has cited that chemicals can be used for marketing a vehicle which allows police officers to "sniff" and follow the car chemically. The chemical will also determine if narcotics are in a house without entering.

3. Aerospace systems analysis techniques have been applied to the simulation of the California criminal justice system on a computer. This determined how well the system functioned and how changes would affect its functioning. It would have taken years of actual practice to achieve the same results. The state of California then awarded a contract to analyze the state's social welfare system.

4. Another aerospace company has developed a new method for construction of low-cost housing. The dwellings are rapidly built from prefabricated sections in a mobile on-the-spot factory.

F. Meteorological

1. An aerospace company performed a research program utilizing information from the National Hurricane Project. Data was compiled from all physical factors about a hurricane and the magnitude and stability of forces which hold the hurricane together and what causes it to seek its course was determined. This data is being analyzed and methods of altering a course or reducing the intensity of the hurricane are expected to be available in the near future.

2. A laser beam system used to measure and detect small earth tremors as a means of predicting earthquakes has been developed. The system can provide advanced earthquake warning.

3. A system has been derived to enable meteorologists to predict, through the use of aerospace technology, anticipated occurrences, preventing and controlling of storms.

4. The benefits of the Space Program in weather prediction and warning have touched the lives of many people. For example, early warning by weather satellites is estimated to have saved 50,000 people through evacuation from the devastating hurricane Camille.

5. Since the launching of the TIROS program in 1960, ten TIROS satellites have contributed approximately one-half million usable pictures that have helped to identify, observe, and track 93 typhoons and 30 hurricanes. Cloud analyses were drawn (approximately 20,000), 2,500 important storm warnings were broadcast worldwide, and 750 improvements attributable to TIROS satellite observations were shown.

G. Communications

1. Americans made 200 billion telephone calls in 1969 compared to 18 billion calls in 1960. The Space Program has developed communication satellites that will economically solve this urgent domestic problem.

2. Communications satellites are not affected by violent disturbances in the atmosphere and ionosphere and are not limited in reaching people all over the globe as is the case with undersea cables and short-wave radio. These satellites are undisturbed and transmit to all areas of the world.

3. International television coverage has been provided through communication satellite.

4. A battery-powered TV camera, the size of which is 4" x 3" x 1.5" and weighs 16 ounces was developed to observe Saturn stage separation. It is now being sold on the commercial market.

5. Medical training, diagnosis, and consultation by satellite on a real-time basis is now possible. An electrocardiogram was transmitted from Burden Neurological Institute. After diagnosis was made, the analysis was sent via satellite immediately to doctors in Bristol, England.

EXPECTED BENEFITS

A. Space manufacturing

1. Precision Metallurgy—Eliminate contamination of the melt by heating material while free-floating in space.

2. Crystal Growth—Stresses induced in a growing crystal by its own weight cause minute imperfections in structure, and limit total size. Zero-gravity environment eliminates these stresses.

3. Precision Casting—Molten material can be held indefinitely in a stress-free environment, so a) controlled cooling allows control of internal structure, b) eliminates stratification and convection in partially frozen stock, c) minimizes external stresses during final phases, e.g., optical blanks, ball bearings.

4. Precision Surfaces on Castings—Using electrical fields, magnetic or static, free-surface finishes and zero contamination can be attained.

5. Biologicals: Production of some vaccines requires mixing of culture and medium. Buoyancy tends to separate and stratify the liquids, altering the growth pattern.

6. New Materials Structure: a) Disperse fibres through molten metal under zero-gravity (no buoyancy) to fabricate composites. b) Infuse inert gas into molten metal to optimize strength-to-weight ratios in metallic foam.

7. Improved Welding and Brazing: Achieve uniform material dispersion and diffusion.

8. Produce ultra-thin films—Blow bubbles in zero-gravity.

B. Agriculture and forestry

1. Aerial observation from space will be excellent means for gathering information about resources management of our continental land mass and environment.

2. Measuring of land use, detection of disease, insect infestation, drought, assessing crop and timber stands for tabulating future yields, determining soil characteristics, are some observations about our earth to be made in future exploration.

3. Methods to map the perimeter of forest fires will be used.

4. Food preservation methods to support men for several months in space will apply for people in remote areas where it is currently difficult to get food to without spoiling. For example, fresher seafood can be imported further inland to areas where seafood is an uncommon food.

C. Geography/geology

1. Provide national land use maps of forest cover, cropland, pastureland, urban area development, major transportation routes.

2. Aid in predicting and planning various agricultural crop yields and their distribution.

3. Mapping of new mineral and oil deposits.

4. Infrared data depicting geothermal power sources and also detecting subterranean fires.

5. Data analysis allowing quicker prediction of land slides, earthquakes, and volcanic eruptions.

6. Map making—Accurate photographs can be made of the countryside. Currently, most maps of our country are inadequate and obsolete and will take ten years to piece together. Future space photography will provide more accurate maps to be pieced together in 17 days.

D. Pollution control

1. Infrared photographs to provide understanding of distribution and dispersion of water pollutants.

2. Mapping of atmospheric pollution (CO) for control measures.

3. Earth orbiting pollution monitoring system that can provide coastal watch for oil slicks.

4. Detection of air pollutant violators by sensing the type, amount, and location of an escaping gas.

E. Water resources/marine species

1. Data providing knowledge about nearshore processes and how they affect the production of marine life and the catches of oceanic fishes.

2. Accurate location and prediction of fish schools.

3. Development of repetitive and timely mapping of sea-surface roughness and ocean surface wind conditions on a world wide basis to optimize marine transportation.

4. Detection of underground fresh water springs.

5. Map instrusion of salt water into fresh water streams.

F. Medical

1. Provide a new dimension of heart analysis by using 3-dimensional vectorcardiograms to give a picture of the heart's electrical activity. This technology will provide a new category of data to assess heart performance in the future.

2. Develop predictive methods to anticipate probable cardiac disorders using standardized exercise programs along with correlating subject historical data, and establish better physiological baseline data. Astronauts and space program managers are used as subjects in organized exercise programs.

3. Obtain better understandings of the human cardiovascular deconditioning (and resulting cardiac problems) process which is created when proper, continuing physical exercise is suddenly terminated after satisfactory achievement. These understandings will apply to all physically fit persons such as athletes, some physical laborers, as well as astronauts.

G. Atmospherical science

1. Currently weather can be predicted with relative accuracy 24 hours in advance using weather satellites. If weather could be predicted three days in advance, enough warning could be given to more livestock, protect crops, brace structures, and evacuate people. Prevention of impending disaster will result in a savings of billions of dollars annually.

H. Space communications

1. A single satellite over the U.S. could provide a link for a network of high speed computers for business—banking, management information, and education.

2. ATS-F will provide *India* with a means of direct broadcast of educational programs to its ½ billion population on vital subjects of farming, family planning, conservation, reading, and writing.

McCARTHYISM

Mr. SCOTT. Mr. President, a recent column by noted writer Richard Wilson is worthy of note. I commend it to the Senate and ask unanimous consent that it be printed in the RECORD.

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

[From the Evening Star, Mar. 29, 1971]

"McCARTHYISM"—KEEP THE DEFINITION STRAIGHT

(By Richard Wilson)

It was bound to come sooner or later. The political left is eager to pin the McCarthy (Joseph R.) label on the Nixon administration and tries to do so at every opportunity.

A scholarly author who was 17 years old when Sen. McCarthy flourished, now compares the Red-hunting Wisconsin senator to Vice President Agnew in manner and style because both adopted a flat and unemotional tone in presenting their arguments and accusations.

That is far off the mark to those who knew McCarthy's wild and careless nature, his sinister scowls, and oily mannerisms. But, never mind, it serves the intellectual community's interest to make Agnew and Nixon appear as latter day McCarthys, insensitive to all human freedoms, hounding college students on the campus, intimidating the news media, and persecuting rebel Catholic priests.

Bemoaning the "McCarthy era," and comparing it to the present, will not change certain historical facts with which McCarthy had nothing to do. A brief reference to these facts might be helpful to budding authors who were in their teens in the late '40s and early '50s.

An influential State Department adviser was convicted of lying in denying he had supplied a Communist courier with significant documents for transmission to Moscow. Critical American atomic secrets were stolen and handed over to the Russians in a plot first exposed by a thorough-going and to this day unchallenged Royal Canadian commission. A Justice Department stenographer was found to be turning over documents to a Communist courier, and convicted in court.

There was convincing evidence of Russian collaboration by a prominent sub-Cabinet officer, who denied it but died before the evidence could be tested out. A Communist cell with links to Moscow admittedly existed in one government department. A high official denied this, recanted and publicly confessed he had been a Communist and member of the group all along.

McCarthy had nothing to do with any of this. He played a different game in congressional hearings. Television carried the terrible monstrosity of it to the public, leading to his disgrace and death.

But that does not change the fact that there were established and significant instances of Communist penetration and espionage in which American officials participated, as well as terribly bad judgment on the part of others who were duped and used.

So, there was a lot more to the "McCarthy era" than McCarthy, and that should not be lost sight of now while the Nixon administration tries to cope with young revolutionists who blow up campus buildings, kill innocent people, claim they bombed the U.S. Capitol, and raid FBI offices to steal significant classified documents concerning ongoing investigations.

These are criminal acts. It is also a criminal act to try to immobilize the operation of government departments and kidnap a high White House official as a hostage.

The stolen FBI documents, however, are being presented to the public as revealing a sinister plot by J. Edgar Hoover to repress justifiable public dissent. The criminal acts which Hoover is investigating, including the theft of the documents, is excused.

The documents in fact show a lively regard by Hoover for avoiding intimidation and repression. He was after those who were planning riots and bombings.

Certainly by now it should be admitted that Hoover also has ample cause to investigate Black Panthers who kill each other, and policemen in line of duty, more often than policemen kill them. The point is raised that Hoover has been investigating any organization containing the name "freedom" in a militant context. And why not? Such organizations have a long and unenviable record of creating civil strife.

If this is "McCarthyism" then it was also "McCarthyism to expose, prosecute and convict those inside the government and out for what amounted to participation in Communist penetration and Soviet espionage.

Today's leftist does not like to be reminded that the "witch hunt" a score of years ago turned up spies, saboteurs, and informers for a foreign power, duly tried and convicted.

Nor does he like to be reminded today that scores of bombings and extensive violence have preceded the investigations the FBI is making.

As for Agnew, his political expletives are no more McCarthy-like than those of opponents who are currently trying to rival him.

EXTENSION OF THE DRAFT

Mr. KENNEDY. Mr. President, I have just read accounts of the action taken by the Senate Armed Service Committee yeterday on the draft. I want to congratulate the chairman for his outstanding leadership in undertaking a comprehensive review of the Selective Service System and our military manpower needs. I believe that, for the first time, we have had a full examination of the issues surrounding extension of the draft in the Senate committee hearings with an opportunity given to all viewpoints to be heard.

I was particularly pleased to note the 150,000 ceiling imposed in the induction authority of the President. That provision was included in the draft reform bill I introduced earlier this session. However, the strength of the limitation on the President's authority has been greatly weakened by the addition of an executive escape clause.

Under the committee version, the President can issue an Executive order declaring there are urgent national security reasons for lifting the ceiling. Once more, the President would be given the authority and power to acquire unlimited manpower to commit to foreign policy adventures. Once more, Congress would be voting away its powers and responsibilities under the Constitution. Once more, a President would be able to unilaterally commit troops somewhere, knowing that he could maintain that commitment by increasing the number of inductees. To prevent this, I intend to introduce an amendment to require congressional concurrence to any Presidential request for the removal of the induction ceiling.

There is considerable historical justification for this action. Limits were placed on the power to induct in 1940 and again in 1941. The President was barred from posting draftees outside the Western Hemisphere, restricted by the bill to a ceiling of 900,000 men, and given a limited 1-year induction authority.

As evidence that Congress can act quickly when a national emergency occurs, we can simply note that all of those limitations on the President's authority were removed 6 days after Pearl Harbor. It should be emphasized that the draft ceiling would not unduly hamper the President's ability to deal with national emergencies. He has control over all those already in the armed services as well as the Reserves. Also, since the timelag between induction and combat readiness is some 5 months, the need to ask Congress to remove the ceiling would not directly affect the President's ability to respond to true emergencies. But, in unmistakable legislative language, we would be telling the President that there are definite limits on his ability to commit this Nation to questionable long-term foreign policy actions. We cannot endure another Vietnam.

The need for reasserting congressional control over the size and use of the military has been underlined by the tragedies of the past 7 years. In 1964, there was a draft of 107,000 men. A year later, as the President escalated our Vietnam involvement, inductions rose to 233,200. In 1966, calls totaled 364,700 and never dropped below 200,000 for the following 3 years.

The critical question is whether Congress has the option of debating Presidential decision to commit this Na-

tion to the use of military forces abroad. By setting a ceiling at 150,000 men and then requiring the President to return to the Congress to lift the ceiling, we would have the opportunity to concur or reject any major new foreign commitment. The Constitution gives Congress the power to raise and support the armies and the time is long overdue for the Congress to fully wield that power.

In that context, the committee's decision to reduce the end year strength of the total Armed Forces to 2.4 million men by June 1972 is remarkable. It is the first time in recent history that the committee has submitted the manpower rationale of the Department of Defense to close scrutiny. That alone is deserving of praise. However, I would hope that additional questions will be raised in the debate about the justification even for 2.4 million men. I believe that the United States may well be able to maintain its commitment and preserve its security with a smaller standing Army.

I also believe there are substantial questions remaining concerning the pay proposals approved by the committee. I stated in my testimony before the committee earlier this year that the proposal for a combat bonus—of up to $6,000—was particularly repugnant. I continue to view the bonus as an effort to lure the less advantaged members of the society not only into military service but directly into the trenches of combat. It is a blood bonus that I shall seek to remove from the bill by amendment.

But there is more about this bill to praise than to condemn. I want to commend the chairman for his leadership in reducing the term of the draft from 4 to 2 years, I believe that the goals of congressional control and draft reform can best be served by annual reviews of the President's power to induct. It is with these objectives in mind, that I shall support a 1-year extension of the draft.

With regard to the fairness of the draft, the chairman and the committee should be commended for the decision to end the remaining inequity of the undergraduate student deferment and for rejecting the administration's request for retroactivity.

The prohibition of future student deferments means that the impact of the draft will fall more evenly across all segments of the population requiring a greater sharing of the burden of military service than currently exists. This removal of new student deferments formed part of my draft reform bill this year. However, I would have preferred that the committee establish an end to deferments as part of the statute rather than leaving it to the President's discretion.

I have similar objections to the committee's grant of Presidential discretion in the matter of establishing a national call for induction. My bill again would mandate a national call which would require that individuals with the same birthdate to face the same risk of induction.

However, there is much in the committee actions to laud. I refer specifically to the decision to reject the punitive addition of an extra year of service for conscientious objectors contained in the house bill.

The committee decision to accept the lowering of age requirements for local board members to 18 also is worthy of support. However, I strongly feel that the requirement for representation of all groups on local boards should have been retained. The numbers of minority group members on local and appellate boards continues to be far below their percentage of the total population and far below the proportions in which they are asked to serve in the Armed Forces.

I shall join with others to seek to amend the bill to require such representation.

In addition there are other areas of procedural reform and structural reform which I believe are necessary to produce a system that is as equitable as possible. Most of these measures were recommended by the Marshall Commission and included in my bill this year. They include the right to counsel, the right to a personal appearance before all classification and appellate boards, the requirement that all decisions be written, and a requirement that quorums of all boards be present for final action. There are basic rights that should be accorded to registrants. The selective service process is perhaps the most important that any young man faces during his lifetime and he surely should be afforded these procedural safeguards.

I also shall join with others who desire to reorganize the selective service system along the recommendations of the Marshall Commission. This would end the patchquilt system of policymaking that currently exists. The 4,000 local boards, with their 20,000 unpaid volunteer board members make uniform national policy almost impossible. Although there is justification for maintaining most of these boards as a first court of appeals, the basic classification decisions should be taken out of their hands.

I strongly urge the Senate to support the many positive contributions made by the Senate Armed Services Committee but at the same time to examine the other reforms that would promote greater congressional control and greater fairness within the system. With so many in the Nation urging an immediate shift to an all-volunteer army, those of us who are opposed to that concept during wartime must be able to point to a system of conscription that is as internally equitable as men can conceive.

WHY END THE DRAFT

Mr. HATFIELD. Mr. President, within 2 weeks the debate within the Senate will begin on the draft. Numerous groups have come out in opposition to the extension of the President's authority to induct beyond June 30, 1971. One such group is the American Civil Liberties Union. For the April 1971 edition of the ACLU's publication "Civil Liberties", Aryeh Neier, executive director of the ACLU, wrote an article describing the ACLU's reasons for opposing extension of the draft law. 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:

VOLUNTEER ARMY: WHY END THE DRAFT

(By Aryeh Neier)

The ACLU is engaged in a campaign to end the draft. Unless Congress acts to extend the present draft, Presidential authority for conscription will end on June 30.

While ACLU members are virtually unanimous in viewing the draft as a severe intrusion on civil liberties, a substantial number of ACLU members are also fearful of a "professional" armed force. The purpose of this article is to argue that these fears, legitimate as they may be, should not get in the way of an all-out campaign to end the draft.

Whether or not the draft is ended, we are probably going to have, for the foreseeable future, a "professional" armed force. At the post-World War II high point, during the Korean War, our armed forces numbered 3.56 million men. For the years immediately ahead, our armed forces will probably number something under 3 million men. President Nixon has stated that, after Viet Nam, active duty force levels should be stabilized at a level of 2.0 to 2.5 million men.

The President's Commission on an All Volunteer Armed Force (the Gates Commission) estimated that, of the men presently serving in the armed forces, about 2.1 million are true volunteers—that is, volunteers other than those who enlisted because of the draft. Even without dramatic improvements in military pay scales, this figure is likely to be stable. Using the median figure of 2.5 million men to estimate the future size of the armed forces (as the Gates Commission did), the draft, if it is maintained, would account for something like 16 per cent of the total number of men in the armed forces.

BOTTOM OF HEAP

How much chance is there that the conscripted 16 per cent would counteract the dangers of a "professional" armed force? Not much. Many of the draftees would share the political views of the volunteers. All of the draftees would be transients at the bottom of the military heap without access to planning and decision-making. All of the draftees would live their lives subject to the almost total control and discipline of the men with longer service and higher rank and would be vastly outnumbered by the professionals.

One of those fearful of an all volunteer army is Sen. Edward M. Kennedy. According to Kennedy, if we end the draft "we face the risk of muting the most articulate and most resourceful voices in this land, voices that have proved vital in dissent and effective in causing some change in the direction of the war's escalation."

One assumption on which this argument rests is that persons not threatened by the draft are less deeply engaged in anti-war activities. In the ACLU, for the past several years much of our work has involved the defense of war opponents. Our experience suggests that there has been no discernible difference in the degree of anti-war action of those faced with the draft and such exempt groups as ministers, divinity students, women and those who are over-age.

Senator Kennedy's argument might also refer to the dissident activity of draftees within the armed forces. If that was his intention, then he may be right in suggesting that an end to the draft would reduce dissidence within the armed forces.

PROFESSIONALS DISSENT

An end to the draft would not, however, *eliminate* military dissent. Such ACLU clients as former Air Force Captain Dale Noyd and West Point graduates Louis Font and Cornelius Cooper had embarked on careers as professional officers. (See Mr. Karpatkin's article in this issue.) In the case of Noyd, he

became a selective conscientious objector because the conduct of the war in Viet Nam was sharply at odds with the conception of the role of American armed forces which had led him to a military career. Font and Cooper, like many young men, formed their anti-war views a little later than the early age at which a decision on a military career is made. Dissidence arising out of shifts in American policy and out of maturing personal philosophies would undoubtedly continue.

An end to the draft would probably result in increased dependence by the military on civilian labor. There are no good reasons for military men to be employed as cooks or doctors at military bases in the United States—except that the draft makes available cheap manpower for these purposes. Civilian employees of the military would be much freer to engage in dissident activity than conscripts and, therefore, would probably do so.

Another point that Senator Kennedy may have overlooked is that in order to attract the volunteers who would be needed to replace the conscripts, the armed forces might have to end some of the most annoying and arbitrary features of military discipline. For example, soldiers might have to be allowed to have lockers that could not be searched by their superiors and publications that could not be censored. Healthy dissent may be encouraged by ending some of the most repressive aspects of military life.

ENGINEERING

But even assuming that an end to the draft would reduce dissent within the military, is this really an argument for perpetuating the draft? Are we prepared to send people into prisons and mental hospitals in order to generate dissent within those institutions? I should think not. Only if one is willing to sacrifice an individual's right to freedom to some larger design for social engineering does one think in such terms.

Interestingly, some of the same people who argue that an end to the draft would mute dissent also argue that an all volunteer armed force would be poor and black. The Gates Commission's exhaustive study makes it clear that an all volunteer armed force would approximate the present force in economic and racial background. But assuming the Commission is wrong, in this day and age is it really consistent to suggest that a volunteer armed force would be both more heavily composed of minority groups and less dissident?

The draft has been with us almost continuously for 30 years. Each year it deprives hundreds of thousands of young men of virtually all of their civil liberties. There are few larger intrusions on freedom in the nation. The unfolding of the story of the army's surveillance practices is quite enough to suggest the dangers in a professional army. But it is hard to see how those dangers would be mitigated by the perpetuation of military conscription.

ANOTHER PREPAID GROUP PRACTICE IN RHODE ISLAND

Mr. PELL. Mr. President, many times in the past I have commented about the pride I have in the progress that is being made in my own State of Rhode Island toward making adequate health care available to all its citizens.

In Rhode Island we have one statewide department of health which is able to plan and control the development of health facilities throughout the State. We have an excellent set of nine storefront OEO neighborhood health centers in Providence. The Rhode Island AFL–CIO is establishing a fine and imaginative prepaid group practice program in Providence. And a common health statistics information system is being developed in the State through the quasi-public health care corporation, Search.

I am proud today to note another step forward in the improvement of health care services in Rhode Island. Under the untiring leadership of Dr. Charles Millard, president of the Bristol County Medical Associates, a program to make available comprehensive health services in Bristol County through an experimental prepaid group practice arrangement with Blue Cross and Blue Shield was filed last week with the State department of business regulation.

Dr. Millard, who is also much appreciated in his community for his efforts in assisting youngsters with drug problems, is to be commended for his fine work in making this innovative form of health care services available to the citizens of Bristol.

Mr. President, I ask unanimous consent that a news release describing the Bristol health plan be printed in the RECORD.

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

BRISTOL HEALTH PLAN

Rhode Island Blue Shield and Blue Cross today filed with the Department of Business Regulation an innovative new program that would make available virtually complete health care services to families in the Bristol County area for a set annual fee.

The experimental Prepaid Group Practice Program is being made available through an agreement with the Bristol County Medical Associates. In explaining the program, Arthur F. Hanley, chief executive officer of Blue Shield and Blue Cross, said that physicians at the Medical Center have agreed to provide or arrange for all the necessary health services needed by members, ranging from preventive services such as office visits and immunizations to acute services such as hospitalization and major surgery. The cost of the comprehensive care would be insured by Blue Shield and Blue Cross for individual rates of $17.10 per month, and $43.00 per month for complete family coverage.

Dr. Charles Millard, president of Bristol County Medical Associates, said the program means that subscribers "essentially have no worries as far as medical expenses are concerned."

"The program we have developed," Doctor Millard said, "represents evolution, not revolution, in making changes within the health care delivery system. We are working within the present structure, and this is most important. What we have developed isn't a final answer to the medical problem, but it is a very important step. We are striving to attain first-class medical care for less money."

Mr. Hanley said the Plans hope to offer the program to companies in the Bristol area as early as possible this summer. "Subscribers will be given a choice of Group Practice or the traditional fee-for-service system where physicians bill Blue Shield for each service performed."

Enrollment will be limited to 4,000 subscribers during the first year of the experiment.

Mr. Hanley said that the pilot project will pivot around contracts between the subscriber, Blue Shield and Blue Cross, and the group of physicians and their associates of the Medical Center, which is located on Hope Street in Bristol.

"Upon enrollment, the subscriber chooses a family physician from those participating in the Medical Group, creating a dual responsibility. The subscriber agrees to look exclusively to the Medical Group and its consultants for his family's health care needs, and the physicians assume the responsibility of fulfilling those needs," he said. "With minor exceptions for emergency situations and out-of-area services, all benefit coverage evolves around these arrangements."

The combined Blue Shield-Blue Cross agreement provides subscribers with a comprehensive range of benefits whenever services are rendered or directed by physicians in the Medical Group, including:

Hospitalization—Full coverage will be provided for 365 days of care in a semi-private room, including all routine and special services, when admitted to a short-term general hospital, and for 45 days in other hospitals, such as mental and tuberculosis facilities.

Hospital Outpatient Care—Full coverage for the initial visit to a hospital accident room within 72 hours of a traumatic or poisoning accident. And, full coverage for use of hospital outpatient facilities for minor surgery.

Services of physicians at the Medical Center, at home or in the hospital—to include the services of both the Medical Group and their consulting staff. Subscribers will pay $2 per visit to the Medical Center, and there will be a somewhat higher co-payment for house calls.

Maternity Benefits—Full coverage of hospital charges in a semi-private room for the care of the mother, including charges for nursery care of the newborn. All Medical Group physicians' services will be provided for pre- and post-natal care, delivery and new baby care.

Diagnostic services—including x-ray, laboratory, radium and radioisotopic services.

Therapeutic services including physical therapy.

Preventive services for health maintenance, including physical examinations.

Specified immunizations for pediatric patients.

Eye examinations—with a co-payment of $2 for each exam.

Ambulance service.

Emergency Care—coverage will also be provided for necessary hospital care and physicians' services due to accidential injuries and emergency illnesses while the subscriber is outside the Bristol County area or out of state.

FINANCIAL ARRANGEMENTS

Mr. Hanley said that subscribers' premiums will be allocated to three sources: Blue Cross for hospitalization coverage, Blue Shield for the coverage of emergency, out-of-area and other special services which cannot be provided by the Medical Group, and a monthly payment to the Medical Group based on the number of subscribers enrolled.

He said that financial incentives are also built into the program to promote the most economical use of hospital facilities.

He explained that the Blue Cross portion of the premium is based on the projected use of 834 days of inpatient hospital care per 1,000 subscribers. "To the extent that the Medical Group can reorganize the delivery of health services to an office or outpatient basis, there should be a corresponding savings on the dollars needed for inpatient hospital benefits.

"Any savings that result will be placed in a special Utilization Incentive Fund, of which the Medical Group will share if the use of inpatient hospital care is lower than the projected rate of 834 days."

In a covering letter to the Director of Business Regulation, Mr. Hanley said the Group Practice Program is specifically designed to avoid the costly creation of new medical facilities and recruitment of physicians by allowing existing groups to participate for a

portion of their patient volume. "We feel that this economical approach is essential to the future development of Prepaid Group Practice on a statewide basis.

"Additionally, the use of existing medical groups should result in minimum disruption of the established relationships between subscribers and community physicians.

"The comprehensive scope of benefits and corresponding changes in the method of financing care are all intended to promote more judicious use of costly inpatient services with the resulting savings being used to help finance the extended range of outpatient services."

In conclusion, Mr. Hanley said that physicians of the Bristol County Medical Center have been instrumental in developing the program, "and are as enthusiastic as we are about the potential this alternative method of health care delivery offers to our subscribers."

AN AMERICAN PRESS COUNCIL

Mr. SCOTT. Mr. President, the continuing nature of today's debate over press responsibility prompts me to take note of a highly responsible article entitled "Can the Press Police Itself?" The article, which appeared in America magazine of April 24, 1971, provides a thoughtful explanation of preparations now being made by the press to formalize self-criticism. Almost 200 years ago, Thomas Jefferson said:

> Our liberty depends on the freedom of the press, and that cannot be limited without being lost.

If these efforts by America's Fourth Estate to rectify legitimate grievances are successful, our free press will be the stronger.

Mr. President, I ask unanimous consent that the article entitled "Can the Press Police Itself?" published in America for April 24, 1971, be printed in the RECORD.

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

CAN THE PRESS POLICE ITSELF?

(By Bill Francois)

A number of signs point to first-time preparations by America's Fourth Estate to formalize self-criticism in its use of the great powers of the press.

Since the earliest days of our republic, the press has been regarded as a means of protecting the public from a multitude of dangers and evils. But a growing number of citizens, to judge from the results of public opinion polls showing support for Vice-President Agnew's fiery criticism of certain segments of the Fourth Estate, are disillusioned with their "watchdog" and would like to find some ways to tame it. While there is no one reason for this growing dissatisfaction, there is the feeling among some that the press too often ignores just criticism of its operations or reacts too defensively when there are legitimate grievances about shoddy journalism.

For example, journalists failed to respond constructively to a wave of indignation that followed the appalling behavior of press representatives after the kidnapping of Charles Lindbergh's son in 1932. And outright hostility is the only way to describe the Fourth Estate's reaction to recommendations made in 1947 by outstanding citizens who comprised the Commission on Freedom of the Press.

"Professional standards are not likely to be achieved," the commission reported, "as long as the mistakes and errors, the frauds and crimes, committed by units of the press are passed over in silence by other members of the profession. . . . If the press is to be accountable—and it must be if it is to remain free—its members must discipline one another by the only means they have available, namely, public criticism."

Since then there have been substantial criticisms of the press by the American Bar Assosciation, stemming from interference in the fair trial process guaranteed to every citizen, and by the Warren Commission in its report following the assassination of President Kennedy.

Even the out-going president of the American Society of Newspaper Editors (ASNE) could not convince his fellow editors of the need for the machinery for self-criticism when he addressed four hundred of them on May 14, 1970. "We cannot go on insisting on the right to criticize everything and everyone, and hold ourselves immune," said Norman E. Isaacs, then executive editor of the Louisville *Courier-Journal* and now editor-in-residence at Columbia University's School of Journalism.

The ASNE decided not to establish a committee or council to hear complaints about the performance of the American press.

Such intransigence is all the more surprising because a successful model already exists. In 1949—two years after the report of the Commission on Freedom of the Press—a Royal Commission in Great Britain urged the press to create the machinery for self-criticism. There was foot-dragging and a parliamentary warning to act—or else—before the British Press Council was established in July, 1953.

Since the council had no power to apply sanctions against an errant newspaper, one critic warned that "it will fail hopelessly." There were other dire predictions, none of which materialized.

A recent survey of British editors showed that more than two-thirds of them approved of the council. And when the prestigious Lord Devlin left the council's chairmanship in September, 1969, after serving for six years in that position, he could say: "My predecessor . . . claimed no more for the Press Council in 1963 than that . . . it has survived. He put it too modestly. Drawing on his period of office as well as my own, I think I can now claim on behalf of the council that it succeeded."

The prominence of Lord Devlin and of his successor, Lord Pearce, both eminent jurists when they became chairmen of the council, is a major reason why the council has gained approval from the public and press alike. In addition, the inclusion of five prominent lay members as council members in 1964, joining with 20 journalists representing eight organizations, gave the public a voice in the consideration of newspaper ethics.

Equally important was a decision by most of the newspapers in England and Scotland to give the power of publicity to council decisions. These newspapers showed foresight and fortitude by agreeing to publish reprimands of journalistic wrongdoings even when the newspapers themselves were the objects of such reprimands.

In a typical year, between 350 and 400 complaints will be handled by the London-based council, with adjudications numbering between 60 and 75. In 1969, for example, 25 complaints about journalistic misdeeds were upheld by the council and 36 were rejected.

Adjudications have dealt with allegations of inaccurate reporting, complaints about the editing of letters to the editor, advertising, matters of good taste and objections to the use of certain words or the conduct of journalists. The result has been a kind of "case law" for ethical practices as well as declarations by the council of certain principles, such as: "No payment should be made for feature articles to persons engaged in crime or other notorious misbehaviour where the public interest does not warrant it"; or that a "reasonable right of reply" must be given to persons and organizations attacked in print.

Even critics have been able to praise the council's work. John Gold, editor of the one million circulation *Evening News* in London, had kind words for the council during an interview on Aug. 14, 1970—eight days after the council had upheld a complaint against language by an *Evening News* columnist who had written, "Go to it, Israel, and push those Egyptian bastards into the Qattara Depression."

The council declared: "The expression of controversial views is an important function of a free press and matters of taste are, in general, matters of opinion. But in this case the Press Council deplores the use of abusive and inflammatory phraseology which can contribute nothing to the calm consideration of a serious international situation."

Although criticizing this particular action on the grounds that matters of taste "should be left to the discretion of the editor," Gold said the council is performing a valuable service "as a sort of umpire"—giving persons who feel "abused by the press the feeling that they are not beating their fists against what they regard as the fortress of the press."

Another editor, Harold Evans of the *Sunday Times* in London, assessed the council in this way: "The strength of the council is that, with its lay membership, it has established a reputation for fair dealing between the public and the press. It has helped to improve press conduct . . . It does not have any power of fining, but the powers of publicity are considerable, especially when a newspaper values its good name."

Evans concluded with this observation: "If there were not a Press Council in England, I think it would be necessary to invent one."

Signs of "inventiveness" are springing up in the United States—harbingers, perhaps, of the news media getting the message that they must act to put their own house in order.

The current ASNE president, Newbold Noyes Jr., editor of the Washington *Star*, has appointed a special Ethics Committee to study the feasibility of a press-council type of organization. This committee probably will recommend regional or statewide machinery for dealing with grievances against the press, rather than a national committee or council.

The National Institute of Public Affairs in Washington, D.C., is investigating the possibility of establishing a press council. So are two committees of the Association for Education in Journalism, with one committee already on record as "supporting activities leading toward programs for the appraisal of the work of the mass media. . . ."

In addition, Victor Elting Jr., chairman of the American Advertising Federation, has called for the creation of an independent Advertising Review Council with an annual budget of $1.5 million, to be financed by an assessment against advertising expenditures.

And the Minnesota Newspaper Association announced in early 1971 the creation of the Minnesota Press Council which will hear grievances directed at newspapers in that state. The 18-member council includes nine members drawn from the public and nine representing newspapers in the state.

Thus, for the first time in the history of American journalism, indications abound that the Fourth Estate is preparing to answer to the public for the use it makes of its great powers.

The creation of grievance procedures in the 1970's would go a long way toward convincing the nation that journalists are prepared to act responsibly or suffer the consequences of public censure.

[BILL FRANCOIS, currently a professor of journalism at Drake University, Des Moines, Iowa, was a newspaperman for ten years.]

THE ADVERSARY PROCESS—WHO NEEDS IT?

Mr. RIBICOFF. Mr. President, our present social, judicial, and correctional systems are challenged by the rise of crime in this country. The need for reform increases every day—we need new jails, better court management, and more judges.

But we must not be stampeded into devising solutions which offer only short term relief.

Hon. David L. Bazelon, the distinguished chief judge of the U.S. Court of Appeals for the District of Columbia Circuit, discussed these matters last week in a speech about the need for court reform. His address, "The Adversary Process—Who Needs It?" was the 12th annual James Madison Lecture at the New York University School of Law.

As Judge Bazelon states in his address—

As long as our system of justice is imperfect, it is critically important that we keep that system in public view, so that the imperfections and injustices will not escape detection, but will be brought out into the open where something can be done about them.

To further that goal, I ask unanimous consent that the complete text of Judge Bazelon's remarks be printed in the RECORD.

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

THE ADVERSARY PROCESS—WHO NEEDS IT?

(By David L. Bazelon, Chief Judge, U.S. Court of Appeals for the District of Columbia Circuit)

I am honored tonight to be giving the twelfth annual James Madison lecture on constitutional law. Frankly, I have always thought that asking a judge to talk about constitutional law is sort of like asking a hypochondriac how he feels today—you may get a little bit more than you bargained for. At least when a judge like me is writing opinions, he has at least two colleagues—not to mention the Supreme Court—to keep him in line. My own colleagues are pretty good at that. But speeches are another matter. I hope, though, that I can live up to my reputation for judicial restraint and keep this one within bounds.

I want to speak to you tonight about the American system of criminal justice—how it is defined by the Constitution, and how it works in practice. Of course I can't pretend that a single lecture could even skim, let alone exhaust the questions suggested by those topics. What I would like to do, therefore, is say a few words about what I consider to be both fundamental and critically important features of our system of criminal justice as it is supposed to be, and then return to the real world and discuss how some aspects of criminal law as it is actually applied either serve or defeat those features. For the American public and the legal profession have just discovered that our system of criminal justice is in a state of crisis, and I think that there is a real danger that in our urge to implement much-needed reforms we may solve problems in the easiest way there is—by shoving them under the rug and ignoring them. I think that our system of criminal procedure has, during the last twenty years, taken some giant steps towards rationality and fairness. But one of the consequences of this is that we have brought to the light some pretty difficult problems that are now clamoring for solution. I think it would be tragic if the difficulty of finding solutions should lead us to turn back the clock and hide the tough problems again.

I

The Constitution leaves a lot of room for fair disagreement over what its provisions mean. Whenever we think that any problem of constitutional interpretation has been forevermore resolved, we find a few years later that we are faced with a host of new questions we never imagined could exist. Only forty years ago, Felix Frankfurter told his readers in the *Harvard Law Review* that some constitutional provisions were written in such explicit language that there could be no disagreement about their meaning. As an example, he cited the Fourth Amendment. But I think that there are some notions that can fairly be said to be firmly embedded in our constitutional fabric. One of these notions is that, however much room there may be for experimentation and play in the joints, the Constitution commits both the States and the Federal Government to a system of criminal justice that is basically adversary in nature. Due process, in the field of criminal law, means an adversary process. But due process means something more than that, as well. A massacre is an adversary process, but not too many of us would like to think that Custer's Last Stand provides a working model for a criminal trial. And so I think that an inseparable corollary of our constitutional commitment to an adversary system of criminal justice is a constitutional commitment to balancing the scales, so that the adversary system can work as it is supposed to do. A good case can be made for the proposition that much of the work of the Supreme Court since *Brown v. Mississippi* back in the 1930's has been devoted to precisely that task—evening out the balance of power between the State and the accused. I don't pretend that we have yet struck the perfect balance. In fact, one of the points I have to make is premised upon precisely the contrary assumption—the assumption that our system of justice is not yet, in reality, a Platonic ideal. And as long as our system of justice is imperfect, it is critically important that we keep that system in public view, so that the imperfections and injustices will not escape detection, but will be brought out into the open where something can be done about them.

II

With these points in mind, I would like to take a look at some of the current proposals for judicial reform. From all sides we are assailed by cries of a crisis—a crisis of crime in the streets and congestion in the courts. We hear the cry that we can reduce both street crime and court congestion by increasing the efficiency of the courts. In the name of efficiency, many proposals for reform have been advanced. Some of these proposals are ones with which I think it would be hard to quarrel. But others would change the system in some very fundamental ways. In considering these proposals, it is important to keep in mind some of the serious costs that we may have to pay.

One type of proposal relates entirely to management techniques. The courts are urged to experiment with new ways of managing their calendars, and new ways of expediting the flow of paper through the court system. Certainly any such reforms that can help the courts cut into their backlogs are long overdue. For there are many good reasons for reducing delay in the judicial process. Delay impairs the accuracy of factfinding at trial: witnesses move away and disappear, and memories fade. Delay often results in serious injustice before a case is tried. A defendant who cannot make bail may be imprisoned for six months or more without even the opportunity to assert his innocence. In consequence, the effort to reduce court backlogs is important for its own sake. We are greatly indebted—both to the present Chief Justice and to his predecessor—for persuading the public that court management reforms are worth their initial cost in tax dollars.

But I think there is a grave danger that we have been oversold on the benefits of judicial efficiency. In a great burst of wishful thinking, many of us seem to have decided that cutting down on court backlogs will cut down on crime. The theory seems to be that would-be criminals are more likely to be deterred by the threat of swift punishment than by the threat of remote punishment. But in reality we know next to nothing about the way deterrence really operates. We haven't bothered to find out. I am myself pretty dubious about the proposition that the threat of punishment, whether swift or slow, has any deterrent effect on the man at the bottom of society's ladder. These are people with nothing to lose from a life of crime, and much to gain. And these are the people who commit the violent street crimes that produce the public clamor for swifter justice. There is simply no evidence that speeding up the judicial system is likely to make a measurable dent in the crime rate. Our criminal justice system is slow and inefficient, and there are many good reasons to reform it. But we are only courting public disillusionment if we try to sell such judicial reforms to the public as a cure for crime.

First, if the public is led to expect such miracles from judicial reforms, we may put the more important reforms on the back burner. It would be a serious mistake to think that it is more important for us as a nation to repair our judicial machinery than to repair the institutions that provide housing, inadequate health care, and insufficient food to the people who commit the crimes that concern us. Even if we were to dispense with trials altogether, and simply lock up every person who was not discharged at his preliminary hearing, we would still have a serious crime problem. For every criminal we take off the streets, a dozen more will come of age until we do something about the conditions that force people into a life of crime. As lawyers and judges, we are naturally eager to set our own house in order. But ours is not the only house on the block. We can not forget that many reforms in the quality of life can do far more than court reforms to reduce the incidence of crime.

Second, there is another danger inherent in allowing the public to expect too much from judicial reforms. That is the danger that in our enthusiasm we will be willing to pay an inflated price for judicial efficiency. In the name of efficiency, we are urged to rely ever more heavily on guilty pleas, to eliminate "frivolous" appeals, and to pare to the bone collateral review of criminal convictions. Devices like these may cut down court backlogs. But we should not forget that problems come to the courts only when every other social mechanism we have has failed to solve them. Almost by definition, these problems are hard problems—cruelly hard problems. Speeding up the process of decision doesn't make them any easier to solve. And devices like those just mentioned will speed up decision only at the cost of short-circuiting the process established by the Constitution for the administration of criminal justice.

III

I think that we are already relying far too much on acceptance of bargained guilty pleas. In hopelessly backlogged courts, most defendants are convicted without any trial at all. Some of our most vital decisions about guilt and sentence are made not out in the open, but behind the scenes. Equal adversaries do not compete in public before an impartial judge and jury—instead, the two

sides meet in secret in a test of nothing more than raw bargaining power.

Today the practice of plea bargaining is widely regarded as indispensable for the operation of our system of criminal justice. We are told that the courts would collapse into chaos if every defendant exercised his right to a trial. If so, we are in a sorry state indeed, for the continued existence of the judicial system is dependent upon the good will of criminal defendants. But if they continue to have our best interests at heart, and the practice of plea bargaining is to continue, at the very least we should bring it out into the open and surround it with safeguards. The charade that often accompanies the acceptance of guilty pleas—where the defendant and the prosecutor solemnly aver that no bargains have been struck, no promises of leniency have been made, and the judge with a straight face purports to believe what he knows to be an egregious lie—cannot continue. The American Bar Association and other groups have made important proposals in this regard. The courts of the District of Columbia, I am happy to say, are presently experimenting with devices intended to put such plea bargains as are made on the public record.

But no safeguards can eliminate the fundamental problems inherent in plea bargaining. When the government actively encourages defendants to forgo the very rights that government is established to secure, it may not offend the Constitution but it certainly raises some pretty basic problems. With one hand we offer the defendant a public adversary trial, and with the other we rush him out of the courtroom and into the bargain basement, where he can buy a short sentence by pleading guilty. One result of the bargain system is that the resulting sentences are based less on any rational or consistent policy than on the fluctuating demands of the marketplace.

We like to tell ourselves that, in these enlightened times, our sentencing policies are based on the hope of rehabilitating defendants, so that they will return to society less likely to transgress again. I sometimes wonder whether a person who is sent to the prisons we have today comes out more or less able to cope with the problems that led him into crime in the first place—or indeed, whether rehabilitation on any large scale is possible in any prisons at all. The need for prison reform has recently captured some public attention. With a little luck and a lot of work, we may be able to make our prisons conform to common notions of human decency. Cleaning up our prisons, like cutting down our court backlogs, has much to recommend it. Yet I am not convinced that prison reform can be any more effective than court reforms at reaching and repairing the root causes of crime.

Whatever may be our concept of rational sentencing policy, however, it is hard to square with the concept of plea bargaining. To begin with, a prosecutor negotiating a plea simply doesn't have before him the information necessary to make any sort of informed judgment. He usually knows almost nothing about the defendant. He often has as little as 10 or 15 minutes to reach his decision. And in any event, his options are severely limited by the economics of the marketplace. For in order to buy a guilty plea, he has to offer something in return. What he offers is a sentence significantly shorter than a defendant would expect to receive if he were found guilty after a trial. If that short sentence is sufficient to serve whatever ends we seek to serve through the sentencing process, then it must be true that sentences handed out to defendants who go to trial are too long. Conversely, if the defendants who go to trial are, by and large, getting sentences of the proper length, then the sentences resulting from the plea bargaining process are too short. If, as I suggested above, the basic aim of our sentencing policy is to rehabilitate defendants, then the result of our commitment to plea bargaining must be either that the prisons are clogged with people who should have been out on the streets a long time ago, or else the streets are clogged with people who should still be receiving rehabilitative treatment. It is a false efficiency indeed that speeds up the criminal process in order to speed up an unrehabilitated defendant's return to the streets. Indeed, it would seem that the process would be more rational if we paid for guilty pleas not by shorter sentences, but by simple cash payments. If the idea seems repugnant, I suggest that the fault is not in the form of payment—we don't normally consider money to be inherently evil, and cash payments would at least help alleviate the burden on those who may have depended on the defendant for support. The fault I suggest, is in the plea bargaining process itself.

In order to speed people through the system, then, we are running a bargain counter that may tempt even innocent people to plead guilty. For any defendant—innocent or guilty—must pay a high price for asserting the right to go to trial. We may be confident that not many innocent defendants are convicted, but we know that imperfections in the factfinding process must mean that some are. And one ironic quirk of the plea bargaining process is that it gives the heaviest sentences to the group most likely to include some innocent people—the group with close cases. For an innocent defendant is most likely to resist the pressure to plead guilty, and insist on going to trial. Some of these people will be convicted—after all, no system of justice is perfect—and those innocent people will get the heavy sentences reserved for people who insist on trials.

The problem is even worse in the context of the delays that presently beset the criminal system. For court backlogs increase the pressure on all defendants, innocent or not, to give up and plead guilty. The price of a trial is not only a longer sentence for defendants who are found guilty. For defendants unable to make bail, insisting on trial may increase the time they spend in jail in another way as well. In many jurisdictions, the usual sentence on a plea of guilty to a misdemeanor is "time served"—the amount of time spent by the defendant in jail before the plea was entered. Since it usually takes a longer time to get a trial than it does to get a plea taken, the price of a trial is several extra months in jail even for an innocent defendant. *Life* magazine recently told a story that makes the point. One defendant, in jail for ten months, was approached by his lawyer with the suggestion that he enter a guilty plea; he could probably get a one-year sentence which, with credit for time served and good behavior, would put him right out on the street. If he insisted on trial, on the other hand, he would have to spend a few more months in jail before he could get one, and would get a stiff sentence as well if he lost. The poor defendant could hardly believe it. "You mean if I'm guilty I get out, but if I'm innocent I stay in jail?" But that's the way the system works.

That story makes clear, I think, that court backlogs and bargained pleas are both damaging to our system of criminal justice. If we can only reduce backlogs by increasing bargains, it's hard to see what we gain. Criminal trials are too valuable to sacrifice for the sake of efficiency. But there may be other matters that could be removed from the courts at far less cost to society. Automobile negligence cases come immediately to mind. Or Congress—and the state legislatures—could cut down on the judicial burden by providing more efficacious means of challenging criminal prosecutions under statutes that are unconstitutional on their face. At present, it seems that the only way to challenge an unconstitutional statute is often to violate it and wait for trial. Where large-scale political demonstrations are involved, the result may be that literally thousands of people are arrested, processed, and brought to trial before there is ever an authoritative declaration of unconstitutionality. Yet if such statutes could be wiped off the books by a single proceeding before they were ever enforced, the saving in times of crisis could be substantial.

In any event, however, we should bear in mind that even now some jurisdictions manage to try a significant number of their criminal defendants. It has been widely reported that guilty pleas represent 90% of all the criminal convictions in this country. But in Philadelphia a few years ago, as the District Attorney there proudly pointed out, the figure was closer to 27%. In Washington in recent years it's been about 62%. If we take steps to clear the courts of unessential matters—and more important to do something about the causes of crime rather than its results—we may be able to move toward a world in which we mean what we say, a world in which every defendant who wants one can have what the Constitution is supposed to guarantee him—a fair, speedy, and public trial.

Plea bargaining operates to deprive many defendants almost entirely of the benefits of our public adversary system of criminal justice. But even the defendant who goes to trial is often in little better position. For the adversary system falls on its face when a defendant is not effectively represented by counsel. That we provide most defendants with an attorney tempts us to congratulate ourselves on that and never look to see whether counsel is doing an effective job. The courts in particular have paid far too little attention to the right to *effective* counsel, with devastating results. I think there are two principal reasons for this lack of attention. First, a misplaced concern for the feelings and reputation of counsel often causes us to set the standard too low. We confuse the question whether defendants have received the effective assistance of counsel with the question whether they have received the assistance of effective counsel, and answer the second question rather than the first. In addition, courts often remain blissfully ignorant of an attorney's ineffective performance at trial unless it leaps out of the record. For appeals in criminal cases are often handled by the lawyer who represented the defendant at trial. It would be surprising if all of them recognized their own errors. It would be even more surprising to find them urging their own mistakes upon an appellate court.

My own court has long followed a policy of appointing new counsel in criminal appeals. There are many reasons for this. Until this year, our local public defender was not authorized to do appellate work. Many of our local trial lawyers are unwilling or unable to handle an appellate case. When private counsel have been appointed to defend a client for no or a limited fee, we have sought to spread the burden by asking someone else to shoulder the load of appeal. And finally, we have found it helpful to have new counsel look with a fresh eye at the proceedings at trial. But now our policy is under severe attack in the name of judicial efficiency. We are urged to appoint trial counsel to prosecute the appeal wherever possible. The argument is that trial counsel will need less time to prepare the case, because he will know without studying the transcript what points to raise. It is said in addition that trial counsel, having expended considerable effort on the case, will feel less obligation than new counsel to manufacture an appealable claim, and that he will therefore not clutter the courts with frivolous claims.

I find these arguments less than convinc-

ing. The briefs I have seen where trial attorneys have handled the appeal are ample demonstration that trial attorneys are as able as anyone else to argue endlessly on points devoid of merit. Only a foolish attorney would think that he can serve his client effectively without reviewing the transcript before he takes an appeal. And in any event, since an attorney has the duty to file an appeal if requested by his client, and to argue it in any doubtful case, there is little reason to believe that frivolous appeals would be reduced. In my view, there is only one important difference. Trial counsel will almost never explicitly urge that his client was deprived of the effective assistance of counsel. Nor is he likely to raise the issue implicitly by arguing new points that he did not raise at trial. The resulting saving of time is wholly illusory. If the defendant raises either a previously ignored constitutional claim, or the issue of inadequate assistance of counsel, on habeas corpus, the result is more litigation, not less. And if the issues are never raised at all, what have we gained? One thing, and one thing only. We've swept a few more problems under the rug. The result is that we injure not only the individual defendant, but the whole criminal justice system. For when appellate courts correct errors in past trials, they are preventing similar errors in the future by making trial courts and lawyers more sensitive to the proper handling of difficult issues. And in the long run, the second function may well be far more important.

I would not spend so much time on this subject if my years on the bench had not convinced me how serious a flaw ineffective assistance of counsel may be. In the District of Columbia, some defendants are represented by our exceedingly able Public Defender Service, and others by equally able counsel from the private bar. But too many defendants are represented by appointed—or hired—counsel who lack either the ability or the experience to handle what is in many ways the most difficult and specialized problem in the law—the defense of a criminal charge. Defendants have been represented by patent lawyers and other attorneys who, for all their virtues, have never handed a criminal case. If a paying client walked into their office and asked them to defend him, they would immediately send him down the street. But they know that criminal lawyers are in short supply, and so when asked to take a case for little or nothing they try to do what they can. The trouble is that it often isn't enough. And yet appellate courts continue to shut their eyes to errors raised for the first time on appeal. Like spectators watching the emperor in his new clothes, they are afraid to see the obvious. My court recently heard a case in which the defendant, a narcotics addict, had sought to defend against charges of possession of narcotics by asserting that the Eighth Amendment prohibited criminal conviction of an addict in possession solely of narcotics for his own use. He had been defended at trial by two court-appointed patent attorneys, one of whom began the trial by addressing the court as follows:

"Your Honor, at this time I would like to point out that [my partner] and myself are patent lawyers and we are relatively unfamiliar with criminal procedure. I apologize in advance for any procedural errors we may commit in this courtroom."

The trial judge, of course, said he was sure they would do a fine job and he wouldn't hold any technical mistakes they made against their client. And frankly, I think the trial judge was right. Those two patent lawyers did a pretty good job of presenting the argument that their client was a narcotics addict, and that the drugs he had on him were for his use only. And they asked for a jury instruction that if the jury so found, they should acquit him. But the trial judge refused the instruction. When the case came to us on appeal, we refused to decide the question. A majority of the court held that it should have been raised by a motion to dismiss the indictment, and since that hadn't been made they wouldn't consider the question. I thought that the question had been properly raised below. But even if it hadn't, it is hard to see why the defendant should be blamed because the court appointed attorneys raised the question the wrong way. I agree that there is value in the doctrine of avoiding difficult constitutional questions when it is unnecessary to decide them. But what has been the result of avoiding this constitutional decision? The defendant in this case can still raise the question on collateral attack. Since this is a federal case, that means that the same question will be presented to the same trial judge who has already decided it. And the case will come up to us again. In the meantime, the trial courts are getting narcotics cases every day, and they don't know what to do. Some of them are deciding the question one way, some of them another. Since the rule we handed down was that the question should be raised on a motion to dismiss, and buttressed by a little trial at which the defendant should demonstrate as a matter of fact that he was an addict and that the drugs were for his own use, dozens of little hearings are going on. Under *United States* v. *Sisson,* I think it is a serious question whether a decision favorable to a defendant in such circumstances is appealable at all. And since the constitutional defense is closely related to the defenses of insanity and duress, on which defendants are entitled to trial by jury, if the trial judge decides against the defendant that same evidence will be repeated a second time before the jury. The point is that by shutting our eyes to the question of ineffective assistance of counsel we haven't saved any time at all. We've simply buried our head in the sands—and in so doing we've stirred up a sandstorm.

But aside from the problem of lawyers who, for one reason or another, are unable properly to present the issues in a particular case, there is also the problem of lawyers appointed in criminal cases who view their appointments as part-time commitments. Understandably, many feel that they must devote the major portion of their time to their "real" work—the work that sustains their office. But effective representation in a criminal case is a full-time job. This was pointedly observed by Dr. Benjamin Spock, himself a criminal defendant in a recent and well-publicized case. He was recently asked by a law student what his experience had taught him about the administration of justice. He said that the most striking thing was how hard and how long lawyers had to work to prepare a case adequately. In his case, six lawyers worked from 8 a.m. until nearly midnight every day during his month long trial and many days before and after. The lawyers were working only for him, not for the other defendants. They explored every issue in depth from the manner in which the jury was selected to the form of the judge's instructions. He wondered, to this law student, how the normal defendant—who had not written a million dollar bestseller—could begin to get an adequate defense, if that is what it took. Well, of course most cases do not take six lawyers working from morning to midnight. But they do take more than—considerably more than—the few hours often allocated by assigned—and sometimes paid—counsel.

Our criminal justice system contemplates that every important issue in a criminal case will be explored and contested by well-matched adversaries, under the searching eye of the public. It is primarily to make that process work that the defendant needs the assistance of counsel. If an important issue escapes without exposure to that public adversary process, then it is fair to say that the assistance of counsel has been ineffective, in the sense that it has failed to produce a full-fledged public adversary trial.

The time has come to stop thinking of "ineffective assistance" as a judgment on the motives and abilities of counsel. Counsel may occasionally be ineffective because he is incompetent or uncaring, but it is far more likely that he is ineffective because he simply hasn't had the requisite experience in criminal litigation. We would not ask a pediatrician to perform brain surgery, even though he has an M.D. Modern legal practice is just as complicated and fragmented as medicine. Moreover, trial counsel may be prevented from operating as he should by factors wholly beyond his control. We wouldn't ask a brain surgeon to operate with a hatchet, but we often ask an attorney to try a criminal case without the investigative resources necessary to develop and explore critical issues. And then when his presentation is inadequate, we look at the record and say "Well, it wasn't the attorney's fault." And we think that answers the question.

The point is that whether a defendant received the effective assistance of counsel does not depend on whether the attorney did something that should subject him to censure. The question of blame would arise in a tort suit against the attorney, or in a disciplinary proceeding against him. But a claim of ineffective assistance should be neither. It should merely be a claim that, for whatever reason, the adversary system has failed to function properly. Maybe we need a new term, one that implicates not the attorney but the system. Maybe instead of "ineffective assistance of counsel," we should speak of "failure of the criminal process." But whether or not we change the label, we cannot afford to let the lawyer's feelings weigh more heavily than the defendant's liberty. My own feelings are as tender as anyone's; but I would certainly have trouble sleeping if I thought the Supreme Court had ever affirmed a judgment denying somebody his liberty or even his life not because the judgment was correct, but simply because my feelings would be hurt by reversal. The key question, after all, is whether the defendant was "deprived of the essence of a substantial defense," and not to deprived him. The Constitution gives defendant the right to a full adversary trial. That fight has been denied whether the fault lies with the defense attorney, the prosecutor, the judge—or with no one at all.

Of course we will never achieve the perfect trial in an imperfect world. We can only promise a trial that affords substantial justice. Some people may say that it is neither fair nor efficient—O magic word!—to subject the trial lawyer to the Monday-morning quarterbacking of another lawyer on appeal. Or (you should forgive the expression), of an "activist" appellate judge. But the doctrine of harmless error makes it unnecessary for appellate courts to concern themselves with errors that could not have affected the result of the trial. That doctrine is highly susceptible to abuse, as Justice Traynor recently reminded us in his excellent little book. But properly confined, it serves the important function of limiting our attention to the errors that matter. These deserve attention at the appellate level, no matter what their source.

Perhaps I can make my point with a few examples. As you may know, I come to my concern for the adversary process at least in part through my longstanding interest in the issue of criminal responsibility—the insanity defense. In case after case I have watched the system deprive the defendant of his right to a full exploration of that fundamental issue, through a public adversary proceeding. At first I blamed the psychiatrists, and then I came to blame the lawyers. Finally I concluded that it matters

little who is at fault—the important thing is to find a way to make the public adversary process work.

Consider the case of a defendant with a very low I.Q., charged with the senseless murder of a small child. Surely there is at least a question about criminal responsibility in this case. But if no one requests a pretrial mental examination, there is no information before the jury on the issue of criminal responsibility. If no one ferrets out the relevant information on such an important issue, surely that reflects a breakdown in the system. I don't care whether we blame counsel for failing to ask for an examination, the court for failing to order one, or nobody at all—the fact remains that the system failed.

The system often works as badly even when the defendant does get a pretrial examination. In the typical case, the indigent defendant is committed to the public mental hospital for his examination. If the hospital files a report finding no mental illness, there may be a minority of staff members who disagree. What happens if the defendant's lawyer fails to seek out those dissenting doctors and subpoena them to testify at trial? In one case, the lawyer didn't discover until the day of trial that the dissenting doctor was out of town. The trial judge was exasperated—how could responsible attorneys have a witness in a case and not know he was out of town? Defense counsel had a simple answer: the witness was a government doctor, wasn't he? Well, then, counsel assumed it must be the government's job to get him to trial! Who should pay for this naivete? The defendant?

Finally, the system may fail even if the dissenting doctor appears to testify for the defense at the trial. For the doctors frequently testify in utterly conclusory terms. The lawyer or the judge may ask for the underlying information behind the diagnostic labels, but the doctor is often unwilling or unable to provide or explain it. In that case important information is kept from the jury. I don't know whether the fault lies with the doctor, the lawyer, or the judge—or with no one at all. But it's clear that the defendant is deprived of a fair trial on the issue of responsibility.

Failures like this rob the insanity defense of meaning, no matter how neatly a court states its test of criminal responsibility. You may know that the question how the test should be phrased is presently before my court, so I can hardly talk about substance at this time. The point I can make, however, is that there is another matter far more important than the substantive test. The most important thing is that the trial process must produce for the jury a thorough explanation of the defendant's behavior and its causes. For if it does not, the test can be neither applied nor improved. The words of the test are far less important than the quality of the information presented at trial, and the manner in which it is presented.

V

I have discussed the problem of effective assistance at some length because I think a new approach to that problem is indispensable if we are ever to give our constitutional commitment to a public, adversary process a fair trial. And it is surely worth the effort to make that happen. For the individual defendant is not the only one who benefits from the process of a public adversary trial.

We ordinarily think of the criminal justice system primarily as a set of safeguards for the individual defendant. And of course it has an important role to play in that regard. The adversary process still provides the best method yet devised for reliable factfinding, consistent with individual liberty. From that point of view, the important part of the system is its adversary character—the clash of counsel, and the privilege against self incrimination. The public aspect is important for the defendant primarily as a searchlight, a safeguard against secret arbitrary action.

But almost as important, perhaps, is the service the system performs for the rest of us, who are not on trial. For the criminal justice system created by the Constitution provides the general public with an unparalleled opportunity to participate in the administration of justice. First the jurors, as representatives of the community, have the opportunity to inject into the proceedings at hand their sense of the standards that prevail in the community. And second, not only the jurors but also the general public, through the mass media, derives from the proceedings the kind of information and understanding that leads to intelligent change in the criminal laws, if necessary, or hopefully even to change in the social conditions associated with crime. These benefits of our public adversary proceedings are far too precious to sacrifice on the altar of the Great God Efficiency.

When citizens serve on a jury, they are told simply to find the facts and apply the law according to the instructions of the judge. And jury studies show that by and large they make a conscientious effort to follow the instructions. But it is an awesome experience for citizens to sit in judgment on their peers. And in the process, they must somehow square what they are doing with their own sense of justice. If they feel the rules of law require an unjust result, then they are likely to try to avoid that result if they can.

In its most general form, this impulse of the jury to do justice raises the important issue of jury nullification. The jury clearly has an untrammeled power to disregard the law, to refuse conviction even though the law plainly requires it. But does the defendant have the right to appeal to that power? To introduce evidence, or ask for an instruction on the point? A few years ago, my court had a case in which the defendant pleaded guilty to robbery, and then sought to withdraw the plea. He wanted to explain his robbery to the jury. He only did it, he said, to get the money he needed to "take care of his sick wife." The court refused to let him withdraw his plea. It is interesting to consider whether the jury's power of nullification should be treated as an unavoidable evil, or a useful escape valve. I cannot comment on the issue, because precisely that point is involved in a case presently pending before my court.

But putting aside the broader question of jury nullification, there is a large class of cases in which it is clear that the jury has both the power and the duty to bend the law to suit the case at hand. These are the negligence cases involving "reasonable care," and all the other cases that turn on broad terms whose meaning is evolved only in their application to particular facts. When the lawmakers are unable or unwilling to devise a precise verbal formula, they use broad terms that invite the jury to look for guidance to prevailing community standards of acceptable conduct and of fault. In cases like these, Learned Hand astutely observed that each jury verdict is really a small bit of legislation ad hoc.

Giving a jury that kind of power, of course, raises its own problems. Our commitment to the jury system cannot excuse a failure to recognize the problems that such a system may create. And so we surround the system with safeguards designed to insure that juries are acting on something more than their personal feelings about the particular parties before them. Years of experience in certain areas have led to the development of general rules. Juries are carefully instructed on the factors they are to take into account in reaching their decision. Trial judges exercise substantial control to keep the process within bounds by setting aside jury verdicts and, equally important, by ordering remittiturs of excessive judgments. Appellate courts review the cases as well, seeking to refine the general rule applied, and striving for more consistent judgments. Finally, when problems develop we try at least to bring them out in the open for legislative correction. Dissatisfaction with the results of the judicial process was a substantial element in the development, for example, of workmen's compensation legislation. But in the end, if we want to apply the community's value judgment to distinguish among a myriad of closely similar cases, we must ask a jury to make that judgment.

Here again my views grow out of my experience wtih the insanity defense in the District of Columbia. In 1954, as you may know, my court adopted a new test of criminal responsibility in the case of *Durham* v. *United States*. Since that time, we have been engaged in a continuous process of revising and refining our test, and I have every reason to believe the process will continue—especially since the rule is presently under reconsideration by the full court en banc. But I think I can safely discuss its history without violating any canons of judicial propriety.

Before 1954 the test of criminal responsibility in the District was the English rule, set forth in the case of Daniel M'Naghten. A defendant was excused from criminal responsibility only if he was suffering from a mental illness that obliterated his capacity to distinguish right from wrong. Like many American jurisdictions, the District had grafted onto the test another one—the defendant was also excused if his mental illness obliterated his power to control himself, creating an "irresistible impulse." Both these tests sounded like clear legal definitions. There was just one small problem. The psychiatrists who had to testify about the defendant's mental condition insisted that the tests we were using had no basis in reality. They said that mental illness could be disabling in a variety of ways that ought to amount to excusing conditions, but that it virtually never destroyed the abstract capacity to distinguish right from wrong—or if it did, the psychiatrist had no way of knowing that fact, except in the case of the drooling idiot, who never was involved in the process at all. The court was finally persuaded that the existing tests were unsatisfactory, that they didn't correspond either to psychiatric reality or to commonly held notions of responsibility and excuse. But no one had a very clear idea of what to substitute for the old test. It would have been nice to find a new formula, one that more clearly expressed what was wanted as a matter of law. But we didn't quite *know* what we wanted. All we knew was that we needed more information about human behavior.

So we decided to try a rule that sounded very simple. In *Durham* we said that a defendant is not responsible if his act was the product of mental illness. That left it to the psychiatrists to testify in the terms they knew best, and to tell the jury as much as they could.

Durham was frankly an experiment—and we embarked on that experiment knowing full well that experience might later lead us to refine or abandon the rule. Putting the merits of the rule aside for the moment, I have always been particularly proud of the court in those days for that willingness to experiment. For it was clear to almost all of us that the old test for responsibility was inadequate. And yet we could not with confidence announce the perfect alternative. In those circumstances, surely it is wrong to continue with a bad rule merely for want of one guaranteed to be better. Too often a court fees obliged to do just that—to preserve its image of infallibility, and speak only

in the tones of revealed Truth. That approach may help in some small way to maintain the public's respect for the court. But it denies the judicial system its most important opportunity for growth, for learning, for improvement. A static system in a changing world is hardly worthy of respect.

The immediate impact of our *Durham* experiment was to open the courtroom door to a wide range of information bearing on the question of criminal responsibility. With a broader legal test, more information became relevant to the question. But we soon found that by casting the test wholly in terms of mental illness, we had unwittingly turned the question of responsibility over to the psychiatric profession. For mental illness is a very loose term, with different meanings for different psychiatrists. When the only expert witnesses at trial testified that the defendant was mentally ill, according to their own unstated definitions of that term, the court felt strong pressure to direct a verdict of not guilty by reason of insanity. And when the only witnesses at trial had a narrow notion of mental illness, and they testified that the defendant was not mentally ill, the court had no basis for rejecting that conclusion either. When the experts disagreed, the jury was left to choose between them without any standard for evaluating their testimony. As the *Durham* years progressed, the insanity defense seemed increasingly to be entirely in the hands of experts involved in the particular case. That state of affairs pleased no one, and we began to attempt to make our test more precise. We made "mental illness" a legal term of art for the purposes of the insanity defense, and told juries and judges they could find mental illness where the psychiatrists found none—we said it is any "abnormal condition which substantially impairs mental or emotional processes and substantially impairs behavior controls." Then we instructed psychiatrists to stop worrying about whether the defendant's condition amounted to a mental illness, and whether it produced his act. Those questions, we said, are for the jury. The job of the expert is to give the jury the basic information it needs to make that decision—to tell the jury all he can about the defendant's mental and emotional processes and behavior controls, about how he came to do his unlawful act. And with that change in emphasis, we turned the whole thing back to the jury. We announced that directed verdicts on the issue of insanity would rarely be required, because of the complicated nature of the issue, and the jury's unique qualifications for resolving it. Criminal responsibility, we said, involves an intricate intertwining of legal, medical, and moral elements—and the jury, representing the voice of the community, is better qualified than either psychiatrists or appellate judges to make that judgment.

In some 17 years of experimentation with the insanity defense, we've been unable to devise a simple scientific test that may be mechanically applied. Many of us have been forced to conclude that criminal responsibility, like negligence, is at bottom a concept that can only be determined by reference to prevailing community standards. And we are not alone in that view. Almost every modern test of criminal responsibility recognizes that mental disability is a question of degree, and uses some general term like our own requirement of "substantial impairment." And when it comes to determining what is "substantial," we have to depend on the jury—on the full exposition of the public adversary trial—for a just result.

Psychiatric experts and others can provide information that will guide the jury in its decision, but ultimately the jurors must decide in light of all the available information about the defendant's mental condition and the causes of his behavior, whether by prevailing community standards the defendant was at fault. Thus the public adversary trial offers the public the opportunity, within limits, to adjust the broad requirements of the criminal law to the demands of justice in particular cases.

VI

The trial process also has important effects beyond the courtroom walls. It can be an extremely potent force for change in our society. For the public adversary trial can focus public attention on both the substantive criminal law, and the conditions that lead to crime. That attention may be the first best hope of improvement in each.

It's easy for the public to ignore an unjust law, if the law operates behind closed doors and out of sight. But when jurors have to use a law to send a man to prison, they are forced to think long and hard about the justice of the law. And when the public reads newspaper accounts of criminal trials and convictions, they too may think about whether the convictions are just. As a result, jurors and spectators alike may bring to public debate more informed interest in improving the criminal law. Any law which makes many people uncomfortable is likely to attract the attention of the legislature. The laws on narcotics and abortion come to mind—and there must be others. The public adversary trial thus provides an important mechanism for keeping the substantive criminal law in tune with contemporary community values.

Finally, I come to the function of the public trial that has always seemed to me to offer the greatest long-range hope of contributing to the control of crime. The public trial offers an unparalleled opportunity for ordinary citizens to explore the causes of crime, as a first step toward deciding what to do about them. In any case involving the insanity defense—or the different degrees of homicide—and in many other cases as well—the jury may be presented with a great deal of information about the defendant tending to show how he came to commit his crime. They should only convict him after they have absorbed all that information, and decided that it was blameworthy for *this man* in *these circumstances* to do what he did. In the course of grappling with the available information about the defendant, there is a chance that the jury will come to understand something about why he did it. For this purpose it is unimportant whether they convict or acquit—the important thing is that they confront the information and struggle to make some sense out of it. For out of the collective experience of many jurors we have some chance of extracting some new insights into the causes of human behavior.

Why, you may ask, should we devote precious time and resources into converting our courts into miniature laboratories in behavioral science? The question is not unreasonable—for our courts are already overburdened with legal tasks, and it would be hard to justify their use as a behavioral science laboratory. But I would impose no new task upon the courts—their mandate already requires them, for good and sufficient reason, to try criminal cases in a public adversary proceedings. If we make that system work, we may enjoy a very valuable byproduct and we may learn some useful principles about the causes of human behavior.

In each courtroom, unlike the behavioral science laboratory, the process does not end with glittering generalities or inconclusive speculations. The jury must decide between guilt and innocence, blame and compassion, and their decision will determine what is to be done with the———in the dock. I am convinced that the terrible necessity for making such decisions brings forth more information about human behavior. Then we are likely to glean from a great many scientific studies, our criminal justice system may provide the best opportunity at hand we learn enough about crime to enable us to deal with it with any kind of real efficiency.

The recent court-martial of Lieutenant William Calley offers a striking example of my thesis. I make no comment at all on the outcome of that trial—on whether the conviction should stand. The process of public involvement is what interests me here. The newspapers report that the jurors in Calley's case struggled long and hard to determine not only what Calley did, but also—and more important—how he came to do what he did, and whether he can justly be held responsible. The jurors have said they were unable to reach a verdict without great soul-searching and moral agony. And the issues that troubled them are now troubling the whole nation. Surely the nationwide debate will have profound and lasting effects. It has already produced a heightened public sensitivity to the meaning of guilt and of criminal responsibility—to the problem of distinguishing between the act and the actor. As a result it may produce changes in the rules of war crimes, if the public feels Calley should not be held responsible. It may produce changes in our military institutions. And it may produce changes in many of the underlying conditions that helped to bring about Calley's acts.

The public debate in the Calley case arises from a deep concern over the reasons for Calley's conduct, and the relevance of those reasons to the issue of criminal responsibility. If he was actually following direct orders, then that presents one question of responsibility. Another question arises if there were no direct orders, but his training led him to think his behavior was appropriate. Yet another question arises if the behavior is viewed as a response, not to orders or to training, but to the stresses of the battlefield. And so the debate goes on.

If we brought the same kind of concern to the street crime that is plaguing the nation today, we might make some headway in our effort to control it. For there are reasons behind every robbery too—and those reasons may well be as complex as the questions in the Calley case. Whether those reasons result in an acquittal for the robber—or for Calley—or both—that is not at the moment my concern. The important point is that we cannot decide whether to convict or acquit—we cannot make the necessary moral judgment—until we understand much more than we ordinarily do about what happened, and why it happened. And our understanding is absolutely essential for any constructive treatment of the defendant, and with others like him.

If we brought to the trial of robbers, muggers, and rapists the kind of concern that has been brought to bear on the Calley case, that would itself be a giant stride toward dealing effectively with our crime problem. It's a false efficiency indeed that would shut the door on that kind of opportunity.

CREDIT FOR THE PING-PONG GAME

Mr. SAXBE. Mr. President, our recent ping-pong diplomacy with the People's Republic of China has created a great deal of public comment, both pro and con. I am pleased to know, however, that most of it reflects the realization that 800 million Chinese, no matter what their form of government, cannot be ignored.

I am sure that many segments of the United States and many groups of its citizens will view with some lifting of the eyebrows what may appear, to them, as a sudden shift in the traditional direction of our diplomacy. But they should ponder a moment; the history which they have experienced, and from which they perforce must draw their judgments,

is that of only the past 20 or 30 years. If they will look back a little farther in time they will see that before World War II America for many years was China's best friend in the international area. In the early 1900s, for instance, when China was required to pay a large indemnity for damage done to foreigners during the Boxer Rebellion, the United States returned a major portion of the indemnity to China in the form of educational scholarships for Chinese students. Until 1947, 24 years ago, we counted ourselves a friend of China and had no doubt that when the vicissitudes resulting from World War II had finally been adjusted we would once again find ourselves able to renew the old relationship.

So, to people who have had some knowledge of China, some regard for its culture and some compassion for the tremendous suffering that country has endured in virtually all of this century, it comes not as a shock but as a warm thing that we are once again, as a Nation, expressing our long-held—if temporarily muted—regard for the people of China.

One of the most thoughtful analyses of this subject was recently published by Life magazine in its April 30 issue. In an editorial entitled "Reopening the Door to China," Life points out this now famous ping pong tournament is merely the beginning of a long and tortuous road. Such matters as the status of Taiwan, the question of her admission to China to the U.N., the disposition of China's seat on the Security Council are all weighty things to be very carefully worked out. Resolving them will take a long time, but we have at last made a beginning.

I congratulate President Nixon on having finally begun a move that, in my opinion, will prove to be a significant contribution to his often-stated goal: a generation of peace. As the Life editorial says, although the Chinese Premier has been taking most of the credit for the opening of "a new page" in our relationship with China:

> If there is credit to be found (and we think there is) in ending the U.S. isolation of mainland China, it belongs in good part to Richard Nixon.

Mr. President, I want to associate myself with this editorial, for it is a clear statement of a situation which holds much promise for the peace and content of the world. I ask unanimous consent that it be printed in the RECORD.

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

REOPENING THE DOOR TO CHINA

Chou En-lai has been taking most of the bows for the Ping Pong coup. He is a clever man all right, and his timing and choice of first American visitors were inspired. But if there is credit to be found (and we think there is) in ending the U.S. isolation of Mainland China, it belongs in good part to Richard Nixon.

Here were two of the most important nations on earth, one with a fourth of humanity and the other with a third of world industrial output, shunning contact with each other. The Chinese themselves had withdrawn into xenophobic seclusion. For our part, we continued to treat the People's Republic as a wartime enemy, even though actual fighting between Chinese and Americans ended at Panmunjom, Korea, two decades ago. Until as late as the summer of 1969, it was even forbidden that American tourists should bring home "tainted" Red Chinese wares from Hong Kong.

In the euphoria of any break with past policy, it is customary to question the earlier validity of the policy. U.S. attitudes undoubtedly did stay frozen too long, but our original hostility was well grounded in the ruthless Communist seizure of power in China in 1949, with its attendant jailings and mistreatment of foreigners—including American clergy, teachers, businessmen—and the expropriation of foreign-owned property. (In the immaculate world of diplomatic theory, other nations may deplore but do not concern themselves with what regimes do to their own peoples.) The triumph of Communism in China could in those days also be regarded—with plenty of confirmation in Communist propaganda—as a major victory in Moscow's ambition to dominate the world. The possibility that our quarantine might frustrate the Communists from consolidating their control of the mainland was basic to American policy. By the 1960s, our policy might well have eased, but for the Vietnam war. Certainly now, after 22 years, Communist control of China cannot be disputed and this reality underlies our changed policy.

Perhaps only a Republican President, and one with a long record of anti-Communism at home, could have undertaken the series of initiatives that made the Chinese Ping Pong invitation possible. In Romania, 20 months ago, President Nixon signaled to China that the U.S. would deal with Communist countries on the basis of their foreign policy and not their internal politics. Last February, in his State of the World message, the President, using the official name People's Republic of China, rather than the old style Communist China, declared that "we are prepared to establish a dialogue" and regretted that China continued "to cast us in the devil's role."

The decreasing U.S. involvement in Vietnam undoubtedly played a part, too. The pace of disengagement is maddeningly slow to many Americans, but it is apparently fast enough to diminish whatever worries Peking may have had about a permanent U.S. military presence in Southeast Asia. The Chinese were probably only minimally preoccupied with Nixon's political fortunes. He had some troubles inside his own administration; Vice President Spiro T. Agnew went to astonishing lengths to let the public know of his opposition. But though many citizens will go on protesting Nixon's Vietnam policy, it becomes harder to accuse the President of cold war inflexibility.

It takes two to improve relations, of course, and there are many reasons why China should now want to do so. One is Peking's cold war with neighboring Russia and another is the growing economic power of another neighbor, Japan. With two powerful rivals at its doorsteps, China can no longer afford the isolation of the late 1960s. Moreover, events may be building toward an international conference to settle the Indochinese war; China may want to be in on the proceedings. Another reason could be that China's internal affairs are somewhat tidied up. The turmoil of the Cultural Revolution is over, and production is on the upswing.

Everybody familiar with Western "cultural exchanges" with Communist nations has long since learned that tours of ballet companies or Ping Pong teams are gestures easily revoked, and that true contact between antithetical societies comes slowly if at all. And, as the Chinese have taken pains to point out, friendship for the American "people" does not mean friendship for the U.S. government. While the table-tennis team was still in China, the *People's Daily*, official newspaper of the Chinese Communist party, referred to "the reactionary White House clique" and "the fascist rule of the American government." And the Peking regime still holds in solitary confinement four American citizens.

Yet beyond such concerns lie the basic opportunity and need to rebalance that unsteady tripod of great powers, China, Russia and the U.S. The enmity between the other two, both ideologically and territorially, is in some respects more volatile than the differences between either of them and us. Russia has for too long been able to assume us automatically "pro-Russia" vis-a-vis China. Superficially, it may seem tempting to play one off against the other, but not when any final testing of strength would be nuclear. President Nixon wisely says that "we will do nothing to sharpen that conflict—nor to encourage it." The Nixon Doctrine foresees a stable Asia depending on the balancing of interests between four great powers, Russia, China, Japan and the U.S.

The biggest obstacle to setting up normal diplomatic relations between Washington and Peking is our support of the Chinese Nationalists on Taiwan. The issue will have to be faced in the U.N. next fall. The U.S. can probably no longer keep Peking out of the Security Council, but as we urged in a recent editorial (Life, March 12), the U.S. should work to keep a seat for Taiwan in the Assembly (Taiwan's population is bigger than that of two thirds of the members of the U.N.)

Premier Chou is correct to proclaim the opening of "a new page." Underlying conflicts remain, but what diplomats call the "atmospherics" have suddenly improved enormously. In this new climate, all sorts of official U.S.-Chinese contacts can take place. *Any* contact at all would be salutary, for there is a whole generation of Chinese leaders—the men who will take over from Mao Tse-tung and Chou En-lai—who have had little contact with, and too little true knowledge of, the outside world. In some day to come, the strength of an ancient, subtle and great culture will also have something valuable to add to the contemporary world.

LAKE CHARLES POW RESOLUTION

Mr. ELLENDER. Mr. President, at a time when the Nation is so divided over the fighting in Vietnam, there is one issue on which we can all stand united. That is our common concern for the American prisoners of war in Southeast Asia.

In southwest Louisiana, the concern for these men is so great that the city of Lake Charles set aside a day to remember American prisoners of war. As Mayor James E. Sudduth said in his proclamation:

> The least we can do for these unfortunate members of our fighting forces is to formulate a veritable wave of expression as to our concern for them and then, through proper channels, to see that the Vietnamese are fully informed as to our feelings.

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

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

PROCLAMATION

Whereas, the terrible consequences of war among nations become even more noxious when we realize the suffering that is borne by the prisoner of war; and

Whereas, as a nation of democratic and humane people, we are greatly disturbed and concerned at the present time for the

plight of American Prisoners of War in the hands of the North Vietnamese government; and

Whereas, it is of vital importance that we institute and join in a nationwide movement to alert public opinion as to the conditions of North Vietnamese prisoner-of-war camps and as to the treatment of Americans who are confined in them. If enough of this public opinion can be generated the possibilities are very great that it will have a genuine and lasting effect on the treatment that is being accorded American Prisoners of War; and

Whereas, the least that we can do for these unfortunate members of our fighting forces is to formulate a veritable wave of expression as to our concern for them, and then through the proper channels to see that the Vietnamese are fully informed as to our feelings;

Now, therefore, I, James E. Sudduth, Mayor of the City of Lake Charles, in the sovereign State of Louisiana, do hereby proclaim the day of April 28, 1971, as "P.O.W. Day" and I earnestly request that the citizens of Lake Charles and Southwest Louisiana join with millions of Americans throughout our nation and the world in taking an active part in programs across the country, reaffirming their support of our gallant fighting men.

CONCERN OVER ATTACK ON FBI

Mr. BEALL. Mr. President, a constituent of mine, Mr. W. P. Morrison, from Oldtown, Md., which is located in the western part of my State, is very much concerned over the recent attack on the FBI. He wrote a letter to the editor which was printed in the Cumberland Times of April 22. In his letter to me he said:

I am hopeful that you might insert this in the RECORD to help express that a majority of Americans not only admire Mr. Hoover and respect the Bureau, but resent any attempt to destroy any of the two.

Pursuant to his request, I ask unanimous consent that his letter be printed in the RECORD.

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

LETTER TO EDITOR: FBI ATTACK

DEAR SIR: Politics has reached a new low with the vicious attack on the FBI and its director, J. Edgar Hoover, by men and women who are supposed to have the interest, security and welfare of our country at heart.

I am speaking of men and women who are elected members of our Congress. One of the most vocal attackers of Mr. Hoover and the bureau is a presidential hopeful, Senator Muskie of Maine. Senator Muskie, who is searching wildly for an issue to propel his campaign, has emerged as the top kick in the current attempt by the "radical left" to discredit the FBI. Muskie appears to be using this only as a tool to aid him in his bid for the Democratic nomination.

However, I am sure that the members of the far left, who for some reason are dedicated haters of Mr. Hoover, are frantic with delight over these attacks. If these attacks succeed in diminishing the stature of the FBI the American people will suffer because we will have lost an astute investigative team and a great leader. I am sure these people want to see an FBI that resembles a lazy old bloodhound who has long since lost his teeth and responds only when they want him to. I suppose that the only important issue to consider is if forty some years of dedicated service to the American people equals a good television profile and an ability to snow the folks.

I wonder how Senator Muskie can justify his attack on the FBI when the strength of his assault depends on stolen information. When on April 19 the senator spoke of trust at the "dump Nixon" rally in Providence, R.I., Muskie suggested that we pick new leaders, people we could trust.

It would have been easier for me to trust Senator Muskie if he had returned the stolen FBI document to its proper place and explained how he came to receive it. He also said nothing about the act of breaking and entering and theft of documents from the FBI office which I am sure the Senator knows is against the law of the land—law that he has taken an oath to uphold. No more on trust if you please senator.

WILLIAM P. MORRISON.

OLDTOWN.

PRISONERS OF WAR DAY IN MISSOURI

Mr. EAGLETON. Mr. President, the National POW Day Committee has designated April 28, 1971, as the national day of support for our American prisoners of war in the hands of the North Vietnamese.

We all, I know, share our concern for their safety and health.

By proclamation of Gov. Warren E. Hearnes, today has been declared Prisoners of War Day in Missouri. I ask unanimous consent that Governor Hearnes' proclamation declaring April 28, 1971, Prisoner of War Day be printed in the RECORD.

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

PROCLAMATION OF THE STATE OF MISSOURI

Whereas, the National P.O.W. Day Committee has designated April 28, 1971, as a national day of support for our American Prisoners of War in the hands of the North Vietnamese; and

Whereas, this amounts to a call for humane treatment of these prisoners of war if not for their direct release; and

Whereas, we must show more concern for the plight of American prisoners of war:

Now, therefore, I, Warren E. Hearnes, Governor of the State of Missouri, do hereby proclaim April 28, 1971, as "Prisoners of War Day" in Missouri, and urge all citizens to reaffirm their support of these valiant men.

In testimony whereof, I have hereunto set my hand and caused to be affixed the Great Seal of the State of Missouri, in the City of Jefferson, this 2nd day of March, 1971.

WARREN E. HEARNES,
Governor.

Attest:

JAMES C. KIRKPATRICK,
Secretary of State.

DEDICATION OF ANNENBERG CENTER FOR COMMUNICATION ARTS AND SCIENCES

Mr. SCOTT. Mr. President, a new center for communication arts and sciences was dedicated at the University of Pennsylvania on April 8.

The center is known at the Annenberg Center for Communication Arts and Sciences, honoring the present Ambassador to the Court of St. James, Walter Annenberg.

Mr. President, I ask unanimous consent that a message by President Nixon and remarks by Miss Nancy Hanks on the occasion of the dedication be printed in the RECORD.

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

THE WHITE HOUSE,
Washington, April 6, 1971.

The dedication of the Annenberg Center for Communication Arts and Sciences is a proud milestone in the history of the University of Pennsylvania, and an event of great national significance.

It is another illustrious achievement in the life of a great American citizen whose enduring civic contributions have earned him the admiration and gratitude of countless men and women.

I know that this exciting new Center will be a lasting tribute to the vision of its distinguished benefactor, and a major instrument in the progress of American arts and culture for many years to come.

RICHARD NIXON.

DEDICATION REMARKS AT THE ANNENBERG CENTER FOR COMMUNICATION ARTS AND SCIENCES, APRIL 8, 1971

Ambassador and Mrs. Annenberg, President Meyerson, Dean Gerbner, Trustees of the University, ladies and gentlemen:

We are indeed all honored to be here on the occasion of dedicating the Annenberg Center for Communication Arts and Sciences.

While there are many centers in the country, this is one with several important differences.

Among other things, it incorporates science as well as the arts in its purpose.

This Center will have the most meticulous regard for science and infuse it with the most imaginative concepts of the essence of art in its formulation and presentation.

Truly, we can say—and see around us—that it is possible to combine the arts and sciences into one world. They are not at cross purposes. Art and science can work together for the joining, and not the forcing apart, of society.

Through theatre, music, dance and the electronic arts, with the resources of a great university, this Center will contribute—and lead—to the enrichment of life in America.

It will add, through its concentration on the communication arts and sciences, another dimension to the more conventional performing arts centers. Its focus will be on the transference of ideas.

And, beneath and beyond the programs explored and presented will be an intense concentration on research and the use of the social sciences looking deeper into cause and effect of the arts in human life and motivation.

The Center, too, is designed to benefit the community, the campus, and especially the students and faculty by surrounding dramatic experience with the intellectual research and scientific resources of the University.

A play or film program sponsored by the Center becomes an organic part of a diversified University experience. It is produced not just to indulge a few, but to touch the lives and minds of many.

The artistic and technical innovations are to be prototypes for all the living arts. Research conducted into the deeper meanings of the dramatic experience is to enhance our understanding of communication through the arts.

It is a total and glowing concept. It attempts a very large view of a very basic part of the lives of people living together. And, although it is the first time that such an encompassing concept has been given shape and substance, there is a very fundamental idea in back of it. It says that communication is civilization. It says that a great university should be concerned with communication—should be concerned with communication arts and sciences.

It has in common with all good ideas the attendant question of why wasn't it done before. There are many answers to that question.

First, and *simply*, we all know it is not easy to get new ideas rolling. But we know too that, if they are good ones, they will gather momentum. Others will follow. I firmly expect that we shall see other centers such as this in other universities. We most certainly shall if we can find a way of discovering other Walter Annenbergs.

But, as important as they are, Walter Annenbergs cannot, and should not, carry the burden by themselves. Many others have helped and many more will be needed to carry on the work to make this Center live. We are privileged to be celebrating here, but we are celebrating *only* a beginning.

We need, too, other Martin Meyersons. Mr. Meyerson was suggesting concepts such as we see crystallized here long before he came to this University.

In 1967 some of us met in a series of discussions to explore art critic Harold Rosenberg's belief that "If a new beginning (in the arts and education) is to be made, the key to it lies within the university."

President Meyerson, who was then President of the State University of New York at Buffalo, even then, jumped with both feet on the prevailing belief, a mythology, he called it, of the two cultures. The second of which, the arts, he said, was often referred to as "hobby-lobby" in common rooms and faculty clubs of the University.

That notion, elaborated by a lot of pedantic language and hardened views, he said, had resulted in "two separate academic worlds." The mythology was "that a university and a conservatory are at inevitable odds with each other."

That notion, he went on to say, "is being perpetuated in our universities and is acceptable with delight by university admission people. It gives them a rationale for excluding the potential artist. It has resulted in two separate academic worlds.

"A student who wants intensive education in the performing arts cannot find it in our universities. Let me say quite emphatically that I do not believe this should be the case. I think the artist will be the better for his exposure to the climate of the university and the university, very obviously, the better for having had exposure to the artist."

This Center in this University will serve to prove the value of President Meyerson's words. And I doubt the admissions people of this particular University will do anything to perpetuate the myth of separateness by keeping the student body free of artists.

What an exciting and lively vista confronts the imagination when you think of this Center going about its business everyday. What thrilling and profoundly valuable things can come out of it. And, I suppose, failures as well. But they should not discourage us. And, I expect, some pretty good controversies as well. But the vision of the Center will not be lost in our attempt to reach it.

The Center is a springboard, an exploring place and a productive place. Is there anything more impressive than the simple glorious idea of it? the shape of it? the people who planned it? those who made it possible? Yes, indeed, more important are those who will live in it and with it every day of the year. Those will bring support to keep it alive and those who will bring ideas to make it live.

I was very proud to be invited here. And I was thinking about this and thinking about the Center and thinking of where it is, and why, and it struck me that it is most suitable, and not at all surprising, that it should be here.

As the first capital of the country, remember, Philadelphia was known as the Athens of America. It has always, from our earliest time, from before the time we became a nation, been a most hospitable and fertile soil for artists.

Philadelphia was outstanding, early, in commerce, in law, in banking. But, by the 1750's, it was also the most active artistic center in the colonies.

Its early great families made frequent trips to Europe and returned with art books, prints, drawings, copies of great paintings, and great paintings themselves. They brought back antiquities and neoclassic sculpture.

And, they also brought, because of the city's fine reputation for hospitality to the arts, artists, many who arrived before the Revolution. Charles Willson Peale, Matthew Pratt and Thomas Sully set up permanent studios in the city.

In 1794, twenty-nine artists headed by Charles Willson Peale organized an academy for the "protection and encouragement of the Fine Arts," to be operated by the artists themselves. There were quarrels, however, and eight artists resigned in protest of "the inconsistent and indecent motion" to have students draw from living models in the absence of casts.

Still, that organization sponsored the first public exhibition of contemporary art to be held in the country, and it gave Peale the idea of a museum or an academy for the city for the encouragement of the arts.

In 1871, 70 Philadelphians assembled in Independence Hall to draw up a constitution for an academy. That was the beginning of the Pennsylvania Academy of Fine Arts. In its way the Academy was a communication center. It had a purpose of communicating art beyond the confines of Philadelphia. It became the parent of the loan or traveling exhibit.

In 1823 it loaned a number of paintings to the Charleston Museum, then the South Carolina Academy of Fine Arts. By the middle of the century, the practice of borrowing pictures became well established.

In time, the Pennsylvania Academy became a guiding institution to the younger ones which followed in the smaller communities of the Eastern seaboard.

And I believe that in time, and not so long a time, this Center will extend the same guiding hand to other universities who are looking ahead to the full use and encouragement of the arts as part of their purpose and function.

Some will be fortunate enough to have a Walter Annenberg and grateful to have the continuing support of the university and the community. Because only then will they too be able to have Centers for Communication Arts and Sciences. It is an idea and a way of operating it that can grow.

Meanwhile, to the long list of thanks to Ambassador Annenberg, and the others who made this visionary but hardheaded concept a fact, I would like to add my own.

LAOS AND THE CREDIBILITY GAP

Mr. CHURCH. Mr. President, the credibility gap is again widening. Testimony by a Deputy Assistant Secretary of State before Senator KENNEDY's Subcommittee on Refugees last week, regarding the serious refugee problem in Laos, is being refuted, interestingly enough, by official Americans in Vientiane. Our Government here in Washington has claimed that American bombing operations in Laos have not contributed in any significant way to the movement of refugees from northern Laos. Yet, as reported by the Evening Star's Tammy Arbuckle from the Laotian capital, where most of the refugees are now camped:

Americans here, most of them in middle-level posts, recalled a joint U.S.-Lao operation, called Operation About Face, in August 1969 which, they said, bombed towns around the Plain of Jars area "out of existence."

Mr. Arbuckle said that the United States accelerated the bombing of northern Laos after the American elections in 1968 and after "Phou Pathi, a radar station in the north fell to enemy hands."

In May 1969, Mr. Arbuckle continued:

American planes razed the town of Xieng Khoung on the Plain of Jars, causing an estimated 200 civilian casualties.

In August, U.S. planes hit virtually every village in the Plain of Jars area, in particular destroying the town of Phon Sevan to clear the way for joint U.S.-Lao helicopter operations there.

These Americans said several private surveys of refugees from the Plain of Jars supported the charge that bombing drove the refugees out. The U.S. Embassy's own survey, carried out by Frank Albert of the U.S. Information Service at the behest of Ambassador G. McMurtrie Godley, concluded:

Bombing is clearly the most compelling reason for moving.

Mr. President, I ask unanimous consent that Tammy Arbucle's dispatch from Vientiane of April 28, be printed in the RECORD.

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

[From the Evening Star, Apr. 28, 1971]

REFUGEE TESTIMONY DISPUTED IN LAOS

(By Tammy Arbuckle)

VIENTIANE.—Testimony by a State Department official to a Senate subcommittee playing down the role of bombing by American planes in contributing to the movement of refugees from north Laos is disputed here by knowledgeable officials.

The testimony came from William H. Sullivan, one-time ambassador to Laos who is now deputy assistant secretary of state for East Asian Affairs, in an appearance Thursday before the Refugee subcommittee of Sen. Edward M. Kennedy, D-Mass.

Americans here, most of them in middle-level posts, recalled a joint U.S.-Laos operation, called Operation About Face, in August 1969 which, they said, bombed towns around the Plain of Jars area "out of existence."

Americans who have interviewed refugees from the Plain of Jars area said there were at least 190 civilian casualties during this period and virtually all refugees interviewed gave American bombing as the reason they left their villages.

15,000 LAOTIANS INVOLVED

Sources said between 15,000 and 18,000 people were involved.

In his testimony, Sullivan said the facts did not bear out charges by Rep. Paul N. McCloskey, R-Calif., that American air attacks, particularly since the cessation of the bombing of North Vietnam, have displaced large numbers of Laotians.

Sullivan said that when bombing was shifted from North Vietnam to Laos, the attacks were concentrated on the area of the Ho Chi Minh Trail in southern Laos, not in north Laos.

"In north Laos," said Sullivan, "the sortie level continued almost exactly as it was from November 1968 through February and early March of 1969. It was only in late March of 1969 and subsequently through the military campaigns which rolled over the Plain of Jars from then until early 1970 that there was an augmentation of air activity in northern Laos."

"UNFORTUNATELY CAUGHT"

The military struggle for the Plain of Jars, said Sullivan, "resulted in the westward movement of some 17,000 people out of

the total of approximately 150,000 people who were forced to move westward during that North Vietnamese offensive.

"These 17,000 were unfortunately caught up in the very center of major military activity, both ground and air. This sort of fighting was an unusual exception to the normal pattern of military activity which has prevailed over the past several years in northern Laos."

Sources here, however, said the U.S. accelerated the bombing of north Laos from November 1968, when Phou Pathi, a radar station in the north, fell to enemy forces.

In May 1969, they said, American planes razed the town of Xieng Khoung on the Plain of Jars, causing an estimated 200 civilian casualties.

In August, U.S. planes hit virtually every village in the Plain of Jars area, in particular destroying the town of Phon Sevan to clear the way for joint U.S.-Lao helicopter operations there.

These Americans said several private surveys of refugees from the Plain of Jars supported the charge that bombing drove the refugees out. The U.S. Embassy's own survey, carried out by Frank Albert of the U.S. Information Service at the behest of Ambassador G. McMurtrie Godley, concluded: "Bombing is clearly the most compelling reason for moving."

When I visited the Plain of Jars in February 1970, hilltops were cratered with bombs which only U.S. planes could have dropped.

Sullivan's contention that the shift in bombing from North Vietnam to Laos was almost exclusively directed against the Ho Chi Minh Trail area apparently contradicts testimony received by the Senate Foreign Relations Committee in 1969.

On Page 464 of the published hearings, Col. Robert Tyrell said, under questioning by Sen. Stuart Symington, D-Mo., that U.S. air strikes in north Laos had accelerated and strikes against the Ho Chi Minh Trail had decreased.

The attempt to disguise events in Laos occurs here as well as in Washington. In the presence of reporters, McCloskey, during his visit here earlier this month, had to exert considerable pressure to get copies of the embassy document finding that refugees had moved because of American bombing.

Even after McCloskey had a copy and had shown it to reporters, the embassy refused to permit reporters to see it. Asked about the document's contents, Andrew P. Guzowski, the embassy spokesman, said he had not read it.

Godley said he "did not approve" of the finding in the study, a comment people here do not find surprising since he is responsible for clearing each bombing mission in Laos and the document shows villages were struck which had no enemy troops in them.

Godley does not shirk responsibility for U.S. actions here, and it is certain the bombing of the villages was not a willful action to strike civilians. Rather it is the result of faulty intelligence which reported enemy troops in the villages.

Any request for the bombing of inhabited areas, Sullivan told the subcommittee, is "carefully examined in advance by the embassy in Vientiane, and the strike has to be personally approved by the ambassador. These rules of engagement, which are designed to protect the civilian population, have been in effect since 1965 and, with respect to this safety feature, have not been altered."

American officials here say this "rule of engagement" is more in theory than in fact. If the ambassador approved every bombing, they said, he would not have time for any other duties.

Outside of the Plain of Jars, most of the Lao refugees have been caused because they were caught in the fighting between opposing forces, in artillery duels or by other factors brought on by the war—high prices, food shortages and fear of conscription as porters by the Communists or as soldiers by both sides.

PROGRESS IN SOLVING HEALTH PROBLEMS

Mr. BEALL. Mr. President, during recent field hearings held in New York, the Senator from Colorado (Mr. DOMINICK), the ranking Republican on the Health Subcommittee, made a statement outlining the progress that has been made in recent years with respect to the health problems of the country and urged a National discussion on the health care crisis based on "facts rather than myths."

Senator DOMINICK quoted H. L. Mencken's warning with respect to simple answers to complex problems when he stated:

For every human problem, there is a solution that is simple, neat, and wrong.

We must make certain that the solution that we reach with respect to the health care crisis is not the wrong one.

I ask unanimous consent that Senator DOMINICK's statement be printed in the RECORD.

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

STATEMENT OF SENATOR PETER H. DOMINICK, APRIL 15, 1971

Mr. CHAIRMAN: As the Health Subcommittee begins its field hearings on the subject of "The Health Care Crisis", I believe it is important to point out to the witnesses that the jurisdiction of this Subcommittee is quite broad. The rules of the Senate provide that legislation will be referred to the parent Labor and Public Welfare Committee if it involves the public health. In fact, this means that the Health Subcommittee has jurisdiction over the Public Health Service and also over a wide range of federal health programs. In the last Congress under the chairmanship of Senator Yarborough, this Subcommittee acted on a wide range of health legislation. Much fine legislation was enacted into law which will help immeasurably in providing better facilities and more manpower to meet our problems. The Subcommittee recommended and the Congress enacted legislation which provides grants to schools of public health, assistance for migrant agricultural workers health programs, federal aid to community mental health centers, federal assistance to medical libraries, federal dollars for vaccination programs, an extension of the Regional Medical Program which funds projects across the country in health education and delivery to control heart disease, cancer, stroke and now kidney disease.

This Subcommittee also acted on legislation during the last Congress to extend and strengthen comprehensive health planning, to provide additional aid to fight mental retardation and help children with developmental disabilities, to extend and improve the training programs for allied health professions, to establish a landmark program for prevention and treatment of alcoholism, and to authorize the use of Public Health Service personnel in areas where there are shortages of physicians.

Additionally, we acted on legislation to provide help to persons desiring family planning information, and the Congress passed occupational health and safety legislation, Clean Air Act amendments, the Child Protection and Toy Safety Act and the Federal Coal Mine Health and Safety Act, as well as the Lead-Based Paint Poison Prevention Act and the Air Pollution Control Standards Act.

In this Congress, some 30 odd bills and resolutions covering a broad range of health matters have already been referred to the Labor and Public Welfare Committee for initial consideration by this Subcommittee. Some of the most important of these deal with urgent problems related to the shortage and maldistribution of health manpower. For example, the Health Professions Educational Assistance Act, which provides federal assistance to schools and students of medicine, dentistry, osteopathy, podiatry, pharmacy, optometry, and veterinary medicine, will expire July 1 this year. Several bills which would extend and modify that authority are pending action before this Subcommittee. Also pending is legislation to assist in the training of acutely needed nurses and other allied health personnel.

As everyone knows, several "national health insurance" proposals have been introduced this Congress. These raise significant issues because they represent the first comprehensive approach to improving the quality and accessibility of health care in the United States.

Several weeks of this Subcommittee's time this year have been spent listening to testimony directly related to these proposals. While such testimony is undoubtedly helpful to this Subcommittee, I think it should be kept in mind that the various "national health insurance" proposals are not before us. Since they have revenue raising features they have been referred to the Finance Committee. In summary, this Subcommittee has pending before it considerable legislation dealing with urgent problems which fall within its broad jurisdiction. For that reason, I think the scope of these field hearings should be confined to those problems.

As we go into these field hearings, I think it is important to put a few facts into the record and to comment on some misconceptions which have been apparent in previous hearings or in the discussion of the health care situation in the country.

Let's look at the use of statistics by some of the witnesses who have appeared before this Subcommittee. Some would have us believe that the United States is providing second-rate medical care because other countries have lower infant mortality rates. In truth, infant mortality is for the most part a social rather than a medical problem. Factors such as poverty, malnutrition, poor housing, poor education and racial or ethnic differences are much more highly correlated with infant mortality than such factors as the number of physicians or hospitals.

Moreover, comparisons of international statistics on infant mortality are not very meaningful. The Demographic Yearbook of the United Nations spends five pages pointing out why statistics from one country are not necessarily comparable to statistics from another country, especially in the field of infant mortality.

There also seems to be a popular misconception that the United States is the only major industrial nation in the world that does not have national health service or a program of nationalized health insurance. This claim was made last month on the floor of Congress, and the idea is widely shared, even among some health "experts". Those who hold this view seem to have in mind the British and Eastern European model in which health services are not the typical Western European model. In fact, continental health-insurance schemes are predominantly financed by employer-employee contributions and operate within the framework of national standards.

It has been said, "In the analysis of the health care crisis, there is an acute and worsening shortage of all kinds of health personnel, especially doctors." The truth is that

we have one of the highest ratios of doctors per capita in the world, and the number of physicians is growing at a rate faster than our population. In 1950, the population to physician ratio was 711 to 1. Now it is 630 to 1.

The number of medical schools and medical students is showing unparalleled growth. In the school year 1966–67 there were 89 medical schools and just over 33,000 medical students. It is anticipated that by next year—just five years later—there will be 114 schools and over 43,000 medical students—an increase of 25 schools and 10,000 students.

This is not to say that we don't need more medical schools and more doctors. We do. But the basic problems are maldistribution—too few doctors in crowded urban slums and in rural America—and a tendency to specialize. Steps are being taken by the medical profession, by the states and by the Federal Government to counter this trend toward specialization, to deal with the maldistribution problem, and to take some of the load off of doctors by training more allied health personnel.

While it is clear that this country has critical health problems, I think we should keep the magnitude of those problems in some sort of perspective. Listening to the hearings in Washington as I have day after day, I could almost conclude that we are about to come apart at the seams and that we are a nation ill-clad, ill-fed, ill-housed and ill-cared-for from Maine to California and North Dakota to Florida. Therefore, I would like to point out that infant mortality, for instance, is down 66 percent in this country since 1900. That male life expectancy is up 45 percent in the same period. That in the United States we have virtually no polio, small pox, diphtheria, typhoid fever, and have the means in hand to eliminate measles. Despite the problems we have, America is, in general, healthier than ever.

Having had the problem areas in health care identified repeatedly to this Subcommittee, I am hopeful that in these hearings we will start discussing some solutions. For instance, when we are speaking of infant mortality, I believe it would be useful to identify the reasons for the gap between the death rates of whites and blacks. Last year the national infant mortality rate declined as it has every year for some years. The black rate was not only higher than the white rate, the black rate increased slightly. A perceptive comment of this fact was made by Doctor Rowland Scott, Professor of Pediatrics at Howard University in Washington. Speaking of that city's infant mortality figure—in a city which is about 73 percent black—Doctor Scott said, "This high mortality is not taking place in the hospitals—they are not too bad. It's what happens when these babies go home to the ghetto." So, better medicine is not the only answer. An effective solution will require broad socio-economic changes.

What I am trying to point out is that health problems are complex, and it would be unrealistic to place too much faith in simple solutions. Certainly we have made great progress. Certainly much more progress must be made. But there is no simplistic answer; no one scheme or program can do it all. In the words of H. L. Mencken, "For every human problem, there is a solution that is simple, neat, and wrong."

In conclusion, I think the press has a special and constructive role to play, reporting on these hearings and reporting on health care programs. It can help in our effort to promote a national discussion based on facts rather than myths. We need such a discussion if we are to continue to improve the quality and accessibility of health care for Americans. If I may quote from a Washington Post editorial a few weeks ago on health care programs, "The health care problem is so monumental in scope and so intricate in detail that every idea is entitled to a full hearing *on its own merits*. Somewhere, out of such a free debate, a national consensus must develop, a consensus *that rests on facts and solid theory*, not on the whims of doing something to improve the situation or on notions of reaping political credit for the final product."

PROBLEMS OF THE RETURNING VETERAN

Mr. SCOTT. Mr. President, much has been written about the problems facing the returning veteran. Some of these young men, who have met with me, claim their benefits and the programs offered by the Government are insufficient to meet their needs. In Pennsylvania, a program has been developed to help our returning servicemen. An editorial written by Mr. Robert Kotzbauer, of the Philadelphia Bulletin, details the fine work that already has been accomplished in Pennsylvania and outlines future plans for national application of the program. I ask unanimous consent that it be printed in the RECORD.

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

PAVE: A COMEBACK FOR VIET VETERANS

(By Robert Kotzbauer)

Like some other World War II veterans who got through college on the GI Bill, I've had trouble understanding why more Vietnam veterans don't take advantage of their educational benefits "like we did."

Only about 26 percent are doing so, compared to 50 percent after the "big war," and this despite the tight job market facing ex-GIs today. The current unemployment rate for returning servicemen is about 12 percent. About 352,000 are without jobs.

Robert D. Ford, who heads the Pennsylvania Program to Advance Veterans Education (PAVE), put me straight. If he can get the same message across to others, in government, at universities, and to veterans there could be some real changes.

For one thing, universities practically turned their campuses over to veterans in 1946. In fact, the GI Bill is responsible for building many of the great institutions we have today.

Not that colleges don't welcome ex-GIs today, but it's not the same. The campus atmosphere is strange to a guy who has been tramping the paddies. Everything seems geared to people who have been planning for college since before high school and escaped the draft by staying there.

RODEO CIRCUIT

A grunt is likely to feel out of place in such a crowd. Some are unsure if they can cut it, what they want to do, or how to apply. And Bob Ford himself is a case in point.

After graduating from high school in Duncannon in 1957, second in his class (second from the bottom, that is), Bob bummed around the rodeo circuit for a time, then joined the Marines. Three years later, about to be discharged, he figured he'd give college a try.

"I wanted one of those papers that all the officers had," he said.

But his letter to Penn State fizzled. "It must have been like nothing," he recalls, "because they didn't even send me an application. I got a polite letter saying they didn't have anything I was interested in. I figured that was it. I couldn't go to college because the letter said so."

REMEDIAL COURSE

Bob began bartending, and that was it until 1966 when, at 26, he decided time was running out and he ought to try again.

"I wandered onto the Harrisburg Community College campus," he said. "Someone directed me to the admissions office, and I wound up with an application. I didn't even tell my wife because I didn't want to appear stupid."

Asked what he wanted to take, he chose business "because I didn't understand what all those other things were, like liberal arts."

He was assigned to remedial courses in English and math. Yet later, Bob Ford wound up on the dean's list at both Harrisburg CC and Penn State's Capitol campus where he got his degree.

And this brings up what PAVE is all about. "A lot of veterans want to go to college," he believes, "and ex-GIs would be the backbone of the campus just as they were after World War II, if someone would only show them how.

HELP OTHERS

"I was just about to wind up my sophomore year in 1968, when I stayed awake all one night thinking how fortunate I was, and how many guys out there were like I was, and I decided to do what I could to help them get started."

He went to ex-GI clubs at the community college and Penn State branch and put his idea to them, of having veterans in college volunteer to answer questions and help others get in. They went for it.

Later, after reading former HEW Secretary Robert Finch's remarks about how few veterans were using the GI Bill, Bob Ford wrote to him and described his idea. Philadelphian Stewart Feldman, then on Mr. Finch's staff, called Mr. Ford and suggested they discuss the program with Governor Shafer's staff. PAVE was born, and after graduation, Bob Ford joined the state administration to head it. Governor Shapp kept him.

PAVE now coordinates 43 veteran counseling centers, at as many colleges and training institutions. Perhaps 1,800 ex-GIs in Pennsylvania are giving their time to helping former buddies enroll in school.

VETERANS' FAIR

It's an idea whose time has arrived. The program is now going national, sponsored by the National League of Cities and U.S. Conference of Mayors, and funded with $1 million from the Federal Government.

Bob Ford has been offered a position with the national program but he would like to see PAVE fully operational first. This week it gets its acid test.

"Veterans at Temple," with the help of PAVE and ex-GI Counselors from 14 other Philadelphia-area institutions, are holding a Veterans Education Fair at Temple's student activities center tomorrow and Saturday.

It's free and open to any ex-serviceman around here who thinks he might like to work for "that piece of paper." Nobody will tell those who turn out where to go to college, Bob Ford promises; only how.

(Mr. Kotzbauer is a member of the editorial page staff.)

THE NEW 1-DAY AIRMAIL DELIVERY

Mr. TALMADGE. Mr. President, the U.S. Postal Service last week inaugurated a program to assure 1-day air delivery within a 600-mile radius.

As newspapers are sometimes prone to do, the Atlanta Constitution took it upon itself to test the new program by mailing airmail letters to selected cities.

The results were very good as duly reported by the Constitution.

I commend the Postal Service on this new program which, I understand, is working equally well across the country.

I bring the Atlanta Constitution article to the attention of the Senate and ask unanimous consent that it be printed in the RECORD.

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

IT WORKS—AIRMAIL PUT TO SPEED TEST

(By Sam Hopkins)

Memo to U.S. Postmaster Winton Blount:

Hey, it really worked! But not perfectly.

I'm talking about that new improved air mail service the U.S. Postal Service started this week that assures one-day delivery within a 600-mile radius.

To test your new plan, we sent air mail letters from Atlanta to seven persons in Georgia, Alabama and South Carolina and had them send letters to Atlanta the same day.

You batted six for seven one way and seven for seven the other. Which is probably not bad for the post office.

The seven letters from Atlanta were mailed at 12:45 p.m. Thursday in the old Post Office in Forsyth Street.

They were sent to Macon, Augusta, Albany, Savannah, Jekyll Island, Columbia, S.C., and Montgomery, Ala.

On Friday afternoon long distance telephone calls were made to see if they all had arrived. It was a good show. They all got there Friday morning.

But here in Atlanta, the letter mailed from Jekyll Island never did arrive at The Atlanta Constitution city room Friday, although the person at Jekyll said the letter was placed in the post office there at 11 a.m. Thursday.

All in all, Mr. Blount, it looks like a pretty good thing the Post Office has started.

At least the person we corresponded with in Savannah will probably be impressed.

She wrote, "I do hope that the postal department's commitment to provide 24-hour air mail delivery within that radius will be forthcoming. Not long ago, I sent an air mail letter to Washington. It took 13 days to get there!"

OSCAR S. STAUFFER RECEIVES WILLIAM ALLEN WHITE AWARD

Mr. DOLE. Mr. President, recently a distinguished Kansas journalist, Oscar S. Stauffer, was honored by the William Allen White Foundation at a breakfast in New York City. Mr. Stauffer, chairman of Stauffer publications and publisher of the Topeka Capital-Journal, was among nine outstanding men in the fields of publishing and journalism who received the foundation's medallion on the 21st anniversary of its establishment.

Kansas has a great tradition of public spirited and fiercely independent newspapermen, and Oscar Stauffer has certainly contributed to that tradition. I I have had the pleasure of knowing him for many years, and wholeheartedly agree with his selection as one of the year's recipients of the William Allen White Award.

The press in Kansas and throughout the Nation has grown and achieved its stature through the tireless efforts and dedication of men like William Allen White and Oscar Stauffer. Their achievements exemplify the highest practice of journalism and set an example to all who follow in their profession.

Mr. President, I ask unanimous consent that an article published in the Topeka State Journal of Monday, April 19, be printed in the RECORD.

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

WHITE AWARD TO STAUFFER

LAWRENCE (Special)—Oscar S. Stauffer, chairman of the board of Stauffer Publications and publisher of The Capital-Journal, is among nine journalists who will receive the William Allen White Foundation's medallion at a special breakfast Tuesday in New York.

His son, Stanley H. Stauffer, president of Stauffer Publications and president of the William Allen White Foundation, will confer the medallions at the breakfast at the Waldorf Astoria Hotel.

The award, made annually since 1950, is to persons who exemplify White ideals in service to profession and community.

James Reston of the New York Times was the first to receive the White citation and delivered the first White Memorial lecture at the University of Kansas. The most recent national recipient of the award is Vermont Royster, former editor of the Wall Street Journal.

Citations also are made to distinguished Kansas journalists.

Those receiving their medallions Tuesday will be Ernest K. Lindley, former Washington editor of Newsweek; Norman Isaacs, former managing editor of the Louisville Times; Paul Miller, president of Gannett Newspapers and the Associated Press; Clark R. Mollenhoff, Washington bureau chief for Cowles Publications; Gardner Cowles, editor-in-chief of Cowles Communications, Inc. and president of the Des Moines Register and Tribune; Wes Gallagher, general manager of the Associated Press; Mark Ethridge, long-time publisher of the Louisville Times and Courier-Journal, and Walter Cronkite, CBS news correspondent.

ADMINISTRATION REVERSES POSITION ON OLDER AMERICANS ACT FUNDING

Mr. EAGLETON. Mr. President, the administration's budget recommendations for fiscal 1972 contained a series of funding reductions for programs under the Older Americans Act. Specifically, President Nixon recommended reducing funds for the title III community grant program by $3.65 million, for the foster grandparent program by $3 million, and for the research and training programs by $2.15 million.

On March 25, 29, 30, and 31, the Senate Special Committee on Aging, presided over by the Senator from Idaho (Mr. CHURCH), and the Subcommittee on Aging of the Labor and Public Welfare Committee, of which I am chairman, held joint hearings at which public witnesses testified to the serious consequences that would follow from these funding reductions.

On Tuesday of this week, this series of hearings was concluded with testimony from Secretary of Health, Education, and Welfare Richardson. At that time Secretary Richardson announced that the administration has reversed its position on the funding of these programs and will now recommend that the title III community grant program, the Foster Grandparent program, and the research and training programs be funded at their fiscal 1971 levels.

This is indeed welcome news, and I commend the administration for reconsidering its previous untenable position.

There is, however, no cause for euphoria. The administration's revised budget requests amount simply to a status quo budget for these existing programs which have proven so popular and successful and which I believe should be expanded. The increase of $7.5 million over fiscal 1971 in the total budget for the Administration on Aging is for the purpose of implementing two new programs authorized by Congress in 1969—the areawide model projects program and the retired senior volunteer program.

In other words, the administration's revised budget represents not so much a step forward for older Americans as a decision not to move backward. Clearly the task of obtaining a higher priority for the needs of senior citizens remains before us.

Nevertheless, the elderly citizens of the Nation have had a minor victory, and I want especially to commend Senator CHURCH, chairman of the Special Committee on Aging, for organizing the series of joint hearings which I believe contributed substantially to this result.

Mr. President, I ask unanimous consent that the 1971 appropriations, the original and revised budget requests for fiscal 1972, and the 1972 authorizations for Older Americans Act programs be printed in the RECORD.

There being on objection, the table was ordered to be printed in the RECORD, as follows:

OLDER AMERICANS ACT FUNDINGS

Program	Fiscal year 1971 appropriations	Fiscal year 1972— Original budget request	Fiscal year 1972— Revised budget request	Authorization
Title III:				
Community programs	$9,000,000	$5,350,000	$9,000,000	$30,000,000
State agencies	4,000,000	4,000,000	4,000,000	5,000,000
Areawide model projects	2,200,000	4,000,000	5,200,000	10,000,000
Titles IV and V:				
Research and development	2,800,000	1,800,000	2,800,000	20,000,000
Training	3,000,000	1,850,000	3,000,000	
Retired senior volunteer program	500,000	5,000,000	5,000,000	15,000,000
Foster grandparent program	10,500,000	7,500,000	10,500,000	25,000,000
Total	32,000,000	29,500,000	39,500,000	105,000,000

WIRETAPPING AND GOVERNMENT SURVEILLANCE OF PRIVATE AND PUBLIC CITIZENS

Mr. BAKER. Mr. President, I was impressed by what seemed to me an unusually even-handed and thoughtful column by Robert L. Bartley in today's Wall Street Journal. Mr. Bartley addressed himself to the recent spate of charges and countercharges on the issue of wiretapping and other forms of Government surveillance of private and public citizens.

As Mr. Bartley points out, there have been excesses on both sides, and it is precisely in these excesses that Mr. Bartley perceives a long-term danger to the bonds that hold our society together. He notes with regrettable accuracy that "rhetorical exaggeration is a standard instrument of politics," and it would be naive of me or anyone else to hope that this might cease to be the case.

But I do believe quite strongly that as elected public officials we have a special responsibility to nurture and protect those forces that tend to hold the society together. This does not mean that we should avoid the unpleasant features of our national life or that we should feel any inhibition to speak out forcefully in support of programs and policies that we feel, as individuals, would work to make a better America.

But at a time of great national stress—which this certainly is—it may be that some of us do damage to those causes in which we most deeply believe when we seek to draw attention to them with exaggerated rhetoric.

Words are among the most important tools of a practicing politician. Words can lose a great deal of their meaning and usefulness if they are not used with care and precision.

I commend Mr. Bartley's article to the Senate and ask unanimous consent that it be printed in the RECORD.

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

LISTENING IN ON SOME SLIPPERY RHETORIC

(By Robert L. Bartley)

WASHINGTON.—The threat to privacy in an electronic world has been all too clear from the first, and two weeks of charges and counter-charges have added little. If the last two weeks have clarified anything about spying and wiretapping, it is the danger of too little circumspection with charges that cut too close to the heart of our governmental and social system.

Now that the charges seem to be in, at least for the moment, the obvious things remain. Technological advances in eavesdropping and information exchange are frightening. J. Edgar Hoover is very powerful, very old and often overbearing. The administration is asking for a lot of power in unaudited wiretapping for national security purposes. Government officials are often carelessly sweeping in denying accusations against them. There is even one new idea, Sen. Edmund Muskie's suggestion for a board to review all surveillance, well worth thinking about.

It is perfectly possible to handle these wrenching concerns with clean hands, reasonable evidence and careful conclusions, as Sen. Sam Ervin has shown in his studious probes of Army intelligence excesses and data banks. But in these last two weeks, the more the debate has progressed, the more the charges have seemed reckless.

DUBIOUS ASSUMPTIONS

Rep. Hale Boggs offered precious little substantiation for his wiretapping charges, and evidence is also lacking for a key part of Sen. Muskie's complaint about Earth Day observations. In both cases there are highly dubious assumptions and excessive rhetoric. That the charges nonetheless have been widely circulated and apparently fully credited is not surprising given our current national mistrust of government. Yet the question arises: How much of this mistrust results from reckless charges, and how much of it can a functioning society stand?

Rep. Boggs' hour-long speech to the House last Thursday was a moving theatrical performance, but notably short in the promised proof that the Federal Bureau of Investigation had tapped his telephone. Rep. Boggs said that on his request a telephone company serviceman checked his home phone and said that while no tap was present, one had been there. He said a subsequent letter from the company stated that no tap had been found but he added that the company's policy is to deny taps if they have been placed by the FBI.

Rep. Boggs did not give the serviceman's name, nor say how he could tell that a previous tap had existed. Former FBI agents now in the House immediately rose to say there is no way to detect a tap once it is removed, and to praise Mr. Hoover, their former chief.

A spokesman for Chesapeake & Potomac Telephone Co. says that servicemen did check the Congressman's phone, that they found no evidence of either a present or former tap, that they told this to the Congressman's "representative," that they did not talk to him personally, that if a tap is found the company's policy is to inform both the customer and law enforcement agencies and that "we make no exception for the FBI."

Rep. Boggs also related a long list of incidents or rumors of suspected wiretapping or bugging on Capitol Hill, including one in which he said radio transmission had been detected from beneath a carpet, but when the carpet was raised two days later the bug had mysteriously disappeared. His speech was also notable for its indignation about FBI investigations involving Rep. John McCormack, though that investigation led to the conviction of a McCormack aide, and of Rep. John Dowdy, who is under indictment on charges of taking a $25,000 bribe.

No one denies that the FBI has in fact investigated Rep. Boggs, for that matter, though the government denies it tapped his telephone. Last June a U.S. District Court judge in Baltimore released a summary of grand jury proceedings after the Justice Department declined to proceed with the indictment of a building contractor who had pending claims arising from a contract for House Office Building parking construction. The allegations included one about the contractor's hoping to gain Rep. Boggs' good will by arranging for his house ot be remodeled at a below-cost price.

Rep. Boggs' thin evidence contrasts sharply with the rhetorical pitch of his allegations. He says, "The FBI adopts the tactics of the Soviet Union and Hitler's Gestapo." He concludes, "The way Mr. Hoover is running the FBI today, it is no longer a free country."

A similar, though less drastic, rhetorical overkill permeates Sen. Muskie's charges about Earth Day 1970. The Senator did produce an authentic FBI document on the Washington demonstration he had attended, but he charged that the FBI also reported on 40 to 60 similar meetings across the nation. When the agency denied widespread Earth Day operations, he challenged it to open its confidential files to prove him wrong.

The question of whether the Earth Day surveillance was widespread seems critical to the Senator's accusation. It is at the very least open to argument whether the FBI report he put in the Congressional Record supports his portrait of the government spying on people who couldn't conceivably want anything except to end air pollution.

In fact, the report shows that Sen. Muskie was the only speaker at the evening rally to restrict himself to the anti-pollution theme, with the possible exception of folksinger Pete Seeger's "remarks about ecology and cleaning up society and the Potomac River." The rest all coupled their messages with antiwar themes, which had previously led to disturbances in the capital.

The report pays the most extensive attention to a speech by Rennie Davis, one of the convicted defendants in the Chicago conspiracy trial. He viewed ecology as a cop-out, and said people shouldn't allow it to distract them from the important things, like ending the war and going to New Haven "to stop" the trial of Black Panther leader Bobby Seale.

Now, it's entirely possible to argue that an event of this tenor is no proper concern of the FBI. Yes, it was not strictly anti-pollution, and yes, you had a crowd of 2,500 being addressed by someone once convicted of crossing state lines with the intention of inciting riot. But no one seriously anticipated any rioting, this time, still less having to call federal troops, so perhaps matters could better have been left to the District police.

It seems far harder to argue that the FBI is guilty of anything worse than a misjudgment, if that, in watching gatherings in Washington whose speakers included radicals with past associations of violence. Yet Sen. Muskie's press release argues that the operation represents "more than excessive zeal. It is a threat to our freedom." If these phrases mean anything at all, they mean the FBI had some sinister purpose beyond its assigned mission, a conclusion that by no means follows from the document he presented.

LITTLE SUPPORTING EVIDENCE

Nor, unless you assume all anti-pollution rallies and political life have the same tenor the Washington gathering did, does his evidence really support his rhetorical question, "If anti-pollution rallies are a subject of intelligence concern, is anything immune? Is there any citizen involved in politics who is not a potential subject for an FBI dossier?"

Rhetorical exaggeration is a standard instrument of politics, of course, and in this debate Justice Department officials clearly have done some exaggerating of their own. They said the department did not use "electronic surveillance" of Congressmen. After the facts of the Dowdy case came out, they were left to explain that this denial does not exclude recording conversations between an informer who consents to the recording and a Congressman who knows nothing about it.

In drawing a distinction between recording when one party consents and bugging unknown to anyone concerned, though, the department was by no means merely dreaming up something to reconcile its statements. The distinction has a clear basis, since once an informer is ready to relate a conversation the use of a recording instrument would seem to make little moral difference. The distinction is also well recognized in law, since the courts generally exclude electronic evidence but permit it when it was gathered by a consenting informer. This distinction was reaffirmed by the Supreme Court as recently as April 5, though Justice Department officials really should have known it would not be obvious to a layman.

More seriously, the Justice Department is pressing a sweeping view of its powers to tap phones without court authorization in "national security" cases. It claims an "inherent right" for a government to defend itself, and it defines "national security" as embracing not only foreign spies who might steal mili-

tary secrets but also domestic radicals who might plot a bombing or assassination. Certainly this contention, to say the least, provides plenty of material for searching debate.

The debate in the last two weeks has not focused on any such narrow issue, though, but has instead painted a picture of a government that uses electronic surveillance against Congressmen and Senators and spies on anyone who even attends an anti-pollution rally. There have been partisan overtones, with Democrats giving Rep. Boggs standing applause while Republicans sit in stony silence, and with Rep. Boggs saying on "Face the Nation" that "there's hardly a member of the House—I say certainly on our side, or Democratic side, who isn't fearful about using his telephone."

THE "CREDIBILITY GAP GAMBIT"

So far there has been little proof of this shocking picture beyond what might be called the Credibility Gap Gambit: Critics make gruesome accusations against the government; shocked government officials respond with sweeping denials; critics find some exception to the denials which, while defensible enough in itself, can be used to prove that the original gruesome charge must be true because the government lied in denying it.

This heady tactic is enormously destructive, especially when coupled with an emotional issue like an image of "1984." It draws additional force from the substantial band of radicals intent on proving American society is "repressive," and from the far larger number of good people who somehow feel virtuous about such denunciations. But such destruction can seldom be confined to limited targets; it hits the bonds of minimal trust and decency that hold a society together.

The image of malevolent men prying into the lives of citizens and their political foes cannot in the end be confined to a message that you can't trust J. Edgar Hoover, John Mitchell and Richard Nixon. The message will be instead that you cannot trust your government, whether Republican or Democratic, conservative or liberal. Already so impeccable a liberal as Ramsey Clark, tainted by former service as Attorney General, is reduced to denying his complicity in spying—"I don't care what the documents show."

Similarly, no politician whose objective is to win office and lead society should imagine that the Credibility Gap Gambit will not be turned against him if he succeeds. Such politicians might do well to ponder whether some charges are so destructive that they must be handled in terms that stick strictly to the available evidence, wheher there is a danger of falling into tactics of winning the government by destroying it.

FLIGHT OF JOBS TO THE SUBURBS

Mr. RIBICOFF. Mr. President, an article by Richard Reeves in the New York Times of April 28 and an article in the April 25 Washington Post describe the continuing movement of businesses from central cities into the suburbs. Thousands of jobs for low- and middle-income workers are being transferred into areas in which adequate housing is unavailable for them.

The New York Times article documents the active competition between suburban areas for the location of new industry. Any city that seeks to derive the benefits of industrial location should also be required to assume the responsibilities of providing adequate housing for the workers associated with such businesses.

I have, therefore, introduced S. 1282, the Government Facilities Location Act, which would require Federal agencies and companies with Federal contracts to insure that adequate housing exists for their low- and middle-income workers before they locate or expand in any area.

Providing housing in the suburbs to those with jobs there would be a major step toward bridging the increasing gap between our impoverished central cities and the affluent suburbs that surround them.

Senators CRANSTON, MONDALE, and BROOKE, members of the Banking, Housing, and Urban Development Committee, are cosponsors of this legislation. I hope that the committee will soon begin hearings on this entire matter.

I ask unanimous consent that the articles be printed in the RECORD.

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

[From the New York Times, Apr. 28, 1971]

CONCERNS IN MANY CITIES LEAVING FOR THE SUBURBS

(By Richard Reeves)

When the General Dynamics Corporation announced two months ago that it was moving its national headquarters out of the city, New York's loss appeared to be St. Louis's gain as the company announced:

"St. Louis is well-located, offers excellent facilities at reasonable cost and provides major living advantages for our people."

But St. Louis gained almost nothing.

General Dynamics has since decided to move to Clayton, Mo., a St. Louis suburb of 16,000 people that has been pulling business out of the Missouri city for 10 years, just as Greenwich, Conn., has pulled business from New York and a Southfield, Mich., has pulled business from Detroit.

The exodus of business from downtown to suburb—a subject much discussed here because of corporate moves in recent months—is not a New York phenomenon, but a national pattern, according to reports from correspondents of The New York Times in 10 cities.

In fact, in Detroit the exodus has reached such proportions that two prime symbols of civic identity, the Detroit Lions football team and The Detroit News, are moving out, the Lions to a new stadium in Pontiac and The News to a new satellite printing plant in Sterling Heights.

With that, a banner at the last banquet of the Detroit Press Club facetiously made one request: "Will the last company to leave Detroit please turn off the lights?"

In St. Louis, which like other cities has a local group—Downtown St. Louis, Inc.—trying to hold or expand downtown business, the number of merchant licenses has decreased from 6,302 in 1969 to 5,608 this year, and manufacturing licenses from 1,270 last year to 1,210 this year.

There are breaks in the pattern, however, especially on the West Coast. The economic development agencies of Los Angeles and Portland, Ore., for example, report no visible movement of business away from their cities.

"We are still bringing industry in," said Howard Chappell, president of the Los Angeles Economic Development Board. And John Kenward, executive secretary of the Portland Development Commission, added: "We just have a freshness and vitality in the central city that is refreshing when compared to the Midwest and East."

Kansas City, Mo., has also managed to hold its position as the unchallenged business center of its area, by extending city boundaries into unincorporated suburbs. The area of the city has grown from 60 square miles to 317 in the last 25 years.

Thus, at the moment, Kansas City has something that the Mayors of New York or Detroit will never have again—100 square miles of undeveloped land.

The need for land to expand is a primary factor that drives corporate offices, manufacturing and assembly plants, and even athletic teams, out of central cities.

SPACE AND COSTS CITED

"We've contacted firms and asked why they moved," said a spokesman for the Boston Economic Development Industrial Commission. "The prime reason is lack of space and the high cost of space. Only a handful—less than 10 per cent—even list crime, vandalism, congestion or taxes."

But, in other cities—particularly Detroit—city officials and businessmen do tend to talk about the spectrum of urban problems. The vice president of a Detroit insurance company, who asked not to be identified, said several major moves had been based on "insidious institutional racism."

The insurance executive reported:

"A vice president of [he named a prominent organization] told me that they wanted to move for one reason—to get rid of low-echelon workers, like file clerks and typists. These days in Detroit those workers have to be black."

Some urban spokesmen—New York's Economic Development Administrator, Ken Patton, is one—believe the decisions of companies to move to the suburbs often reflect the feelings of one or two men at the top of the business.

They point to the General Dynamics move and the fact that the company's new chairman, Donald S. Lewis, is moving the headquarters a few minutes driving time from his home near Clayton. When he resigned as president of McDonnell-Douglas, Inc., in St. Louis last year to join General Dynamics in New York, Mr. Lewis's family stayed in the St. Louis suburbs, and now he will be rejoining them.

Clayton itself is an example of what older downtown areas, with all their problems, are competing with. The St. Louis suburb, which calls itself "the Executive City," has aggressively recruited business to its grassy land since World War II. It now has offices with jobs for more than 40,000 people, and its 16,000 residents have not had local taxes increased since 1954. The business that has left St. Louis pays the tax bill.

HOW IT LOOKS ELSEWHERE

The situation in other cities surveyed by correspondents of the New York Times follows:

New Orleans

"This is a very serious problem for us, if for no other reason than because it reduces our city sales-tax collection," says Robert E. Develle, the city's Finance Director.

New Orleans does not compile statistics on its suburban exodus, but it has lost the Elmer Candy Company, the Diebert-Bancroft Machinery Works, automobile dealers and numerous distributors of national products. Most companies have moved to Tangipahoa Parish, which offers tax-exempt bonding for industrial construction.

Atlanta

Despite the construction of 10 million square feet of office space in downtown Atlanta in the last 10 years, the city has lost many major corporate offices to suburban office parks, including Sinclair Oil, Shell Oil, the Continental Can Company, Avon Cosmetics, the Piedmont Life Insurance Company, and Monsanto Chemical Company.

Chicago

"A lot of industries have moved out, but they've been replaced with commercial-type businesses," says Dever Scholes, director of

research of the Chicago Association of Commerce and Industry.

The association compiles industrial and commercial development statistics, which show that the number of new industrial projects and industrial expansions have steadily decreased in the city and now total only 24 per cent of similar suburban projects.

But office-building, warehouse and financial-institution projects have increased in Chicago in recent years, and are now growing at about the same rate as similar suburban projects.

Boston

The Mayor's Economic Development Industrial Commission reports business loss is a "serious, but manageable, problem." As in many other cities, Boston officials say that they are losing small and medium-sized manufacturing concerns—perhaps 100 in the last five years—but that new office jobs have helped the city "weather the storm."

Milwaukee

"We've lost very few companies to the suburbs," says Harvey Hohl, chief economist of the Division of Milwaukee Development. "When we lose them, they normally go to the South or West; they pull out altogether."

Mr. Hohl estimates that his city has gained as much business as it has lost, even though the Jos. Schlitz Brewing Company and other major local companies are building new facilities in the suburbs, because they have run out of space to expand their city operation.

[From the Washington Post, Apr. 25, 1971]

SUBURB JOBS SAID DOUBLED IN 10 YEARS

The number of people employed in Washington's suburbs more than doubled in the last decade and the number of suburban jobholders increased at a rate better than four times in the District of Columbia, according to figures obtained from the Bureau of Labor statistics.

As a result, the percentage of metropolitan Washington's labor force employed within the District dropped to about 59 per cent at the end of 1970. It was 72 per cent 10 years earlier.

In every category established by the Bureau, except government employment, the growth in new suburban jobs exceeded the number of new jobs in the District.

While the District still provides over one-half of the area's nonfarm jobs, the growing employment opportunities in the suburbs dramatically refute the lingering myth that suburban jurisdictions are basically bedroom communities for people who work in the city and demonstrate, instead, the increasing independence of the suburbs.

Nowhere is this more evident than in retail operations. While the suburban shopper now takes such centers as Montgomery Mall and Tyson's Corner for granted, both were built less than six years ago.

The phenomenal growth in suburban shopping is clearly reflected in the Bureau's statistics. In December 1960, 89,400 persons were employed in either retail or wholesale operations in the District. In December 1970, the number had dropped to 87,400.

On the other hand, in the city's suburbs, the number of persons employed in wholesale or retail operations jumped from 68,900 in December 1960, to 149,900 a decade later.

Over all, the number of jobs in the District increased from 549,500 in 1960 to 692,100 in 1970, a rise of 26 per cent. In the suburbs the increase was from 213,000 jobs in 1960 to 466,400 jobs in 1970, an increase of 118 per cent.

Of the 142,600 new jobs in the District, 95,500 were in government employment and 44,700 were in a wide variety of service occupations such as laundries, hotels, photography, repair work, architectural and engineering work and health services.

The 95,000 new government jobs represented an increase of about 35 per cent over the December, 1960, figure of 270,100. During the same period, 37,700 new government employees (at the federal, state and local levels) were added in the suburbs, an increase of 126 per cent over the 29,800 government jobs in the suburbs in December, 1960.

While the 44,700 new service jobs in the District were a major increment in the District's total job increase, they were far outnumbered by a 153 per cent increase in service jobs in the suburbs—from 44,300 in December, 1960, to 112,200 ten years later.

The 1960's also saw an increase in District jobs categorized under "finance" by the Bureau of Labor Statistics. Such jobs include employment by banks, credit agencies, insurance agencies, and real estate firms.

However, the increase was relatively modest—4,900 jobs. And once again it was completely overshadowed by an increase of 21,000 similar jobs in the suburbs.

THE NEED FOR UNRWA FUNDING

Mr. HATFIELD. Mr. President, the United Nations Relief and Works Agency—UNRWA—has been responsible over the past 20 years for caring for the health, sanitation, housing, and food needs for the 1.5 million Palestinians living in refugee camps in the Middle East. Last year in Congress an effort was made to restore U.S. funding of UNRWA to levels equal to pre-1967 levels. The effort was only partially successful. UNRWA now faces a $5 million deficit and sever cutbacks will result if its budgetary needs are not met. To give further insight and understanding to this problem and the functions of UNRWA, I ask unanimous consent that two April 1971 articles, published in the UNESCO Chronicle and the UNESCO Courier, respectively, be printed in the RECORD.

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

[UNESCO Courier, April 1971]

EDUCATIONAL AID FOR THE PALESTINE REFUGEES

(Appeal by Mr. René Maheu, Director-General of UNESCO)

There are one and a half million Palestine refugees in the world and they demand justice.

In whatever manner these demands may be met on a political level, as part of a peaceful settlement between States, we know that there can be no true and effective justice for these refugees, or for all men and women everywhere, that is not based on the recognition of their human rights. These rights are inalienable and on no account can be denied.

The right to education is one of these rights.

For over 20 years, Unesco has been associated with the United Nations Relief and Works Agency for Palestine Refugees (UNRWA) in order to provide these refugees with the education to which they have a right.

This action, which began without resources or adequate preparation, has developed and become progressively better organized and equipped until, despite the continued precariousness of the refugees' position and of the status of the Agency itself, and despite a psychological atmosphere continually upset by violence, it has become the most ambitious educational undertaking under international administration. Even in the territories occupied as a result of the events of June 1967, this action continues in circumstances as near normal as possible.

At present, the 500 schools which UNRWA has established and which it administers with technical assistance from Unesco, in Lebanon, in the Syrian Arab Republic, in Jordan on both banks of the River Jordan and in the Gaza Strip, accommodate 192,000 pupils for primary education alone, to whom must be added the 35,000 pupils who attend public and private schools in the host countries, thanks to UNRWA subventions. For secondary education the figures are, respectively, 53,000 and 30,000, with 2,500 for technical education. Finally, over 800 students have been awarded scholarships to continue their studies at university level.

In terms of numbers, the percentage of Palestine refugees receiving education is among the highest in the Arab countries, while from the point of view of quality a constant improvement has been noted, thanks in particular to the systematic effort which has been made to train teachers—almost all Palestinians—who, at the rate of 2,700 a year, are admitted to five teacher-training schools and to the Institute of Education established at Beirut for primary teachers already in service.

And now the continuation of this humanitarian work, a signal example of international co-operation, is endangered by the precariousness and insufficiency of the resources available to UNRWA as the agency responsible for financing the project.

These resources, as we know, are derived entirely from voluntary contributions, which are decided upon each year and are supplied by a small number of States. To meet the requirements of an ever-increasing population, the Agency has recorded, for several years now, a deficit which is continually increasing and which in 1970 will have reached $5,300,000 for a budget of $47,800,000. This chronic deficit has up till now been covered by drawing on the Agency's working capital fund, but this is now so seriously depleted that it would be risky to have recourse to it again.

In these circumstances—as Secretary-General U Thant pointed out to the General Assembly of the United Nations—short of a substantial and regular increase of resources, major reductions in the activities of the Agency will become necessary. And as it is impossible for the reductions to affect the medical and health services, which are prime necessities, or the food rations, amounting as they do to 1,500 calories a day, i.e. the bare minimum for subsistence, the Commissioner-General, Mr. Michelmore, has regretfully reached the conclusion that it is in the education appropriations that the inevitable cuts must be made.

These cuts, which will become effective as from the coming school year, beginning September 1, 1971, may amount to as much as 20 per cent of the appropriations envisaged for that year, and will have to be decided on in April at the latest if additional contributions are not forthcoming before that date.

In the face of this possibility, whose serious effect on the morale of the refugees needs no emphasis, the Executive Board of Unesco has authorized me to appeal to the spirit of international solidarity with a view to collecting the funds necessary for maintaining and the United Nations has urged all governments to respond generously to this appeal.

It is this appeal to international solidarity which I formally launch in virtue of the authority and backing thus accorded me.

I turn first to governments who have the power, as it is their duty, to work for the establishment of justice and peace. I ask them to consider by reference to other expenditures, the immense value deriving in human terms from the few million dollars—

ten million would be enough for the time being—which are necessary to pursue the work of education on which we have embarked.

The money I am seeking can be paid either into UNRWA's general fund or into a deposit account specially opened by Unesco for the education of the Palestine refugees. According to the wishes of the donors it can either be allocated to the UNRWA-Unesco programme as a whole or earmarked for a particular undertaking or a particular sector of that programme.

But I also appeal to private bodies and movements—in a word to all men and women of goodwill—for justice and peace are the common possession of all mankind and the concern of everyone.

And it is in virtue of the rights of all men and women that I make this appeal. Human rights are a universal cause and no one could possibly remain indifferent and inactive in the face of the derelictions or violations to which these rights are, alas, subject in so many ways and so many places throughout the world. We must act while there is yet time.

At the start of a New Year which leads us to reflect on the passage of time and the use we have made of our lives, at a time which Pope Paul VI asks us once more to devote to ardent meditation and courageous resolves in regard to the problems of peace, as we again discern the hope of a peaceful settlement of the conflict which has ravaged the Near East for twenty-five years past, the international community cannot disregard an essential aspect of the problem of the Palestine refugees on whom the whole of that conflict centres.

In these circumstances may there be widespread and generous response to Unesco's appeal on behalf of the noble cause of the right to education.

[From the UNESCO Chronicle, April 1971]

THE UNRWA/UNESCO EDUCATION PROGRAMME

In connexion with the appeal made on 1 January by the Director-General for educational aid for the Palestine refugees,* the following article is intended to present some facts concerning the financial, administrative and educational aspects of the work carried on by UNRWA and Unesco during the past twenty years in this domain.** A recent illustration of the value of this was seen in September 1970, when 8,000 Jordanian students were able to sit for their examinations in the Gaza Strip;*** in this area also, as well as in the occupied territories on the right bank of the River Jordan, the serious situation regarding school textbooks has been considerably improved as a result of action taken by the Director-General.

SOME FACTS ABOUT UNRWA

Background

The violent hostilities which broke out in Palestine in 1948 provoked the exodus of hundreds of thousands of Arab refugees. When hopes that they would rapidly return to their homes did not materialize, the United Nations General Assembly decided to create the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), a subsidiary organ which began work in May 1950. The main emphasis of UNRWA's activities was necessarily directed to relief—food, shelter, clothing and medical care. But as years went by and in the absence of a political solution of the refugee problem, UNRWA has been obliged, on the recommendation of the United Nations General Assembly, to devote an increasingly large part of its funds to the education and training of young refugees. Considerable progress has been achieved in this domain and this had already begun to have a noticeable effect on the social and economic condition of the refugees.

Financial situation

Unfortunately this encouraging development was interrupted by the events of June 1967 and their aftermath, and the present troubled state of the region has profoundly affected UNRWA's operations, aggravating the agency's already precarious financial situation. The total expenditure and commitments for 1970 are estimated at $47,800,000, compared with $40,600,000 in 1967 and in 1966 only $37,500,000. Income has also increased, from $36,300,000 in 1966 to an estimated $42,500,000 in 1970, but it has not kept pace with the expenditures required to maintain the basic relief, health and education programmes.

In 1969, UNRWA suffered a further financial deficit (the sixth in seven years), expenditure exceeding income by some $3,800,000. On 31 December 1969, working capital amounted to $10,500,000, representing the agency's "pipeline" of supplies and cash holdings of only $5,500,000. The $5,300,000 deficit in 1970 reduced the agency's working capital at the end of the year to little more than the amount required to finance supplies in stock and in the pipeline. The position has become critical and the agency's operations are threatened with a breakdown. The main element in the increase in expenditure is the rapid growth in the number of school age refugees, which has added more than $5,000,000 to educational costs since 1966–1967.

The Commissioner-General of UNRWA has therefore issued a warning that expenditure and income must be brought into line. Unless income can be increased, this will mean a reduction in services to refugees which would certainly have a very bad effect on people who have already suffered increased hardships and psychological tensions over the past three years.

EDUCATION AND TRAINING

One of the most useful tasks performed by UNRWA is to provide education and training which enable young refugees to serve their community. Despite the disadvantages of their refugee status—or perhaps because of it—these young people are intelligent and adaptable, eager to learn and ready to seize any chance life may offer them. They are growing up in an age of social change and technological development in the Arab world, an environment in which education is the key to success and advancement, and can to a great extent compensate for their initial handicap.

Since 1950, education services have been provided jointly by UNRWA and Unesco, the latter being responsible for technical aspects of the programme which is financed and administered by UNRWA. Twenty years ago, the task of educating the children and young people of the Arab refugee population in the areas bordering on their homeland in Palestine began in conditions of great difficulty. Classes were held in the open air, in tents or in rented premises with such furniture, equipment and teaching aids as were available. Few of the teachers engaged in those days had any previous experience or training. The budget for education, during the first year, was $400,000.

By 1970, the education programme had become the agency's main activity absorbing $21,600,000 or 45% of the budget. During the 1969–1970 school year, UNRWA provided education and training for 289,959 young people out of a total registered refugee population of 1,409,659, whereas in 1966–1967 the figure was 254,500 out of a total population of 1,330,077 registered refugees.

The problems involved in the normal growth of the programme were exacerbated by the renewal of hostilities in June 1967. The mass exodus of Palestinian refugees from the west to the east bank of the River Jordan left many UNRWA/Unesco schools empty in places like Jericho, and made it necessary to create new school facilities for some 20,000 additional children in east Jordan.

The UNRWA/Unesco education services are at present spread over Jordan (east and west banks), Syria, Lebanon and the Gaza Strip. The joint programme conforms as closely as possible to the education system in force in each of these territories so that it consists of four allied but different systems for the refugee children, with four different curricula and four sets of textbooks. Although the state of affairs poses problems, it has the overwhelming advantage of enabling children in UNRWA/Unesco schools to sit for State examinations, to qualify for upper secondary education in government and private schools and to enter universities in the region on an equal footing with the nationals of the different countries. The close collaboration of the host governments has contributed materially to the success of the programme, and virtually all the 6,700 teachers in the UNRWA/Unesco elementary and preparatory school system are Palestine refugees themselves.

General education

The main effort in the educational domain is understandably focused on the provision of general education. The 485 UNRWA/Unesco schools offer all young refugees six years of elementary education, and three years of preparatory schooling to all who complete the elementary cycle satisfactorily. Enrolment for the 1969–1970 school year was 219,378, and for 1970–1971 is 245,213. In addition, some 65,000 refugee children attend government or private schools including upper secondary schools at a cost to the agency of $1,000,000.

Apart from formal classroom teaching, the joint programme has developed handicraft training for boys and domestic science training for girls. This training is now only given in the preparatory cycle, in which 55 handicraft units and 27 home economics units operate, reaching a total of 21,400 boys and 8,000 girls. Lack of funds has unfortunately prevented the extension to all refugee children in the preparatory cycle of this invaluable addition to formal education.

Some $16,300,000, of the $21,600,000 spent on education in 1970, were devoted to the operation of elementary and preparatory education.

Vocational and technical training

There are ten UNRWA/Unesco training centres offering, during the 1970–1971 school year, 37 different vocational and technical courses to more than 2,500 students and pre-service teaching training to over 1,200. Since the training programme was launched in 1953, initially with help from ILO, more than 12,000 young men and women have graduated from these centres, most of which are residential. The refugees are scattered among the four host countries and, for reasons of economy and efficiency, courses are grouped in centres which consequently recruit from a wide area. Moreover community life in pleasant and healthy surroundings has a beneficial effect on the development of young people coming from the often depress and stultifying atmosphere of a refugee camp.

An encouraging development has been the generous provision of technical assistance funds to help finance educational and training activities. The Governments of Denmark, the Federal Republic of Germany, Sweden and Switzerland are at present helping to meet the operating costs of these cen-

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* See Unesco Chronicle, Vol. XVII (1971), No. 2, p. 45.

** See Unesco Chronicle, Vol. XV (1969), No. 9, p. 295.

*** See Unesco Chronicle, Vol. XVI (1970), No. 12, p. 510.

tres. More recently, the United States has pledged additional support for the expansion of the vocational training programme.

Vocational training in the UNRA/Unesco technical centres is geared to the demand for particular skills. While secondary education is required for certain courses, others are open to youngsters with only nine years of basic education. The courses involve 10 to 11 months of study per year and generally last two years, after which the great majority of graduates very quickly obtain employment. A small number of graduates are selected for further training abroad which may in turn lead to a fourth year of higher technical training in a UNRA/Unesco training centre in the Middle East as a technical instructor or middle level technician. To date, nearly 1,000 trainees have gone abroad under this programme. The training is carried out under the direction of a small team of international specialists who draw up the curricula, introduce new courses and train and supervise Arab instructors.

The courses fall into three categories: trade courses, semiprofessional courses and teacher training.

The trade courses offer a range of 19 specialties in the building, electrical and mechanical trades (for example, builder/shutterer, plasterer/tilesetter, auto-electrician, radio/TV mechanic, blacksmith/welder, refrigerator and air conditioning mechanic). Students spend from 70 to 90% of their time in well-equipped workshops where they learn basic principles and gain practical experience. The remaining time is devoted to studying English, practical mathematics, applied science and technical design.

In the semi-professional sector, the number of courses has increased in the past few years so that a young man may now train to become an architectural draughtsman, assistant pharmacist, construction technician, engineering draughtsman, medical laboratory technician, land surveyor, public health inspector, quantity surveyor or vocational training instructor, or he may study business and office practice. These courses, part of which consists of on-the-spot training, place more emphasis on theory than the trade courses, although students still obtain considerable practical experience.

Recognizing the need for women with professional training in the Arab world, in 1962 UNRWA opened a residential centre for girls at Ramallah, near Jerusalem, the first of its kind in the Middle East. About half the students are taking vocational training courses. Since the 1967 hostilities, the centre has only been accessible to students from the west bank and from the Gaza Strip, and in 1971 it is planned to open a joint vocational and teacher training centre for both men and women near Amman.

On the vocational training side, courses for young girls include secretarial training, clothing production, hairdressing and beauty culture, home economics and child care and medical laboratory techniques.

Pre-service teacher training, designed to improve the staffing of UNRWA/Unesco schools, is provided at three centres. In addition, since the 1967 hostilities, two temporary centres have been created in the Amman region which will this year be replaced by the joint centre in Amman, mentioned above. Since the pre-service training of teachers began, slightly over 3,700 teachers (including 1,198 women) have graduated.

In-service training

The UNRWA/Unesco Institute of Education was established in January 1964. Its main aim is to improve the quality of education in the UNRWA/Unesco schools, and the principal method of achieving this so far has been to provide in-service training courses for the professionally underqualified or unqualified teachers employed in these schools: Since October 1964, the institute, as its first phase of operation, has been providing basic in-service courses for primary school teachers. At the beginning of the 1967–1968 school year the institute began the second phase of its operation by organizing-in-service training courses for preparatory level school teachers. Both these activities are still being carried on.

To date, 3,450 primary level teachers and 1,034 teachers in the preparatory cycle have completed or are following in-service courses. The number of teachers receiving training at the institute has been maintained at about 1,500 a year.

The institute's budget for 1970 amounts to about $410,000 of which Unesco is providing about $73,000 (in services of loaned staff) and the Government of Switzerland about $116,000, leaving a balance of over $221,000 to be contributed from other sources.

University education

University scholarships are awarded to the best qualified secondary school graduates, who are needy refugee students. These scholarships are tenable only at universities in the Near East and for the first degrees. They are awarded for one year but are renewable from year to year for the duration of the course of study chosen by the students, provided they successfully pass the end of year examinations. The value of the scholarship varies according to the financial situation of the student's family but is normally limited to a maximum of $500 per annum. Eight hundred and thirty of these scholarships were awarded in 1969–1970, of which 370 were financed by special contributions.

The diversity and scope of all these activities naturally entails heavy expenditure, resulting in the present financial problems. But it is to be hoped that the importance and implications of the task carried on by UNRWA and Unesco in the Middle East for more than 20 years now will provoke a generous response to the Director-General's appeal and provide the means to continue this essential effort.

MEDICARE SHOULD BE BOLSTERED, NOT CUT BACK

Mr. CHURCH. Mr. President, the New York Times of April 4 published a useful summary of recommendations made by the Social Security Advisory Council in the latest of the valuable reports made every 2 years by that statutory body.

One of the major points made by the article is that the Advisory Council is recommending broadening of medicare at the very time that the executive branch is advancing proposals which would seriously reduce the effectiveness of that program.

Briefly, the administration is proposing reduction of the hospitalization period under which medicare would pay the costs and higher deductible for the medical portion—part B—of medicare.

The Social Security Advisory Council, on the other hand, proposes extension of medicare to include payment for some out-of-hospital prescription drugs; an increase in hospitalization from 60 to 120 days; and extension of medicare to those receiving disability benefits under social security.

It is gratifying to me, as chairman of the Senate Special Committee on Aging, that the Advisory Council recommendations are similar in important respects to those made by the committee in its latest annual report, issued this week.

Mr. President, I ask unanimous consent to have printed in the RECORD two perceptive articles written during the past few days by Marjorie Hunter of the New York Times. In addition to her report on medicare she also describes recommendations made by the Advisory Council on Social Security. Here again, there are similarities to recommendations made by the Committee on Aging.

One final comment is prompted by the two news reports.

Recently, the Senate Committee on Aging took testimony on proposed administration cutbacks under the Older Americans Act, and we were told bluntly by witness after witness that the reductions would cause widespread setbacks to promising programs. Now we are given additional evidence of administration determination to reduce beneficial programs for older Americans. The Committee on Aging has a responsibility to document the far-reaching retreats now being conducted by the Nixon Administration on many fronts of direct importance to the elderly. We will do all in our power to live up to that responsibility.

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

[From the New York Times, Apr. 4, 1971]

BROADER MEDICARE URGED BY U.S. ADVISORY COUNCIL

(By Marjorie Hunter)

WASHINGTON, April 3.—A Federal advisory council proposed today that Medicare be expanded to cover partial payment of prescription drugs for the nonhospitalized elderly.

The council also proposed that the entire Medicare program—including the part for which the elderly now pay $5.30 monthly premiums—be financed jointly by employers, employees and the Federal Government.

These were among the many broad changes recommended in Social Security and Medicare by an advisory council named two years ago to review the programs, as required under the Social Security Act.

The 12-member council was headed by Arthur S. Flemming, a Secretary of Health, Education and Welfare during the Eisenhower Administration.

The council report, released by Elliot L. Richardson, the present secretary, has been sent to Congress.

The report comes at a time when the Nixon Administration is pushing for legislation to curb Medicare, not expand it.

Thus, the report is expected to become an issue in the fight that has already broken out within the House Ways and Means Committee over planned cutbacks in Medicare benefits.

The committee rift came after tentative approval last Thursday of Administration proposals to shift much of the burden of hospital bills to the elderly.

The committee chairman, Wilbur D. Mills, Democrat of Arkansas, is expected to mount a drive to reverse the committee action and revamp the Medicare cutbacks to have a less adverse impact on the elderly.

But while at apparent odds with the President over whether Medicare should be curbed or expanded, the advisory council endorsed the Administration's proposal that increases in Social Security benefits be geared automatically to rises in the Consumer Price Index.

Such automatic increases would be coupled with increases in the wage base on which Social Security taxes are now paid.

Chairman Mills has consistently opposed automatic Social Security increases, insisting that Congress should retain authority to set the levels of benefits, taxes and wage base. He was overridden on this last year by the

House, but the bill containing the automatic escalator failed to clear Congress.

With the Ways and Means Committee now writing a new Social Security bill, the issue of automatic increases is still a vital one.

ADDITIONAL CHANGES

The Flemming advisory council also proposed these changes:

The wage base on which Social Security taxes are based should be raised to $12,000 in 1974. Congress recently raised the base to $9,000.

Medicare should be extended to those receiving disability benefits under Social Security.

Medicare should be expanded to include prescription drugs for out-of-hospital use, with beneficiaries paying a flat $2 for each new prescription and $1 for each refill. Such out-of-hospital drugs are not now covered.

The number of "lifetime reserve" days for which inpatient hospital benefits may be paid should be increased from 60 to 120 days, with the patient paying a fourth of such daily costs instead of the present half. Such a lifetime reserve—designed to aid those with long illnesses—is in addition to the 90 days of hospital care available to patients.

MEMBERS ARE LISTED

Members of the council, in addition to Mr. Flemming were:

Bertha S. Adkins, former Under Secretary of H.E.W.; J. Douglas Brown, provost and dean of the faculty, emeritus, Princeton University; the late Whitney M. Young Jr., executive director of the National Urban League; Walter J. Burke, secretary-treasurer, United Steelworkers of America; Kermit Gordon, president, the Brookings Institution.

Also, Gabriel Hauge, chairman of the board, Manufacturers Hanover Trust Company; Arthur Larson, director, Rule of Law Research Center, Duke University; Bert Seidman, director of the Department of Social Security, American Federation of Labor-Congress of Industrial Organizations.

Also, Charles A. Siegfried, vice chairman of the board, Metropolitan Life Insurance Company; Joseph P. Tonelli, president-secretary, International Brotherhood of Pulp, Sulphite and Paper Mill Workers; Robert C. Tyson, director, United States Steel Corporation, and Dr. Dwight L. Wilbur, past president, American Medical Association.

[From the New York Times, Apr. 3, 1971]

HOUSE UNIT SPLIT ON MEDICARE CUT—MILLS IS EXPECTED TO BATTLE NIXON PLAN TO CURB COSTS

(By Marjorie Hunter)

WASHINGTON, April 2.—A major fight loomed today within the House Ways and Means Committee over planned cutbacks in Medicare benefits.

The rift within the committee came after tentative approval yesterday of Administration proposals to curb Medicare costs by shifting much of the burden of hospital bills to the elderly.

The Administration has estimated that the proposed cutbacks would trim $350-million annually from the over-all costs of Medicare.

The fight to reverse the cutbacks is expected to be led by the committee chairman, Representative Wilbur D. Mills, Democrat of Arkansas, who has been at odds with the Administration over such other issues as revenue sharing and trade policies.

The major change proposed by the Administration and tentatively approved by the committee would reduce from 60 to 15 days the period during which a hospitalized beneficiary pays only the first day's cost, now about $60.

Under the plan, the patient would receive just 14 days of cost-free hospitalization, instead of the present 59-day limit. Between the 16th and 60th days, the patient would be billed one-eighth of the daily cost, or about $7.50 a day.

AVERAGE STAY FOR ELDERLY

This would not mean costlier hospital stays for many of the elderly. Government figures show that the average hospital stay under Medicare is 13 days.

However, the burden of increased medical bills would fall heavy on elderly patients with long- or medium-length hospital stays. For those hospitalized up to 60 days, the additional cost would be—at today's rates—more than $250.

The committee also tentatively approved another Administration proposal that could result in slightly higher medical costs for the elderly enrolled in the optional portion of Medicare, which pays doctor bills.

At present, a patient covered under the optional plan (known as Part B) pays the first $50 before Medicare assumes the cost of doctor bills.

Under the tentatively approved proposal, the Department of Health, Education and Welfare would be authorized to increase this $50 deductible in proportion to increases in the general level of doctor's fees.

For instance, if a doctor's fees increased 10 per cent, the deductible could be set at $55, an additional $5 cost to the patient.

Acting on its own, and not at the request of the Administration, the committee also tentatively approved a provision to set limits on increases in the monthly charges that the elderly pay for such Part B coverage.

Under the committee plan, any future increases in the monthly charges could be no larger proportionately than increases in old-age payments under Social Security.

Monthly charges for the doctor-payment part of Medicare have risen from $3 when the program first began to $5.60, effective this July 1.

It is considered likely that Mr. Mills, perhaps the most influential committee chairman in Congress, will succeed in reversing the committee's tentative adoption of the Administration's cutback proposals before sending a bill to the House floor.

There was speculation in some quarters that Mr. Mills had raised only token opposition to the proposals, so that he might later revise them to have less of an economic impact on the elderly.

If so, this could be another round in the continuing clashes between President Nixon and Mr. Mills over fiscal and trade policies.

NOLEN BULLOCH—A RARE REPORTER

Mr. SAXBE. Mr. President, on behalf of the distinguished Senator from Oklahoma (Mr. BELLMON), I ask unanimous consent that a statement by him entitled "Nolen Bulloch—a Rare Reporter" be printed in the RECORD.

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

NOLEN BULLOCH—A RARE REPORTER

(Statement of Senator BELLMON)

Mr. President, Oklahoma suffered a serious loss in the death of one of its most dedicated and respected newspaper reporters on Tuesday. Nolen Bulloch had, during his 44 years as one of the Nation's most aggressive and incisive reporters, contributed significantly to the understanding and interpretation of public affairs in our state.

To a great extent, the ability of a people to govern themselves depends on the availability and accuracy of information they receive.

The nation's news gathering men and women therefore play a vitally important role in the governmental process. This is especially true of the investigative reporter, whose determination to ferret out the facts is matched only by his zeal for exposing to the public any instances of wrongdoing uncovered by his inquiries.

A reporter with the wisdom, the courage and the sense of fairness required to render such a public service is rare. Perhaps that word best describes Nolen Bulloch.

During his eventful career of 26 years with the *Tulsa Tribune*, Nolen Bulloch has exemplified the highest ideals of the journalism profession. Whether he was writing about city hall politics or members of Congress, Nolen's creed has been: get the news and tell it to the people without fear or favor.

Until emphysema slowed him down, Nolen set a pace that younger news reporters were hard pressed to match. He was not content to cover a story from behind a desk; he preferred to be on the scene, where the action was. And no matter how big or how small the story was, he approached his assignment with energy and enthusiasm.

Mr. President, reporters like Nolen Bulloch do not come along too often. But when they do, they inspire greatness in other members of a great profession. Also they require Public officials to live up to the challenge and responsibility of their offices, and when they are gone, their loss is shared not only by family and friends, but by all members of a free society. I join with a host of others in paying tribute to and in mourning the passing of a great reporter and a good friend—Nolen Bulloch, of Tulsa.

JOINT RESOLUTION OF THE NORTH CAROLINA GENERAL ASSEMBLY MEMORIALIZING THE PRESIDENT AND THE CONGRESS TO TAKE STEPS TO RESTORE ORDER TO INTERNATIONAL TRADE IN TEXTILES AND WEARING APPAREL

Mr. ERVIN. Mr. President, on April 13, 1971, the General Assembly of North Carolina adopted a joint resolution memorializing the President and Congress to take steps necessary to restore order to international trade in textiles and wearing apparel.

I ask unanimous consent that a certified copy of such resolution be printed in the RECORD.

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

HOUSE JOINT RESOLUTION 574

A joint resolution memorializing the President and the Congress to take steps necessary to restore order to international trade in textiles and apparel and commending the President for his rejecting the unsatisfactory Japanese proposal to unilaterally restrain textile exports to the United States

Whereas, the importation of textiles and apparel from foreign nations is seriously undermining the whole economic structure of the State of North Carolina, and

Whereas, thousands of North Carolinians have lost their jobs or, because of short-time operations, are earning below their normal wages, and

Whereas, the revenues of the State are seriously jeopardized, which may result in a decrease of services, thereby affecting all citizens in the State, and

Whereas, foreign competition markets its textiles and apparel in this country under conditions which are illegal in the State of North Carolina and the United States, and

Whereas, the Japanese have offered a most unsatisfactory proposal to restrain, unilaterally, its textile and apparel exports to the United States, and

Whereas, the Japanese proposal has been rejected by the President of the United States, by many Members of Congress, including Senators and Representatives from North Carolina, by the American Textile Manufacturers Institute, by the North Carolina Textile Manufacturers Association, by numerous newspaper editorials, and by many others, and

Whereas, the textile markets of the United States are virtually wide open to foreign imports while many of the governments representing the major textile exporters to this country rigidly protect their own markets against American textile exports, and

Whereas, in the United States we have numerous laws and regulations which affect the cost of American textiles while our foreign competitors are not subject to any such regulations by their governments, and

Whereas, the recent Japanese offer is based upon imports at the highest level in history, and

Whereas, the Japanese plan destroys the vitally important concept of categories and government-to-government agreements, and

Whereas, the percentage growth rate under the Japanese proposal would be nearly double the percentage growth rate of the American textile industry since World War II, and

Whereas, the Japanese proposal would undercut the long-term arrangements on cotton textiles that have been in effect for ten years, and

Whereas, the wages in the American textile industry are approximately two dollars an hour more than they are in the Japanese textile industry, with the difference being considerably more in some other Asian nations, and

Whereas, the General Assembly and the people of North Carolina are not willing to see these most unfair conditions continue to weaken their largest industry which, together with its numerous suppliers and related industries, have been good responsible corporate citizens over the years, and

Whereas, these unfair conditions have largely been created by a combination of policies of our Federal Government; Now, therefore, be it resolved by the House of Representatives, the Senate concurring:

Section 1. That the General Assembly of North Carolina respectfully memorializes the President of the United States and the Congress of the United States to do all in their power, through legislative and administrative action, to see that order is restored to the chaotic textile and apparel import situation; and

Sec. 2. That the General Assembly of North Carolina express to the President of the United States its appreciation for his forthright statement in which he rejected the recent Japanese proposal and gave strong support to the textile quota legislation (H.R. 20) now pending before the Congress, and, also, express to the Members of the North Carolina Congressional Delegation, and other Members of the Congress who continue to work for a solution to this problem, its deep appreciation for their dedication to this vital effort; and

Sec. 3. That copies of this resolution be forwarded to the President of the United States, to each United States Senator, and each Member of the House of Representatives from North Carolina, the Secretary of Commerce, the Secretary of State of the United States, the Chairman of the House Ways and Means Committee, the Chairman of the Senate Finance Committee, the Clerk of the United States Senate, and the Clerk of the House of Representatives of the United States.

Sec. 4. This resolution shall be effective upon its ratification.

In the General Assembly read three times and ratified, this the 13th day of April, 1971.

"DEVELOPMENTS IN AGING: 1970" ASSESSES NATIONAL ISSUES RELATED TO WHITE HOUSE CONFERENCE

Mr. CHURCH. Mr. President, the Senate Special Committee on Aging has issued its annual report, "Developments in Aging: 1970." In addition to fulfilling the function suggested by its title, the report this year also summarizes progress made since the White House Conference of 1961 and suggests issues that should receive careful consideration before, during, and after the 1971 White House Conference on Aging.

This conference, which begins on November 28, should be a summons to accelerate and intensify a national effort to better the lives of aged and aging Americans. It is, therefore, imperative that it have the widest possible support and attention from the private sector and government, including the Congress.

The Committee on Aging has a responsibility, in my opinion, to contribute to congressional input to the White House Conference. Our report does provide such an input, and I hope that it will receive attention by all who are involved, not only in conference preparations, but in any activity related to older Americans.

The committee is also making another contribution to the conference by conducting hearings evaluating the effectiveness of the U.S. Administration on Aging. In cooperation with the Subcommittee on Aging of the Senate Committee on Labor and Public Welfare, the Committee on Aging has taken testimony from witnesses who are sharply critical of what they regard as the downgrading of the Administration on Aging.

The AOA, establishing by the Older Americans Act of 1965, is responsible for the conduct of the White House Conference. If the administering agency is under a cloud, it stands to reason that the conference will be subject to doubts about its purposes and effectiveness.

Mr. President, I believe that all Americans, young or old, have a stake in the success or failure of the AOA and the White House Conference on Aging. I, therefore, ask unanimous consent to have reprinted in the RECORD my preface to the Committee on Aging report. That preface is written in the form of a message to all who participate at the White House Conference on Aging and in preliminary activities.

In addition, I ask unanimous consent to have printed in the RECORD a summary of the committee report, together with its major recommendations and conclusions. Even in abbreviated form, this summary provides a good picture of the many issues and problems that affect older Americans today.

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

PREFACE

A Message to All Who Participate at the White House Conference on Aging and in Preliminary Activities.

"In spite of the many surveys, books, and conferences on aging, the greatest accomplishment to date has been the output of words." The Honorable John E. Fogarty, U.S. House of Representatives, January 8, 1958 (in introducing H.R. 9822, calling for a White House Conference on Aging in 1961).

Representative Fogarty, when he made the comments excerpted above, perhaps had more reason for impatience than do present Members of Congress.

Today, after all, we have made considerable progress since the 1961 White House Conference on Aging. Congress has enacted Medicare, Medicaid, some Social Security improvements, widely-varying housing programs, promising new pilot programs for employment for men and women past age 55, the Age Discrimination in Employment Act, and a few grant programs which offer services to the elderly.

Nevertheless, as this Nation approaches another White House Conference on Aging, we must ask ourselves the question suggested by the late Mr. Fogarty's comment:

Will conferees merely contribute to the output of words, or will they shape a genuine strategy for action on clearcut goals during the next decade?

Congress has a direct interest in the answer to that question, and the Senate Special Committee on Aging has special reasons for wanting the answer to be the right one.

It was through legislation originated by individual members of this Committee that the authority for the Conference was granted. The Committee, fully in support of the Conference, has dedicated much of its work since September 28, 1968—when the bill [1] was signed—to obtain and to present facts that should receive careful attention before and during the conference.

Thus, late last year, the Committee concluded 2 years of hearings and task force activity with publication of a report on the "Economics of Aging: Toward a Full Share in Abundance."

A report on "Old Americans and Transportation: A Crisis in Mobility," was also published; it told of a problem which has become one of the most crucial now facing aged and aging individuals.

In these final months before the White House Conference, the Committee will continue to issue reports on subjects of direct importance to older Americans, such as: unique problems of minority groups, the elderly in rural areas, usefulness of the model cities program to older Americans, alternatives to institutionalization in State hospitals, trends in long-term care, opportunities for nonprofit sponsors to assist in government programs, and housing needs.

Our purpose, of course, is not to instruct, or even to appear to instruct, the conferees. We recognize that Conference activities are subject to many inputs: from the Administration on Aging and other units of the Executive Branch, from national organizations, from State offices on aging, from the elderly who have already spoken out at community forums and who will speak out at later events, from technical committees, and many more sources.

But Congress must make an input, too. It must put into as sharp a focus as possible its view of the progress, or lack of progress, made thus far through legislation. It must also express, in some way, suggestions for additional action that will contribute to a working national policy on aging.

In the report which follows, the Congressional Committee assigned by the Senate to keep abreast of developments and legislative opportunities related to aging makes one contribution to the Congressional input. Each chapter, in addition to describing events that transpired in 1970, also summarizes issues and recommendations as seen

[1] P.L. 90-526.

in 1961—recommendations, incidentally, which were never translated into the "blueprint for action" so often requested by Representative Fogarty and others. In this way, the Committee is attempting to fulfill its obligation to the Senate and to the public during this White House Conference year.

In addition, I am including, in this preface, the following questions which may merit the attention of those who participate not only in the Conference itself, but in the preliminary intra-State and State conferences planned for this spring, to those task forces that will analyze the recommendations emanating from the States, and to those who are directing all of these functions:

One.—As now designed, the Conference plan lays great stress upon *reducing* the number of final policy recommendations to a limited, manageable few. This is a laudable objective, but there may be some danger that in "priority-setting" the conferees will be led to make arbitrary and perhaps meaningless choices. Instead of synthesizing, they could tend merely to sift.

If—as has been said so often within recent months—the goal of the Conference is to develop a national policy on aging, shouldn't the directors of the Conference make a greater effort to produce mechanisms which will promote cohesion and depth in final decisions of the conferees? Unrelated or conflicting recommendations, however limited in number, would produce not a policy, but a new sampling of limited objectives.

Two.—Closely related is the growing concern about the adequacy of pre-White House Conference assembling of "hard facts" which represent present knowledge about aging. In its report on the "Economics of Aging," for example, this Committee asserted that the conferees might easily become deadlocked about a vital issue—the contribution that private pensions can make to retirement security[2]—unless more facts are rooted out between now and November. The report suggested that task forces of experts from various disciplines immediately be convened—without regard to political affiliation—to define the reasonable limitations of future retirement income from private pension plans. The report on Transportation and the Elderly made similar recommendations for multi-agency cooperation in certain fact-finding missions.[3]

Unless the directors of the Conference make all possible efforts to assemble readily obtainable information *in advance* of the Conference, we can be almost certain that needless argument or confusion will result.

For this reason, it is deeply disturbing that Technical Review Committees—established to analyze and improve technical papers prepared by knowledgeable authors—are now months behind in progress toward previously announced goals. It is even more disturbing that political considerations are said to have had an influence upon the selection of members of those committees.

Three.—There is a danger that the Conference could be unduly swayed by attempts to shape allegiance to an "income strategy" to the exclusion of a "service strategy." The case for the income strategy has been advanced by former Presidential advisor Daniel Moynihan and others, and at first glance it seems persuasive when it argues:

The way to help people to the services they need is not for government to provide the services, but to help them have sufficient income to purchase the services of their choice.

But as is so often the case, it's not a simple "either-or" proposition. Older Americans certainly *must* have major advances in retirement income. But their need for services is great and in some cases may be even more acute than the need for dollars. If a semidisabled widow, for example, can't find a homemaker to perform essential chores for her, she may become institutionalized. Lack of transportation, particularly for those in rural areas, can and does cause bitter isolation. Quite often, the lack of a less expensive kind of service—such as regular health checkups—can lead to more expensive alternatives, such as hospitalization.

Four.—The Conference will take place at a time when debate may be fiercely intense on two concepts which have become the heart of President Nixon's domestic program. They are revenue sharing and sweeping governmental reorganization.

Revenue Sharing.—Walter Heller first advanced this concept 7 years ago while serving as Chairman of the Council of Economic Advisors. He and others, however, see revenue sharing as one component in a more general program intended to rearrange financing responsibilities among Federal, State, and local governments. The Advisory Commission on Intergovernmental Relations, for example, in December, 1970, called for revenue sharing as merely one part of a package which would also include: Assumption by the Federal Government of all costs of public welfare and Medicaid; assumption by State governments of substantially all local costs of elementary and secondary education; encouragement of a high-quality, high-yield State tax system through a Federal income tax credit for State income taxes paid; and creation of a more manageable and streamlined categorical aid system through consolidation and joint funding of existing Federal grant programs.

The Advisory Commission recommendations are mentioned in this preface to illustrate the complexities involved in the practical application of revenue sharing. Any attempt by the White House conferees to solve the knotty problems related to revenue sharing as a means of increasing funds available for programs meant to serve older Americans would almost certainly be foredoomed, though the temptation to engage in such speculation may well be strong.

Executive Branch Reorganization.—Much the same is true of President Nixon's proposals for reorganization of the Executive Branch. The Intergovernmental Advisory Commission says that the 500 existing categorical grant programs comprise a bewildering proliferation. But even while calling for efforts to give States and municipal governments more flexibility in meeting their needs, the Commission says that, where appropriate, Federal *consolidation* should take place; i.e. federalization of Medicaid. The White House Conferees will deal with government organization in one of the most important of the study areas assigned to them. But, instead of devoting too much of their time to the "grand design" of future governmental reform, they might simply ask: What could we lose if reorganization is too sweeping, what could we gain by improving on what we have? Regardless of administrative method, how do we assure adequate attention to the problems of the elderly?

Five.—The White House Conference on Aging has come under a cloud because the very agency responsible for its administration has been, in the opinion of many, downgraded by reorganizational changes in recent years. The latest blow to the Administration on Aging was a fiscal year 1972 budget request which substantially reduces funds available for vitally-needed programs. It will be up to the Congress to overrule the Administration on this issue during the next few months. But the Executive Branch should also be called upon to explain recent actions which raise serious questions about the level of priority which this Administration places upon Federal action on behalf of older Americans. Less than 2 years ago, an official of cabinet rank said that programs for the elderly resulted in very little "payoff." This was a reference to the fact that a man of 65 obviously has less longevity than a boy of 12, and therefore, investment in youth would result in more "payoff." But why should such a choice have to be made? Why not recognize the importance of providing exactly what aid is needed to help all Americans live independent, fulfilling lives, no matter what their ages? The point was made by one witness who told this Committee:

The narrow economic cost-benefit analysis which has hitherto prejudiced public action in favor of the young is misleading in determining priorities or the base for action. It reflects the qualification of limited number of cost and benefit variables. A wider range of considerations of social costs and benefits, some of which can only be qualitatively described and appraised would make it evident that the net gains from such productive services to all branches and groups in the society would be highly profitable. Of course, the services would have to be adjusted to the needs of each group. Among the social factors to be considered in the impact of such aids to the aged and older persons, are the effects upon the individual; and national local and family morale by preventing widespread dependence in old age. These words should be heeded by all who take part in what should be a national dialogue: our White House Conference on Aging.

In spite of the cautions expressed thus far in this preface, I believe there is more reason to look to the Conference with optimism than with foreboding.

Older Americans, speaking out at community conferences all over the Nation last September, made it clear that they have the will to be heard.

State conferees, meeting just a few weeks from now, can add to the momentum initiated by the elderly. Ten years ago, when there was no Older Americans Act, there were only a handful of State agencies on Aging. Now, there is an agency in every State in this Nation; and their influence can be a powerful force for an exciting and productive White House Conference on Aging.

Finally, during the past 10 years, the field of aging has become far too dynamic to serve as a tame subject for an inconsequential Conference. Too many issues have been raised since the 1961 Conference to be submerged. Too many solutions are only partial, though promising.

And finally, too many older Americans know that this is *their* Conference. The participants will be *their* spokesmen. If the Conference or the conferees fail them, they will want to know why.

FRANK CHURCH, *Chairman,*
Special Committee on Aging.

INTRODUCTION AND SUMMARY

Older Americans spoke out in community forums throughout the Nation during September 1970 to begin a national dialogue which will culminate late this year with the White House Conference on Aging.

Their comments, as reported by State agencies on aging, were centered largely upon recurring and sometimes intensifying problems: income inadequacy in the face of inflation and high medical costs and rising property taxes, cutbacks in the care provided by Medicare, transportation deficiencies, housing shortages, and much more.

Documentation for many of their criticisms are provided in the pages of this report and in reports issued by this Committee late in the year on "The Economics of Aging: Toward a Full Share in Abundance," and "Older Americans and Transportation: A Crisis in Mobility."

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[2] Economics of Aging: Toward a Full Share in Abundance, Report No. 91–1548, pp. 5–6.

[3] Older Americans and Transportation: A Crisis in Mobility, Report No. 91–1520, pp. 55–57.

In the "Economics of Aging" study, the Committee once again called for broad immediate and long-term action on retirement income, with clearcut goals set before and after the White House Conference.

In the report on transportation, the Committee identified mobility problems of the elderly as a leading cause of other problems ranging from health breakdowns to isolation and melancholy.

In the report, "Developments in Aging: 1970" the Committee reports on other problems, including a housing shortage which has resulted in an estimated 6 million elderly Americans living in substandard conditions. Nursing home regulatory difficulties, too, continued during 1970 and caused intensified congressional attention.

On the positive side, every State in the Union now has a State unit on aging; many promising programs grew or were begun under the direction of the Administration on Aging, the Office of Economic Opportunity, the Department of Labor, and the Department of Housing and Urban Development. And public attention to aging seemed to mount as the White House Conference came closer and closer.

Nevertheless, as 1971 began, new concern was caused by announcements of cutbacks in budget requests for the Administration on Aging and by increasing criticism over the conduct of the White Houhe Conference itself.

I. MAJOR LEGISLATIVE AND ADMINISTRATIVE ACTIONS

Despite frustration of Congressional intentions to pass a major Social Security reform bill during 1970, the year was marked by some progress in the following areas:

Approval of a Senate amendment to the Labor-HEW Appropriations law to provide an additional $650,000 to pay for the delegate expenses of older Americans for the 1971 White House Conference on Aging.

Funding for the first time for the Retired Senior Volunteer Program, as well as increased appropriations for the Foster Grandparent program and the Age Discrimination in Employment Act.

Enactment of legislation to protect 1.6 million veterans and widows receiving nonservice-connected disability pensions from loss of benefits because of the 15-percent Social Security raise in 1969.

An increase, ranging from 8 to 12 percent, in the monthly compensation payments for more than 2 million veterans with service-connected disabilities.

Passage of a 15-percent increase in Railroad Retirement benefits which will provide an additional $140 million for approximately 700,000 annuitants, dependents and survivors.

A new and potentially far-reaching provision in the 1970 Housing Act which will broaden public housing coverage to include central dining facilities for aged persons who are unable to move around well enough to cook for themselves.

Passage of legislation to authorize the President to designate the first week in May as "National Employ the Older Worker Week."

A last minute rescue of the successful Section 202 housing for the elderly program by providing $10 million in funding to continue such projects.

Approval of a "pass-along" provision to assure that adult categorical recipients—the aged, blind, and disabled—will benefit by at least $4 per month from the 15-percent Social Security increase enacted in 1969.

Adoption of a measure to allow a retired Federal employee to designate a new spouse as a survivor if his first wife predeceases him.

Expansion of the Food Stamp Act to enable aged persons to exchange food stamps for meals prepared and served by certain nonprofit sponsors, provided these elderly individuals do not have cooking facilities or reasonable access to them.

Provision for extending periods of unemployment insurance during times of high unemployment.

II. COMMITTEE AND SUBCOMMITTEE STUDIES

Members of the Senate Special Committee on Aging were involved in many of the developments listed above. In addition, the following hearings were conducted during 1970:

Economics of Aging: Toward a Full Share in Abundance:

Part 10A. Washington, D.C., Pension Aspects, February 17, 1970.

Part 10B. Washington, D.C., Pension Aspects, February 18, 1970.

Part 11. Washington, D.C., Concluding Hearing, May 4, 5, and 6, 1970.

Trends in Long-Term Care:

Part 4. Washington, D.C., Marietta, Ohio, fire, February 9, 1970.

Part 5. Washington, D.C., Marietta, Ohio, fire, February 10, 1970.

Part 6. San Francisco, California, February 12, 1970.

Part 7. Salt Lake City, Utah, February 13, 1970.

Part 8. Washington, D.C., May 7, 1970.

Part 9. Washington, D.C., August 19, 1970 (Salmonella).

Part 10. Washington, D.C., December 14, 1970 (Salmonella).

Part 11. Washington, D.C., December 17, 1970.

Older Americans in Rural Areas:

Part 7. Emmett, Idaho, February 24, 1970.

Part 8. Boise, Idaho, February 24, 1970.

Part 9. Washington, D.C., May 26, 1970.

Part 10. Washington, D.C., June 2, 1970.

Part 11. Dogbone-Charleston, W. Va., October 27, 1970.

Part 12. Wallace-Clarksburg, W. Va., October 28, 1970.

Sources of Community Support for Federal Programs Serving Older Americans:

Part 1. Ocean Grove, N.J., April 18, 1970.

Part 2. Washington, D.C., June 8–9, 1970.

Income Tax Overpayments by the Elderly: Washington, D.C., April 15, 1970.

Legal Problems Affecting Older Americans: St. Louis, Mo., August 11, 1970.

Hearings before the Special Subcommittee on Aging of the U.S. Senate Committee on Labor and Public Welfare, available from the Special Committee on Aging:

Older American Community Service Employment Acts—S. 3604—Fall River, Mass., April 4, 1970; Washington, D.C., June 15–16, 1970.

Extended Care Services and Facilities for the Aging, Des Moines, Iowa, May 18, 1970.

III. CONCLUSIONS OR RECOMMENDATIONS

Timid tinkering or stop-gap proposals will fall far short in solving the present or future retirement income problems. Bold, imaginative, and far-reaching action is needed now on several fronts. This Committee again expresses its strong support for the short-range and long-term recommendations in the Economics of Aging report, and urges that:

Congress speedily enact the Social Security Amendments adopted by the Senate, modified to include the House-passed provision for financing cost-of-living increases.

The 92d Congress give early attention to major changes in Social Security benefit levels that are needed to provide meaningful economic security for those now retired and to assure that workers retiring in the future will realize their full stake in retirement security.

Serious consideration be given to the use of general revenues in the financing of the Social Security System, with the share identified through a formula spelled out in the legislation.

The Federal commitment to the elderly undertaken through the Family Assistance Plan be translated into a wholehearted commitment, with 100-percent Federal financing and Federal administration.

Immediate attention be given to the special problem of safeguarding the retirement income of workers who lose their jobs as a result of plant shutdowns, commonly after long service and who—like the deteriorating plants that are first to be shut down—are likely to be middle-aged and older.

The 92d Congress give prompt consideration to legislation establishing an Institute on Retirement Income.

Further, this Committee recommends that:

Prompt action be taken to increase retirement benefits for Railroad Retirement annuitants and Civil Service pensioners.

Income limitations for veterans receiving nonservice-connected disability pensions be raised to take into account Social Security increases passed by Congress.

The retirement income credit be modernized to provide more meaningful tax relief for retired teachers, firemen, policemen, and other government annuitants.

The record of 1970, while largely responding to criticisms of Medicare and Medicaid through cutbacks, does hold forth significant hope for improved medical care for the elderly. The hope lies in the surge of support for nationwide development of Health Maintenance organizations which would provide comprehensive, coordinated health care through prepaid group health plans that emphasize regular servicing and other health maintenance practices.

Prospect of a national health insurance program

The Committee on Aging has said, in recent annual reports, that one way to assure acceptance of a national health insurance program for all age groups is to perfect the Medicare program and to apply the lessons learned from this program to more general coverage.

In addition, this Committee suggests that appropriate congressional units consider the possibility of establishing—on whatever basis is most appropriate and consistent with the jurisdictional responsibilities of those units—a task force which will, within a specified time period (such as 6 months) assemble analyses of various proposals, cost estimates of these proposals, evaluations of the adequacy of existing technical knowledge about subproposals designed to increase the efficiency of our health care delivery system, and other issues closely related to the fundamental questions which will face any legislator who considers national health insurance, namely, (A.) "What will the new demands for service be under widely extended public insurance coverage, and (B.) what more must be done to assure that our medical resources are capable of meeting that demand?"

Urgently needed steps to improve medicare

We must also expand and improve Medicare, particularly by including prescription drugs essential for the treatment of the chronically ill, and by covering disabled beneficiaries.

It is imperative that Parts A and B of Medicare be merged and that costs of Part B be financed through taxes on rising payrolls and general revenues rather than from premiums paid by aged persons living on low fixed incomes.

The 92d Congress should give serious consideration to removing the requirement of 3 days of prior hospitalization as a condition for extended care benefits.

Medicaid should be improved—Not weakened

We therefore recommend that the 92d Congress retain the provision in the Social Security Act which would require States to have comprehensive Medicaid programs by 1977 and that other necessary steps be taken to improve the Medicaid program.

Translating health care into social care

We recommend that an intensive educational campaign be conducted toward the acceptance that programs to provide "a proper environment in which to regain health" are valid health, expenditures which will, in the last analysis, save public funds and prevent needless drains upon the fixed income of elderly individuals.

HUD and FHA should reinstitute the 202 program as is functioned through 1968. Transfer to Section 236 by sponsors after initial application should be permissible but not mandatory. The Congress should appropriate the $150 million yearly atuhorized for this program to provide needed housing for the elderly.

The new congregate housing provisions for the elderly under the 1970 Housing Act should be fully funded and promptly implemented.

With these innovative approaches, more urgently needed housing can be built for the aged—not merely to "store" them, but to restore them to a more active life in their communities and reduce costs of care that might otherwise be required.

The new communities proposal is potentially of great value to the elderly and the Department of Housing and Urban Development should carefully monitor developers so that ample and appropriate provisions are made for the elderly within the new communities.

Rent supplements and low-rent public housing represent the Federal Government's efforts to provide housing for large numbers of the 24 million (5 million elderly) Americans with incomes below the poverty line. The President's Committee on Urban Problems in its report, "A Decent Home," emphasized the need to do much more indicating the immediate need of 6 to 8 million units for the poor in 10 years or 600,000 to 800,000 units a year. Since the elderly constitute 20 percent of the Nation's poor they need 120,000 to 160,000 housing units per year.

Sections 231 and 202 are the only two programs designed exclusively for the elderly. It is imperative therefore that existing flaws in the 231 program be corrected and that 231 along with 202 continue to provide much needed housing for older Americans.

Older Americans continue to have limited opportunities to change their housing to suit their needs. The avenue of home purchase in later life is virtually blocked with the exception of mobile homes and some 235 purchases; this problem is aggravated today when apartments are in short supply.

Although present HUD housing programs today have shown considerable progress in locating the elderly within the community mainstream and have increased the number of units designed specifically for the elderly from 1,100 in 1960 to 180,000 in 1970, higher priority must be given to these questions of planning and design in future years. Federal commitments for housing research continue to be unimpressive with only $30 million allocated in 1970 at a time when HUD is attempting to implement the most impressive and significant research program in its history called "Operation Breakthrough." "Breakthrough" will provide approximately 2,800 units for the elderly.

While there has been substantial progress in meeting the institutional needs of the 1 million institutionalized elderly, there continue to be serious problems. The needs of this group have been assigned low priority and the programs which have developed are often piecemeal, inappropriate, illusory and short-lived. What is reflected is a lack of a firm policy for the infirm elderly. At some point the elderly need to know what is the American policy; the rhetoric speaks of care and concern but the reality resembles confusion, high costs and, too often, poor care or no care at all for those who need it.

1. The Conference should endeavor to establish a policy with regard to treatment of the infirm elderly. This policy should consider the total needs of the individual including medical, dental, residential, social and psychological services.

2. States should be encouraged to require comprehensive planning for hospitals and nursing homes. No new health facility should be built except after a certification of need by the State Health Department.

3. That the Department of Health, Education, and Welfare, working together with the American Medical Association should develop programs with the goal of increasing physician participation in the care and activities of nursing homes. For example, physicians might be required to spend 6 months of their residency in a nursing home.

4. A Federal program should be established which would provide medical corpsmen discharged from the Armed Services with the necessary skill and training to function as medical assistants in nursing homes.

5. Federal matching funds should be available to help the States establish in-service training programs for nurses aides and orderlies.

6. The present State licensing and inspection system should be improved either by creating a cadre of Federal inspectors who would make unannounced inspections or by an HEW training program for State inspectors.

7. HEW should encourage States to adopt the "points system" such as functions in Connecticut for their Medicaid programs. Instead of a flat rate, nursing homes would be compensated according to "grades" they receive from the State Health Department. These ratings or "grades" should be a matter of public record as a guideline for patients and their families.

8. To control overutilization of Medicaid facilities, States should rely upon programs of utilization review and medical review. Section 225(a) is an undesirable method of accomplishing this goal and this section of the present House Social Security bill, H.R. 1, should be deleted.

9. No single interest should be allowed to dominate the licensure boards required under the Kennedy amendment, which required the licensing of nursing home administrators.

10. Consumer groups should be established on the State level to monitor the care and performance of State nursing homes and to publish ratings of these institutions for the benefit of the public.

11. The waiver category, "in substantial compliance," which allowed the participation of many nursing homes in Medicare's ECF programs without meeting necessary requirements should be eliminated; nursing homes should be required to be in full compliance.

12. The Medicare nursing home program (ECF) should be redefined and revised to eliminate confusion and problems in administration. New regulations under the program should be announced only *prospectively* not retroactively.

The need for a pre-White House Conference Special Study on Consumer Issues Affecting Older Americans is acute and readily apparent. Special attention should be paid to nutritional needs and the limited success thus far in implementing recommendations made by the Panel on Aging of the White House Conference on Food, Nutrition, and Health of 1969. The Administration on Aging should give some thought to convening—during this spring or summer—a multi-agency workshop on consumer problems, similar to that conducted on transportation in 1970. Special efforts, however, should be made to assure adequate consumer representation at any such meeting. In addition, Conference Task Forces and Technical Review Committees should be encouraged to identify and discuss consumer issues related to their subject areas.

The Committee urges that legislation be enacted to provide for interim payments for Social Security beneficiaries when there is reasonable certainty that the applicant's claim will be approved, and the time lapse between application and approval is necessitated by the practical difficulties in obtaining evidence concerning the individual's age, quarters of covered employment, or amount of benefits. It is further recommended that the interim payment would be equal to the minimum monthly benefit under Social Security.

Projects such as the Council of Elders provide clear and convincing evidence of the effectiveness of elderly lay advocates. It is strongly urged that additional OEO funding be available to support projects providing similar services.

It is recommended that HEW regulations be modified to provide for prior hearings before Social Security benefits can be terminated or reduced. In the absence of such action, it is urged that legislation be enacted to provide this procedural safeguard.

Equally important as the right to a full and fair hearing, is the right to be represented by counsel—regardless of an individual's economic status. A denial, termination or reduction of Social Security or welfare benefits can represent a severe hardship for persons living on limited, fixed incomes. In such cases it is recommended that the Social Security or welfare offices provide written notice to the claimant informing him of the availability of legal aid and where such services can be obtained without cost.

Instead of reducing efforts on behalf of older Americans, OEO should be strengthening legal services. The effectiveness of the Legal Research and Services demonstration program for the elderly has been proved beyond doubt. The Committee strongly urges that funding for this program be expanded in 1971.

By the year's end, more than 1 million persons 45 and older had lost their jobs, 68 percent more than in January.

At the end of the year, one out of every four unemployed mature workers—in contrast to one in six for younger individuals similarly situated—was out of work for 15 weeks or longer.

And their very long-term joblessness (27 weeks or longer) was even more serious, increasing more than 100 percent in the past 12 months. At the end of the year, 126,000 mature workers had been without work for more than 6 months, more than 38 percent of the total number.

If current labor force participation trends continue, one out of every six men in the 55 to 59 age category will no longer be in the work force by the time he reaches his 65th birthday. Ten years ago this ratio was only one in eight. And the one in six ratio is only for the short run. Unless major policy changes are instituted, this ratio will accelerate during the 1970's.

Only a relatively small percentage of the Nation's training and retraining efforts have focused upon persons 45 and older. During 1970 they accounted for only 4 percent of all enrollees in manpower programs.

There has long been a need to establish a comprehensive national effort to meet the employment, training, counseling and supportive services requirements of middle-aged and older workers. At present, few, if any, of the existing programs are providing a truly effective, overall approach for their unique and growing problems.

Without specific statutory direction, the outlook for improvement is not encouraging. For these reasons, the Committee renews its recommendation that a Middle-Aged and Older Workers Employment Act be promptly enacted to provide a comprehensive and well balanced approach to assure that adequate resources for employment opportunities, training and sup-

portive services are devoted to the pressing needs of mature workers.

Despite the age discrimination law, many middle-aged and older workers are finding themselves involuntarily retired because of subtle forms—and in some cases overt acts—of age bias. Increased funding is still urgently needed to provide added personnel to achieve full compliance with the provisions in the act. The Committee also urges that the study relating to institutional and other arrangement giving rise to involuntary retirement be undertaken expeditiously.

The enthusiastic acceptance of existing community service pilot programs strongly suggests that there are many low-income older persons in virtually every community who are ready, willing and able to perform services. Greater utilization of their skills, experience and wisdom would benefit not only the elderly job seeker but the public as well. The Committee recommends early enactment of legislation—similar to the Older American Community Service Employment Act—to establish a national service program for older Americans.

Older Americans may provide a valuable source of manpower for operation of day care centers. Several programs—such as Foster Grandparents have already amply demonstrated the natural empathy between the olderly and younger children. In acting on day care legislation during the 92d Congress, it is recommended that consideration be given to: (1) establishing a policy to encourage employment of older persons in day care centers or (2) authorizing training of such persons for day care aides.

Recent findings by Kirschner Associates provide clear and convincing evidence of the effectiveness of senior opportunities and services projects. The Committee strongly urges that full funding be provided for SOS programs during the next fiscal year.

With the unemployment rate reaching its highest level in 9 years, older workers—and especially the disadvantaged aged—are finding it increasingly difficult to locate work. For the long-term jobless, Mainstream has literally been a lifesaver. For the coming fiscal year, the Committee urges full funding of Operation Mainstream to provide increased employment opportunities for the chronically unemployed poor who have limited prospects for jobs because of age or other disadvantages.

The Committee plans to issue a report on the rural elderly in time for the 1971 White House Conference on Aging. Because of the high percentage of aged persons in rural areas and the unique characteristics of some of their problems, this subject should receive thorough consideration by the delegates at the Conference.

The Committee again urges that the 12-point plan—proposed in its Transportation Report—be acted upon promptly and favorably by congressional units and Federal agencies.

Current data on the black aged and other minority groups is very sparse. But if a national policy for all older Americans is to be formulated, this information will be essential to take into account the unique problems of minority groups. The Committee urges that the Social Security Administration prepare a special report, as expeditiously as possible, on the characteristics of aged recipients from minority groups.

Issues raised by the President's Task Force and by the Group for the Advancement of Psychiatry should receive careful attention by qualified practitioners and by representatives of laymen before the 1971 White House Conference on Aging in a manner going far beyond the mere discussion of technical papers by technical review committees and task forces now at work in preparation for that Conference. The G.A.P. proposal for an interim report by a presidential commission may be the most practical approach. Congress should weigh the advisability of a legislative mandate calling for such a commission and such an interim report.

Despite the passage of the Older Americans Act 5 years ago, services for the elderly still continue to be fragmented. And existing successful programs face the prospect of wholesale termination when Federal funding ends, since many States lack the necessary resources to continue these vital services. Because of the complexities of the issue and its overriding concern to the elderly, the Committee urges that delegates at the 1971 White House Conference on Aging recognize the vital need to develop a sound and coordinated approach for the organization and delivery of social services for the aged. An "income strategy," even one which provides truly adequate economic security for the elderly, will not eliminate the need for service delivery systems far superior to any that now exist.

Uncertainty of commitment continues to hamper the Model Cities program. Responses to a questionnaire prepared by the Committee also indicate inadequate funding threatens the very existence of the program.

The Committee renews its strong support that the Model Cities program be continued. In addition, the Committee will hold further hearings on the "Usefulness of the Model Cities Program to the Elderly" and issue a report later in the year.

In addition, White House Conference on Aging Task Forces on Housing, on Environment, Transportation, and Services should develop mechanisms by which the full potential of the Model Cities program—or a truly adequate successor program—can be explored.

The Committee strongly urges that appropriations be increased significantly during the next fiscal year for the Foster Grandparent program.

The soundness of the concept of volunteer services by older persons has been clearly demonstrated time and time again—not only for the localities served but also for the elderly participants. The Committee urges that adequate appropriations be provided for RSVP during the coming year to permit increased service opportunities for persons 60 and older. With realistic funding to cover their out-of-pocket expenses, this corps of retired volunteers can provide many valuable services, including tutoring of school children; helping elderly persons prepare their tax returns; assisting schools as lunchroom supervisors, playground monitors and teacher aides; and rendering services in hospitals and nursing homes.

Recent cutbacks in funding for community programs on aging represent a serious setback for elderly persons in need of supportive services. In terms of cost savings, this reduction appears to be shortsighted. Services under these projects have been provided economically and efficiently. Furthermore, these services have enabled thousands of elderly individuals to remain in their homes, rather than being institutionalized at a much higher public cost.

Important but still unanswered questions about growing old present compelling reasons for expanding research and demonstration efforts. Understanding and learning how to deal effectively with the inevitable aging process is crucial for all Americans—the young as well as the old. Moreover, R & D efforts in aging, limited though they have been, have repeatedly proved to be a sound investment.

The Committee expresses strong support for the Task Force on Aging's recommendations for stepped-up funding for Title IV (Research) and Title V (Training) of the Old Americans Act. In addition, the Committee urges the establishment of a national policy for aging research and demonstration—with clearcut goals and profits

Federal leadership is also essential if older Americans are to be served by competently trained persons. In addition, a dynamic and comprehensive national training program is urgently needed—as recommended in "The Demand for Personnel and Training in the Field of Aging"—not only to meet existing demands but future ones as well. From an economic standpoint additional funds for training would be a prudent national investment in terms of insuring that a greater proportion of retirees will be healthy, independent adults.

Existing policy to deal with the broad range of problems and goals of older Americans continues to be fragmented and haphazard. A clearcut line of responsibility for coordinating Federal activities and priorities is also lacking. Moreover, recent program realignments raise serious questions about the future role for AoA to serve as the focal point on aging.

This Committee recommends that thorough consideration be given, before and during the 1971 White House Conference on Aging, to constructive proposals to enable AoA to fulfill the vital responsibilities assigned to it by law. It is further recommended that administration proposals for renewing the Older Americans Act, changing it, or developing an entirely new approach be submitted at least 1 year before the renewal date of the act (June 30, 1972)—to allow delegates at the White House Conference, experts in the field of aging, and lawmakers to have ample time to consider all related issues.

The Committee recommends that a Federal Employees Preretirement Assistance Act be enacted promptly. For Federal employees, this could represent a significant step forward in making crucial adjustments necessary for retirement. In addition, the Federal Government, as a model employer, could provide the impetus for other employers to institute such helpful practices for their employees.

As the length of the period of retirement grows and the level of educational attainment increases for the older Americans of tomorrow, much greater attention should be given to continuing education in the later years. The Committee recommends the enactment of a comprehensive Adult Education Act—not only to help enrich the later years with new opportunities for increasing one's knowledge but also to provide more information for leisure opportunities for persons now retired.

For many Americans, the most satisfying experiences in their lives are those spent helping their fellow man. And older Americans provide a readymade talent for providing these services to persons in their localities, whether in the form of volunteer activities or part-time community service employment.

The Committee strongly urges that increased attention be given to expanding volunteer activities for retired persons—such as "SCORE" or "RSVP"—and opportunities for community service employment for older persons who need to work to supplement their retirement income.

Earlier in the chapter, the Committee took a look into the future—to the year 2000—to project what retirement patterns and life would be like at that time. Today less than 30 years remain for adjusting to these far-reaching changes in retirement and for the future older American. Thus, the activities of the 1971 Conference take on a double meaning—not only for the retiree of today, but also because the activities in 1971, as well as the policies formed during the decade of the 70's, will take us one-third of the way to a substantially different retirement life for the aged at the turn of the century

ADDRESS BY SENATOR MILLER BEFORE INTERPARLIAMENTARY UNION

Mr. SCOTT. Mr. President, at the recent spring conference of the Interparliamentary Union, which was held in Caracas, Venezuela, one of the members of the U.S. delegation, the distinguished Senator from Iowa (Mr. MILLER), delivered an important statement during the debates which occurred within the economic committee, of which he was a member. The statement is important because it puts in perspective the vital role played by the United States in multilateral aid to the developing countries of the world. It also underscores the importance of the right of self-determination of the developing countries as a foundation for development—a right which the United States has strongly and consistently maintained.

I ask unanimous consent that Senator MILLER'S statement be printed in the RECORD.

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

REMARKS OF SENATOR JACK MILLER, U.S. DELEGATE

Mr. Chairman.

For the most part, the statements made by the various delegates who are members of this Committee have been very much on the point of the agenda item, the Second Development Decade and the problems pertaining thereto.

However, I regret that the delegate from the Soviet Union saw fit to weave into his remarks some references which are really quite irrelevant to the subject at hand. They should be responded to in order that the work of the committee maintain the perspective which I am confident the members of the committee desire.

A point was made that capitalistic countries exploit developing countries whereas socialist countries extend credit to developing countries and, therefore, do not exploit them.

I believe that the developing countries are sophisticated enough to understand that deprivation of social justice through exploitation can take place in many ways. The form of the exploitation is not important. What counts is the substance.

There can be exploitation through the device of credit just as well as through the device of investment. And there can be good development through the device of investment just as well as through the device of credit. What is important is that there be a fair exchange—fair to the developing country and its people, and fair to the investor of capital, whether the investor is capitalistic or socialistic.

It is no doubt true that some of the problems of the developing countries exist because of exploitation of investment. It is also true that some of the problems exist because of selfish and improvident leadership somewhere in the country's history. And it is further true that some of the problems in some of the developing countries have arisen because of unrest and even war fomented by other countries which really do not wish the local people to exercise their right of self-determination. The aggressive war perpetrated against the Republic of South Vietnam is a classic example.

Developing countries which have properly become the focus of attention of the developed countries need capital investment in order to develop their human and natural resources. Hopefully that investment will be on a fair basis, whether it comes from socialist countries or capitalistic countries. But most important of all, these countries need an atmosphere of peace with justice and self-determination if they are to achieve social justice within the family of nations.

The United States has been a leader in promoting multilateral aid to developing nations, and one reason has been to encourage more of the socialist nations to bear their fair share of the burden of achieving social justice in the world. We are pleased that the Soviet Union and some of the other socialist countries have evidenced a willingness to do so. That willingness must, of course, be matched by deeds; and it is the deeds—not the words—that will determine the success of the program for the second development decade.

ALASKA'S FUTURE

Mr. CHURCH. Mr. President, the discovery of the oil pool on the north slope of Alaska that faces the Arctic Ocean will lead Americans to areas of the Arctic and subarctic that have seen few humans in the past. We stand poised at a major milestone in the history of Alaska. The course that we take in the future must be charted now.

The Senator from Alaska (Mr. GRAVEL) has had the foresight to see the need for an Arctic policy. As we enter the Arctic on a major scale, we need to know what we and other nations can do there without destroying the magnificent resources that now exist. We need to know what cooperative arrangements with other nations are required to protect the Arctic and subarctic environment, whether it be under the Danish, Canadian, Russian, or American flag. We also need to pull together, to coordinate the arctic programs that exist in the different agencies and departments of our Government so that we know whether we are handling this area effectively.

Senator GRAVEL has made a number of very interesting suggestions on this problem in a speech at Alaska Methodist University. I ask unanimous consent that the text of his speech be printed in the RECORD. It is a thought-provoking piece well worth reading. Senator GRAVEL is to be commended for his excellent statement.

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

NEEDED: A COMPREHENSIVE PROGRAM AND NATIONAL POLICY STATEMENT FOR THE ARCTIC

(By Senator MIKE GRAVEL)

I have looked forward for some time to giving the talk I prepared for you tonight, and your university institute provides a good occasion. The turn of events in Alaska of, say, the last six months points up even more sharply the need for what I am proposing: That the President prepare a national policy statement on the arctic and subarctic and a comprehensive agency program to go with it.

If we had done a thorough analysis of this in the past, I believe we would be a lot further along and have a better grasp of what we should be up to in Alaska and how to get there.

Instead we have the settlement of Alaska Native land claims still outstanding with only sporadic movement and little sense of urgency in parts of the Congress. We have felt the paralysis of the divisive pipeline issue as the pulling and hauling and polarized positions cancel out constructive moves toward accommodation and reconciliation. The orderly development of our forest products industry is now foundering in the courts as conflict and contests become seemingly the order of the day. We are in the 3rd year of the so-called land freeze which effectively prohibits the State from carrying out its land selection rights granted it with the statehood act.

I believe there would be a lot less strife and controversy in and about Alaska if we had a well prepared and well articulated National policy for our region and a full-blown agency program to support it. Let me set out my case in the folowing remarks.

The United States does have special interests in the Arctic, but the nature, exent, and changing character of those interests have not been comprehensively defined nor publicly articulated. Physically the U.S. has territory in the Arctic and Subarctic with a resident citizenry; The U.S. shares a common arctic border with Canada and a sea border with the Soviet Union, and has as additional members of the circumpolar community, the territories of Denmark and Norway, and moreover the U.S. has a couple dozen Federal agencies "doing business" there in various fields.

No major international crises in the area are now apparent, but we know that interest in the arctic and its attendant issues are increasingly coming to the fore. What is missing as we think about the area is a set of national objectives, an ordering of priorities, and a time frame of development in the region.

It is not often in a country's history that it has the opportunity to plan out its role carefully in a relatively untouched region "before the fact", as it were, and therefore, with a minimum of contraints and fixed positions. Whatever its specific content and emphasis, a national policy statement and comprehensive program for pursuing U.S. interests in the Arctic would be a major step forward in rationalizing our present and prospective activities there.

More specifically the importance to the United States of the Arctice generally, and the arctic and subarctic Alaska in particular, needs to be assessed from several standpoints and the various assessments interrelated and compared. Most important are the elements of:

1. National security interests;
2. Social and economic interests;
3. Political and environmental interests; and
4. Scientific interests.

These activities are interrelated; and the specific content of U.S. national interests in each of them will vary with such developments as (A) changes in the world balance of political and economic power; (B) changes in the awareness of the social and economic potentialities of present and future inhabitants of the territory; (C) changes in technology that affect security, economic, and social conditions and interests; and (D) international developments that affect both the problems and capabilities of basic science and research.

In recent months, some of these areas of interest have been thrown into sharp relief. Major discoveries of oil on the North Slope have altered the resource picture, and point to new urgencies in solving problems of living, working and transporting in an extreme environment. As we all are painfully aware, efforts to exploit these oil resources are bound to affect other economic and social situations, as well as the issues of national security and of preservation of the environment. What is needed is a rational plan. The current controversy raging over the construction and operation of an 800-mile oil pipeline from the Alaska Arctic to open water is "Exhibit A" of the case in point.

The social situation has been highlighted by recent attention, with both political and economic repercussions, to the conditions under which Alaskan Natives are living—conditions which are among the worst in the

Nation. Action by the Congress in settling the land claims of the Alaska Eskimos, Indians and Aleuts would go a long way toward alleviating their distress and frustration. While it won't be an easy task, we should accomplish this in this session of Congress, and my committee is bending every effort to do so.

Escalating inflation poses critical problems for the economic underpinnings of Alaskan development and enterprise—as well as the position of labor and consumers. Statewide averages of some 12% unemployment are among the highest in the Nation, and 60–80% unemployment is not unknown in bush areas. The fact that over 95% of Alaskan territory is still federally owned means that problems of State-Federal relations take on new complexity, and calls for thinking that may not be included within the ordinary rubrics of Federal-State (or other intergovernmental) relations.

The Public Land Law Review Commission recognized this in some of its recommendations pointed toward Alaska. One of these is the establishment of a joint Federal/State Natural Resources and Land-Use Planning Commission—a recommendation which Governor Egan and I am supporting. We intend to give legislative life to this idea very soon.

Typically, however, the interest of the United States in the Arctic has been thought of mainly in military terms. Receiving a good deal less attention have been the scientific and socio-economic aspects and (until recently) the environmental ones. This was not surprising, given the Cold War and World War II.

A coordinated scientific effort in the fields of ecology, geological and geodetic survey and mapping, in ice research and oceanography, meteorology, and atmospheric phenomena of the Arctic should be of special benefit. We really don't know as much as we should about the High North—despite the length of time we've been here. Furthermore I see this as providing an opportunity for international co-operation with other members of the Circumpolar community, and we surely have room for some new initiatives of this sort. I am thinking particularly of the Canadians, but also the Norwegians, the Danes and the Soviets.

While research and development by the military has already produced the technology for effective year-round operations in the Arctic, this was generally done without special regard to cost or environmental preservation. The building of a cost-effective Arctic society requires more and different research approaches. I make particular reference to construction and service activities, e.g., docks, roads and airports, power and communication facilities and operations. We must not restrict our thinking to the old ways of how we've done it elsewhere: instead we should devise fresh ways of getting in harmony with the high north environment and harness it to our needs. Temperate zone solutions may not apply to Alaska problems, and the trick is to turn apparent adverse conditions into advantageous ones, like ice packs becoming loading docks.

Situated on the shorter air routes between Asia and Europe and the shorter air and sea routes between other parts of North America and Asia our area enjoys prime transportation advantages. When the northwest passage is fully conquered, as technologies allow, the seaway advantage may be added to its preferred position. Despite its difficulties the recent voyage of the *Manhatten* tanker struck one blow in this direction. In any event the orderly development of an efficient, economical transport system for the region is an essential element in any concerned national effort in the Arctic.

What I am calling for is for the administration to direct its attention in a concentrated way toward preparing a national policy statement on the U.S. arctic and subarctic (Alaska) and a comprehensive program to go with it. One without the other is obviously meaningless.

Agreement on the approach and scope of such an analysis should come from the appropriate parts of the National Security Council, the Bureau of the Budget, the National Science Foundation and other interested agencies and departments, such as Interior, Transportation, Commerce, and NASA. The advantages and indeed necessity of agency involvement must be balanced against the contrary danger of the analysis being constrained and confined by legacies of the agencies' old habits of thought and frames of reference about the arctic.

For purposes of a national policy statement and program, I would see the arctic defined as (1) the Arctic Ocean basin and adjacent seas, and (2) Arctic Alaska and the Alaskan Continental Shelf.

The analysis should proceed from identifying U.S. objectives in the arctic to preparing alternative program strategies to carry out those objectives. This should be followed by an evaluation of the implications (cost and otherwise) of those alternatives, and the provision of a system for testing progress toward each. Alternative levels of program efforts including costs, should be related to expected benefits. Though the vantage point for the Federal Government properly is that of the *national* interests, any policy program should take into consideration the *regional* (International) and *State* of Alaska interests to find where these coincide or diverge and, in the case of the latter, where they can be reconciled.

As an early step we should describe clearly the kind and degree of present U.S. involvement in the Arctic, for this will indicate a series of implicit (if not explicit) policies. And with some 20-odd agencies operating in the region there obviously is a range of existing programs to consider as to the direction and level of effort. In short, the task is to move from a set of goals to a program for achievement commensurate with their relative urgency, and to underpin all this with a clear and compelling national policy statement by the administration.

While it is the basic assumption behind my proposal, I am aware that it is not enough merely to assert that there is a need for a concerted national policy and comprehensive program for the Arctic. The fact must be demonstrated by considering the military and national security aspects, the science and research aspects, the social, economic and the political aspects.

At least three general conclusions should flow from this and be counted on the benefit side of the equation. One is that U.S. public and private activities in the Arctic have now reached a level of size, complexity and diversity with every prospect of acceleration that a comprehensive national policy statement and an integrated national program for the region seems entirely in order. A second is that given the present and prospective degree of Federal involvement in the Arctic, a statement and program which knit together national concerns for the area would be especially helpful for agencies to pin their individual program and planning activities. Finally, if it can be assumed that identifying and capitalizing on opportunities which the Arctic may present for international cooperation is a national goal, these should be clearly enumerated as an important part of establishing the need for an explicit policy toward these ends.

The analytical task I am proposing is neither small nor simple. Necessary distinctions would have to be made between those interests relating to Alaska statewide and those to Arctic Alaska and the Arctic generally. Also, breakouts would be required in the case of the economic dimension as to monies expended in the Arctic as opposed to on the Arctic: For example, Federal annual expenditures on Alaska are estimated at some $750 million, but probably not more than half of that amount is spent in Alaska and a very much smaller proportion in Arctic Alaska. On the other hand, we can expect that increasing amounts of oil industry expenditures will be sticking to Alaska's economic ribs.

Complementary and contradictory interests and programs, i.e., national/State, national/regional, national/private, would have to be identified and made explicit. By way of possible examples, it might be in Alaska's interest to have a major military complex of installations, but the national interest might dictate a contrary policy; it might be in the region's interest to have the exportation of its commodities supplant U.S. imports of the same commodities from foreign sources, but it might be in the national interest to maintain these sources of supply; and it might be in the private interest of the oil industry to extract oil as rapidly as possible with the minimum concern for local employment and preservation of the environment, but it might not be in the national interest to do so.

For purposes of rough comparison, we should determine the interests and levels of effort of other members of the circumpolar Arctic community—the Soviet Union, Canada, Denmark, and Norway; and perhaps the U.S. effort in the Antarctic as opposed to the Arctic. If, for example, it is a national goal that the U.S. be preeminent in the Arctic, then what other countries are doing there becomes of obvious importance.

I would see the completed package of what I am proposing as consisting *first* of the demonstrated need for a national policy statement and program on U.S. interest in Alaska and the Arctic and an articulation of those interests; *second* a brief comparative analysis of U.S. levels and directions of effort with those elsewhere; and *third* a program outline for matching U.S. levels and directions of effort with its degree of national interest there. From these findings should flow a national policy statement on U.S. interests and activities in the Arctic, appropriate to Presidential pronouncement.

I believe we have a real opportunity here, and I hope the administration at its most senior levels will give my proposal the hearing which I feel it deserves. At a time when the U.S. presence is under criticism in many parts of the world we should be especially alert to chances for constructive cooperation in the relatively neglected areas of the globe. The region of the High North is one such case and truly provides us with a golden opportunity.

Thank you for your attention.

IN MEMORIAM

Mr. HATFIELD. Mr. President, the month of April has brought public focus to alleged war crimes committed by U.S. military personnel in Southeast Asia. But the month of April has historical significance and import for the entire world. There are lessons from our past that must be learned and man's potential for evil must not be forgotten nor put out of perspective. All too often we forget what man has perpetrated against himself. Violence and atrocities are not limited to certain nationalities, races, or societies.

In April 1934, the Gestapo was formed. In April 1941, 72,000 Jews were deported to the Warsaw ghetto. In April 1943, the Warsaw ghetto was destroyed. And in April 1945, Buchenwald, Bergen-Belsen,

and Dachau concentration camps were liberated by allied troops. Bertolt Brecht writing of the horror of the concentration camps said "Let others speak of their shame, I speak of mine" poignantly describes the responsibility that we as individuals have for each other as brothers and sisters, and the tragic consequences that can befall us if we lose touch with our common humanity.

In the introduction to his book entitled "The Yellow Star," Gehard Schoenberner writes:

Belated moral condemnation and humane regret are not enough. The historical facts must be made known, the social causes that made them possible must be understood, and we must become aware of our own responsibility for what goes on around us. We do not escape the past by thrusting it to the back of our minds. Only if we come to terms with it and understand the lessons of those years, can we free ourselves of the legacy of Hitlerite barbarism. Policies are not preordained by fate. They are made by people and people can change them.

Although this was directed at the German people in a book written for them, there is a lesson here for non-Germans as well. During this month, the anniversary of the liberations of three concentration camps in Germany, we should all take special pause and look within our hearts to examine the lessons we should have learned from our history and our personal relationships with other individuals. For it is on this base that the future of mankind is based. The tragedies of World War II, most particularly the horrors of the concentration camps and pogroms directed against the Jews, were experienced by many of us firsthand. But memories dim with time. For the sake of the future we must not forget the past.

GET OIL OUT OF THE SANTA BARBARA CHANNEL

Mr. CRANSTON. Mr. President, I am delighted that the administration has come forward with a proposal to ban further oil development on half the Federal leases in the Santa Barbara Channel. The administration's recognition that oil development is environmentally dangerous and the expansion of the administration's bill from 20 to 35 leases both auger well for the long overdue enactment of legislation by Congress. However, the administration bill is silent on the other 35 leases, and it is these other 35 leases which pose a far greater threat to the channel.

The Los Angeles Times last Sunday endorsed S. 373, the bill which I introduced with my distinguished colleague from California (Mr. TUNNEY). In its editorial, it did an excellent job of summarizing both bills.

Mr. President, I ask unanimous consent that the Los Angeles Time editorial be printed in the RECORD.

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

PROTECTION FOR SANTA BARBARA CHANNEL

The Interior Department has announced that it will ask Congress for legislation to allow cancellation of 35 oil leases on federally owned lands in the Santa Barbara Channel and adjacent areas, with appropriate compensation to be paid to the lease holders. The plan goes beyond anything the Nixon Administration has so far proposed. But in terms of providing the protection needed against possible environmental damage to the California coastline it does not go far enough.

There are currently more than 70 leases in the channel area, and about half of them would not be affected by the Interior Department's proposed ban. That would keep very much alive the possibility of other disastrous accidents, like the huge oil blowout of January, 1969, which released millions of gallons of oil into the channel and smeared 20 miles of beaches.

A sounder approach as far as California's welfare and environment are concerned is contained in a bill cosponsored by the state's two Democratic senators, Alan Cranston and John Tunney.

That measure calls for canceling 38 of the federal leases and placing a five-year moratorium on drilling in the remaining sites. The ban could not be lifted until underwater production systems had been developed which would insure against environmental damage. Like the Administration's plan it would leave it up to the courts to determine fair compensation for the leaseholders whose sites would be bought back and in sanctuary areas.

The Administration's idea is to pay for the repurchased leases through sales on the open market of oil from the Navy's Elk Hill reserves, in Kern County. The Cranston-Tunney measure does not specify such a site, but does provide for a special compensating funds derived from sales of other federal oil taken from on-shore drilling areas.

The value of the Cranston-Tunney measure, we think, is that it would provide equity for the Santa Barbara Channel lease holders and virtually assure environmental protection for the people of California. It is a full-step at a time and a place where half-steps can no longer be considered acceptable.

VIOLENCE AND TELEVISION

Mr. PERCY. Mr. President, anyone who has suffered the agony of losing a child knows that there is no comparable tragedy in one's experience. When the death results from disease or some other cause which neither could have been anticipated nor prevented, the parents' grief is painful enough. But when it appears that the death might have been prevented, the sense of loss must be further magnified.

Recently I received a letter from one of my constituents, Mr. Norman F. McCrimmon of Batavia, Ill., in which he attributes the death of his only son, aged 13, to violence his son saw on television.

Mr. President, I shall not describe Mr. McCrimmon's letter in detail. His spare, eloquent words describe his tragic loss much more movingly than I could hope to. I have recently talked to Mr. McCrimmon and, with his approval, I ask unanimous consent that his letter be reprinted in the RECORD at the conclusion of my remarks today. I strongly urge my colleagues to read his letter and to join me in an effort to find an answer to the problem of television violence.

This is not a new problem, but Mr. McCrimmon's letter poignantly reminds us that our attempts to find a solution have been inadequate. In its report issued in 1969, the National Commission on the Causes and Prevention of Violence issued conclusions drawn from its study of violence on television. I believe that excerpts from the Commission's report are appropriate here:

Each year advertisers spend $2.5 billion in the belief that television can influence human behavior. The television industry enthusiastically agrees with them, but nonetheless contends that its programs of violence do not have any such influence. The preponderance of the available research evidence strongly suggests, however, that violence in television programs can and does have adverse effects upon audiences—particularly child audiences.

Television enters powerfully into the learning process of children and teaches them a set of moral and social values about violence which are inconsistent with the standards of civilized society . . .

The television industry has consistently argued that its standards for the portrayal of violence and its machinery for enforcement of these standards are adequate to protect the public interest. We do not agree . . .

We believe that the television networks, network affiliates, independent stations, and other members of the broadcasting industry should recognize the strong probability that a high incidence of violence in entertainment programs is contributing to undesirable attitudes and even to violence in American society. It is time for them to stop asserting 'not proved' to charges of adverse effects from pervasive violence in television programming when they should instead be accepting the burden of proof that such programs are not harmful to the public interest. Much remains to be learned about media violence and its effects, but enough is known to require that constructive action be taken at once to reduce the amount and alter the kind of violent programs which have pervaded television.

Mr. President, I am writing to the presidents of the three major television networks, men who I know are deeply interested in serving the public interest, to tell them of the tragedy suffered by the McCrimmon family. I ask unanimous consent to print their replies in the RECORD.

Nothing we can say will minimize the loss suffered by Mr. and Mrs. McCrimmon. But we must urge the networks to take prompt action to insure that this tragedy is never repeated.

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

BATAVIA, ILL.

Senator CHARLES H. PERCY,
Senate Office Building,
Washington, D.C.

DEAR SENATOR: I watch television twice a week on the average. During the middle of February my son saw a hanging on a program and asked his mother and me why they only showed the bottom half when that happened.

We explained that they were just acting and the actors would not take a chance by actually hanging before the cameras because it's too dangerous. We told him that when the cameras are turned off the actor drops down and goes home. We also said it was too gruesome and gory and the sight of it would make some people sick and others could not sleep nights if they saw it.

Less than two weeks later my son missed his supper and we were concerned. After supper on the way to my basement washroom I found him hanging from a doorway in front of a mirror. He had both feet on the floor with his knees bent. You see, a 13-year-old doesn't realize that a rope will cut off his circulation to the brain and cause

him to faint before the loss of air becomes uncomfortable. Once unconscious the rope will do the rest.

This day is March 26, and I have seen 3 more hangings on prime time. I wish you could have been in my living room Tuesday night when a jailer opened a cell door and there was a full-length picture of Robert Wagner hanging by the neck. At that time I wish my 5-year-old daughter would have turned and looked into your eyes instead of mine.

It's too late for me now, but I wish that I could do something to prevent other people from suffering this kind of sorrow. There must be millions of other inquisitive 13-year-olds in front of a T.V. who might do something foolish like this to satisfy their curiosities.

I do not want sympathy or consolation but, if this were your only son instead of mine, what would you do to try to encourage T.V. programmers to turn away from the violence?

Sincerely,

NORMAN F. MCCRIMMON.

HARRY E. GOULD, SR.

Mr. RIBICOFF. Mr. President, on March 8, 1971, Harry E. Gould, Sr., died in New York City. Harry was an old and dear friend, and a true gentleman in every sense of that word. He is deeply mourned by his wife, children, and friends.

At the funeral service on March 11 at Temple Emanu-El, a eulogy to Harry was delivered by his son, Harry, Jr. This eulogy was so sensitive and touching, because it came from an intimate father-son association and caught so well the personality of a great and decent human being. I would like to share these thoughts and appreciation of Harry Gould, Sr. with my fellow Senators.

I ask unanimous consent that the eulogy be printed in the RECORD.

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

EULOGY TO HARRY E. GOULD, SR.

How can a son thank his father?—Thank him for a thousand and one things easily remembered, and more that somehow escape the mind in your very personal grief.

So many of his friends have come today—for which our family will always be grateful. So many who knew the full range of his accomplishments—business, civic, and charitable. Yet, I merely want to thank him for being my dad.

As a father, he could numb your backside if you woke him up playing cowboys and Indians with your kid brothers too early on a Sunday morning, yet, he could find the time for putting on a catcher's mitt at the end of a ten-hour workday because you were going to pitch in a big game the next day.

He could casually ask you if you thought you could have done any better if you came home joyously telling him you had just received a 3.8 average for the semester, yet, he could find the time to send you a letter telling you how proud he was to have you as his son.

He could disagree with you to the point of distraction, yet, he would tell a close friend how much he respected what you had to say. It was his way of testing how strongly you held your opinion.

He could drown you in a flood of follow-up memos, yet, you learned to leave nothing to memory and to chance.

He could spend thirty minutes bawling you out for spending $4.95 on lamb chops at Locke-Ober's while you were in school at Cambridge; yet, you developed a strong sense of values and what it took "to earn a buck," as he used to say. And so you, too, thrived upon a ten- to twelve-hour workday.

He could take five "mulligans" a hole and still never break a hundred in over fifty years of playing golf, yet, you learned the importance of never accepting the word "can't." And so you, too, established excellence as your goal in all endeavors.

He could only play two pieces on the piano, and both could have been bought from ASCAP for 98c. Yet, he could tell you who were the first four "leads" in the 1931 production of "The Bandwagon." And so you, too, began to share his great love for the performing arts.

He would demand that you visit at least 25 Chevrolet dealers when you were going to get your first car so that the cheapest price would be obtained, yet, when the day came to buy it, he thought that a Pontiac or Oldsmobile would be nicer. So, as you grew up, you gradually began to realize that beneath that authoritative exterior was a warm, generous human being to whom you could always go with all your troubles.

He could spend hours away from home each week worrying about other people's problems. Yet, we didn't feel cheated. On the contrary, we were closer than any family I ever know.

In essence, he was basically a simple, eloquent man. He may not have been right all the time, but there weren't too many times that he was wrong. You may not have agreed with everything he said, but you knew that he knew what he was talking about. And so, somehow you learned all the necessary lessons in life—to enjoy life to its fullest, to be considerate, to respect hard work, to strive for excellence, to be active politically and charitably, to be a gentleman, good and pure in heart, and, above all, to jealously guard that special commodity—love of family.

I guess you could say he was like most men—with good points and bad, with strengths and frailties—except to us he seemed a cut above the rest. People would frequently tell you that, but we already knew it.

And so, Dad, how else can I thank you except by saying that I was proud to be your son and to have been your friend.

I shall be eternally grateful that I got back in time to kiss you good-bye at the fight. For the time being, I guess we'll have to postpone our weekly get-together. But John O'Hara once wrote of Gershwin's passing: "I don't have to believe it if I don't want to." Well, Dad, we don't have to believe it either.

We can take consolation in the words of the great English poet, John Donne:

Death, be not proud, though some have called thee
Mighty and dreadful, for thou art not so:
For those whom thou think'st thou dost overthrow
Die not poor Death; nor yet canst thou kill me.
From Rest and Sleep, which but thy picture be,
Much pleasure, then from thee much more must flow;
And soonest our best men with thee do go—
Rest of their bones and soul's delivery!
Thou'st slave to fate, chance, kings and desperate men,
And dost with poison, war and sickness dwell;
And poppy or charms can make us sleep as well
And better than thy stroke. Why swell'st thou then?
One short sleep past, we wake eternally.
And death shall be no more: Death, thou shalt die!

For us, too, death will die, having no cause to be proud. For Peggy, Aunt Sallee, Robert, Peter, myself, and Mom, thank you for having been so much a part of us. You shall always live in our hearts, having touched each of us in your own special way.

OKLAHOMA STATE UNIVERSITY TOPS IN WRESTLING

Mr. SAXBE. Mr. President, on behalf of the distinguished Senator from Oklahoma (Mr. BELLMON), I ask unanimous consent that a statement by him entitled "Oklahoma State University Tops in Wrestling" be printed in the RECORD.

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

OKLAHOMA STATE UNIVERSITY TOPS IN WRESTLING

(Statement of Senator BELLMON)

Mr. President, collegiate athletics in the United States typify the competitive spirit that has been characteristic of our nation since its founding. Regardless of its size, almost every college in the country has an athletic team of some kind that generates enthusiasm among both students and alumni.

Some schools excel in football, others in basketball or other sports. In the case of Oklahoma State University—the home of basketball's coaching great, Henry Iba—the sport of wrestling has achieved major prominence.

Throughout an illustrious history spanning a period of more than 50 years, Oklahoma State's wrestling teams have piled up a remarkable set of records.

Ed Gallagher began wrestling as a sport at the Stillwater, Oklahoma institution in 1916. Since that time, OSU wrestlers have won 337 dual matches, lost 24 and tied 15.

OSU coaches have produced 90 national champions in 43 years of NCAA competition, capped by their 27th NCAA title last March. At that tournament, the Cowboys crowned three individual champions, claimed the outstanding wrestler trophy, and scored an OSU-record total of 94 points.

Oklahoma State has dominated Big Eight Conference wrestling over the years, and in defeating Iowa State this year crowned a record seven champions in winning the conference title.

This is indeed an impressive record; it probably is the best record by any college in any sport.

As an OSU alumnus, I take great pride in these achievements. The coaches and the outstanding young men who have been responsible for this record are to be highly commended for their successes.

PUBLIC WORKS ACCELERATION ACT

Mr. MOSS. Mr. President, last week the House of Representatives passed H.R. 5376 establishing a $2 billion public works acceleration program.

The House-passed bill contains not only the titles which were included in the bill the Senate passed earlier—S. 575—which extends the Public Works and Economic Development Act of 1965 and the Appalachian Regional Development Act of 1965, but adds a new and very effective title amending and extending the Accelerated Public Works Act of 1962 to make Federal funds available, on a stepped-up basis, to high or persistent unemployment as well as low income areas.

My colleagues will remember that it was the public works program of 1962 which gave our economy a substantial shot in the arm in the first half of the

1960's by stepping up Federal funding for a vast array of community projects—waste treatment facilities, sewer systems, hospitals, roads and highway improvements, and the construction of needed public buildings, to mention only part. These projects not only improved community living and facilities but also created thousands of jobs throughout the country and put many of our unemployed back on payrolls.

Now we again have high unemployment. It is estimated that over 6 million heads of families are looking for jobs throughout the Nation, primarily in the large urban areas. There are now over 50 labor and industrial areas reporting "substantial unemployment," meaning over 6 percent. The fact that unemployment is growing rather than decreasing is shown by the fact that last fall there were only 35 major labor areas in the substantial unemployment list.

These areas could be revitalized by the initiation of public works projects which have been upon the shelf for some time, but for which there are actually studies and blueprints completed. They are ready to go. In many instances, public bodies have applied for funds to Federal agencies, but none are available. We should get these projects moving.

The House-passed bill (H.R. 5376) and the Senate bill (S. 575) will, I hope, soon be in conference. The House has already appointed its conferees, and I trust that the Senate soon will do the same. My purpose in speaking here today is to urge that those who represent the Senate at the conference accept title I, the Public Works Acceleration Act of 1971, as passed by the House.

I realize that the Nixon administration has not been in favor of this title, and I hope this does not mean that if the Congress adopts it, that the President will veto it. For this is a bill which will help build America, improve our economy, and make jobs.

I would point out that many of those of us who were running for public office last fall, and many of those who were speaking for the executive branch of the Government as well, promised to do everything possible to improve economic conditions and provide jobs for the unemployed as quickly as possible. I suggest that enactment of this bill is one way to make good on those promises.

There are a large number of Utah counties and areas which would be eligible for assistance under the provisions of title I of H.R. 5376. The total cost of the Utah projects is over $25 million. Federal funding would range from 50 to 80 percent of the cost of the projects. All are short-term projects, with completion periods of less than 18 months.

I ask unanimous consent to have printed in the RECORD at this point a partial list of Utah projects, by counties and towns, in high unemployment areas, for which applications have been received by the appropriate Federal agency, together with the type of project for which funding is sought, and the total cost of each project.

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

Examples of public works projects in Utah which could be funded by Federal contributions of between 50 and 80 percent of costs under the Public Works Acceleration Act

	Estimated cost
Beaver County:	
Beaver City: Waste treatment facilities	$300,000
Milford: Waste treatment facilities	300,000
Box Elder County:	
Bear River City: Waste treatment facilities	75,000
Tremonton: Waste treatment facilities	10,000
Carbon County:	
Clear Creek: Waste treatment facilities	50,000
Helper: Sewage collection system	74,000
Hiawatha: Waste treatment facilities	50,000
Davis County:	
Clearfield: Sewage collection system	316,000
Kaysville: Sewage collection system	247,474
Layton: Sewage collection system	760,000
Duchesne County: Roosevelt: Waste treatment facilities	50,000
Emery County:	
Castle Dale: Waste treatment facilities	100,000
Ferron: Three debris basins and a diversion structure (for soil conservation)	450,000
Huntington: Waste treatment facilities	50,000
Juab County:	
Eureka: Waste treatment facilities	75,000
Nephi: Waste treatment facilities	19,800
Piute and Sevier Counties:	
Monroe Annabella Watershed Project: Debris basin, Streambank protection diversion structure and small irrigation reservoir	302,000
Summit County: Kamas: Sewage collection system	320,000
Sanpete County: Ephraim: Waste treatment facilities	300,000
Uintah County: Vernal: Waste treatment facilities	500,000
Utah County:	
American Fork-Dry Creek: Watershed project: Irrigation pipeline and canal lining	35,000
City of American Fork: Waste treatment facilities	300,000
Lehi: Waste treatment facilities	400,000
Lehi: Sewage collection system	349,000
Mapleton: Sewage collection system	150,000
Pleasant Grove: Sewage collection system	300,000
Provo: Waste treatment facilities	955,000
Provo: Sewage collection system	400,000
Spanish Fork: Waste treatment facilities	500,000
Wasatch County: Heber City: Waste treatment facilities	500,000
Washington County:	
Hurricane: Waste treatment facilities	70,000
St. George: Waste treatment facilities	700,000
Warner-Draw: Watershed project concrete canal lining	55,000
Weber County: Clinton: Sewage collection system	206,000

Mr. MOSS. Mr. President, similar lists of projects could be compiled, of course, for all other States.

In addition to the immediate advantages in terms of the current unemployment problem, funding these projects would lead to the construction of facilities with significant economic and environmental importance. Under similar legislation in 1962, the State of Utah completed projects in water and sewage treatment, conservation and wildlife preservation, fisheries development, and land treatment amounting to over $10 million. At the same time, 7,375 man-months of employment were created.

More than any other immediate relief measure, Mr. President, accelerated public works gets to the heart of our national unemployment problem. While our economy as a whole continues to suffer from an unemployment rate of approximately 6 percent, the jobless themselves are 100 percent unemployed. This bill would offer quick employment to these very men who are looking for work but cannot find it.

Furthermore, this act would have a strong expansionary effect. The $2 billion it would provide nationally would be spent in areas whose manpower and physical resources have long been underemployed. Wages earned in accelerated public works would go to families with long-overdue basic consumer needs. Local businessmen, who have been sharing in the economic downturn in these areas, would benefit from the increased purchasing power of customers who are not now receiving regular paychecks.

By entering the economy where it is most needed, this money would circulate rapidly giving a major boost to the entire country.

I ask Senators to accept title I of House-passed H.R. 5376.

NOW IS NO TIME TO WEAKEN THE FBI

Mr. CURTIS. Mr. President, today there is turmoil in our country in many places. There is an uneasiness in Washington because there are those who threaten to disrupt the entire Government. Now is no time to weaken the position of the Federal Bureau of Investigation. The FBI has a long record of serving the country well. I ask unanimous consent to have printed in the RECORD an editorial from the Omaha World-Herald of April 23, 1971.

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

THE EARTH DAY SCARE

A subtle and effective way to disparage the FBI is to keep referring to its activities on Earth Day last year, when agents monitored some of the antipollution observances.

To keep drumming on the FBI's interest in Earth Day gatherings is to foster the impression that the bureau has turned paranoid and sees every birdwatcher as a bomb-thrower.

This impression—that the FBI regards the environmental movement as a threat to national security—is devastating to the agency's reputation. Unfortunately, it is the impression one might receive if exposed only to the thinner accounts of the incidents.

A somewhat more detailed examination, including a reading of the FBI report on Earth Day in Washington, helps put the Great FBI Scare into different perspective.

One of the Earth Day organizers in Washington was a man who has been publicly identified as a Communist party functionary,

the FBI report said. His activities on behalf of an organization called the Emergency Committee on the Transportation Crisis had led to a number of arrests.

Another "environmentalist" involved in Earth Day planning was identified as a former SDSer. One of the speakers was a Navy man then being court-martialed for seditious conduct. Pete Seeger, folksinger who frequently supports leftist causes, also was on the program.

And Rennie Davis was there—Rennie Davis of the Chicago Conspiracy.

Davis told the ecological gathering that the Conspiracy was joining with such forces as Women's Lib, black militants and environmentalists to fight to end the Vietnam war. He said he opposed all pollution except "light up a joint and get stoned."

"One way to fight for ecology is to go to New Haven on May 1 to stop Bobby Seale's trial," Davis said. Seale, a Black Panther leader, was scheduled for trial in New Haven on murder charges.

This is a sample of some of the participation that led the FBI to keep tabs on 1970 Earth Day in Washington. Considering the inflammatory potential provided by some of the planners and speakers, there is nothing sinister about the FBI surveillance that we can see.

But there is something that seems sinister about the demonstrated intent of radical groups and individuals to get involved in the environmental movement.

Perhaps the highly publicized concern of Democratic presidential aspirant such as Sen. Muskie would more effectively be directed toward seeing that the movement for a cleaner America does not become a Trojan horse for advocates of political pollution.

There are many who would like to make the popularity of ecological interest a vehicle for the advancement of The Revolution. It seems that the FBI sees this more clearly than the politicians who complain so much about the agency's intelligence gathering.

Speaking of Sen. Muskie, here is a footnote on his part in Earth Day and the Great FBI Scare:

Muskie has raised a lot of dust about the fact that he was "subject to FBI surveillance" during his participation in the event last spring. Listening to the furor Muskie has touched off, one would believe he was the FBI's No. 1 target for snooping on that occasion.

For the record, here is what the FBI's Earth Day watcher had to say about Muskie, out of a report of approximately 3,000 words:

"Shortly after 8 p.m., Sen. Edmund Muskie, D-Maine, arrived and gave a short antipollution speech."

Some of us taxpayers don't mind if the FBI throws in one innocuous sentence on Ed Muskie, as long as the agency continues to keep a close watch on the likes of Rennie Davis.

ELDERLY ARE TARGET OF MONEY-AT-HOME SCHEMES

Mr. CHURCH. Mr. President, it appears to be a common misconception nowadays for people to believe they are safe in entering into "earn money at home" or "special offer" arrangements through ads in the classified sections of newspapers and periodicals. Perhaps they believe the Government is protecting or will protect them from fraud.

As we enact better protective legislation, the unscrupulous promoter of the "something for nothing" scheme is forced to devise new and more appealing methods of exploiting those who have not been forewarned.

It has been reported that with the rise in unemployment and loss of income the incidence of such schemes has been on the increase.

These schemes, especially the "work in your home" variety, appear to have singled out the elderly as a primary target. Because the elderly are often poor and live in enforced idleness they are particularly susceptible.

Mrs. Elizabeth Koontz, of the Department of Labor, disclosed in a hearing conducted by the Senate Special Committee on Aging last year that many widows are among the victims.

In the Women's Bureau we receive numerous letters every year from middle-aged and older women seeking help to enter or reenter the labor force. Many are in dire economic circumstances—some recently widowed, others finding the monthly social security payment totally inadequate to meet bare necessities at a time of spiraling costs for food, shelter, transportation, and medical care. Many, unfortunately, have, already been victimized by fraudulent advertisements inviting them to earn money by addressing envelopes at home. They do not know where to turn to supplement their meager incomes.

The elderly, the unemployed, the widows, the handicapped: All are at the same time the most victimized and the least able to afford the losses. Those tempted by these ads would do well to consult their Better Business Bureaus, or State consumer agencies.

Mr. President, as chairman of the Subcommittee on Consumer Interests of the Elderly, I am especially grateful to the Rocky Mountain Better Business Bureau for drawing our attention to this matter and its devastating effect upon our older citizens. I commend their timely article—published in a recent newsletter—to the Senate and ask unanimous consent that it be printed in the RECORD.

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

A RAPID INCREASE IN "HOMEWORK" SCHEMES

The combination of unemployment, inflation and enforced idleness has spawned a rapid increase in "homework" schemes. BBB has received over 1,000 consumer requests for reliability reports on such promotions in the past six months.

World Field Research, Mineola, N.Y., is dominant in both inquiries and complaints to BBB. This firm advertises for "research panelists" to supply opinions on products to be furnished by the company. It claims it will pay from $1 to $100 for each "opinion". Applicants must pay a $10 registration fee.

Complaints to BBB include those who paid the fee but failed to receive any test products, others who failed to receive payment for opinions rendered, and those who are unable to get the "guaranteed money back" refund of their fee. The company uses various techniques to stall refund requests. These vary from no response at all, to blaming its computer or scolding the panelist for not including an identification number. The company offers to pay some complainants with funny-money called "FROMS"—(Field Research Opinion Money) which is only good for purchase of products sold by the affiliates of the firm.

Some 400,000 homeworkers are said to have paid the company for this employment.

Other homework schemes are closer to home. ABC Publications, operating from a Post Office Box in Colorado Springs, advertises in Denver newspapers an offer of $25 for a thousand envelopes addressed at home and asks applicants to send $3 for a list of firms employing such addressors. The $3 "list" contains the names of other homework promoters to whom the applicant can send another fee for similar information.

Also nearby is SUN-COL Enterprises whose identity is hidden in a Post Office Box in Aurora. It charges homeworkers $3 for a "List of People Who Want to Buy My Services". One complainant to BBB wrote the well-known national firms listed thereon and was advised in response that they had no such employment for home workers.

In total, homework schemes are a multimillion dollar business, thriving in these times on victims who can least afford their losses—the handicapped, the elderly, the unemployed, the housewife seeking to supplement her husband's income. We suggest that newspapers and magazines crusading for consumer protection might well apply their editorial philosophy to their own classified ad columns.

Woe unto them that call evil good, and good evil . . . Isaiah.

JOINT TREATY OF PEACE

Mr. GURNEY. Mr. President, it has recently come to my attention that representatives of a well known student group, the National Student Association, went to Hanoi and returned with a draft of a "People's Peace Treaty." The NSA claims that representatives from "nearly every student association" later met in Ann Arbor, to discuss the "treaty." No rollcall was taken, but the representatives said it looked like nearly every college and university was represented.

I understand that the NSA is now passing this treaty around to various colleges and universities in Florida and other States for "ratification" by the various student senates. I understand the "treaty" is frequently being pressured through student governments with scanty discussion and no alternate opinions allowed in the reports of the bill and certainly no student referendums.

I have seen hundreds of copies of a "shortened version" of this treaty scattered through the streets of Washington during the recent protests. I am confident that some time in the coming weeks or months, we in Congress will be inundated with copies of this "treaty" in the form of petitions. The persons who sign such petitions will not be aware of the treaty's origins, nor of its real intent.

The central observation that I have to make is that the treaty was drafted in Hanoi, supposedly because the representatives of the National Student Association were denied visas to Saigon. I have no way of knowing whether they were actually denied visas to Saigon, but I ask why Hanoi was the only other alternative? The treaty places all the blame for all the troubles in Vietnam, Laos, and Cambodia squarely on the shoulders of the United States. North Vietnam and the Vietcong are neatly omitted. They are not mentioned as the instigators of the war, nor are they given any hand in the continuation of it.

Fortunately, not all of our students are gullible enough to fall for this shabby trick. I have received many letters from students who are outraged at this whole caper. One is in the form of a petition from a number of students at the University of South Florida. These students,

representatives of student government at that school, were denied a right to speak. In denying this right, the excuse was, of all things, "freedom of speech." Supposedly, the student radicals would be denied that right if the members of any dissenting group of the student senate were permitted to speak. This twisted logic is characteristic of the proceedings around the country in connection with this bogus document.

I ask unanimous consent to have printed in the RECORD the text of some of the correspondence I have received on this matter.

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

GAINESVILLE, FLA.

Senator E. GURNEY,
Capitol Building,
Washington, D.C.

DEAR SENATOR: Just for the record, do not get the wrong impression by the seemingly unanimous approval of the "Peoples' Peace Treaty" from the students of the University of Florida. There was no student referendum, just a simple majority approval by the Student Senate, nothing more. I hate the war exceedingly, but would not be sucked into supporting such a phony political contraption authored and censored in Hanoi.

I support "Vietnamization" as the last recourse left to Saigon (and the U.S.) if they are to ever salvage democracy in Indochina—although it may be too late. I hope it is not too late, for then it was all in vain. I urge you to support your own conscience in the matter not some emotional, foreign-oriented lobby which plans to bring you a copy of the "treaty."

Yours sincerely,

JOHN M. HICKEY,
Student, Returned Peace Corpsman, Ex-Serviceman (U.S.A.)

UNIVERSITY OF SOUTH FLORIDA,
Tampa, Fla., February 19, 1971.

Office of Senator GURNEY,
Washington, D.C.

DEAR SENATOR GURNEY: I am a member of the student government at the University of South Florida.

Thursday night, February 11, 1971, a bill was passed supporting a "peace treaty" drawn up by three Vietnamese student organizations, the South Vietnam Student Union, the North Vietnam Student Union, and the South Vietnam Liberation Students Union, and eleven American students who were denied visas to Saigon and were, therefore, "forced" to go to Hanoi to draft the said "treaty".

The discussion on the "pros" and the cons of the bill lasted for approximately two and one-half hours. Several questions were asked about the validity of the claims made in the treaty and the parties who had put the bill on the floor could not answer these questions. It became necessary to suspend the parliamentary procedure for a "limited amount of time at the presiding officer's descretion" to allow an "expert", Mr. Ed Deaton, student radical, to answer the questions. Mr. Deaton had just returned from a "conference" in Ann Arbor, Michigan, where representatives from "practically every student organization in the United States" (it was admitted that no roll call was taken, it "looked like" representatives from every student organization) had attended a rally to voice the reactions of their particular groups to this "treaty". However, Mr. Deaton was also unable to answer the questions.

At the end of the two and one-half hour "circus", a roll call vote was taken, the results being twenty-seven yea, seven nay, and one abstention.

The parties who had voted against the bill were denied the right to include a report on their feelings to be included in the bill. They were also denied the right to be parties to the "explanatory letters" which were to be sent to selected governmental officials along with copies of the bill and the treaty.

As a result of the censorship of our Constitutional rights to free speech (by the advocates of free speech for everyone), we, the under signed, have decide to write explanatory letters of our own to the selected governmental officials.

I am including, with the letter, a correctly amended copy of the bill, a copy of the "treaty", and a copy of the questions and the answers given.

We would appreciate it very much if you would regard the "treaty" as *not* meaningful on the behalf of the majority of students at the University of South Florida.

Thank you very much for your time.

Sincerely,

DEBORAH ANDREWS,
Commuter Representative, University of South Florida Student Legislature.

Orville Renner Jr., Walter H. Tomlinson, Jr., Commuter Representative, President, Veterans Club; Kervin W. Herbert, 3ACC, Susan E. Matthews, Gingers Matthews, James A. Settles, Commuter Representative.

Steven E. Shaw, Commuter Representative; R. Arthur Gonzalez, Representative; Charles R. Brooks, Commuter Representative; Edward J. Bugel, Commuter Representative.

John Beasley, Charles J. Traina, University Senator, College of Liberal Arts; George E. Zink, Commuter Representative; Michael Dunlap, Engineering Representative; Sheldon Wind, Business Representative to Student Government.

BILL NO. 11

Whereas: In November and December of 1970, a delegation of student body presidents of American Universities, organized by the United States National Student Association, met with representatives of the South Vietnamese National Student Union, the North Vietnam Student Union and the South Vietnam Liberation Students Union, and formulated a treaty to effect a cessation of hostilities in Vietnam,

Whereas: Attempts were made by the South Vietnamese government to stop the meetings between the various representatives,

Whereas: The United States government still maintains a vast military structure in South East Asia and the threat of becoming involved in another land-war engagement in other South East Asian countries is increasing,

Be it therefore resolved: That the Student Government Legislature of the University of South Florida place itself on record as ratifying the said treaty, and

Be it further resolved: That copies of this resolution be sent to the United States National Student Association in Washington, D.C.

Be it further resolved: That copies of this resolution, the treaty, and explanatory letters be sent to U.S. Senators Chiles and Gurney; the task of composing the letter to be placed by the legislature.

Respectfully Submitted, Steve Mims—Senator, John Kilcrease — Representative, Arges, David Cipolloni—Representative, Basic Studies, Rod Presley—Representative, Basic Studies, York Harris—Representative, Fontana, Rob Hightower—Senator, Jeff Smith—Senator.

Suggested amendment by external affairs: be it therefore resolved: (1) on record as supporting the efforts of any organization or group working to bring a just peace to the peoples of S.E. Asia; (2) Omit the last be it further resolved

A resolution for cessation of hostilities in Vietnam to be passed by student government legislature.

THE PEOPLE OF THE UNITED STATES AND THE PEOPLE OF SOUTH VIETNAM AND NORTH VIETNAM

INTRODUCTION

In November and December, 1970, a delegation of student body presidents of American Universities, organized by the United States National Student Association, exchanged views by mail and in person with representatives of the South Vietnam National Student Union, the North Vietnam Student Union, and the South Vietnam Liberation Students Union. An American student trip to Vietnam was organized as a result of a mandate of the 1970 National Student Congress. The purpose was to explore the possibilities of a peace treaty that would put an end to the war on terms that would satisfy the honor and safeguard the interests of the people of the United States and Vietnam.

Fearing that this democratic initiative would lead to formulation of peace terms that could readily be adopted by the American and Vietnamese people, the Thieu-Ky-Khiam regime denied visas for the American students to enter Saigon. Ironically, some of the students denied visas were veterans of the Vietnam war. An advance representative of the delegation, however, was already in Saigon and was able to meet with official representatives of the South Vietnamese National Student Union. From this meeting came the Joint Declaration of Peace with the South Vietnamese Students.

Meanwhile the entire delegation of eleven American students traveled to Hanoi and met with official representatives of the North Vietnamese National Student Union and the South Vietnamese Liberation Students Union, whose representatives have traveled to Hanoi for this meeting. This conference produced a Joint Declaration of Peace, signed by representatives of the three groups.

Based on the areas of agreement between the Saigon document and the Hanoi document and after discussion with Vietnamese in Paris, a common declaration of peace has been written and agreed to by the three Vietnamese groups and the Americans. This document will be submitted to a wide range of organizations in the United States and Vietnam. Wherever possible it will be submitted for ratification either by referendum or by the vote of the official governing body in cities, towns and states and by religious, labor and civic organizations, in the schools and universities, womans' groups, professional groups, business groups, the organized poor and any other groups whose integrity or life is threatened by continuation of the war.

It is expected that many groups will draft their own preambles to reflect their special concerns or experiences. In addition, both official and unofficial groups and bodies are encouraged to append their own statements of the methods by which they intend to try to implement or enforce the treaty so that it will become necessary for the U.S. Congress and the Nixon Administration to follow the lead of the people in making it a reality.

JOINT TREATY OF PEACE BETWEEN THE PEOPLE OF THE UNITED STATES, AND THE PEOPLE OF SOUTH VIETNAM AND NORTH VIETNAM

Be it known that the American and Vietnamese people are not enemies. The war is carried out in the names of the people of the United States and South Vietnam but without our consent. It destroys the land and people of Vietnam. It drains America of its resources, its youth and its honor.

We hereby agree to end the war on the following terms, so that both peoples can live under the joy of independence and can devote themselves to building a society based on human equality and respect for the earth.

1. The Americans agree to immediate and total withdrawal from Vietnam and publicly to set the date by which all American forces will be removed.

The Vietnamese pledge that as soon as the U.S. Government publicly sets a date for total withdrawal:

2. They will enter discussions to secure the release of all American prisoners, including pilots captured while bombing North Vietnam.

3. There will be an immediate cease-fire between U.S. forces and those led by the Provisional Revolutionary Government of South Vietnam.

4. They will enter discussions of the procedures to guarantee the safety of all withdrawing troops.

5. The Americans pledge to end the imposition of Thieu-Ky-Khiem on the people of South Vietnam in order to insure their right to self-determination and so that all political prisoners can be released.

6. The Vietnamese pledge to form a provisional coalition government to organize democratic elections. All parties agree to respect the results of elections in which all South Vietnamese can participate freely without the presence of any foreign troops.

7. The South Vietnamese pledge to enter discussion of procedures to guarantee the safety and political freedom of those South Vietnamese who have collaborated with the U.S. or with U.S.-supported regime.

8. The Americans and Vietnamese agree to respect the independence, peace and neutrality of Laos and Cambodia in accord with the 1954 and 1962 Geneva conventions and not to interfere in the internal affairs of these two countries.

9. Upon these points of agreement, we pledge to end the war and resolve all other questions in the spirit of self-determination and mutual respect for the independence and political freedom of the people of Vietnam and the United States.

By ratifying the agreement, we pledge to take whatever actions are appropriate to implement the terms of this joint Treaty to insure its acceptance by the government of the United States.

QUESTIONS AND ANSWERS CONCERNING THE BILL

1. Who are the South Vietnam National Student Union, the North Vietnam Student Union, and the South Vietnam Liberation Students Union?

Answer. They are students.

2. Are eleven American students representative of the millions of college students in the United States?

Answer. We feel that they are.

3. Why was the treaty drawn up in Hanoi?

Answer. It wasn't.

4. It was suggested that paragraph three of the introduction to the treaty be read in reference to the above question. "Meanwhile the entire delegation of eleven American students traveled to Hanoi and met with official representatives of the North Vietnam National Student Union and the South Vietnam Liberation Student Union, whose representatives had traveled to Hanoi for this meeting. This conference produced a Joint Declaration of Peace, signed by representatives of the three groups.

Reply. They were denied visas to Saigon and therefore, were forced to go to Hanoi.

5. Have any results been received from the other groups who were to be contacted? If so, what were the results?

Answer. All the student organizations in the United States support it.

6. Is this the information from Ann Arbor?

Answer. Yes.

7. Was a roll call taken?

Answer. No.

8. If no roll was taken, how could you tell that all the student organizations in America support the treaty?

Answer. It looked like all the representatives from all the organizations were there and they all supported the treaty.

9. If this war is being carried on in the name of the United States and South Vietnam why is North Vietnam being left out? If they hadn't been acting as the aggressor toward South Vietnam, we would not have been asked by the French to "interfere".

In the 1954 Geneva Convention, Quan Twei, the representative for North Vietnam, agreed that if Vietnam could be split into two countries, the South being a free state and the North being a Communist state, that North Vietnam would stop its aggression toward South Vietnam. This has not happened. Why is nothing mentioned in this treaty that Red China also withdraw its aid from North Vietnam?

Answer. Apparently you have done a bit of homework but you are unable to understand what you read. Vietnam was not divided into two countries. It was declared to be one country with the Demiliterized Zone separating the North and South with a provisional government until such time that a free election could be held to elect a president.

10. Why is nothing mentioned in this treaty about Red China withdrawing its aid from North Vietnam?

Answer. Red China has no forces in North Vietnam. (That was not the question. At this point, no one could answer the question, although several people kept proclaiming that Red China had no forces in North Vietnam. Eventually, someone admitted that Red China, North Vietnam, and Russia were not mentioned because the authors of the treaty didn't want to mention them.)

At this point Ed Deaton was allowed to answer questions from the legislature. After Mr. Deaton had made several comments on the status of South Vietnam's "bureaucratic regime", since the early 1940's, someone asked what his qualifications as an authority of the war and the history of Vietnam were. (This question was ruled out of order by the presiding officer.)

In response to Mr. Deaton's statement to the effect that the Diem regime had prevented the elections from occurring:

11. When was the last election held in Vietnam?

Answer. In 1949, the Diem regime put a stop to all the free election attempts.

12. Since Diem has been deposed, who has been the oppressor against the allegedly free elections which have been attempted by the people of Vietnam? Has South Vietnam's government been the oppressor?

Answer. No elections have been attempted involving both the North and the South.

INFLATION AND THE ELDERLY

Mr. CHURCH. Mr. President, we are all aware of the harmful effects of inflation on the economic welfare of our citizens, especially when inflation is occurring with rising unemployment.

Perhaps no segment of the Nation is so hard hit by this crisis as is the person living on a fixed retirement income.

A report on the Economics of Aging, issued by the Senate Special Committee on Aging, has dramatically pointed out the peril this situation presents to the aged, retired person who must live on an income level for many years that became fixed at the time of retirement.

Such a person is caught on a treadmill, trying to keep pace with a galloping rate of inflation.

Even with a 15-percent increase in social security benefits in 1969, 4.8 million Americans aged 65 and over lived below poverty levels in December of that year. This figure represented an increase of 200,000 compared with 1968.

As inflation continues to climb, the problem grows more acute. In 1971 the crisis reached such proportions that another increase in social security benefits totaling 10 percent was found necessary.

This increase, so long in coming, is at best a stopgap measure of limited usefulness.

Soon another crisis will arise and we will again be faced with the need for an increase in benefits.

This sporadic, stopgap, and piece-meal approach to solving the economic problems of the elderly must stop. What is needed is more comprehensive reform on all fronts as suggested by the report on the Economics of Aging.

The need for such reform is only too apparent. Already it is receiving nationwide attention.

Mr. President, a column written by Sylvia Porter, published recently in the Idaho Statesman, provides compelling arguments for a new approach to this continuing crisis. I ask unanimous consent that it be printed in the RECORD.

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

YOUR MONEY'S WORTH: EFFECTS OF INFLATION ON INCOME OF RETIRED POSES BIG TROUBLE

(By Sylvia Porter)

Unless we take drastic steps to prevent it, the U.S. will be up against another explosive crisis as this decade rolls on—the crisis of the retiree.

And this crisis, mind you, will cross all the others: blacks against whites, urban deterioration, pollution, law and order, etc. Thus, it could be among the most convulsive of them all.

You read the reasons why just in the figures I submitted in a recent column tracing what your cost of living will be only 14 years from now, assuming inflation continues at an annual rate of 5 per cent, 4 per cent or 3 per cent.

Despite the outlook, you, a younger union member or businessman or self-employed can look forward to keeping in step and coming out ahead. It won't be easy; at a 5 per cent annual rate, by 1985 you'll need $20,000 simply to buy what $10,000 buys today: even at a modest 3 per cent annual rate, you'll need $15,000 to stay even. But while it won't be easy, you can anticipate managing it.

How, though, can a retired person hope to double his income and keep up? What's more:

The population of persons over 65 is growing rapidly and, equally important, our lifespan is lengthening. Many more are reaching the age of 80 and 85—at which age they are 15 to 20 years beyond the date on which the value of their retirement stipends was fixed. In fact, Fabian Linden, director of consumer economics of The Conference Board, narrows the coming explosion to "the crisis of the octogenarian."

—The consumption gap between the relatively young and the no-longer-young will widen to critical proportions—just because the real purchasing power of the retired is being slashed while the living standard of the still active segment is doubling.

—These elderly people have and will have clout. They will not be befuddled, as so many young may be about what they want. They'll

be zeroing in on one target: decent living conditions and dignity in old age. They will have power, they will vote, they will use their power as never before.

Of course this underlines the likelihood that will make pension hikes automatic as living costs rise and extend the hikes to the previously retired, too. It dramatizes the significance of work-for-pay which will be tailored to the older person.

Above all, it screams for a more imaginative and aggressive attack on inflation than the Nixon Administration has made to date.

Now, here are your figures. First, assuming that as in the past inflation will be much steeper in the services than in goods, only 14 years from now services will be up 117 per cent, non-durables will be up 62 per cent and durables will be up 32 per cent.

EXTRADITION FEARS UNFOUNDED

Mr. PROXMIRE. Mr. President, on Monday the Washington Post published an article concerning the status of the Genocide Convention in the U.S. Senate. The Post story indicated that one possible obstacle to Senate ratification was the concern that U.S. citizens would be subject to extradition to foreign nations whose constitutional safeguards might be weaker than our own.

Last week I addressed myself to this question. I again state that these fears are not justified in any way.

First, there are no extradition treaties now in force that make genocide an extraditible offense. The Genocide Convention is not self-executing and therefore poses no threat of jeopardizing the rights of our citizens abroad or here at home.

Second, the Foreign Relations Committee stated in its report of last year on the Genocide Convention that the "U.S. Government understands and construes article VI of the convention in accordance with the agreed language of the report of the Legal Committee of the United Nations General Assembly that nothing in article VI shall affect the right of any state to bring to trial before its own tribunals any of its nationals for acts committed outside the state."

Thus it is quite clear that the United States has the perfect right to try its own nationals for crimes committed abroad, in accordance with the language of the Legal Committee of the United Nations General Assembly.

A major factor in any decision to negotiate an extradition treaty is whether the judicial process of another country affords the persons who may be extradited a fair trial. In testimony before the Foreign Relations Committee last April 24, the Deputy Legal Adviser to the Department of State, George Aldrich said:

> First, any extradition treaty will require the State requesting extradition to produce sufficient evidence to persuade both a United States Court and the Executive that the person sought would be held for under United States law if the offense had been committed here; second, any extradition treaty will assure the person sought the right to the remedies and resources provided by the law of the requested State . . . for example, habeas corpus . . . [third], any extradition treaty will preclude extradition when the person sought is undergoing or has undergone trial in the United States for the same act.

The negotiating record of the Genocide Convention makes it clear that the trial for acts committed in a foreign country may be held in the state of which the offender is a national. Mr. Aldrich emphasized that implementing legislation should cover not only acts committed in the territory of the United States, but in addition, acts committed anywhere by American nationals.

There is also the fear that after we ratify the Genocide Convention, governments around the world may accuse the United States of genocide and that U.S. citizens abroad will be subject to arbitrary persecution.

We will not prevent these charges from being made by failing to ratify this human rights convention. The way to prevent such charges from being made is by striving to achieve the goals of the U.N. Charter. Former Ambassador Arthur Goldberg said that there is nothing in the Genocide Convention that would provide warrant for charges by other governments or nations against our citizens. Any country can make these charges—true or false, unfounded or founded, any time of night or day—and we cannot prevent this nor insure it by our ratification of the Genocide Convention.

Do those who oppose this convention for these reasons really feel that by not ratifying this convention, we will protect ourselves from such trumped-up charges? I hardly think so.

It is unfortunate that the merits of this convention, are obscured by these questions. The main thrust of this convention is to expand the dimensions of international law to protect fundamental human rights.

One way in which we can take a modest step toward achieving the rule of law among nations is by ratifying the Convention on the Prevention and Punishment of Genocide.

Mr. President, I ask unanimous consent that the article on the Genocide Convention published in the April 26 edition of the Washington Post, be printed in the RECORD.

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

[From the Washington Post, Apr. 26, 1971]

GENOCIDE, POISON GAS PACTS IN PERIL

(By Spencer Rich)

Disputes over the Calley conviction and herbicide use in Vietnam have left very little chance that the Senate this year will ratify either the U.N. Genocide Convention or the Geneva Protocol against poison gas. Prospects for action next year are only a little better.

Although the Nixon administration has asked for Senate endorsement of both agreements, there has been a growing feeling for weeks that the two treaties are in serious difficulty. The Chief obstacle to the Genocide Convention is the fear, now fanned by the Calley case, that the treaty somehow will be used by other governments to prosecute U.S. soldiers who fought in Vietnam. Opposition to the poison gas treaty results from administration insistence that it doesn't bar U.S. use of tear gas or herbicides in Vietnam.

Senate Majority Leader Mike Mansfield (D-Mont.) must decide whether to bring the treaties to the floor once they are formally reported by the Senate Foreign Relations Committee.

And he says he has no intention of calling up the measures unless they are assured of the required two-thirds vote for approval.

The genocide treaty, Mansfield said, "is in deep trouble. I don't know whether it has the votes." The convention against poison gas, he said, is also in trouble, and there is no prospect of bringing it to the floor for a while."

U.S. diplomats, particularly at the United Nations, have long been embarrassed that their country is one of the few in the world declining to ratify the 1948 treaty making genocide an international crime and the 1925 Geneva Protocol barring the use of poison gas and bacterial agents in warfare.

Now Vietnam war controversies have placed additional obstacles in the pathway to Senate approval.

The Genocide Convention, approved by a 55-to-0 vote of the U.N. general assembly in 1948, defines genocide as acts intended to destroy, in whole or in part, a national, religious, ethnic or racial group. It makes genocide committed by rulers, officials or individuals, whether in wartime or peacetime, an international crime. It provides for extradition of an accused person for trial in the country where the alleged crime was committed. First sent to the Senate in 1949 by President Truman, the treaty has never reached the floor.

Even before the Calley conviction, the Genocide Convention faced substantial opposition from the American Bar Association, a traditional foe, and from a bloc of senators led by an astute and effective tactician, Sam J. Ervin Jr. (D-N.C.). They fear it would subject U.S. citizens to extradition for trial in foreign courts where defendants' safeguards may be inadequate, would enlarge the power of the World Court over the United States and would erode the powers of state governments.

Sen. Jacob K. Javits (R-N.Y.), a supporter of the Genocide Convention, said March 30—the day the Foreign Relations Committee approved it by a 10-to-4 vote—that the extradition problem would be solved by making clear in implementing legislation that U.S. courts could exercise jurisdiction even when the alleged crime had been committed outside. But critics say this protects persons only inside the United States and would be no help to Americans seized by foreign governments overseas.

The Calley conviction has driven home this point with great impact. The fear is that some foreign government will seek to try Americans on charges of genocide in Vietnam. Several senators, including John Sherman Cooper (R-Ky.), have alluded to the possibility that North Vietnam would seek to put American soldiers or prisoners on trial.

"There was a lot of opposition even without Vietnam. Vietnam will add to it," said Mansfield when questioned on this point.

The controversy over the Geneva Protocol, barring the use of poison gas and germ warfare, centers squarely on U.S. use of herbicides and tear gas in Vietnam. The U.N. General Assembly voted 80 to 3 last year, with 36 abstentions, for the proposition that the Protocol bars the use of herbicides and tear gas as well as more lethal agents. But the State Department, in sending the treaty to the Senate for ratification last August, said it interpreted it as permitting herbicide and tear gas use.

A large bloc of Senators, including Gaylord Nelson (D-Wis.), Foreign Relations Chairman J. W. Fulbright (D-Ark.) and a majority of the Foreign Relations Committee are flatly opposed to this interpretation. They want herbicides and tear gas banned. The Committee has agreed to hold up action on the treaty and ask the administration to reconsider.

Nelson has introduced an amendment to the proposed resolution of ratification stating that "the terms of the protocol prohibit the use in war of chemical herbicides."

"If the (treaty) is reported out and the Nelson amendment is offered, it will carry," said Mansfield. In all likelihood, other sources predicted, an anti-tear gas amendment would also be offered and might carry also.

If these amendments didn't carry, the Nelson group probably would have enough votes—one-third—to block ratification. If they did carry, the administration might decide to fight the revised treaty. Either case would be a severe embarrassment to the United States in the eyes of world opinion—something Mansfield would rather avoid.

DEPARTMENT OF TRANSPORTATION REGULATION OF MOTOR VEHICLE DRIVER LICENSING

Mr. CURTIS. Mr. President, unless Congress does something about it, the grasping hand of bureaucracy is going to wreck our country. This is true in many situations but today I especially refer to the Department of Transportation, which is wrongfully, unwisely, and without any justification whatever, usurping the power to say who can drive a vehicle on our highways.

Mr. President, throughout the years it has been the States that have issued drivers' licenses. It has been the States that have revoked drivers' licenses. This is as it should be. There has been no law passed transferring this authority to the Federal Government.

Yet the Department of Transportation, because of its desire for authority and to extend its jurisdiction, is threatening to create total havoc in the rural areas of Nebraska. The Department should abandon its entire project.

It is up to the States and not the Federal Government to say whether or not someone can drive an automobile, a truck, or some other vehicle on the highways at a given age. This attempt to try to bar all drivers under the age of 21 from driving necessary farm trucks and other vehicles to and from market is unwarranted. It will bring to a standstill many farm operations.

An individual in western Nebraska who is very knowledgeable of the situation said this:

Farmers and livestock men generally must have the assistance of young people and the farmer's wife to drive trucks in to market and bring the supplies from the market to the farm or ranch. Here in the sugar beet country the farm wives haul more than 50% of the beets from the farm to the unloading station, and if these regulations are imposed, it will absolutely wreck the farming industry.

Another Nebraskan writes me as follows:

We're going to have to give up. Last year it was Canadians. This year we hoped to do something with our combines. But now they've passed a law no one under 21 can drive our trucks and move our combines on the road.

We had to take college boys for our hired help. Now we will not be able to get help. We have three new combines—it took us twenty years to get them paid up to where we could have something left and hoped to run them till we are 65. I am 59 now. Too old to start anything new. So the Government has ruined us with all their laws.

Also, I might add that this grasp for Federal power in the field of transportation has created other problems. The men and boys who transport livestock and farmers' products cannot conform to the usual limited hours of employment. Anyone familiar with farming and ranching knows this to be true. In addition, in the normal travel to and from market, it is necessary for many people to cross a State line.

Another case has been laid before me that merits the consideration of a just government. I have a letter from a man who has done trucking for 20 years. He only has one eye. We all know that nature compensates in such cases. This man by long training and experience has become a safer and more alert driver of trucks than almost anybody else on the highways. He is getting along in years, yet a bureau in Washington threatens to take him off the roads and highways. These highways and roads do not belong to the Department of Transportation in Washington. They have been paid for in part by the taxes of the people who are now being pushed around, their relatives, their friends, and their neighbors.

Mr. President, if Congress wanted the bureaus to take over the licensing of drivers, it would have done so directly. This it has not done. This usurpation of power must stop. Drivers' licenses and their revocation should continue to be handled by the States.

Any claim that this grasp for power is done in the interest of safety is a sham and a fraud. One-half of highway accidents are caused by drunken driving. This will not be cured by harassing, attacking, and denying the livelihood to law-abiding citizens.

INDOCHINA—ANOTHER VIEW

Mr. HUMPHREY. Mr. President, last Thursday evening on the ABC television and radio network, the Democratic National Committee presented "Indochina: Another View," the Democratic Party's response and commentary to the recent statements by President Nixon on U.S. policy in Indochina.

Six members of the U.S. Senate participated: the Senator from Indiana, BIRCH BAYH; the Senator from Iowa, HAROLD E. HUGHES; the Senator from Washington, HENRY M. JACKSON; the Senator from South Dakota, GEORGE MCGOVERN; the Senator from Maine, EDMUND S. MUSKIE; and the Senator from Minnesota, HUBERT H. HUMPHREY. Lawrence F. O'Brien, chairman of the Democratic National Committee, opened and closed the program.

We attempted to present our differences with the administration policy, and to offer constructive alternatives to this policy. But we also recognized explicitly the difficult burden of the Presidency and our strong feeling that the war in Indochina should not be a political issue in the 1972 presidential campaign.

This program was made possible by the American Broadcasting Co., in response to a request from Chairman O'Brien following President Nixon's April 7 address to the Nation on Indochina. The American Broadcasting Co. is to be commended for giving the loyal opposition this opportunity to present its views in a constructive, responsible manner.

"Indochina: Another View," was produced by John G. Stewart of the Democratic National Committee, and directed by Don Mischer.

I ask unanimous consent that the transcript of "Indochina: Another View," be printed in the RECORD.

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

"INDOCHINA: ANOTHER VIEW"—THE DEMOCRATS RESPOND ON THE WAR

WASHINGTON, APRIL 22.—Following is the transcript of "Indochina: Another View", a 30-minute presentation by the Democratic National Committee to be broadcast on nationwide television and radio by the American Broadcasting Company at 9 p.m. EST tonight.

Participants are Democratic National Chairman Lawrence F. O'Brien, Senator Hubert H. Humphrey of Minnesota, Senator George S. McGovern of South Dakota, Senator Birch Bayh of Indiana, Senator Henry M. Jackson of Washington, Senator Harold E. Hughes of Iowa, and Senator Edmund S. Muskie of Maine.

The program was videotaped this week at ABC studios in Washington.

O'BRIEN: This program is coming to you tonight from the ABC studio in Washington, D.C.

It is called Indochina: Another View.

The participants are six members of the United States Senate: Birch Bayh of Indiana, Harold Hughes of Iowa, Hubert Humphrey of Minnesota, Henry Jackson of Washington, George McGovern of South Dakota and Edmund Muskie of Maine.

All are Democrats. . . .

. . . And I am Lawrence O'Brien, Chairman of the Democratic National Committee.

This is a unique television program, and I think you should know the reason why the Democratic Party asked ABC for the time to put it on. We want to discuss with you—frankly, openly, candidly—our views on the seemingly endless war in Vietnam—views that differ considerably from the policies and actions of the Nixon administration.

In assembling the program, we naturally had to answer the question: "Who speaks for the Democratic Party?" These men—our six senators—are leading Democrats. One of them, George McGovern, is an announced candidate for the party's nomination next year. The other five are considered by many as serious contenders for it. Politics being what they are, it may be that all six will be in for a surprise next year, but, as of tonight, we think it's appropriate and fair for them to represent the party.

In characteristic Democratic fashion, they all do not agree on everything—but, as in the country at large, there is a growing unanimity in their feelings about where this war has taken us—and where we must go.

HUMPHREY. My five colleagues and I are here tonight as Democrats, and we are here as public men. But mostly we are here as *Americans*.

All of us know President Nixon. Some of us know him quite well. All of us have respect for the presidency, and we understand that it is easier to criticize than it is actually to carry the load. If this matter were of less importance to this nation, we would not be here at all.

The President said in his television speech on April 7th that when he left Washington in January of 1961 after eight years as vice President, there were no American combat forces in Vietnam, and that no Americans had died in Vietnam.

Now, these statements are all true. But

the implication—and it is inescapable—is that the major responsibility for involvement is exclusively Democratic. That is to say, John Kennedy began the war, Lyndon Johnson escalated it, and that the Democratic mess was dropped into the Republican lap. We believe that an alternate view carries a larger measure of truth.

The circumstances that led to this war began back in the time of Harry Truman. Our commitments began after the Geneva Conference in 1954 during the administration of Dwight Eisenhower. And Richard Nixon, as Vice President supported them. Kennedy and Johnson supported them. By passing the Tonkin Resolution, by an almost unanimous bipartisan vote, the Congress supported them. As Vice President, I too supported them.

So the responsibility for our involvement was a national responsibility—not a partisan one. And our disengagement, it seems to me, must also be the task of all of us.

Last month, I went up to New Jersey and spoke to about a thousand students at the State College in Jersey City. I spoke on our substantial domestic problems but the point I emphasized most was the urgent need for withdrawal from Vietnam this year.

I must be honest about this: it is not a speech I could have given three or four years ago. The change in my views has come slowly—with changing circumstances and our understanding of them—and it has come with considerable heartache. But it *has* come—for me and for millions of other Americans.

After almost two decades of American assistance, I believe our commitments to the South Vietnamese now have been more than fulfilled.

But a decision to withdraw our military forces from Vietnam this year does not mean, as the President has suggested, that the United States is entering a new era of isolationism. To the contrary, we have extensive international responsibilities, and we will honor them. Indeed, the end of our Vietnam obsession will free the United States to assume a far more balanced and productive role in the world community.

Above all, this is no time for recriminations. There will be risks in withdrawing. But there are greater risks in staying. For too long, this war has divided Americans from each other, distorted our view of humanity, and diverted us, as a nation, from getting on a constructive path of our own.

The question is before us tonight: What must we do—what *can* we do—to get out?

McGOVERN. Ever since September of 1963, I have opposed our military involvement in the affairs of the people of Vietnam.

There has scarcely been a day in the last eight years that my heart has not literally ached for that bloody conflict.

Never in our history, it seems to me, has the gap been so painful between our professed aims and the actual results of our policy.

The very soul of this nation now demands that we end our intervention in this destruction in Southeast Asia.

The best course now available to the United States is to terminate all further funding for U.S. military operations in Indochina. That is the formula of the McGovern-Hatfield Amendment. That is the formula which 73 percent of the American people have endorsed in a Gallup poll. That is the formula which the other side has said can lead to the release of our prisoners and assurances as to the safety of our forces while they are being withdrawn.

On the other hand, President Nixon's Vietnamization formula does not lead to the release of American prisoners.

It does not end the danger to our forces in South Vietnam.

It does not break the negotiating stalemate in Paris.

And it does not end the destruction of the countryside and the people of Indochina.

It only expresses the hope that by reducing our forces on the ground we can thereby reduce American casualties.

The President's Vietnamization policy virtually guarantees that our prisoners will remain in their cells, that our troops will remain in danger, that the negotiations will be stalled, and that the killing will continue.

I submit that America will be a greater nation if we now end our involvement in this conflict which we know is wrong.

The McGovern-Hatfield Amendment to End the War would require all of our forces to be withdrawn before the end of this year.

It would limit the further funding of American operations in Indochina to these purposes: first, arranging the security of our forces during the withdrawal process; second, arranging for the release of our prisoners, and thirdly, arranging for asylum for those Vietnamese who might feel threatened by our disengagement.

It is argued by some that the McGovern-Hatfield Amendment has a weakness in that the deadline serves to alert the other side that we are definitely coming out.

But that is precisely what the situation demands if we wish to end this terrible war.

The other side has said repeatedly that the only way negotiations can be started for the release of our prisoners and the safe exit of our forces is for us to agree to a definite deadline for the withdrawal of all American troops.

The logic of that course is made clear when one realizes that it is in the selfish interest of the other side to release our prisoners and to agree to the safety of our forces during their withdrawal, once we make a clear commitment to total disengagement.

What now blocks the negotiating process, what blocks the release of our prisoners, what continues our forces in danger, is the Administration's insistence that we keep a residual force in being, backed by the American Air Force in support of the Thieu-Ky regime in Saigon.

There is no risk-free way to end this terrible war.

But I am willing to be judged in history on the assertion that if we will make a flat commitment to withdrawal of all of our forces by the end of this year, we can break the negotiating stalemate in Paris, we can get discussions started on the release of our prisoners, we can secure assurances as to the safety for our forces while they are being withdrawn.

That, I believe with all my heart, is the sensible course for this great nation to follow.

BAYH. During the 1968 campaign, Richard Nixon told the American people he had a plan for peace in Vietnam. Now, two and a half years later that terrible war still drags on and on.

Each day the war continues, 5 to 10 Americans die. Another 50 to 80 Americans are wounded, many so seriously that they will spend the rest of their lives in hospitals.

Each day means a further diversion of our energy, attention and resources from our own pressing needs here at home. Each day means $27 million that could otherwise help to provide better health care, better education, better housing, better transportation, and a better environment.

Each day means a continuation of the divisions within our own society, divisions that threaten to tear us apart.

And each day that passes without an end to our involvement means one more day in captivity for our prisoners of war. Make no mistake about it, in war, prisoners are not exchanged until the end of the fighting. It is a cruel hoax to create the belief that our prisoners will be returned before we end our involvement in the war. This is the only way our men can be returned to their families.

We should set a specific date for withdrawal of American troops and then actively pursue negotiations for the release of our prisoners.

We are told by the President that he intends to make the war a non-issue by 1972. But why wait? Unless the President hopes to enhance his own re-election prospects there is nothing to be gained by delaying an end to our involvement until 1972. I believe we should rule out domestic politics when considering our course in Vietnam. Our guide, and the President's guide, should be what is best for America. And what is best for America is an end to our involvement in Vietnam.

The President has said that his Vietnamization program is the way out of Vietnam. He has also said that the recent expansion of the war into Laos was a victory that proved Vietnamization a success. Like many Americans, I do not accept the President's assessment of the Laotian invasion. If Laos was the success the President has said it is, then why aren't we getting out of Vietnam more rapidly?

By the end of this year we will still have 184,000 Americans in Vietnam. That is 184,000 too many.

The President's desire to ensure the survival of the Thieu-Ky regime, unfortunately, seems to have been a major factor in postponing withdrawal. I do not believe we have any commitment to the Thieu government—or to any particular government in South Vietnam. Nor should we. I believe we have fulfilled whatever commitment we might have had to the people of South Vietnam. We have no commitment to the generals. We have already given them the most precious gift in our possession, 53,000 American lives. We have spent more than $125 billion in Vietnam already and have trained and equipped a one-million-man army.

Whether we leave South Vietnam on Christmas Day, 1971—or on election eve 1972, no one can be certain what might happen in South Vietnam when we depart. But I am much more concerned about what might happen in the United States if we do not.

Even the President's closest advisers admit that there is no stemming the rising tide of public opinion, that we are on our way out of Vietnam. The only question is how soon. I say it should be now. There is no honor to be won and no glory to be gained by continuing. There are only more lives to be lost.

JACKSON. For too long now the war in Vietnam has absorbed too much of the time and energy and resources of this country. We all want to end the war in Vietnam and withdraw American troops as soon as possible.

Our government should be making a vigorous diplomatic effort to achieve a mutual cease-fire, a return of American prisoners of war and an end to all the killing in South Vietnam—not simply an end to American involvement in it.

We must insist on a far more affirmative and positive approach to a mutual, internationally supervised, standstill cease-fire—even when the North Vietnamese turn the idea down. Communist governments have changed their positions when our government pressed a sensible idea with perseverance and conviction. If the Administration were to pursue a cease-fire in Vietnam with the decisiveness and dedication this proposal merits, there is a chance that the killing could be stopped in the quickest possible way.

I have not favored a public announcement of a date certain for the total withdrawal of our forces from Vietnam. The President, in executing the withdrawal of our troops, should have certain dates in mind. If I thought that legislating a publicly announced deadline would hasten an end to the conflict or the release of our prisoners

I would advocate such a policy. But it is my view that this would weaken the bargaining leverage we should be exerting on the governments of North and South Vietnam.

While I do not support the immediate announcement of a deadline, I understand how many Americans have come to focus on that proposal because of a lack of confidence in past assurances.

It is very important that the Administration provide the American people with a continuous public accounting. This means reporting the failures as well as the successes, the setbacks as well as the progress. There will be both as we try to end this terribly costly and difficult war.

I have confidence in the good judgment—the sound common sense—of the American people. Our people will measure up to great responsibilities at home and abroad if we in government join with them in a frank, unvarnished presentation of the truth.

HUGHES. The President has indicated that he insists on disengagement from Indochina with honor—and we agree.

But to us the course of honor, as well as of humanity, is to set a specific timetable now and withdraw our entire military presence.

American fighting men have fought long and well. They have done what can be done. What the President has called Vietnamization has been achieved as far as it can be achieved, unless we elect to keep a military presence in Southeast Asia indefinitely.

The American people do not elect to do this.

Because of our very strength we can afford to take the initiative for peace.

There is no honor in prolonging this dreadful war another week. There is no honor in sacrificing more American lives, even at a reduced rate. There is no honor in slaughtering tens of thousands more Asians, including untold numbers of innocent civilians—men, women and children. There is no honor in reducing their homelands to a charred and cratered wasteland.

The wise, honorable, and humane course is to announce a date for withdrawal, to end the killing, to instruct our negotiators at Paris to offer plans for the exchange of prisoners, and to join with the nations which met at Geneva in 1954 and 1962 in neutralizing all of Indochina.

Nearly a decade ago, the military forces of the United States went into Vietnam to save its people from the yoke of Communism. Unable to identify the enemy, unfamiliar with the language, unable to fight a traditional war with a clearly defined front, we have resorted to bombing, burning, shooting, and strafing the very villages we were committed to save.

The American people are capable of subduing any enemy in a cause in which they believe. But the people have now rejected the intervention in Southeast Asia, as a human body rejects an unsuited alien heart.

It is ironic that the brave men who have fought this war honorably and valiantly must live with the nightmares of My Lai and Ben Tre, the village that was destroyed so that it might be saved.

There is honor, I believe, in binding the wounds of our domestic society and making America a strong nation again.

There is honor, I believe, in realistically assaulting the evils of poverty, racial discrimination, hungers and malnutrition, galling unemployment, and debilitating inflation in our own society.

You don't have to be an isolationist to see the tragedy in allowing our society to deteriorate from within, while we pour our human and economic resources into a civil war involving rival dictatorships 10,000 miles from home.

The goal of peace is not beyond our reach. We are a strong people. We are a decent and peace-loving people. We are a people who want this war ended, as many in the nation's capital will again say to our government this weekend.

Sophocles, 500 years before Christ, spoke the words we need in this hour:

"All men make mistakes, but a good man yields when he knows his course is wrong, and he repairs the evil. The only sin is pride."

MUSKIE. The heart of the matter before all of us tonight is not only a reply to the man who is now President. It is an appeal. It is an appeal to him . . . to national reason . . . and to the American conscience.

This war is wrong. The American people know it is wrong. And we want to end it.

Each of my colleagues has forcefully described different aspects of the tragedy of this war:

The bloodshed and terrible human suffering;

The devastation of the lands of Indochina;

The waste of our resources desperately needed here at home;

The doubts it has created about the wisdom and word of our government.

Tonight you have heard compelling reasons for setting a date and bringing all our men home by the end of this year.

We have done as much for the South Vietnamese government as anyone could reasonably have asked of us. It is not unreasonable now to ask that government to test its own ability to survive.

We can use the date we set for our withdrawal to negotiate matters which are of importance to us. We are getting nothing now from the other side in return for the withdrawals we are making.

We can, and must use this date to negotiate the prompt release of our prisoners. It is the only way to bring them home.

We must use this date to negotiate the *safe* withdrawal of our troops. There is no other way to *insure* their safety.

We must set a date to make real negotiations possible. Only negotiations can bring an early end to all the fighting.

As Senator Humphrey said at the outset, we are not speaking about Johnson's war . . . or Nixon's war. This tragedy is the responsibility of every public official who allowed it to happen.

Whatever you or I or any of us now think about the war, I believe we all agree on one terrible price it is making us pay. It is the price of division, fear and hatred in America. We *must* not go on like this.

We saw in the trial of one man, Lieutenant Calley, how deeply the war has scarred us.

Now is the time to say, "Enough".

Now is the time to end this war.

Now is the time to reunite this country. And the last few months have made it clear that this is what more and more Americans want their government to do. A growing majority wants our men at home . . . this year.

Some have said that we Democrats want the war as an issue in the 1972 campaign. That is nonsense. Every one of us here tonight wants this war over, before 1972.

We hope not just for a *campaign* in 1972, but for a *country*, free at last of the burden and the curse of this conflict. Thus, and only thus, can we, as a people be talking about, and arguing about . . . not the death behind us, but the life before us . . . not the blame for war, but the hope for healing.

Every one of us here wants the next election to be fought on the issues of how America should be led in peace—

—how we can save our cities and rural communities;

—how we can build a healthy economy;

—how we can clean up our air and our water;

—how we can stop the spread of crime and drugs;

—how we can save our children and insure their future in a decent and whole society.

These are the things that will make America strong.

We can go on to those tasks, together, only after we have put behind us the nightmare of Indochina.

The road out of Vietnam need not be a long or winding road. The road is clear. It is here before us. And we *must* take it.

O'BRIEN. The Democratic National Committee has presented Indochina: Another View.

As this program frankly recognizes, there is no single formal Democratic Party position on all aspects of the Vietnam war. But there *is* a growing belief among Democrats—expressed in various ways by the Democratic Policy Council and the Democratic members of the U.S. Senate and House of Representatives—that our government should announce a date for the total withdrawal of all American troops from Indochina. We further believe that a substantial majority of the American people share this view out of a deeply held conviction that this war must end.

The conflict in Indochina is surely the strangest—as well as the most tragic—war that we have ever fought. It did not begin in the traditional, constitutional way by a congressional declaration of war. We have not thrown the total weight of the nation's resources into it. We have not even been able to define what the nation's victory might be. We have not written a single song that celebrates this war. And too many Americans have treated the Vietnam veterans—the courageous young men who have returned alive—with disinterest and disdain. I share these concerns—along with the two and a half million other families whose sons have borne the Vietnam burden.

The six Democratic senators on this program tonight have proposed no policy that will endanger the courageous Americans who have *not* returned—the prisoners of the North Vietnamese. To the contrary, we have proposed the path of negotiations as the only realistic way to return these brave men to their families—negotiations that would commence when a date for the total withdrawal of American forces is announced. But under *no* circumstances would our prisoners be abandoned if these negotiations failed to produce the result we believe is possible.

As we have tonight, the Democratic National Committee will continue to make similar requests for time on television—not only from ABC but from NBC, CBS, and public television—so we may continue to bring you responsible Democratic party views, not only on the war but on the overriding problems that face the nation. It is only through healthy, constructive, and continuing dialogue that *both* parties can truly serve the interests of the two hundred and eight million citizens of this democracy.

CITIZEN'S COMMITTEE FOR EXECUTIVE REORGANIZATION

Mr. PERCY. Mr. President, on April 21 James M. Roche, chairman of the General Motors Corp., Terry Sanford, former Governor of North Carolina, and Dewey Bartlett, former Governor of Oklahoma, announced the formation of the Citizens Committee for Government Reorganization, on which they serve as cochairmen. John Robson, former Under Secretary of the Department of Transportation, now a member of the distinguished Chicago law firm of Leibman, Williams, Bennett, Baird, and Minow is vice chairman of the new committee, and Walter N. Thayer, president of Whitney Communications Corp., is finance chairman.

The purpose of the committee is to help to inform the public as to the importance

of reorganizing the Federal executive branch, and to develop in leaders and opinionmakers a commitment to the goal of an executive reorganization.

Mr. Roche stressed the nonpartisan nature of the reorganization effort:

This program for reorganization is politically non-partisan. It is neither for nor against any government policy, neither for nor against any public cause or purpose. It cuts across political, social and economic lines; it is designed to help all of us by making our government more responsive to our society's needs and desires, and better able to achieve tehm.

The roster of members of the committee demonstrates its strictly nonpartisan nature. These men, distinguished Americans of both political parties, all are well-known to myself and my colleagues for their personal achievements and capacities. They are to be commended for their commitment to the goal of government reorganization that membership on the Citizens Committee represents. They have accepted the highly important job of articulating the need for reform of the present Cabinet structure and developing a nationwide constituency for this reform.

On behalf of the 18 cosponsors of the bills to create the new Departments of Community Development (S. 1430), Human Resources (S. 1432), and Economic Affairs (S. 1433), and the 21 cosponsors of the Department of Natural Resources bill (S. 1431), I wholeheartedly welcome the support of the Citizens Committee. I know that Senator RIBICOFF, chief cosponsor of all four bills and chairman of the Executive Reorganization Subcommittee of the Government Operations Committee, will particularly welcome the contributions of members of the Citizens Committee to our discussions about these bills.

My own position on the reorganization bills is clear. As acting ranking Republican on the Government Operations Committee and chief Senate sponsor of the reorganization bills I intend to do all that I can to secure their enactment. And I am very pleased that an excellent, bipartisan cross-section of our Democratic and Republican colleagues have joined in this effort. In his remarks on cosponsoring the four bills Senator RIBICOFF said:

One of our central tasks must be to restore confidence in Government. Reorganization of the executive branch is a vital step in this direction which will allow us to change the way we do things, and to do them better.

Senator JAVITS said:

The President has been bold and proposed a major plan to make the Federal Government more efficient.

Senator Moss said:

As they become familiar with the details, the American people will wholeheartedly support this reorganization.

Senator JORDAN of Idaho said:

I believe that all concerned will recognize that these basic proposals make sense and that it is high time to adapt our outmoded, patched-up governmental structure to fit the needs of today.

Senator BROCK said:

The time for reform is now, because the American people are eager to see this Federal system work and they are not going to tolerate a Congress that stalls such a basic improvement.

Senator DOMINICK called the proposed reorganization "a plan representing the culmination and consolidation of reorganization reports prepared under Republican and Democratic administrations since 1937." Senator SAXBE said:

It is time to streamline and overhaul our tired and worn bureaucratic machine.

Senator ROTH said:

A general restructuring of programs and agencies of the Federal Government is no longer simply desirable, but absolutely essential.

Though they will be modified and refined in the course of the legislative process the thrust of the reorganization bills is correct, and their purpose is vital. Senator MCCLELLAN, chairman of the Government Operation Committee has promised early and full hearings for those landmark bills.

One of the great concerns of the American people today is that their government is unwieldy, overlapping, inefficient and ineffective. We can respond to this concern and make a major contribution to the responsiveness and utility of our system by studying, improving and acting on these bills in a strong, bipartisan effort.

Mr. President, I ask unanimous consent that the statements of Mr. Roche and Mr. Sanford, cochairmen of the Citizens Committee for Executive Reorganization, a press announcement, and a list of the members of the committee, be printed in the RECORD.

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

STATEMENT BY JAMES M. ROCHE

The President's government reorganization program offers a timely and promising opportunity with one prime objective—to enable the federal government to do a better job of serving the diverse needs of our society. This purpose was never more urgent or important. As our society becomes more complex, there is an increasing need for the government to function more efficiently. To assist in this program we have organized the citizen's committee we are announcing today.

Our democratic form of government and our free economic system—and each depends on the other—have already achieved results beyond man's imagining, not only in terms of material prosperity, but in the more important human values of advancing the welfare of all of us and the quality of our lives. And the future promises far greater achievements than those of the past.

There is nothing new or original, to be sure, about the idea of restructuring our government to meet changing and growing needs more efficiently and at less cost to the taxpayers. It is probably our oldest national issue.

On the other hand it is of increasing contemporary importance because our population and our economy are growing faster than ever before.

While our committee is dedicated to support the concepts of government reorganization, we are not advocating or taking a partisan position on any or all of the specifics contained in the report of the President's Council on Executive Organization. The specific proposals are properly subject to public debate and legislative decision. Our committee's objective is broader—to give the public the broadest possible understanding of what government reorganization is all about, and why it is so desperately needed at this time.

We are convinced that anyone who looks thoughtfully at the organization of the Executive Branch will agree that there are great opportunities for improvement. So much remains to be done to meet our public needs and preserve the values of our society. "We believe all Americans can wholeheartedly endorse the over-all purpose of the reorganization proposals, and we believe the reports of the President's Council provide a rational basis for major improvements in our government's service."

Reorganization should enable our government to accomplish what our society—as determined by our elected representatives—wants to achieve, and to do it more effectively, more efficiently, and more economically. It should achieve more economy in our federal government, and assure the taxpayer his dollars are well-used. Through greater efficiency it should help provide the resources for meeting new needs.

This program for reorganization is politically non-partisan. It is neither "for" nor "against" any government policy, neither "for" nor "against" any public cause or purpose. It cuts across political social and economic lines; it is designed to help all of us by making our government more responsive to our society's needs and desires, and better able to achieve them.

Summed up in a sentence—the purpose and promise of reorganization is to enable our government to tackle our bigger domestic problems in a better way, and more successfully.

Each committee member is dedicated to extending public awareness of the program and assisting in the implementation of the program.

We urge all Americans to join in our efforts.

STATEMENT BY TERRY SANFORD

The tragedy of the massive, scrambled, overlapping maze of national government is not its inefficiency, but its ineffectiveness. It is bad enough to waste money. It is inexcusable to waste opportunities, especially human opportunities.

Government agencies, bureaus and departments have been created helter-skelter from time to time in continuing attempts to deal with some public need, but understandably without much regard for a master plan and with almost no recognition of a master program. As a matter of fact, this is a natural way for government to grow, just as a natural forest grows, but every now and then we need to prune the trees and thin the forest.

Time and again I have observed agency personnel more concerned with programs than with people. Time and again I have observed conflicts and jealousies and petty competition that got in the way of Congressional intent. Time and again I have seen the good of the agency take precedence over the good of the people, or the good of the program, or the good of the country. Time and again I have seen the determined intentions of the President caught up and lost and worn out in the undergrowth of the federal bureaucracy.

The people can hold responsible the executive who is answerable to them. They cannot identify or hold responsible a vast bureaucracy. The bureaucracy must be responsive to the executive if he is to be responsible for their results. As it now stands, the cabinet members have so little clout even in their own departments that they are virtually compelled to join in the protection of each separate little segment. They cannot reorganize and they cannot manage, and they cannot put together the jigsaw pieces of the departments, because in truth the pieces do not fit.

The way to make government manageable is to reorganize along the lines of general purpose, to establish clearly the lines of au-

thority and to make the agencies responsible to the people. I see these four department heads, for natural resources, for human resources, for economic development, for community development, as positions with presidential authority to plan, inaugurate, execute and direct the purposes of government. I see them essentially as assistant presidents, who sitting down with the President, can move forward to the goals of our government, without the present bickering, the undercutting, or the necessity for hundreds of different coordinating committees.

Congress may have the most to gain from such reorganization. Forget the vanities involved in legislative committee reshuffling, and you see this reorganization as the best means to insure that Congressional purposes are not drowned in the inefficiencies and ineffectiveness of governmental structures.

The only way that the people can run their own government is to make it responsive to their needs. This proposed reorganization will make government responsive, and in making it responsive, will compel it to be efficient, effective and concerned directly and constantly with the people it serves.

The roots of this reorganization go back to bipartisan sources. Most recently President Johnson's Task Force on Organization and now President Nixon's Tack Force on Organization of the Executive Branch formed the foundation for the recommendations of the Ash Committee (the President's Advisory Council on the Executive Organization) which this Citizen's Committee now enthusiastically supports in principle.

PRESS RELEASE—CITIZENS COMMITTEE FOR GOVERNMENT REORGANIZATION

WASHINGTON.—A group of prominent citizens announced the formation of a nonpartisan Citizens Committee for Government Reorganization at a press conference here today. The Committee will work to inform the public of the importance of a rational reorganization of the executive branch of the federal government.

Co-chairmen of the committee will be James M. Roche, Chairman of General Motors Corporation; Terry Sanford, President of Duke University and former Governor of North Carolina; and Dewey Bartlett, Partner in Keener Oil Company and former Governor of Oklahoma. Vice Chairman will be John Robson, Chicago attorney and former Under Secretary of Transportation.

The Committee members are leading national figures, including former federal, state and local officials, businessmen, and leaders of civic and professional organizations.

Announcing the committee's goals, Mr. Roche declared that reorganization "should achieve more economy in our federal government and assure the taxpayer his dollars are well used. Through greater efficiency, it should help provide resources for meeting new needs."

Mr. Roche emphasized the group is nonpartisan and dedicated to support the concepts of government reorganization. He said its members believe the reorganization proposals submitted to Congress by President Nixon and the report of the President's Advisory Council on Executive Organization "provide a rational basis for major improvements in our government's service."

Governor Sanford described the committee as 'a broad-based, bipartisan group of American citizens who are deeply concerned about the American system of government and our country's future. We believe the time has come for reform, before the growing frustration of the American people with our government reaches a crisis stage."

Governor Bartlett said that "the key to effective reorganization is to change the thrust of the federal bureaucracy from constituency to purpose. Major departments would be organized to fulfill the needs of all the people in specific areas of concern, rather than to represent special interests or particular segments of the nation. We feel that this is a most laudable and important reform in government."

Mr. Robson noted that "a great many people who have served in the federal government share my deep concern that the present organizational structure of the executive branch does not provide the framework to enable officials to do the jobs entrusted to them. The irrationalities in executive branch organization result in program overlap, scattering of executive responsibility and accountability, improper allocation of resources, conflicts in policy and a nightmare of attempted inter-agency coordination."

"Many of our nation's problems are difficult," Mr. Robson said. "But this is one we can and should solve. The reorganization proposals announced by the President in his State of the Union message provide the opportunity for meaningful public discussion of these issues."

The Committee will open an office at 1750 K Street, N.W., Washington, D.C. 20006.

CITIZENS COMMITTEE FOR GOVERNMENT REORGANIZATION

COCHAIRMEN

James Roche, *Chairman of the Board, General Motors.*

Hon. Terry Sanford, *President, Duke University, Former Governor, North Carolina.*

Hon. Dewey Bartlett, *Former Governor, Oklahoma.*

VICE CHAIRMAN

Hon. John Robson, *Former Under Secretary, Department of Transportation.*

FINANCE CHAIRMAN

Walter N. Thayer, *President, Whitney Communications Corporation.*

ORGANIZING MEMBERS

Carter L. Burgess, *Chairman, National Corporation for Housing Partnerships.*

Hon. Joseph A. Califano, Jr., *Former Special Assistant to President Johnson.*

A. W. Clausen, *President, Bank of America.*

Hon. Wilbur J. Cohen, *Dean, School of Education, University of Michigan; Former Secretary of Department of Health, Educatin and Welfare.*

Francis Coy, *President, The May Company of Cleveland.*

Betty Furness, *Chairman and Executive Director, New York State Consumer Protection Board.*

Hon. Kenneth Gibson, *Mayor, Newark.*

Hon. Kermit Gordon, *Former Director, Bureau of the Budget.*

Hon. Bryce Harlow, *Former Special Assistant to President Nixon.*

Ben Heineman, *President, Northwest Industries, Inc.*

Hon. J. Erik Jonsson, *Mayor, Dallas.*

Franklin A. Lindsay, *President, ITEK.*

Hon. Leonard Marks, *Former Director, USIA.*

Arjay Miller, *Dean, Graduate School of Business, Stanford University.*

Hon. Newton Minow, *Former Chairman, FCC.*

Lauris Norstad, *Chairman, Owens-Corning Fiberglass Corp.*

Richard Paget, *President, Cresap, McCormick and Paget.*

Jack S. Parker, *Vice Chairman of the Board, General Electric Company.*

James J. Reynolds, *President, American Institute of Merchant Shipping.*

Allen Stults, *Chairman, American National Trust Company of Chicago.*

Cynthia Wedel, *President, National Council of Churches.*

Roy Wilkins, *President, NAACP.*

Edward L. Wright, *President, American Bar Association.*

Andrew J. Young, Jr., *Chairman, Community Relations Commission, Atlanta.*

EXECUTIVE DIRECTOR

Jim Finch.

AFRICAN-AMERICAN DIALOGS—ADDRESS BY SENATOR MUSKIE

Mr. McGEE. Mr. President, on March 8 the Senator from Maine (Mr. MUSKIE), while attending the annual African-American Dialogs in Lagos, Nigeria, made an important address which I wish to bring to the attention of the Senate.

As Senators know, I have just returned from an extensive month-long trip through Africa. This trip impressed upon me the need to show more attention to Africa in this country and in Congress as well. Thus, I am particularly pleased that Senator MUSKIE has at this time shown such an interest in Africa.

In his statement, Senator MUSKIE has identified several points with which I heartily agree. These are:

First. America should raise the level of development aid;

Second. America should act to stabilize commodity prices, eliminate trade barriers, and establish tariff preferences for goods from developing nations;

Third. America should encourage responsible private investment and local private investment in Africa;

Fourth. America should face the challenges of population growth in Africa; and

Fifth. America should emphasize that racial oppression in Africa and elsewhere is against our best interests.

I commend Senator MUSKIE's views on these and other issues treated in his speech to Members of Congress.

I ask unanimous consent that they be printed in the RECORD.

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

REMARKS BY SENATOR EDMUND S. MUSKIE

AFRICAN-AMERICAN DIALOGUES

It has taken me much too long to make this trip to Africa.

I have looked forward to coming.

I am glad to be here.

I would like to see Africa achieve its potential.

I would like to know what America can do to help.

I want to hear what Africans have to say on that subject.

I suspect that, given the present mood of Africans, it might be better for an American—especially on his first visit—*to listen* rather than to speak.

I hope when I have finished, I will not be vulnerable to a criticism which Churchill once addressed to a parliamentary critic in the House of Commons, when he said:

"He can best be described as one of those orators who before they get up do not know what they are going to say; when they are speaking, do not know what they are saying; and when they have sat down, do not know what they have said."

With that reservation, there are some observations I would like to make, as one who has been long interested in Africa, and as an American who has had some responsibility for American policy toward Africa.

An American poet once wrote: "There is

only one man in the world and his name is all men."

We are meeting here this week to help translate these words into economic and political facts.

We all remember the fresh beginning of African independence in the 1960's: It was a time when a new relationship between Africa and America seemed inevitable. It was a time when Americans, who had won their independence from a colonial power nearly two hundred years earlier, responded sympathetically to the African struggle for independence and freedom and self-respect. It was a time when we thought we could see the end of colonialism.

We should not be surprised that colonialism has not ended easily, and we should not be surprised that independence has not made nation-building an easy task.

America won her independence through a revolution which did not produce a stable government until eleven years had passed. Seventy-one years after the inauguration of our first president the country was torn apart in a civil war. Our early growth was largely dependent on capital resources from Europe. Today, after two hundred years, we are still struggling with deep and divisive questions about freedom, equality, opportunity and justice.

The process of achieving nationhood—of establishing a country in which men and women can live with freedom from fear, freedom from suspicion and mistrust, freedom from want and disease, and freedom to grow and achieve their natural potential—that process can be long and painful.

We who knew this from our own national experience knew also that struggling nations need help to grow. We took some steps to help, but the promise was easier than the reality. Once independence was achieved, once the new constitutions were adopted and the new flags were raised, once the difficult task of building new nations really began, our support fell short of what it might have been. It is not that the United States could—or should—have tried to manage and solve the problems of Africans. That would have been unwise and impossible. But, looking back, we can see how much more we might have done to help.

America was diverted by her own troubles. We had gone to war in Indochina. Our attention was divided between that war and our internal problems. I am not here to tell you that this has changed. I cannot promise that there will be an upsurge in material support and assistance for African countries. We are still involved in a tragic war, and even if we end our military involvement in Indochina—as I believe we must—many Americans will be reluctant to assume any involvement elsewhere in the world.

The problems in our country, in our cities and towns and small communities, are enormous. They demand and they deserve a far greater share of our attention and our total resources than we have given them in many years.

Nevertheless, we do have concerns and responsibilities in the rest of the world. We have them here in Africa. Out of our traumatic experience in Southeast Asia we are seeking wiser ways to play our proper role in the affairs of mankind. I believe we can do more on this continent than we have been doing. I believe we can do so together with those who seek understanding, respect and friendship. I think the American people have a desire to do so.

This is not because of any direct security interest we may have in Africa, or because we should wish to compete for favors with other great powers. It is simply because we cannot be faithful to fundamental American values, unless we show our concern for the human condition wherever men and women live.

We should, all of us, realize by now that the problems of mankind and the promise of mankind are two sides of the same coin.

What, then, should America do?

First, I believe America should raise, and not reduce, the level of development aid: That aid should respond both to the needs for individual country assistance and to arrangements for regional development. Our support for regional and multilateral efforts should be no excuse for cutting our overall aid commitment, and it should not be a substitute for supporting assistance to specific countries where it is needed.

America's resources for foreign assistance are not unlimited. I would suggest that one of the most productive uses of this conference would be to discuss how these resources might be allocated. For example, the so-called "brain drain" has been a serious and continuing problem for many nations, especially in the field of medicine. Our programs in the 1960's for training men and women in the United States have been partly responsible. I believe the time has come to reinforce the capacities of educational institutions in Africa so that her people may receive the medical training they need on their own continent. We should assist African countries to develop health care systems suited to their needs.

We should also consider the critical importance of long-term improvements in the quantity and quality of food supplies. The Institute for Tropical Agriculture here in Nigeria is an example of what can be done. I believe we should undertake additional cooperative efforts to help meet the growing requirements for basic foods in tropical areas.

Second, I believe America should do more than express her sympathies for the need to stabilize commodity prices, to eliminate trade barriers, and to establish tariff preferences for goods from developing nations. We should use this conference to discuss how we can act on these matters together.

Third, I believe America should encourage private investment in the independent countries of Africa, wherever it can help, and particularly where it will tend to stimulate local investment. We must do so with the understanding that when local capital becomes available, it has a right to participate in a meaningful way.

Fourth, I believe America should be ready to help where she can to meet the challenges of population growth and distribution. In too many instances in the United States and elsewhere, we have seen the pressures of increased populations causing problems in education, housing and the environment, undoing the benefits of economic development. We should not presume to suggest population policies, but we can help support the population policies African nations decide to pursue. Above all, we in America must be without preconceptions as to what African countries need. We must listen to African definitions of what should be done in African nations. That is one of the basic reasons why I am here.

If peace and progress in Africa depended only on friendly assistance, we could be satisfied with addressing ourselves to the practical problems of health, education, housing, food, employment and the conservation of natural resources. But aid alone cannot ensure peace or defend the dignity of man. We know from our experience in the United States that relations among men depend on more than economic development. They also depend on mutual respect and equality.

That is why we must address ourselves frankly and openly to the problems of freedom, justice, discrimination and racial oppression. I did not come here to tell Africans how to solve these problems. As an American, I cannot tell you that our country has yet solved its own problems of racial injustice and racial discrimination. Indeed, before I left for Lagos, a student wrote me in these words: "Senator, please don't be the usual politician who tells it like he wants it rather than how it really is."

More and more Americans are coming to recognize racial injustice for what it is. More and more Americans understand that no society can really be at peace so long as it sustains racial injustice. More and more Americans are committed to equal opportunity, in law and in fact.

But concern with the human condition cannot stop at our nation's borders. Every form of tyranny—wherever it occurs—is an outrage; and none is more evil than the oppression of a man because of the color of his skin. That is why I believe apartheid is wrong. That is why I believe white supremacy is wrong. That is why I believe colonial domination is wrong. These are not simply intellectual conclusions. They are convictions rooted in the experience and circumstances of my own life and background.

They are convictions which lead me to the conclusion that support of racial oppression in other countries by words or by silence, is against the best interests of the United States.

I know it is not easy to deal with these questions in terms of our relations with other countries. They are complex and they involve decisions of great difficulty, but they are questions which deeply affect the future development of this continent, and its capacity to achieve peace and justice for all its people, of all races.

How does one deal with questions of apartheid, white supremacy, and colonial interference with the rights of self-determination, particularly if you are a large and powerful nation such as the United States? The easy answer to some might appear to be massive intervention. But we have learned from our experience in Indochina that intervention, even by a powerful country, does not produce the results we may want.

My strong opposition to the military involvement in Vietnam, Cambodia and Laos is a reflection of my conviction that we have seen too much direct interference in the affairs of other nations by the so-called great powers. There has been too much exertion of military power in international affairs, with nations attempting to bend other nations to their will.

Does this mean that we should stand aside, ignoring what is happening in South Africa, in Rhodesia, in Namibia, or in the Portugese colonies? We cannot, if we are to do justice to our moral concerns. There should be two guidelines for our policies toward South Africa:

First, we must maintain our own arms embargo, and seek to persuade our allies to do likewise.

Second, we must recognize that a relations-as-usual, business-as-usual, communications-as-usual approach is inadequate. A neutral attitude, whatever its intent, may in fact contribute to support of apartheid. We need communication with South Africa, if we are to have a positive influence. But it must not be communication which gives a badge of respectability to oppressive regimes, or which is only one-way, or which is only with the dominant minority.

Adopting these guidelines does not give us an automatic answer to the question of what actions would be both realistic and right. The last decade has shown that Americans and others have not yet found that answer. The years since the Sharpeville massacre have been marked by much talk outside South Africa; the tragedy within is no less cruel than before.

We in America cannot ignore that tragedy. It is a matter of importance, and it is urgent. It is no longer enough to try to deal with

this festering and explosive situation merely by incantation or by ignoring it.

We must seriously re-examine our policies and practices with respect to South Africa. The conscience of an America determined to solve a racial problem of her own must explore ways and means of stimulating and supporting genuine changes in South Africa's racial practices.

The objective of this re-examination must be to identify every present relationship and form of cooperation which may have the effect of aiding and abetting the present denial of equal rights to all South Africa's citizens. The United States cannot and should not try to solve the problem—which is the right and responsibility of Africans. But it must not—even inadvertently—make their problem worse.

Unless men can find the answer to this problem of relations among races—which spreads across the face of this planet—there can be no peace. It is the problem of all nations. If South Africa were on the road to justice for all its races, it would move us all down the road toward peace and understanding throughout this continent and the world.

The Rhodesian situation continues to be troublesome for all of us. We hope the United Kingdom can work out a settlement to prevent the creation of another South Africa in Rhodesia. But until and unless a settlement respecting the rights of black Rhodesians is achieved, we should be completely scrupulous in fulfilling the obligations we have assumed under the economic sanctions imposed by the United Nations.

In the case of Namibia, I believe the right course for the United States is to support peaceful efforts under the United Nations to stop this spread of apartheid and to make international responsibility for the area effective.

The question of the Portuguese colonies in Africa presents other problems for the United States. We have treaty commitments with Portugal, primarily through the North Atlantic Treaty organization. Those commitments are related to the general defense system developed between the United States and its Western European allies. They are not commitments which can be taken lightly by any responsible American leader.

They represent one side of the Portuguese colonial issue for the United States. The other side of the issue is represented by our concerns and interests in Africa. For too long some Americans have held that only our European commitments and only our military-strategic interests are important. According to that view of the world, at any time they intersect with other interest or concerns, narrowly defined military-strategic interests should prevail.

If the world is going to survive, and if American society is not to be ripped to shreds in dissension and disillusion, this way of viewing American interests in the world must be changed. We do have interests and responsibilities in Europe, but we also have interests and responsibilities in Africa. These interests must be given their full weight and importance in our policy choices.

Some of those interests relate to our increased economic investments in Africa. Some relate to the importance of avoiding the horrors of war and its impact on the world community. More important still are our interests in the principles of human freedom and national independence. We do have an obligation to set an example in human decency, generosity and concern for the rights of others.

How, then, do these general principles apply to our relations with Portugal and the issue of her African colonies? Some of us thought a new government in Lisbon might pursue new policies in Africa. But no real change is apparent. Instead, we have seen a continuation of the fighting to preserve colonial control. We have seen indications that planned movement of more Portugese settlers to Africa will further complicate the problem. We have seen no break in her determination to withhold the right of self-determination from 15 million Africans.

I believe the United States has a duty to itself as a nation committed to the principle of self-determination to make our views known to the Portugese government in no uncertain terms. I believe we have a duty, as a friend of African independence and peaceful development, and as an ally of Portugal, to work as hard as we can to persuade Portugal to change her colonial policies.

We have an obligation to try to persuade Portugal to see the wisdom and necessity of bringing to a prompt end her military activity in Africa and to grant the right of self-determination to all people in her overseas territories.

If Portugal refuses to end her colonial policies in Africa, we may be confronted with a hard choice between our treaty relations with Portugal and our interests in the peaceful development of self-determined nations in Africa. I hope they change their policies, and we are not faced with that choice. But if we are, then we must not operate on the automatic assumption that these relations with Portugal are more important than our African interests and responsibilities.

I have spoken at some length of the negative actions the United States must take or consider in opposition to racial injustice and oppression in Africa. Such actions are important, but they are not all we can or should do to encourage the growth of freedom and equality in Southern Africa and throughout the continent. Our commitments must include economic and technical assistance to help strengthen the promise of independent Africa.

Americans do not have all the answers in a troubled world. We, know, however, that peace and the dignity of man cannot be maintained in isolation from other nations.

More than ten years ago, before he was President, John Kennedy said that "Every American is now involved in the world."

Our involvement with Africa provides us with an opportunity. We have an opportunity on this continent to prove that cold war politics need not be the basis for American foreign policy. We have an opportunity to prove that compassion and conviction and moral obligation can and should be the moving forces of that policy.

I do not believe we can expect change to be apparent overnight, but I believe relations between Africa and America can be strengthened in the 1970's. I believe they will be strengthened, provided we have the courage always to speak honestly and to continue our dialogue in friendship.

UNVEILING OF STATUE OF SENATOR E. L. "BOB" BARTLETT IN CAPITOL ROTUNDA

Mr. STEVENS. Mr. President, on Tuesday March 27, several hundred friends of the late Senator E. L. "Bob" Bartlett, including our majority leader, Senator MIKE MANSFIELD, and his wife, and many Members of the Senate and House, gathered in the Capitol rotunda to witness the unveiling of a statue of the Senator. His widow, Vide, unveiled the likeness, the work of Viennese-born artist Felix de Weldon. I ask unanimous consent that the proceedings of the ceremony be printed in the RECORD.

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

PROCEEDINGS AT UNVEILING OF STATUE OF SENATOR BARTLETT

Congressman BEGICH. Mrs. Bartlett, Distinguished Senators and Representatives, Ladies and Gentlemen:

The people of Alaska have made their first designation of an illustrious citizen worthy of commemoration in Statuary Hall. Today, we honor Bob Bartlett and his immeasurable contribution to Alaska and her people.

May I now call upon the Joint Armed Services Color Guard and the United States Coast Guard Academy Band. Please rise.

(The Colors were presented by the Joint Armed Services Color Guard, while the Coast Guard Academy Band played the National Anthem.)

Congressman BEGICH. I am pleased to call upon the Reverend Edward Elson, Chaplain of the United States Senate, for the Invocation. Dr. Elson was the guest chaplain at the Senate on June 30, 1958 and gave the prayer on that wonderful day when the Senate passed the Statehood bill for Alaska.

INVOCATION

Rev. EDWARD L. R. ELSON, D.D. (Chaplain of the U.S. Senate). God of our Fathers and our God, who hast made and preserved us a nation, we thank Thee that in every age Thou hast brought to the service of the people leaders of high vision, lofty idealism, prodigious energy and sacrificial devotion. We offer unto Thee the thanksgiving of our hearts for the life and labor of Thy servant, Bob Bartlett, and for all the sacred memories and hallowed recollections which cluster about this hour.

We thank Thee, O Lord, for his faith which brought to consummation a new state, for his steadfast devotion to all the people, for the genuineness of his patriotism, for his legislative and executive talents, and for his enduring statesmanship.

We thank Thee for the qualities of his manhood, for the discipline of his mind, for his selfless labor for others, for the warmth of his friendship, and for all the gentle and human graces which endeared him to the multitudes of his fellow citizens.

May he now witness from this place in the lives of those who succeed him. May we who follow lay hold upon the higher ways of the spirit and the enduring values of Thy kingdom, to serve as he served, to be loyal as he was loyal, good as he was good. Send us forth to be steadfast, unmovable, always abounding in the work of the Lord, knowing that our labor is not in vain in the Lord.

In the Master's name we pray. Amen.

Congressman BEGICH. I introduce Senator Mike Gravel who will give the welcoming remarks.

REMARKS OF SENATOR GRAVEL

Senator GRAVEL. Vide Bartlett, friends of Bob Bartlett, honored guests:

The memory so many of us have of Bob Bartlett as a warm and generous human being, totally committed to public service—that is his monument.

Statehood—a turning point for the North that will have such far-reaching implications for the future of all the people of the United States—that is his monument.

Bob Bartlett has many monuments—achievements that flowed from his years of brilliant public service.

The memories and the laws, and the policy direction are memorials Bob Bartlett gave to us.

While he lived, Alaskans and his congressional colleagues gave Bob Bartlett their love and trust. And now, together, we honor his memory for all time.

Those who will not have known Bob Bart-

lett, those whose lives did not cross his, will view the statue we unveil today and measure the affection and esteem that we, his contemporaries, had for the man known as Bob Bartlett.

It is a small tribute, but it is one we offer with love and respect.

Friends, it is my pleasure to welcome you here today. I do so in the name of all Alaskans, for Alaska's heart resides here from this day forward.

Congressman BEGICH. It is fitting and we are lucky to have with us today, Mrs. Bob Bartlett who will unveil the statute that commemorates the man who was her husband. In addition, we have with us today the two Bartlett daughters, Doris Ann Riley of Anchorage and Sue Petersen of Washington. As Bob's wife and dear friend, there was no one closer to Bob than Vide. It is my great pleasure to introduce a great person in her own right—Mrs. Vide Bartlett. Mrs. Bartlett will be accompanied to the statue by Hugh Wade, Bob's close friend and Alaska's first Secretary of State.

It is my privilege to introduce the next speaker, the Honorable Senior Senator from the State of Washington, Warren G. Magnuson. Senator Magnuson and Bob Bartlett served in the Congress together when Bob first took his seat as the Delegate from Alaska in 1945. Prior to Statehood, Senator Magnuson was referred to as the Senator from Alaska because he worked so closely with Bob during those last territorial years and was a leader in the fight for Statehood in the Senate. When Bob came to the Senate in 1959 he wanted a seat on the Commerce Committee which Senator Magnuson chaired. He got that seat and eventually became chairman of the Merchant Marine Subcommittee. May I introduce a man who was not only a colleague, but a very good friend of Bob Bartlett's—Senator Warren G. Magnuson.

REMARKS OF SENATOR MAGNUSON

Senator MAGNUSON. It is the greatest pleasure to have the opportunity of speaking on this occasion in honor of my late friend, Bob Bartlett, U. S. Senator from Alaska, 1959–1968. In selecting this man as a subject for tribute, the Legislature of the State of Alaska has acted in keeping with the great, ennobling traditions of Statuary Hall. For surely, of all the men and women associated with the long, arduous, and finally triumphant struggle for statehood, none can be said to surpass in achievement the work of Bob Bartlett, a man of many talents and, for many years, a leader in Alaskan affairs.

Born in Seattle, Washington, in 1904, Bob Bartlett was brought by his parents to the Alaskan mining town of Fairbanks when he was only one year old. He had just passed his second birthday when the bill giving Alaska an elected delegate to Congress became law in 1906. The Organic Act was voted through only six years later, and Bob Bartlett grew to maturity in company with the Alaska Territory.

A graduate of the Fairbanks High School, in 1922, he attended the University of Washington and the University of Alaska and then entered into journalism, taking a position as a reporter on the staff of the Fairbanks News-Miner. Three years later, he became an associate editor and a highly regarded commentator on the Alaskan political scene. In the Territorial elections of 1932, the Democratic candidate for Congressional Delegate was Anthony J. Dimond, who defeated the Republican incumbent in the Democratic landslide of that year. A major supporter of Delegate Dimond's fortunes in this contest was Associate Editor Bartlett of the News-Miner; and when the victory was won, Bob came to Washington as administrative assistant on the Delegate's staff. Arriving in the early days of the New Deal, Bob Bartlett attracted considerable attention for his knowledge of Territorial problems and, in 1935, was appointed Assistant Director for Alaska of the Federal Housing Administration.

In 1939, Bob Bartlett was again rewarded for ability by appointment as Secretary of Alaska at the direction of President Franklin D. Roosevelt. In four years at this position, he served as Acting Governor on numerous occasions, including the opening of the Alaskan International Highway, and was a member of the Alaska War Council from 1942 to 1944. When his friend and benefactor, Anthony J. Dimond retired from Congress in 1944 to accept a Federal judgeship, Bob Bartlett resigned as Secretary to run for Congress and was elected by a wide margin.

Upon entering Congress in 1945, he was instantly appointed to seven committees, on all of which he performed with remarkable ability, either writing or successfully promoting a number of bills designed to bring Federal funds to Alaska, to expedite relief of the housing shortage in Alaska, and other projects. In the following the Congress—the 80th—he served on the Committee on Public Lands, the Agriculture Committee, and the Armed Services Committee; for all of which he wrote more successful bills than any other Member, no fewer than thirteen of his measures becoming law. He also was impressive in defeat. In 1947, he introduced a bill providing statehood for Alaska; and the House Committee on Public Lands took up the issue with enthusiasm. At the urging of Bob Bartlett, hearings were held in Alaska at Anchorage, Fairbanks, Seward, Kodiak, Nome, Barrow, Cordova, Juneau, Petersburg, Wrangell, and Ketchikan; and arguments were advanced in great numbers pointing up the major importance to the Territory of Alaska and her natural resources.

The foes of Statehood for Alaska had many arguments of their own, all of which Bob Bartlett was forced to overcome. Many Congressmen were seemingly alarmed about the lack of geographical connection between Alaska and the rest of the United States. They said it would be difficult to govern and defend a state so far away. A large number of Alaskan businessmen, fearing an influx of economic competition under statehood, threw their weight against the Delegate and his allies, with considerable effect.

Alaska's largest commercial force—the canned salmon industry—joined issue with the anti-statehood cause, hoping in this manner to stave off the threat of increased vigor in the implementation of Federal conservation laws relating to fish traps in Alaska waters. Other Congressmen, opposing the entrance of Hawaii to the Union, largely on grounds of racial prejudice, regarded Alaskan statehood as one step removed from Hawaiian statehood and stood opposed to both. Although Bob Bartlett's Alaskan Statehood Bill was reported favorably in the House, it failed of adoption by the 80th Congress. But the struggle had now begun in earnest, and Bob Bartlett was clearly in the forefront of that struggle.

Returned to Congress in the Democratic sweep of 1948, he sponsored the adoption of the Alaskan Public Works Act of 1949, making available some $70 million in Federal matching funds for reconstruction and rehabilitation of community facilities. He also was active in achieving passage in 1949 of the act creating the Alaskan Housing Authority, with credits of $15 million, for housing and loans. When the House passed the Alaska Statehood Bill of 1950 by a 40-vote majority, the force behind the action was largely provided by Bob Bartlett. Yet the voice of reaction prevailed in the Senate, and the bill was there defeated.

Turning to the people for support, Bob Bartlett inserted argument after argument for Alaskan statehood in the Congressional Record, answering the charges of the enemies of statehood year in, year out, until at last the pressure thus created broke the log-jam in the Senate and statehood became a fact, January 3, 1959.

Logically and properly, the people of Alaska responded appreciatively to the long and noble services of this outstanding Alaskan; and, in the first Senatorial campaign, conducted in 1958, he was duly elected, in partial tribute to his many years of service. Drawing the short term, he was required to stand for re-election in 1960 but was once again elected without difficulty.

As a member of the Senate, Bob Bartlett revealed those same strong qualities as a man and uncommon human being for which he had been known during his many years of service in the House. As a member of the Commerce Committee and, later on, the Appropriations Committee, he established himself as a recognized expert in economic matters of all kinds and was so regarded through the final decade of his life.

Two editorials from Alaska newspapers speak most eloquently about Bob Bartlett:

"The people of this state who loved him are known for their individualism, divisiveness, sectionalism, arrogance, and clannishness. Yet he held them united behind him for 24 years—a longevity in public office that is unequaled in Alaska.

"On ten different occasions the stubborn, unmanageable, belligerent, and politically erratic populace of Alaska handed him the crown with election returns as much as 81 percent in his favor. No one in all the states' history has ever enjoyed such frequent and solid support from Alaskans."

Another editorial was most perceptive about this man among men:

"Bob Bartlett was many things, sometimes paradoxically so. He was a humble man, but one who was terribly proud—of his state, his friends, of the loyalty he felt to those who had earned his respect. He was nonpolitical, but a master politician. He was sensitive and shy, but practical and bold. He was quiet, yet with a gifted wit. He was no great orator, but a charming public speaker who could enthrall an audience."

As I said in the beginning, this is a great pleasure to me personally to be able to take a part in this ceremony and tribute to Bob Bartlett. For over a third of my life, he and his lovely wife Vide were close personal friends. In the truest meaning of friendship, they both were friends of Jermaine and myself.

Our Nation is filled with men of distinction in science or industry, in government or the military. Our society is filled with its heroes, its stars and super-stars—often very transitory.

Rare indeed is the man or woman who is called friend by all who pass his way; whose service is not self-serving; whose dedication seeks no personal glory; whose heart is moved in modest wonder at the things that goodness can achieve. A good man, a nice man, can finish first. And Bob Bartlett did just that.

Bob Bartlett established during his life and public career a standard that shall set the tone for Alaska politics for many years to come. The people of Alaska have much to be proud of in that record of the man who rightly can be called the Founding Father of their state. Bob Bartlett stood first in the hearts of the people of Alaska. His statue now joins those who are an inspiration to all Americans and will ever be a special inspiration to all of us who knew and loved him.

Congressman BEGICH. I call upon Lieutenant Governor H. A. "Red" Boucher who was sent to represent Governor Egan and will make the presentation of the Bartlett statue in behalf of the people of Alaska.

REMARKS OF LIEUTENANT GOVERNOR BOUCHER

Lt. Gov. H. A. "RED" BOUCHER. Mrs. Bartlett, Distinguished Guests, Sons and Daughters and Friends of Alaska.

It is with a great deal of pride and joy that I present to our Nation today in behalf of Governor Egan a gift from the people of the Sovereign State of Alaska, in the form of a bronze statue of one of her most distinguished citizens. Bab Bartlett has been deemed worthy of a place of honor among the greatest men in the United States. I think Bob would be amazed that a statue of him would be enshrined with George Washington, Daniel Webster, Andrew Jackson, Sequoya, Henry Clay and scores of other great men and women whose lives formed the foundation stones of America. Bob, however, did that in Alaska and that is why it is so right that his likeness be placed in our Nation's Capitol.

This statue represents a gift from the people of Alaska. As representatives of the people, the Alaska Legislature authorized that Alaska's first hero in statuary hall be of Bob Bartlett. The selection of the artist was left up to the Alaska State Council of the Arts.

The selection of Bob Bartlett was not difficult. His life which began in the early part of this century and ended just two and one-half years ago, was to coincide with the most important years of Alaska's history. When Bob Bartlett died, an era ended in Alaska. An era full of anticipation for statehood, tenacity for its achievements and the final glorious moment in 1959 when Alaska's star, the 49th, joined the United States of America. Bob Bartlett and the Statehood Movement were one. As Alaska's Delegate to Congress from 1945 to 1958, he was in Washington working for statehood. His great capacity for friendship made friends for Alaska. The friends grew in number and, at last, there were enough on June 30th, 1958, when the statehood Bill passed the Senate. After statehood, Bob became the senior Senator from Alaska. The last decade of his life was spent in the Senate, the legislative body he grew to love.

The millions who will visit this statue this year and in the years to come will see in the DeWeldon statue of Bob Bartlett the face of a man who gave his service and life to Alaska. A hero to those who did not know him well and even more of a hero to those who knew him best.

Today, we give to the United States in this statue, in the life of Bob Barlett, a lasting remembrance of a great Alaskan and a great man.

Congressman BEGICH. I now introduce Senator Ted Stevens who will accept, on behalf of the Capitol, the Bartlett statue.

ACCEPTANCE SPEECH FOR BARTLETT STATUE

Senator STEVENS. It is proper and fitting that Bob Bartlett's statue should rest here in the Capitol of our great Nation. Bob belongs here, loved being here, and in turn, was loved by all who were touched by him.

The elevator operators and maintenance men still speak of Bob, their friend, the man who was more than just a Senator. Never self important, always self effacing, Bob Bartlett was bigger than life. The fact that a friend's wife or child was ill was of as much concern to him as the headlines in the morning paper. He loved life, and loved men; and all men brushed by him felt this love and returned it.

A long list of his accomplishments reflect this concern for and love of men. It has been estimated by the Library of Congress that he had more bills passed into law than any other Member in the history of Congress. Bob Bartlett was responsible for the nine-mile contiguous fishing zone, for the Federal Fish Protein Concentrate Program, for the inclusion of fish products in the Food for Peace Program, for the Commercial Fisheries Research Act, for the Radiation Safety Bill which sets sweeping safety standards for all radiation emitting equipment from television sets to X-ray machines, and the Bartlett Act, which provides that all federally funded buildings be constructed so as to provide easy access and use for the physically handicapped.

All these bills related to making men healthier, happier, a little closer to the "good life" that Senator Bartlett felt this great Nation should and must furnish to its people.

I had the honor of working with Bob on his greatest dream, the battle for Alaska's statehood. On June 30, 1958 after 14 years of service as Alaska's sole delegate to congress, Bob saw this dream materialize. But, his work was not done. Statehood was just a beginning. The infant mortality rate, the irradication of TB and ear disease, the poverty of Alaska's native population, the high rate of unemployment and the vulnerability of Alaska defenses were the new battles to be fought. Bob once stated that "If, during my service in congress as delegate from Alaska, I accomplish nothing else than to assist in some small measure in making sure that TB would never again take so many lives and cause such heartache and anguish, I should feel that my contribution had been worthwhile".

When, on December 11, 1968 Senator Bartlett died, his battle against disease, death and poverty had been joined but not yet won.

To Moses, scripture says, the Lord spoke on Mount Nebo saying: "I have let you see it with your own eyes, but you shall not go over there".

But, it also says of Him: "His eye was not dim, nor his natural force abated".

Bob Bartlett saw Alaska gaining its rightful place in the sisterhood of this union, its people strong and proud, its resources developing, its clean air and water the envy of others. He was not to live to see all the battles won, but knew the fight he started against intolerance and disease and poverty would be won.

Bob's eye has not dimmed for natural force abated for a good man never dies and the ideas he spawns live forever. As James Whitcomb Riley said: "A good man never dies . . . who lives for you and me—lives for the world he tries to help—he lives eternally, a good man never dies."

Future generations will remember Alaska's Bob Bartlett and be able to see his likeness in the Nation's Capitol. This fine statue was done by Felix de Weldon, whose U.S. Marine Corps War Memorial has immortalized the flag raising at Iwo Jima.

The Viennese-born artist, who came to this country in 1937, served in the Navy during World War II and became a citizen in 1945. He spent 10 years working on the marine memorial . . . a self-assigned task.

Felix de Weldon's works are found in many countries and include statues of many famous persons . . . George Washington, Simon Bolivar, India's (Jawaharlala) Nehru, Sergeant York, Andrew Jackson and Arctic explorer Richard E. Byrd.

It was most fitting that a man of Felix de Weldon's ability was chosen to create the Bob Bartlett statue.

I am deeply honored to accept the statue of my predecessor, the late Senator E. L. "Bob" Bartlett in the name of the United States Senate. He was and is loved by all Alaskans and by all others who knew him. His deeds, words and inspirations shall never die. When Bob was buried in Fairbanks in 1968 his favorite poem was read. I can think of nothing more appropriate than to repeat it now.

"Under the wide and starry sky, dig the grave and let me lie. Glad did I live and gladly die, and I layed me down with a will.

"This be the verse you gave: Here I lie where I long to be; home is the sailor, home from sea, and the hunter home from the hill."

Congressman BEGICH. We are particularly glad to have the Coast Guard Academy Band and its director, Lt. Commander Broadwell here to perform today. As chairman of the Merchant Marine Subcommittee, Senator Bartlett was a good friend of the Coast Guard. He recognized the fine contribution made by the Coast Guard in Alaska and he was, in fact, referred to on the Hill as "Mr. Coast Guard." May I call upon the United States Coast Guard Academy Band for "Alaska's Flag," the song that was once the territorial song and now is the State Song of Alaska.

The people of Alaska have honored the memory of Bob Bartlett, a great and good man, an Alaskan who will be remembered always by the presence of his statue in Statuary Hall.

May I call upon Dr. Elson to give the benediction.

BENEDICTION

Dr. ELSON. Now unto Him who is able to keep you from falling and to present you faultless before the presence of His glory with exceeding joy; to the only wise God, our Savior, be glory, dominion and power, both now and ever.

Go in peace: Be strong in the Lord and in the power of His might, and may the blessing of God's love go with you and remain in you this day and evermore. Amen.

NASA SHOULD NOT FUND THE SPACE STATION

Mr. PROXMIRE. Mr. President, on Saturday the New York Times published an editorial about the latest Soviet effort in space. The editorial makes a cogent argument that either there should be no space stations, or if there are to be stations, they should be under international auspices.

Mr. President, I could not agree more. And I would hope that the first alternative can prevail—no stations in space, certainly not in the forseeable future. The costs of such an effort are certain to be fantastic: Upward of $7 billion for the station itself, another $6 to $9 billion for the space shuttle to get there. And for what benefits? I have asked NASA repeatedly to justify the space shuttle-space station program, and they have yet to come up with any tangible benefits for us earthlings.

The only conceivable nonmilitary benefit I can think of is to use the shuttle/station system as the first step toward a manned landing on Mars. But if that is to be the justification, then we are not talking about costs of $13 to $16 billion; we are talking instead about costs in excess of $100 billion. That gigantic figure represents an expenditure of $2,000 for every American family. No doubt most of us could come up with better ways to spend $2,000 of our money.

If there must be space stations, though, they should be under international auspices. Not only would this defray the huge costs, and further the cause of international comity, but it would also forestall the use of such a facility for military purposes. As the Times points out:

> The possibility that some future space platforms will really be military bases in orbit cannot be ignored. These dangers are inherent in the concept of nationally created and nationally controlled space stations to which the rest of the world has no access.

Mr. President, I ask unanimous con-

sent that the editorial entitled "Station in Space," be printed in the RECORD.

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

STATION IN SPACE

The latest Soviet space spectacular follows a long series of indications by Kremlin leaders that their present priority in manned space flight is establishment of a longlasting station in space. This latest experiment seems an important—as well as expensive—step on the road toward that objective.

Evidently many functions could be served by such an orbiting platform. Most discussion has tended to emphasize useful, peaceful objectives. These goals range from creation of astronomical laboratories whose telescopes would be free of the atmospheric haze and distortion that plague terrestrial telescopes to providing a site for study of earth's ecology and resources with cameras and other sensors that operate most efficiently hundreds or thousands of miles above ground level.

Unfortunately, there is no guarantee that space stations will be restricted to benign purposes. Soviet and American employment of unmanned espionage satellites is already well-established, and presumably the military surveillance capabilities of long-term manned satellites will be even greater. Moreover manned space stations can also carry weapons presumably including rockets and nuclear arms. Whatever the limitations set by present international agreements, the possibility that some future space platforms will really be military bases in orbit cannot be ignored. These dangers are inherent in the concept of nationally created and nationally controlled space stations to which the rest of the world has no access.

Logically, there should be no national stations in space. All such facilities should be operated by the United Nations employing crews from many nations and they should all be open to appropriate international inspection. In a modest way, the principle involved has already been recognized in the Antarctic where the presence of Soviet scientists in American bases and American scientists in Soviet bases has a long, useful and honorable history. With the latest Soyuz and Salyut vehicles in orbit, the sensitive issues raised by space stations must be faced in the nearest future.

THE CONTINUING MISSION OF THE FBI

Mr. GURNEY. Mr. President, while the frequently partisan attacks on the Federal Bureau of Investigation mount and the accusations continue from people who should really know better, the FBI continues patiently and quietly to do the work we in Congress have charged it to do: Guarding the security of our country; isolating the fanatics, left and right, who are interested in the destruction of our institutions; and, of course, prosecuting the war on organized crime.

The Director has properly declined to answer many of the shotgun charges leveled against him personally and against the Bureau which he has headed since its inception; indeed were he to do so, he would have very little time left over for the conduct of Bureau business.

I can illustrate this point with a story published in the Wall Street Journal of Tuesday, April 27. The article, by Monroe W. Karmin, details the events leading up to the recent conviction of Sam "the Plumber" De Cavalcante. Sam and nine members of his "family" were sentenced to prison in March by a Federal judge in Newark, N.J., on charges of violation of Federal gambling statutes. It was the first time that the Federal Government, under one indictment, successfully prosecuted a Costa Nostra family chieftain and his principal lieutenants.

The article describes the attack on organized crime using the strike force technique—putting under one man's direction agents from the FBI, BNDD, U.S. Attorney's Office, and IRS who, by cooperating with one another and working a case from beginning to end, can achieve a good deal more than the same agents working independently and without unified direction.

The score in Newark since January 1969, has been 37 indictments involving 179 defendants and thus far 53 convictions. The work, of course, is continuing.

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:

CRIME AND PUNISHMENT: HOW "MAMA" AND "ANDY" HELPED TO BREAK UP A MAFIA ORGANIZATION

(By Monroe W. Karmin)

NEWARK, N.J.—How do you break a Mafia organization?

By getting help from people like "Mama" and "Andy." They used to work for Sam "the Plumber" De Cavalcante, identified by a congressional committee in 1969 as boss of the biggest New Jersey-based crime syndicate. Now the Plumber is in jail, convicted on gambling charges growing out of a numbers racket. And Mama and Andy are living under assumed identities far from Newark. By spilling the inside story of a $20 million-a-year gambling business, the former employes and other witnesses enabled an elite crime-fighting corps to net its fattest catch yet.

In mid-March a federal judge handed out prison terms and fines to De Cavalcante and nine of his Mafia "family" as the capstone of nearly two years of effort by Attorney General John Mitchell's Newark strike force against organized crime. "It's the first time that a family have been convicted in one indictment," declares John Bartels, the attorney in charge of the strike force.

NEWARK FORCE FAR OUT IN FRONT

The verdict thrusts the Newark strike force far out in front of its 16 counterparts in other cities. The Newark score since creation of the force in January 1969; 37 indictments, involving 179 defendants. Of these 53 have been convicted. Among those indicted but not so far convicted is a second Mafia family chieftain, Joseph "Bayonne Joe" Zicarelli.

This record highlights the burgeoning success of an innovative law-enforcement approach begun under President Johnson and expanded greatly by President Nixon. The strike force approach teams up agents from various federal law-enforcement agencies including the Federal Bureau of Investigation, the Internal Revenue Service and the Narcotics Bureau. This combined effort, it is agreed, is proving to be a much more effective way of attacking the organized crime that gnaws at the nation's cities.

A step in easing urban problems is elimination of rackets, says Will Wilson, the assistant attorney general in charge of the Justice Department's criminal division. The rackets, he says, "keep people in poverty and exact a toll on all moneys expended to aid them."

ADVANTAGES OF A STRIKE FORCE

Besides Newark, strike forces are at work in Philadelphia, Baltimore, Pittsburgh, Cleveland, Chicago, Detroit, Buffalo, Miami, New Orleans, St. Louis, Kansas City, Los Angeles, San Francisco and Boston, with two in New York City. In each city, a federal attorney, freed from the demands of a trial docket, is directing his multi-agent team into deep probes of suspected Mafia operations and municipal corruption, with these tactical advantages over ordinary law enforcement:

First, concentration of effort. In the De Cavalcante case, Mr. Bartels and his agents singled out the Plumber's Mafia family as a target and aggressively searched for evidence of illegal activity until they uncovered a break. Beginning in June 1969, they were able to obtain an indictment in six months and a conviction in less than two years. (The defendants pleaded guilty, but, because a separate extortion case against them was dismissed for insufficient evidence, they are asking the court to let them withdraw the guilty plea.)

Second, cooperation among normally separate and competing law-enforcement agencies. Many crime investigations fail simply because jealous sleuths won't share information with others or because interagency red tape hinders teamwork. The strike-force technique brings a variety of specialized investigators (the Newark force has about 80) under a single command, swapping information and informants freely. The De Cavalcante case was developed initially by a narcotics agent who turned Mama over to the FBI, all under the guidance of Mr. Bartels.

Third, the persuasion of family insiders to come around and cooperate with the law. "The code of silence in the Mafia is a great myth," Mr. Bartels declares. "When the squeeze is put on the little guys, they end up as willing to talk as anybody. So will the ordinary citizen who has been victimized by the Mafia, if he knows he will be protected." Protection for the crucial witnesses, starting from from first contact with federal agents and continuing even after the case is closed, is the essential ingredient. The strike force, because of its command position, is especially adept at convincing witnesses that they will be secure.

RELOCATING MAMA AND ANDY

Not only does the force grant these witnesses immunity from prosecution but it also practices a law-enforcement art known as relocation, giving the witness and his family a new home, a new job and a new identity (in some cases, even plastic surgery).

Simple though it may appear, this technique hasn't been used extensively in the past. But in 1967, President Johnson's Commission on Law Enforcement and Administration of Justice did recommend greater use of the tactic, and President Nixon's strike forces are following this advice.

Relocation is what Bartels & Co. arranged for Mama and Andy, both of whom worked in the De Cavalcante numbers racket and tattled. They are living under assumed identities elsewhere in the country, but their stories—and the story of how the Newark strike force broke the De Cavalcante family—can now be told. Mama's comes from the agent who found her and kept her "thinking straight" until the sentences were handed down. Andy's comes from Andy himself via telephone from his new home.

Mama's story starts with a narcotics agent who can be called John De Stefano, a fictitious name he sometimes uses. One day in 1969, as a member of the newly-formed Newark strike force, he slipped behind the wheel of his government auto for a drive to the state prison in Trenton, where a young man picked up in Rhode Island for auto theft had been shipped to face various New Jersey charges.

Because he couldn't make bail, the prisoner asked to see an agent in hopes of trading information for freedom. Because the prisoner said he "knew people in junk," narcotics agent De Stefano was dispatched to conduct the interview. During an hour-long conversation in the prison chapel, Mr. De Stefano recalls, the young man offered to be "helpful" in a number of crime areas but especially in illegal drug traffic.

Promising the prisoner nothing, agent De Stefano arranged for his release in his custody. Together they "worked the streets" of Newark for more than two months; the idea was that the young would lead the agent to drug pushers and help pin incriminating evidence on them. But, Mr. De Stefano says, "we came up with goose-eggs." In retrospect, the agent declares:

"He was a bull-thrower. He told me anything I wanted to hear just to get out of the can. But after two months in the street with him, we got nothing. In our last interview, he told me he 'really knew' the guys he said he did, but he didn't want to hurt them."

THE EFFORT PAYS OFF

As things turned out, however, the effort wasn't fruitless. Several weeks after the young man was returned to prison, agent De Stefano received a phone call from the prisoner's mother. "I want you to help my son," she demanded. Agent De Stefano, thoroughly disgusted with him, refused. But then Mama dangled a plum.

"Do you want Sam De Cavalcante?" she teased. Figuring Mama wasn't any better than her son, Mr. De Stefano refused again. But Mama called insistently several times thereafter, and finally the agent, bringing a colleague with him, decided to visit her home.

"She turned out to be a 'sitter' (or banker) for the De Cavalcante numbers racket," Mr. De Stefano relates. "She had been getting about $150 a week to record the bets taken on numbers in various locations in New Jersey and New York. But she had gotten sick and had quit. When we walked in, she handed us a telephone book with all the code names and numbers of the people she did business with including the name of her replacement as sitter."

"Now will you help my son?" Mama asked. Again no promises, but agent De Stefano turned the case over to the FBI members of the strike force who, with the help of Mr. Bartels, obtained a court order to tap the telephone lines mentioned in Mama's book.

"The FBI took over the case, but not my informant," Mr. De Stefano recalls. "I had to put up with her, and she's a rough broad, to keep her thinking the way we do until she testified." The agent also was in charge of Mama's relocation and security.

He found her a house in another part of the country, arranged a new name for her and her family, shipped them all to their new home, got her a job, and, because of her illness, arranged government medical attention and supplies.

THE PROBLEMS OF A DOG

The caper almost became a cropper over a little detail, however. Mama refused to leave Newark unless her dog went along, and government regulations didn't provide for the cost of shipping pets. "So I paid the money to crate and ship the damn dog out of my own pocket," Mr. De Stefano relates.

Mama posed another problem. Because she no longer had a husband, she called upon Mr. De Stefano to assume a protective role—long-distance. "She called me constantly—every time a strange car appeared in the neighborhood or something disturbed her," the agent reports. "Once she heard a 'ping-ping-ping' in her backyard and called me, saying excitedly that 'they're coming to get me.' I called local agents who checked and found it was her kid shooting a BB gun."

While federal agents were tapping the De Cavalcante syndicate's telephone lines, good fortune provided the strike force with additional evidence. Enter Andy, whose real name, Andres De La Portilla, was made public in the De Cavalcante indictment.

Andy served as a "comptroller," or bet collector, for the De Cavalcante racket. He turned himself in to local police because, as he tells it, "it was either that or blow my brains out." His is a classic tale of a poor boy caught in the clutches of the Mafia.

Andy's introduction to the numbers game came at his mother's grocery store, where the neighborhood youths congregated. They bet on the numbers and induced Andy to do likewise. Soon Andy began to carry bets for others, and the syndicate man, "Big Ralph," offered him the "comptroller's" job to solicit bets in his neighborhood.

EXPANDING THE FIELD

Successful in the neighborhood, Andy expanded his bet-collecting to his job at the General Motors assembly plant in Linden, N.J. But as he devoted more and more time to collecting, his GM superiors grew suspicious. So he quit to open a gas station to serve as a front for his gambling activities.

Then the trouble began. Andy, big-time now, plied his illegal trade with honesty; he paid off winning bets promptly. The syndicate, however, grew slower in its reimbursements. "I was a sucker," he snaps. "I paid out of by own money, when I needed to, to the winners, and collected later from the syndicate. They dragged on me."

It got so bad, and Andy had so little luck in persuading the syndicate to pay what it owed him, that he decided to raise a mortgage on his home. The syndicate explained its "dragging" by saying that it, too, had been hit hard by winners and was in a hole. And it offered to help.

The syndicate graciously put Andy in contact with a finance company that lent him mortgage money at exorbitant rates. The company was controlled by the De Cavalcante family, but Andy didn't know that.

"The whole thing was nothing but a vicious circle," Andy now says angrily. "I was the only jerk who didn't know what was going on."

Meantime the syndicate continued to "drag" on Andy. Bettors were demanding payment, and so was the finance company. "It all got out of hand," he remembers. "What I owed the people in the streets plus what I owed the Shylock amounted to more than I could handle. I bought a rifle and was going to blow my brains out."

GETTING IN TOUCH WITH AUTHORITIES

A cooler head, his wife's, prevailed. She persuaded Andy to contact the police. Eventually he was turned over to the strike force, which arranged to have first his family and then Andy relocated. "They found me a job, a place to live, a new name, a new life, a second chance," Andy says now. "I'm a human being again, and I don't have anything to do with gambling."

Andy has been living his new life for about 15 months now, and there's evidence that the underworld still seeks him out. Reports have come to strike-force headquarters that "anonymous inquiries" have been made at the New Jersey school that Andy's children attended before they were whisked away.

"The first thing the Mafia will do to track down someone is check the schools," Mr. Bartels says. It will have no luck at the school Andy's children attended; the FBI, not the school board, transferred the records.

In all, Mr. Bartels figures it cost the government about $7,000 to relocate Mama and Andy, and he considers that a bargain price to break a $20 million-a-year numbers racket. But is the racket really wiped out?

Probably not, Mr. Bartels concedes. "The backbone of the De Cavalcante family has been busted," he declares. "Now there'll be a fight for power to determine who'll take over the remains. You'll never wipe out gambling or narcotics entirely, but you can control it by continually striking at them."

Mr. GURNEY. Mr. President, in this same connection, I should like to quote from an article by Mr. John P. Roche which appeared in the Washington Post yesterday, April 28, 1971, under the heading "The Surveillance Mess." Mr. Roche says:

The press has finally picked up the story, revealed here some time ago, that former Attorney General Ramsey Clark was responsible for the surveillance operations of the United States government from 1966 to 1969. Since these operations included a massive display of lunacy by military counter-intelligence, it is understandable that Clark and his deputy, Warren Christopher, have been eager to get out from under. In the process, they have issued blanket denials that they were ever aware of military involvement, Clark going so far as to say that "I don't care what the documents say." From a distinguished lawyer, this is certainly a novel approach to probative evidence.

A novel approach indeed, but Ramsey Clark is given to the novel approach. Mr. Roche continues:

The difficulty, one suspects, is that Clark was not aware of the mad capers of the counter-intelligence crew. Theoretically they were working for him because he had been charged by President Johnson with anticipating riots, and the President directed all relevant branches of the government to cooperate fully in the effort. It was a legitimate mission and a certain amount of surveillance, under close control, was a necessary component of the job. Keeping an eye on dangerous characters is hardly an outrage to American freedom. Indeed, in the light of events over the last decade, one could wish that somebody had been watching Lee Harvey Oswald, Sirhan Sirhan, and James Earl Ray. In short, a President who did not take energetic action to head off civil disorder would have been guilty of gross incompetence, and the Department of Justice was the logical place to establish the command post. This was done by Clark, and a small outfit known as IDIU (Interdivisional Intelligence Unit) was set up to establish a coordinated intelligence assets of the government responsibilities, that is, it drew upon the intelligence assets of the government including those in the Justice Department such as the FBI and those elsewhere like the Secret Service (which is in the Treasury Department) and the Department of Defense.

I think Mr. Roche's principal contribution to this discussion comes at this point:

But now for a moment, we will push the calendar back to January, 1968, and attempt to re-create the mood in the White House and the administration. There had been savage riots in the summer of 1967 and with a Presidential election looming, and anti-war sentiment boiling over among groups of militants, 1968 was not a year to look forward to with joyous anticipation. Then came the murder of the Rev. Dr. Martin Luther King, Jr., and attendant violence in the nation's captial and in other cities and then the murder of Sen. Robert Kennedy. The word was out that the militants planned to make the Democratic National Convention into a shambles.

President Johnson ordered a doubling of precautions: Presidential candidates were given security. (Robert Kennedy refused it and it probably cost him his life: The first place the Secret Service would have swept was the kitchen where Sirhan was hiding.) The existing intelligence units were simply unable to cope with the task and turned to

the Department of Defense for additional assistance. (If memory serves, the Provost Marshal lent military police to help the Secret Service guard the candidates.) Army Secretary Stanley Resor was now in the operational slot so far as military assets were employed, but Clark was in overall command.

I have to agree with Mr. Roche's assessment. I have to agree with the notion that a President who did not take "energetic steps to head off civil disorders would have been guilty of gross incompetence" and I might add dereliction of duty. It is not unreasonable to expect that the President of the United States, whoever he may be, will take seriously his oath to defend the republic from all enemies, foreign and domestic. I must say, Mr. President, that I find very many of the recent criticisms of the FBI and its direction to be narrowly partisan and, as the President recently said, "cheap shots." Many of these attacks we know have come from men who want to be President. I suggest seeking to climb to office by defaming an agency as sound and as honorable as the FBI will not and cannot succeed. The people will simply not tolerate it. I think reasonable Americans will agree that there is a need for a certain amount of domestic surveillance in these troubled times. As Roche said, we can also wish with hindsight that there had been tighter security and retroactive surveillance of people like Lee Harvey Oswald, Sirhan Sirhan, and James Earl Ray.

I suggest, Mr. President, that the people who are leading this chorus of brickbats directed at the FBI and at J. Edgar Hoover know this—and that knowledge is what makes those attacks so hollow, so unfair. I suggest that a man who cannot recognize the need for such activity by the Government does not really deserve to be considered for the office of President of the United States. And if these same people in their hearts know that such activity is a necessary and proper function of government that knowledge makes their attack so much more reprehensible.

I ask unanimous consent that Mr. Roche's article be printed in the RECORD.

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

THE SURVEILLANCE MESS

By John P. Roche

The press has finally picked up the story, revealed here some time ago, that former Attorney General Ramsey Clark was responsible for the surveillance operations of the United States government from 1966 to 1969. Since these operations included a massive display of lunacy by military counter-intelligence, it is understandable that Clark and his deputy, Warren Christopher, have been eager to get out from under. In the process they have issued blanket denials that they were ever aware of military involvement, Clark going so far as to say that "I don't care what the documents say. From a distinguished lawyer this is certainly a novel approach to probative evidence.

The difficulty, one suspects, is that Clark was not aware of the mad capers of the counter-intelligence crew. Theoretically they were working for him because he had been charged by President Johnson with anticipating riots, and the President directed all relevant branches of the government to cooperate fully in the effort. It was a legitimate mission and a certain amount of surveillance, under close control, was a necessary component of the job. Keeping an eye on dangerous characters is hardly an outrage to American freedom. Indeed, in the light of events over the last decade, one could wish that somebody had been watching Lee Harvey Oswald, Sirhan Sirhan, and James Earl Ray.

In short, a President who did not take energetic action to head off civil disorder would have been guilty of gross incompetence, and the Department of Justice was the logical place to establish the command post. This was done by Clark, and a small outfit known as IDIU (Interdivisional Intelligence Unit) was set up to establish a co-ordinated intelligence assets of the government responsibilities, that is, it drew upon the intelligence assets of the government including those in the Justice Department such as the FBI and those elsewhere like the Secret Service (which is in the Treasury Department) and the Department of Defense.

Still nothing wrong. On the contrary, it was a very sensible effort to rationalize the intelligence-gathering operation. But now for a moment, we will push the calendar back to January, 1968, and attempt to re-create the mood in the White House and the administration.

There had been savage riots in the summer of 1967 and with a Presidential election looming, and anti-war sentiment boiling over among groups of militants, 1968 was not a year to look forward to with joyous anticipation. Then came the murder of the Rev. Dr. Martin Luther King Jr. and attendant violence in the nation's capital and in other cities and then the murder of Sen. Robert Kennedy. The word was out that the militants planned to make the Democratic National Convention into a shambles.

President Johnson ordered a doubling of precautions: Presidential candidates were given security. (Robert Kennedy refused it and it probably cost him his life: the first place the Secret Service would have swept was the kitchen where Sirhan was hiding.) The existing intelligence units were simply unable to cope with the task and turned to the Department of Defense for additional assistance. (If memory serves, the Provost Marshal lent military police to help the Secret Service guard the candidates.) Army Secretary Stanley Resor was now in the operational slot so far as military assets were employed, but Clark was in overall command.

Still nothing wrong. As of this point in time, no one could fault the President or the Attorney General. The IDIU was working away issuing weekly summaries of potential trouble spots, and one recalls that they were sober careful assessments hardly in the James Bond tradition. The fact that the military were cooperating was known by all hands involved. What was not known was the fantastic dimensions of the military operation.

DEATH OF S. SMITH GRISWOLD

Mr. NELSON. Mr. President, on April 20, S. Smith Griswold, one of the pioneer environmentalists of our time, died at Bethesda Naval Medical Center at the age of 62.

Long before the environmental movement achieved the national recognition and momentum it now has, Mr. Griswold had earned the well-deserved reputation as "Mr. Air Pollution Control," an expert in the initiation, implementation and administration of air pollution abatement and enforcement programs. This reputation derived first of all from his remarkable role in building the first effective governmental air pollution program in the United States. As air pollution control officer of the Los Angeles County Pollution Control District from 1954 to 1965, S. Smith Griswold initiated a series of actions which made the California program the uncontested leader and model of tough air pollution programs.

These actions included setting up the first motor vehicle laboratory for the testing of air pollution emissions from automobiles, the establishment, and vigorous enforcement of abatement procedures covering virtually every stationary source of air pollution in the Los Angeles basin, and giving impetus to the first governmental or private program of automobile emissions control.

This record of achievement and innovation in air pollution control was expanded to a national scale from 1965 to 1968 when Mr. Griswold served as the chief abatement officer for air pollution control with the U.S. Department of Health, Education, and Welfare and the National Air Pollution Control Administration. Impatient when the Federal commitment to clean air appeared to stagnate, "Gris" took his energy, experience and talents into the private sector and, as a private consultant, broadcast his clean air message to public and private organizations throughout the world.

S. Smith Griswold recognized that controlling air pollution was not merely an engineering problem; it was primarily a people problem which required the development and application of a forceful public commitment for a clean environment. In a 1964 speech at the annual meeting of the Air Pollution Control Association in Houston, Tex., Mr. Griswold recounted his frustrating experience in California in overcoming the automobile industry's unconscionable opposition and delaying tactics and getting them to apply already existing technology and emissions control devices:

Everything that the industry has disclosed it is able to do today to control auto exhaust, was possible technically 10 years ago. No new principles had to be developed, no technological advance was needed, no scientific breakthrough was required. Crankcase emissions have been controlled by a method in use for at least a half century. Hydrocarbons and carbon monoxide are being controlled by relatively simple adjustments of those most basic engine components—the carburetor and ignition systems. Why has this action required ten years? One is forced to ascribe it to arrogance and apathy on the part of this, the nation's largest industry.

This speech and the facts of the California experience with the auto industry set forth by Mr. Griswold came to the attention of a young fellow by the name of Ralph Nader, became the basis of a national legal and legislative battle, and sparked a public drive to get the automobile industry to provide the public with a "clean" automobile. Six years later, S. Smith Griswold was still out front fighting for a decent environment and a nonpolluting automobile. Just before his fatal illness, Mr. Griswold gave valuable counsel and assistance to the efforts which led to the passage last fall of the Clean Air Act of 1970, Federal legislation which has delivered a public ultimatum

to the auto industry to come up with a low-emission vehicle within the next several years, and told other industries to put an end to their polluting ways.

In a recent letter, Dr. Arie J. Haagen-Smit, professor of biochemistry at the California Institute of Technology, and chairman of the State of California Air Resources Board, wrote:

Air pollution control is like a real battle. There will be attacks on certain fronts after preliminary skirmishes have weakened the opposition of the enemy. The attack is then moved to other fronts and the same will happen over and over again until the enemy is licked.

Long before the quest for clean air became a priority concern for the entire Nation, S. Smith Griswold was leading these initial attacks and pointing the way for concerned public action.

We should all be grateful for his dedication and impressive record of achievements. Mr. Griswold would be most honored, I believe, if the public he helped alert would maintain the momentum and complete the job.

Mr. President, I ask unanimous consent that the text of S. Smith Griswold's 1964 speech and an article published in the Washington Post of April 21, 1971, describing Mr. Griswold's life and achievments, be printed in the RECORD.

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

REFLECTIONS AND PROJECTIONS ON CONTROLLING THE MOTOR VEHICLE

(By S. Smith Griswold)

As a past president of this organization, and as one who has just completed a decade of service as director of a governmental agency concerned with a somewhat notorious community problem, it is a pleasure for me to be invited to reflect upon the past, and speculate about the future of the automotive aspect of the air pollution problem.

We in Los Angeles have had a long and intimate connection with the series of events leading to the recent announcement by the automobile industry that cars of the 1967 model year will conform with the present requirements of the State of California in regard to exhaust contaminant emissions.

I recall that late in 1950, research by the Los Angeles County Air Pollution Control District directed by Dr. Arie J. Haagen-Smit, revealed that hydrocarbons were capable of reacting with oxides of nitrogen under the influence of sunlight to produce photochemical smog.

By 1953, we had established that the automobile was the largest source of air contaminants in our area, and the principal source of smog-forming hydrocarbons. The APCD then undertook a program of basic research into automobile operation, local driving conditions, and the composition of gasolines to ascertain the effect of these factors on smog formation.

From the earliest time information became available, we made efforts to induce the automobile industry to accept its share of the responsibility for the exhaust problem. As a result of extended discussions, the automobile industry in late 1953 took official notice of the existence of the automotive contribution to air pollution, and established the Vehicle Combustion Products Sub-Committee of the Engineering Committee of the Automobile Manufacturers Association.

During early 1954, this committee met in Los Angeles, and in conjunction with the APCD and other organizations, worked out a program of investigation and research. We set a target date for installation of what then appeared to be a promising method of control, induction system devices that controlled the emissions of hydrocarbons during deceleration. The objective was to have these devices on the 1958 models, out in 1957.

I recall visiting Detroit in 1956, and being shown an array of induction devices for various makes and models of cars.

Later that year, the Air Pollution Control District and the Air Pollution Foundation called a meeting in Pasadena of leading firms and figures in the chemical and automobile accessory fields, with the aim of stimulating their interest in the development of catalytic or other types of exhaust controls.

Our District set up an automotive combustion laboratory, and built environmental test chambers to evaluate approaches to vehicle emission control. After being developed for years, that automotive test facility and its trained personnel were turned over to the State of California. It is now the principal test center for the State program.

Due primarily to the efforts of the Board of Supervisors of Los Angeles County, the legislature of the State of California was prompted to occupy the field of automotive control and in 1960 enacted the legislation that is now in effect. To administer the program, the legislature created the State Motor Vehicle Pollution Control Board. As part of this program, California has established the first Standards for Air Quality and for Motor Vehicle Emissions.

In 1959, the automobile industry announced that crankcase emissions were a significant source of smog-forming hydrocarbons, and at the same time offered a means of controlling approximately 80% of emissions from this source. The Los Angeles County Air Pollution Control District immediately undertook a pilot installation on cars of its own fleet to prove that the "closed system" constituting 100% control of crankcase blowby might be preferable, and whether there might be negative effects. The study afforded a basis for full-scale installation upon the entire fleet, and provided experience to guide the State Board. Subsequently, the State Board acted to make such installations mandatory on cars sold in California, and today all cars manufactured in the United States can have the "closed" crankcase emission control rather than the less efficient "open" system.

During the many years this was going on, the APCD followed up another lead, the regulation of fuel composition. After thorough investigation, we enacted our Rule 63 which restricts the amount of olefins that may be contained in gasoline sold in Los Angeles County. This has reduced the eye-irritating characteristic of gasoline vapors and exhaust hydrocarbons and consequently has reduced the severity of eye irritation experienced in Los Angeles County.

The most recent action of the State Board has been to certify four exhaust control devices: three have been accepted only for new cars, and one has been accepted for both new and used cars. As the law is now written, new cars sold in California in 1966 must be equipped with one of these devices, or perform equivalently.

The knowledge that this action was coming undoubtedly prompted the automobile industry to come forward with its announcement that the 1967 cars would conform to the California standard without the necessity of these new devices.

The industry announcement also may have been motivated partially by the policy adopted by the County of Los Angeles, of buying new vehicles only if they meet specified restrictions upon exhaust emissions. This action was commended by formal resolution of the Los Angeles County Medical Association.

Only one manufacturer is sufficiently advanced in exhaust control technique to be able to produce a car to these specifications, and the policy has drawn bitter objections from dealers whose lower bids were turned down because their cars could not qualify. This blow to the pocketbook, and the militant evangelizing of this policy to other governmental jurisdictions and operators of large fleets, is perhaps the clearest message: the great delaying action is at an end and it is time for Detroit to move.

I term it a great delaying action, because that is what I believe that auto industry has been engaged in for a decade. Everything that the industry has disclosed it is able to do today to control auto exhaust, was possible technically ten years ago. No new principles had to be developed, no technological advance was needed, no scientific breakthrough was required. Crankcase emissions have been controlled by a method in use for at least a half century. Hydrocarbons and carbon monoxide are being controlled by relatively simple adjustments of those most basic engine components—the carburetor and ignition systems.

Why has this action required ten years? One is forced to ascribe it to arrogance and apathy on the part of this, the nation's largest industry. Control of air pollution does not make cars easier to sell, it does not make them cheaper to produce, and it does not reduce comebacks on the warranty. To people interested in profits, expenditures for the development and production of exhaust controls are liabilities.

For nearly a decade, the auto industry has been telling us they have been spending a million dollars a year on air pollution control. Their announced expenditure has totalled about nine million dollars during that period. This provides an interesting contrast with a recent survey which revealed the earnings of the 44 highest paid executives in the country. Of these, one-half, 22, are employed by the auto industry. Their combined 1963 earnings were about nine and one half million dollars. In short, during the past decade the industry's total investment in controlling the nation's number one air pollution problem, a blight that is costing the rest of us more than eleven billion dollars a year, has constituted less than one year's salary for 22 of their executives.

The industry is spending over one billion dollars to change over its models this year. Their annual expenditures for air pollution control development is one-tenth of one per cent of one billion dollars. For that, the industry has bought ten years of delay and unhampered freedom to pour millions of tons of toxic contaminants into the atmosphere. This has caused unmeasurable misery, and undoubtedly has seriously impaired the health of many.

What has the industry accomplished during these ten years?

Until recently, very little. In 1953 a pooling of efforts was announced. Through an agreement to cross-license, progress by one would be progress by all. How has this worked out? Apparently it has served to guarantee that no one manufacturer would break ranks and bring into the field of air pollution control the same kind of competitive stimulus that spokesmen for the industry frequently pay homage to as the force that has made them what they are today. It has induced a complaisance, such as that demonstrated early in 1962 when Chrysler let it be known that it had devised a method of engine modifications, which was proving fruitful. The County of Los Angeles immediately obtained twenty of these clear air packages and tested them. General Motors and Ford each took one. Or, another example: oxides of nitrogen are acknowledged as the next problem to be solved in automotive emissions. Five years ago there were public reports of successful reduction of oxides of nitrogen by recirculation of exhaust. All that this work has drawn from the auto industry so far is cat-

calls; instead of pursuing this lead, industry spokesmen have criticized its advocates at professional meetings, such as this one, and exhibited indifference to its potential.

In May, the California State Department of Public Health held a hearing to consider the adoption of an air quality standard for oxides of nitrogen. Ford and General Motors sent their leading air pollution experts. Their contribution was to challenge the need for any control of this contaminant and to abuse the Department. These experts assailed the lack of experimental evidence to support the proposition that control of oxides of nitrogen would be beneficial, yet they produced only a fragment of experimental data of their own to controvert it. What makes this particularly striking is that the greatest achievement in air pollution control proffered by General Motors to account for its years of effort is the construction of an environmental study chamber, in which they have been duplicating much of the work that has led to the conclusion that auto exhaust is the basic ingredient of photochemical smog. So far there is little evidence of constructive contributions to existing knowledge or techniques.

Apparently, not everyone in Detroit has yet read the message. I am prompted to suggest that what is good for the rest of the country may be good for General Motors.

We are all a little bored and disillusioned with the past, so let us venture into the future. In order that some future speaker will have a basis to measure progress, I would like to submit a few predictions:

1. Exhaust control devices will be on the 1966 model automobiles sold in California rather than the 1967 models as the industry has announced. I base this upon the fact that the State of California has certified more than two devices that can meet the California State Standard, and the law automatically requires that cars sold in 1966 have this equipment, or perform with equal effectiveness. One company has already demonstrated that it can meet this standard of performance without such devices. This leaves the remainder of the manufacturers faced with the choice of accelerating installation of their own systems or of buying for production line installation one of the devices certified by the California State Motor Vehicle Pollution Control Board

2. California's allowed hydrocarbon emission standards will be lowered, perhaps down to 180 ppm for the official driving cycle, and the 1968 models will have to meet this standard. I base this upon the fact that such a level of control is attainable by a reasonably priced combination of existing devices and methods, and there is no excuse for delay.

3. There will be a standard set reducing oxides of nitrogen at least 80 percent, and by 1970 automobiles will come equipped with a control for this contaminant.

4. I predict that no later than 1968 new models will have closed fuel systems that will end fuel tank evaporation and slop-over as well as hot soak losses from carburetors and manifolds. I base this upon the fact that closed systems already existing and in operation can stop this, and that existing open fuel systems:

(a) Contribute significantly to air pollution,

(b) Waste natural resources,

(c) Are a needless economic loss to motorists through wasted fuels, and to communities in unnecessary erosion of streets and parking areas due to corrosion by gasoline spilled on them.

In my opinion, closed fuel systems would be on all models today if real competition existed between automobile manufacturers to reduce or eliminate contamination from their product.

5. If catalytic converters come into widespread use, either by themselves or in combination with engine modification systems, then lead as a gasoline additive will be replaced by other methods of increasing octane rating.

6. I also predict that before the end of the year there will be some top level executives of the auto industry appearing before Congressional committees to answer some pertinent and perhaps embarrassing questions.

7. Finally, I predict that the toxic emissions from motor vehicles will be brought under tight control at the national level, and there will be an end to air pollution from this notorious source.

S. S. GRISWOLD, POLLUTION FIGHTER DIES

(By Colman McCarthy)

S. Smith Griswold, a leading pioneer figure in the nation's struggle against air pollution, died yesterday at Bethesda Naval Medical Center at the age of 62 after a long fight against cancer.

He learned his trade in what was then the smog capital of the western world, Los Angeles, a title other cities might dubiously claim. From 1954 to 1965, Mr. Griswold served as the air pollution control officer for the county of Los Angeles.

During those eleven years, Mr. Griswold, who had a low tolerance for stalls and put-offs, brought thousands of pollution cases to court, getting convictions or guilty pleas in 96 per cent. No pollution control officer anywhere in the country has matched this record.

Known as a plugger, Mr. Griswold was hardnosed about his facts and had a flinty impulse to say what he thought. He made a speech in Houston in 1964 that was an early pump on the brake of public opinion that is now trying to stop the runaway problem of automobile pollution.

"Everything that the industry is able to do today (1964) to control auto exhaust was possible technically 10 years ago," he said. "No new principles had to be developed; no technological advance was needed; no scientific breakthrough was required."

Mr. Griswold depicted the auto makers as people crusted with "arrogance and apathy" who had "bought 10 years of delay and unhampered freedom to pour millions of tons of toxic contamination into the atmosphere."

Mr. Griswold said that to people interested in profits, spending for the development and production of exhaust controls was a liability. "Control of air pollution does not make cars easier to sell, it does not make them cheaper to produce, and it does not reduce comebacks on the warranty."

At the time of the speech, Mr. Griswold estimated that the industry was spending only $1 million a year for pollution control. He contrasted this sum with the total combined earnings in 1963 of 22 auto company executives and with the $1 billion being spent for 1965 model changes.

"In short," concluded Mr. Griswold, "during the past decade the industry's total investment in controlling the nation's No. 1 air pollution problem, a blight that is costing the rest of us more than $11 billion a year, has constituted less than one year's salary for 22 of their executives."

Mr. Griswold's position became the genesis of a Justice Department civil anti-trust suit filed in January, 1969. The government charged the four major U.S. auto manufacturers and their trade association with conspiring to delay development and installation of devices to curb automotive air pollution. The case was eventually settled by consent decree.

In 1965, Mr. Griswold left Los Angeles to become abatement and control chief at HEW's Office for Air Pollution Control. He soon discovered that Washington, like Los Angeles, was an atmospheric cesspool.

"I had an apartment on Massachusetts Avenue," he recalled last year, "and the living room had white curtains. In six months' time, they were filthy. In California, your draperies last four or five years and usually the sun rots them before they need a cleaning."

Mr. Griswold's actions and thoughts at HEW helped in the passage of the 1967 Air Quality Control Act. Soon, however, Mr. Griswold came to believe that the abatement efforts he had built up were being diluted or ignored. He left the government in late 1967 and became a private consultant in Washington.

Although aggressive and raw-edged in his public life, Mr. Griswold was privately gentle, easygoing and wry. Interviewing reporters found Mr. Griswold extremely modest about his accomplishments in Los Angeles and Washington. He once said he was unaware that his 1964 speech laid out the essentials of an antitrust case.

Nothing might have happened had not Ralph Nader, then an obscure volunteer worker in the Labor Department, happened onto the speech and perceived its potential explosiveness. Nader interested Justice Department lawyers in the facts set out by Mr. Griswold.

On becoming a free-lance consultant Mr. Griswold was in demand. Officials in places as diverse as Maine and Puerto Rico called him in. "They want industry," he explained, "but they want it clean."

"When the public gets outraged at the air pollution all around them, the politicians and lawmakers won't be afraid to act forcefully and stop the polluters. Nor will they be hesitant to raise and spend the money for pollution control, because the politicians love a safe and popular issue."

Mr. Griswold is survived by his wife, Ingeborg, of Monterey Park, Calif., a daughter, Mrs. Gary Swanson, and his father, W. H. Griswold, both of the Los Angeles area, a brother, W. H. Griswold Jr., of Ypsilanti, Mich., and one granddaughter.

CONSTRUCTIVE ACTION TO STOP DRUG USE

Mr. COOK. Mr. President, we are all aware of the drug abuse crisis facing this country. It has been the subject of many speeches, campaigns, and promises.

This year we have begun to see some constructive action. Starting last February, over 200 public television stations across the country began broadcasting "The Turned-on Crisis," public television's long range community action drug abuse education series. This series, which is probably the most comprehensive series on drugs in the history of broadcasting, was funded by the Corporation for Public Broadcasting. It is the first major education project of nationwide scope undertaken by the corporation.

The objective of "The Turn-on Crisis" is to reach and present to all the principals involved in the drug crisis a majority of viewpoints about the legal and social implications of drug abuse.

The series is divided into three distinct but related television program groups: The first, broadcast in February, was directed toward the general evening viewing audience; the second, shown in March, toward teachers, school administrators, and others in the educational community; and the third, to be broadcast next fall, toward junior high students.

The series examines drug addiction, its causes and affects; explores the traumas of rehabilitation, and emphasizes the

alternatives available to both parents and teenagers in decisionmaking about drugs.

Featured in "The Turned-on Crisis" are such guest participants as Arnold Palmer, David Susskind, O. J. Simpson, the Surgeon General of the United States, ex-junkies, and school kids involved in today's drug scene. The series presents a montage of information on drugs, statistics, attitudes, documentaries on drug action projects, dramatic presentations, and a variety of special programing.

"The Turned-on Crisis" attempts to reach communities across the country with its message and devotes much time to encourage community action and involvement in drug abuse prevention.

The series was received with great enthusiasm in Kentuckey and received endorsements from State officials, community organizations and private businesses.

Statewide interest in the problem had been stimulated by a Governor's Conference on Drug Awareness which met in December, and the formation of drug education coordinating committees in each of the State's 120 counties.

"The Turned-on Crisis" was welcomed by these drug education committees and it was given strong endorsement by the Kentucky Department of Mental Health. Under the department's auspices, mental health center directors, and drug coordinators met to plan the promotion and utilization of this series in their communities. They organized the distribution of buttons, flyers, posters, and other materials, coordinated viewing and discussion groups at schools, and worked with local media for publicity. In addition, the Kentucky Crime Commission gave a grant of $5,000 to the Department of Mental Health to cover the cost of Statewide media coverage and special teacher guides.

In many communities local advertising agencies donated space for billboards, bus and taxi cards and poster displays, and local businesses helped distribute other promotional materials to their customers. Many community groups mailed information on this series to their members and affiliate groups.

Because of the fine quality of the national programing, and the excellent promotion and utilization campaign put together by the Kentucky Educational Network, I am pleased to say that the series has already proven most successful in stirring community involvement in the drug problem.

Regional meetings of the county chairmen are scheduled this month to plan efforts to continue community interest which developed as a result of the series. Also, regional workshops for teachers, students, law enforcement personnel and others will continue these next few months. Several community colleges, State universities, and school systems have recorded the programs for classroom viewing and community meetings.

"The Turned-On Crisis" has served as an excellent catalyst for bringing together people and organizations interested in educating their communities about the dangers of drugs. I commend all who joined in this effort and want to give special praise to the Kentucky Educational Television Network for their fine work in coordinating with State efforts to spread drug awareness to as many people as possible. The network performed an invaluable public service for which we are all indebted.

I would also like to commend the Corporation for Public Broadcasting for making this series possible. Not only did the Corporation fund the production and distribution of the series, but working with CPB's Advisory Committee of National Organizations, the Corporation was able to reach thousands of local leaders and enlist their support for this drug project, making this task much easier for the local stations.

The objective of public broadcasting is to serve the public, and programing like "The Turned-On Crisis" is what public broadcasting is all about. Indeed, it is a precedent-setting example of how television can be used to attack a social problem.

I ask unanimous consent to have printed in the RECORD a list of the organizations in Kentucky, both public and private, which donated much time and services in promoting "The Turned-On Crisis."

I also ask unanimous consent to have printed in the RECORD editorials from three Kentucky newspapers which are but a sample of the press coverage received by the series.

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

COMMUNITY ENDORSEMENTS AND SUPPORT

The Kentucky Department of Mental Health spearheaded a major promotion and utilization campaign through a network of 22 mental health centers and 120 county drug education chairmen. (See narrative.)

A grant from the *Kentucky Crime Commission* to the Department of Mental Health paid for statewide media coverage and teachers guides for the TOC project.

Kentucky Broadcasters Association sent spots to 125 radio stations and videotape promos to a dozen television stations with cover letter urging promotion:

State office of Methodist Churches.

Kentucky Kiwanis.

Bartlett Queen Outdoor Advertising Agency in Owensboro.

Turner Outdoor Advertising in Covington.

Kentucky Press Association devoted a breakfast meeting of their annual convention to the TOC preview tape during the same week the 250 newspapers received a thirty-page press kit.

Kentucky Department of Public Information, (under the Crime Commission grant) wrote, printed and distributed press kits to all of the state's newspapers and broadcasters. Kit included stories and pictures on each program with emphasis on contacting county drug education chairmen for local stories on town meetings.

Kentucky School Boards Association endorsed the series and mailed information to 2,100 school board members, school board attorneys and superintendents.

Kentucky Congress of Parent-Teachers Association endorsed the series and mailed info to 1,000 PTA Presidents, encouraging them to take part in local viewing/discussion groups.

Kentucky Council of Churches endorsed series and in its newsletter to 5,000 urged announcement of the series in Sunday bulletins.

Kentucky Jaycees endorsed TOC and sent letter and flyer to 125 local presidents.

Broughton's Dairies overprinted 10,000 brochures, dropped off with milk deliveries.

Convenient Food Marts displayed posters in their 125 outlets across the state.

State Board of Pharmacy distributed posters and flyers to drug stories in many communities.

Lexington Advertising Club arranged for quarter-page ads in each of the cities dailies, for a month's space on six billboards, and for three back pages in weekly issues of TV Review (weekly circulation 20,000).

Cincinnati/Newport/Covington Transit Co., donated large outside space on 90 busses for the month.

Fayette County Medical Auxiliary addressed, stuffed and zip-coded 12,000 pieces of mail; carried stacks of flyers to doctor's offices and a dozen schools; put posters and flyers in local drug stores. The mailing went to:

2000 superintendents, principals, and supervisors of instruction.

500 agriculture extension agents.

300 women's clubs presidents and program chairmen.

100 Young Republican Clubs.

75 Young Democrat Clubs.

150 Democratic Clubs.

30 League of Women Voters Club.

190 Chambers of Commerce.

200 Councils on Veterans of Foreign Wars.

400 Knights of Columbus.

200 State legislators.

100 Governor's staff.

300 American Association of University Women members.

120 Kentucky Forum for Education.

Uncounted medical auxiliaries, Ky. Medical Association members.

75 High school newspaper editors.

60 Kentucky Arts Commission.

300 Kentucky Association of Children Under Six.

15 Boy Scouts Executive for Kentucky.

75 Homemakers Association.

600 Children's mailing list (fans of ETV).

400 Kiwanis—past presidents and new members.

100 KET Authority, Advisory Committee to KET, Council on Higher Education.

20 Kentucky Education Board of Directors.

300 Kentucky Training & Development Advisory Committee.

4500 Bar Association of Kentucky Lions.

College Newspaper Editors.

[From the Richmond (Ky.) Register, Jan. 28, 1971]

KET TO BE OF REAL SERVICE IN FIGHTING ILLICIT DRUGS

Kentucky Educational Television is weaving into its most commendable programming a three-pronged project on drug abuse, a problem very evident in our state and one which must have the full ear of the public if it is crushed.

"The Turned on Crisis" is phase No. 1 of the project and is made up of a series of eight programs which will be presented on KET every Tuesday and Thursday beginning on Feb. 2 and ending Feb. 25. This initial phase will be for the general public.

The second segment of the project will consist of six episodes titled "Because We Care" and is scheduled for educators and school administrators in March. The third series for junior high students is titled "Nobody But Yourself" and will be aired in the fall.

KET's participation is a portion of a statewide campaign designed to lash out at drug abuse and to serve as an effective follow-up of Governor Nunn's Special Session on Drug Awareness, recently held in Louisville.

This campaign is providing follow-up information and sponsoring listening and discussion groups throughout the state, and the Department of Mental Health is coordinating efforts with all county drug education chairmen and the regional comprehensive care centers.

It is urged that all public sessions scheduled in this community be attended so that the citizens—young and old—of Madison County will get the full picture of the problem of drug abuse, and anyone having a television set should not miss KET's informative offerings.

[From the Eastern Progress, Feb. 11, 1971]

BROADCAST PROVES PROVOCATIVE

Kentucky's Department of Mental Health has a new, sophisticated approach of assessing the modern drug problem. It's called "The Turned On Crisis," and it takes a mature, academic attitude toward the hows and whys of drug use and abuse.

In eight one-hour television broadcasts carried on 200 stations including WLKE, Channel 46, during February, a hard look will be given to drugs, and the use and dependence upon drugs in today's world. It is not designed to "slap the hands" of the users, nor is it "the old condemning the young."

Many varied opinions from a variety of sources attempt to determine the danger in drug usage. The final telecast on February 25 features a debate on marijuana use. (The dates and topics of the shows appears on page 1 of the February 4 issue of *The Progress*.)

The entire spectrum of "drugs" is taken into consideration from coffee to "grass" to "hard stuff."

One would have to say that the first three programs are definitely informative and provocative. They merit attention by all persons.

[From the Lexington (Ky.) Leader, Feb. 2, 1971]

KET CHANNEL 46: THE TURNED-ON CRISIS

Feb. 2: Because that's my way: Noted psychologist Carl Rogers leads ten people from different backgrounds in a 16-hour encounter session.

Feb. 4: The first dimension: A multi-level barrage of facts and attitudes on drug abuse forms a basis for dialogue.

Feb. 9: Say what we feel, not what we ought to say: Barriers to communication between youth and adults are revealed as they deal with threats of closing a city's controversial youth center and of policing the high school for drug users.

Feb. 11: Shade of a toothpick: David Susskind hosts a survey of drug prevention programs across the nation.

Feb. 16: To keep it you have to give it away: Lexington's federal Clinical Research Center is one of several drug rehabilitation projects visited.

Feb. 18: The concept: Dramas performed by ex-addicts at New York's Daytop Village as part of their therapy show their lives inside and outside the rehabilitation center.

Feb. 23: Why can't you hear through the noise in your ear? A music/rap session featuring top recording groups puts the meaning of contemporary music in perspective for adults.

Feb. 25: High is not very far off the ground: Debate centers around the controversy of marijuana use.

CREDIT REPORTING LAW PUBLICIZED

Mr. PROXMIRE. Mr. President, the Fair Credit Reporting Act that became law last Sunday has been greeted around the country as a major help to the consumer. The evidence is the number of news items, articles, and editorials that have been published about the new law.

Mr. President, I ask unanimous consent that some of the items be printed in the RECORD.

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

[From the Minneapolis Tribune, Apr. 26, 1971]

TALK BACK TO YOUR CREDIT FILE

In the highly mobile, buy-now-pay-later economy in which we live, some means of gathering and passing on information about credit applicants is undeniably essential for businessmen. Equally undeniable, however, is that many credit bureaus, reporting agencies or individual creditors have abused their right to such confidential information by filing and disseminating unverified or erroneous information—often nothing more than idle gossip—without regard for the effect it might have on a person's or family's economic and personal life.

A person could have his application for credit or an insurance policy or a job denied and have no way of knowing why—or of setting the matter straight if he thought that the denial might have been based on false information. Many an American, in such a situation, has felt himself to be the victim of a faceless bureaucracy, against which he was powerless to strike back. The credit file had the last word; the consumer had no opportunity to argue or respond.

Starting this week, however, the consumer will have some power—and the bureaucracy will have gained a face. Under provisions of the Fair Credit Reporting Act, described in detail by columnist Sylvia Porter recently, Americans will have the right to obtain all the information in their credit files, as well as the names of those who have received reports based on them. They will be able to arrange for a reinvestigation of items they question and to have such items deleted if they are false or cannot be verified. They will even be able to put their sides of the story on record if a reinvestigation fails to settle a disputed point.

The new law, in short, gives Americans the right to know who's saying what about them, and to whom, along with the right to challenge what's being said. It provides them with a valuable means of protecting their financial and personal reputations. Moreover, it should encourage credit agencies to be more careful about the kind of information they gather and pass on.

[From the National Observer, Apr. 26, 1971]

HOW FAULTY CREDIT DATA BLOCKED ONE MAN'S LOAN

(By Patrick Young)

Ever wonder about what's in your file at a credit-reporting service?

I did. What I found made me a believer in a new Federal law, effective April 25, that requires a credit agency to supply you, on request, with a summary of nearly all information in your dossier.

It was more than mere curiosity or a reporter's instinct that sent me searching for credit files on me and my wife. I had applied for a loan last January from my friendly, full-service bank, where I had obtained similar loans before. I expected a telephone call saying the loan was approved.

It didn't happen that way. The bank wanted to know about the $20,000 law suit pending against me. So did I. No one had told me about it.

For two days the bank refused to tell me where it had learned of the suit, what it involved, or where it had been filed. But it did say that if I was being sued, sorry, no loan—even if I had insurance to cover any judgment against me.

Finally the bank informed me the report had come from Stone's Mercantile Agency Co. Stone's told me where the suit had been filed and my lawyer quickly checked. I, indeed, had been sued on July 20, 1970. The suit involved, apparently, a medical claim from a minor traffic accident, total damage to both cars, $148. And the suit, settled by my insurance company, had been dismissed on Sept. 4.

With that cleared up, I got my loan. But I began wondering who else had files on me, and what they contained. And so I started looking in early April, and gained some knowledge about what credit-agency reports contain. I did wonder, since the law had not gone into effect, what co-operation I would get. I didn't get much at a couple of agencies, but from others I got plenty—too much in fact.

ACCURATE BUT DULL

I checked first with Stone's. A young man read me my file, which took up a single sheet of yellow paper. It was accurate and dull: my employer, one previous employer; two previous addresses; my wife's maiden name; and the fact that the law suit had been dismissed. I also learned that three credit checks had been run on me through Stone's since 1969.

I was out on the street before a thought struck. No one had asked me for identification. That did make me wonder just how confidential my file was.

My next stop came at the Credit Bureau, Inc., which did check for identification. Here was what I sought. They still had me being sued, seven months after the suit had been dropped. I made arrangements to clear that up. And I learned five department stores thought I did just fine paying my bills.

Finally I visited Retail Credit Co. They found no record on me.

I next called nine of the agencies listed in the telephone-book Yellow Pages. One was out of business, two were collection agencies only, and the others said they had no files on me.

O'Hanlon Reports, one of the agencies that snoops for insurance companies, refused to tell me whether they had a file unless I made an appointment and came into their Washington, D.C. office.

But I had more success at the American Service Bureau, which recently investigated me for a life-insurance company. They had a file, and even offered to read it over the phone. "All the entries are favorable," I was told. Very nice. But again I wondered about confidentiality.

ON THE PRACTICAL SIDE

The new Fair Credit Reporting Act for the first time gives all consumers some protection from the shadowy and intrusive activities of the nation's 2,500 credit-reporting agencies. No longer is it up to an agency to set its own rules on divulging file contents that may be blocking a crucial loan or other form of credit.

THE IMPORTANCE OF CREDIT

Today credit is a necessary and an almost universal part of American commerce. "We must realize that the old cliche that credit is a privilege and not a right makes no sense in the mid-Twentieth Century America," Arthur R. Miller, professor of law at the University of Michigan, told a Senate subcommittee investigating credit agencies.

The nation's credit agencies play a vital role in the nation's credit system. But several congressional investigations, which disclosed abuses and patently unfair practices, forced Congress to enact the new law to regulate the industry.

Credit agencies gather information that indicates the risks involved in granting people credit, and many check out a man's personal life. They readily exchange this data with other agencies, and sell summaries to businesses, insurance companies, and employers. Government agencies, such as the FBI, also have access to their files.

Much of the information comes from consumers themselves, through such things as credit and loan applications. The agencies also check public records and court dockets But, as I can testify, they can be lax about following court cases to their conclusion.

Careless record-checking can and does cause trouble. A Wisconsin couple was refused a bank loan, but not told why. A relative eventually obtained a credit report for them. The credit agency had confused the husband with a man having a similar, but not identical name, who had a court judgment against him.

More damaging to reputations can be personal investigations, often done for insurance companies and employers, that contain hearsay information gathered from neighbors, acquaintances and "friends."

AN ALCOHOLIC?

A Pennsylvania man was repeatedly denied medical insurance for his wife for 11 years. He finally learned through a friend that his wife, whom he testified took perhaps five drinks a year, was listed by a credit agency as an alcoholic.

Previously, most credit agencies barred banks, insurance companies, and businesses from revealing them as the source of derogatory data. Nor would they discuss a person's file until he signed a release freeing them from any court action for circulating false and libelous information. Indeed, Retail Credit Co. long had a policy of neither confirming nor denying to a person that it held a dossier on him.

The Fair Credit Reporting Act became law, over strong opposition from credit-agency lobbyists and their friends in Congress, largely through the efforts of Sen. William Proxmire, Wisconsin Democrat, and Rep. Leonor L. Sullivan, Missouri Democrat.

It provides these protections:

Credit agencies must disclose the nature and substance of all information in their files on an individual to him, except medical data. They do not, however, have to let a person see his file. Most will read the material or provide a written summary.

If a person's credit application is rejected, or he is turned down for insurance or employment because of an adverse report, he must be told the name and address of the agency involved. The agency does not have to reveal the names of people providing it with hearsay information, but provisions exist for obtaining the names through court action.

Credit agencies must reveal to whom they have provided credit information in the previous six months and what potential employers have received reports in the previous two years.

Credit agencies must recheck disputed information "within a reasonable period of time," but not if they have "reasonable grounds to believe that the dispute by the consumer is frivolous or irrelevant." If derogatory material is removed from a file, an agency, upon request, must notify anyone receiving a credit report within the previous six months or an employment report within the previous two years. If an agency refuses to remove information, a person may include a 100-word statement, giving his side. This must be included in future reports.

When someone asks for a report on an individual's character and reputation, the subject must be told.

The law limits the circulation of adverse information more than 7 years old, except bankruptcies, which may be included for 14 years. No limit exists, however, for persons who seek loans or life-insurance policies over $50,000, or who seek jobs with annual salaries over $20,000.

Credit agencies can be sued if they wilfully circulate false data with a malicious intent to harm someone. And if an agency violates the Fair Credit Act and causes an individual financial harm, it can be sued. Both, however, are difficult to prove.

With some 2,500 agencies preparing credit reports, learning exactly who has files on you is hard. The Yellow Pages list 28 entries under "Credit Rating & Reporting Agencies" covering Washington, D.C., and its suburbs. Some of the larger agencies—Retail Credit Co., Hooper-Holmes Bureau, Inc., and O'Hanlon Reports, Inc., for example—are not among them.

[From Home Furnishings Daily, Apr. 16, 1971]

CONSUMER GETS A LOOK: NEW LAW OPENS CREDIT INFO FILES

(By Robert Barr)

WASHINGTON.—Retail stores and private credit reporting agencies will have new responsibilities to consumers under the Fair Credit Reporting Act of 1970 which becomes effective April 25.

The fact that this law will begin operating shortly has stimulated freshmen Congressman William Cotter (D., Tenn.) to demand that the Federal Government be required to follow much the same rules about information kept on file about consumers.

Under the Fair Credit Reporting Law, any store which rejects a credit application or increases the charge for credit on the basis of a private credit agency report, must advise the consumer involved of the name and address of that private credit agency.

The private credit agency itself, under the law, will be required to disclose to any person who requests it, what information the agency has on file about that person.

The credit agency must disclose the nature, substance and source of its file information, but need not include any data acquired from an investigative report for employment purposes.

The credit agency that is asked by a person about any files it has on that person must reveal the names of any other persons to whom copies of the file information have been sent.

Cotter has sponsored a bill to require Federal agencies to notify citizens if they have any dossiers on them.

The Government would not have to disclose files that involved national security or investigations involving criminal prosecutions.

However, under the Cotter bill, the Government would have to notify a person that he could inspect the file kept on him, make copies of it and supplement it.

Also the Government agency with any such files would have to keep a record of all persons who have inspected such a file, and those files could be opened to other persons only when legally required or with the consent of the person who is the subject of the files.

[From Consumer Trends, Apr. 16, 1971]

CONFIDENTIALITY OF CREDIT INFORMATION UNDER THE FAIR CREDIT REPORTING ACT

When the Fair Credit Reporting Act becomes effective on April 25, it will be a foolish credit granter who does not follow the advice of the firm's own legal counsel with regard to compliance with this new law. *But unfortunately, during recent weeks "CT" has seen in print expressions of opinions by attorneys which have been made publicly which demonstrate inadequate understanding both of the law and consumer credit operations* and which are disturbing the relationships between more competent attorneys and their clients in the industry. Most of this bad advice centers around the law's regulation of consumer reporting agencies.

One frequent statement we see is that "the first thing a creditor must do is to decide whether or not he is going to be a consumer reporting agency under the provisions of the law." *This is like a lawyer asking his client, "Have you stopped beating your wife?"* If creditors have been functioning secretly as cerdit reporting agencies up until now, they should not have because *in any consumer credit relationship there is an implied contract between the creditor and the customer that information with regard to his account will be held in confidence.*

While the laws covering other areas of credit regulation usually have not spelled out this obligation on creditors, the state laws regulating banking have usually been explicit on this point. *In general, state banking laws do not permit a bank to indiscriminately act as a "credit agency" for third parties.* And according to The American Bankers Association, "A bank should, as a general policy, consider information concerning its customers as confidential, which it should not disclose to others without clear justification." And further, suits in the banking industry make it clear that in some instances banks should release information to third parties only in response to a court order. This is what legal research by "CT" shows.

But there is nothing in either the Fair Credit Reporting Act or in the state laws which places unreasonable legal restraints upon banks or any other type of credit granter, even credit unions, from providing ledger information on consumer credit accounts either to a credit bureau or on direct inquiry from another credit granter as long as this is done in a confidential and reasonable manner. In fact, *while Section 604 of the new law was intended only to set out the permissible uses of consumer reports to set boundaries on consumer reporting, its provisions offer an excellent legal guide to the credit granter on giving out information to any third party with propriety.*

[From the American Banker, Apr. 21, 1971]

FORMAL REGULATIONS ON FAIR CREDIT REPORTING WILL NOT BE ISSUED BY FED

The Fair Credit Reporting Act is an amendment to the Consumer Credit Protection Act but not an amendment to truth-in-lending; consequently, the Federal Reserve Board does not have the responsibility for writing regulations with regard to this act, according to **Griffith L. Garwood, attorney, truth-in-lending**, Federal Reserve Board division of supervision and regulations. In an address to the American Bankers Association's 30th national installment credit conference in Miami Beach, Mr. Garwood, who said he was not speaking as a representative of the Fed or as a regulator, acknowledged that the application of the law to bank activities is "so uncertain" that the Fed is faced with the need for preparing information for its examining staffs and for the other banking agencies.

I do appreciate the opportunity to speak to you on this topic that is timely for you all and which is also timely for us, because we've got to educate our examiners in a short period of time in the particularly difficult and confusing Fair Credit Reporting Act as it applies to financial institutions.

But before I begin talking about fair credit reporting, I want to say one word about truth-in-lending, which is my primary area of responsibility. There have been references made to a practice which has shown up in the past two weeks of banks advertising in bold print the add-on rate, which is so contrary to the spirit and the intent and the language of the statute as to be astounding.

While we and the other banking agencies are doing whatever we can to stamp out that practice, I think it was extremely unfortunate and it gives some indication of why Washington at times overreacts to problems and the practice certainly should be discontinued immediately.

On April 25 the Fair Credit Reporting Act goes into effect. Many of you know that, a good number of you are worried about it, but I suspect that the impact of

this act on banking practices is not well known by many of you. This is particularly disturbing because it affects the collection of information and the use of information and the referral of information on consumers for credit purposes and insurance purposes and employment purposes. I would imagine that each of you in this room is engaged in one of those activities from time to time and you need to be familiar with this act.

It applies to banks as credit granters, as employers, as purchasers of dealer paper and as credit card issuers. And under the act banks may even become what we've known as credit reporting agencies in the past and which under this act are called consumer reporting agencies. Now the act is an amendment to the Consumer Credit Protection Act, the major title of which was truth in lending. But the act is not an amendment to truth in lending, so the board's responsibility for writing regulations are not present with regards to this act.

The act does not specifically direct any agency to write implementing regulations and this may be one reason why it kind of crept up on the industry unawares. Now it may be that the banking agencies have general authority to write regulations to implement the act, but the congressional intent is quite clear that Congress believed that the statute could stand on its own and wouldn't need regulations.

However, its application to banking activities is so uncertain that we are faced with the need of preparing information on it for our examining staff and also the other banking agencies. It's my belief that this information, which is presently being developed by the saff, will be distributed to banks, at least to give them an idea of how the agencies view the act and give some guidelines for developing procedures. But I should caution you that because of the difficulties of the language in the act, the actual impact as determined by court decisions may not be known for some period of time. I want to emphasize that I am speaking not as a representative of the board on this act and not as a regulator; I'm not giving the views of the board at this stage because, frankly, they're unknown. I'm just speaking as an individual who is familiar with the act and familiar with banking practices to a certain extent. My purpose is to encourage you to become familiar with the act yourself and to consult your counsel about it. I would like to walk you through it and give you some of my interpretations of it as a basis for developing your proceures, because time is very short before the effective date.

A word about the purpose of the act. It is designed to insure fair and accurate reporting of information regarding consumers. It restricts the use of those reports to legitimate uses, it requires the deletion of certain old information, obsolete information, and most important for banks, it requires notice to a consumer when credit is denied or the cost is increased, based upon information from a credit reporting agency from another bank or from any third party. The bank will have responsibilities as a user of credit information. The act also entitles consumers to know about the information that is in their files, that are in files of consumer reporting agencies and, as I mentioned, a bank in some instances may be a consumer reporting agency, which would mean that the bank would have to make that information available to consumers.

This is an age which is filled with almost daily reports of invasion of privacy by both public and private institutions. And I think few of us would quarrel with the basic aims of this legislation. The problem for bankers is to know how to comply with the technical requirements of this act.

Now there may be a good deal of uncertainty and discussion as to how it applies to certain phases of banking operations. But there is no question at all but that banks have responsibility as users of information on consumers. Banks in many cases routinely obtain credit reports and they may continue to obtain those reports in connection with legitimate business purposes. There is nothing in this act that prohibits a bank from obtaining those reports. New procedures, however, are set forth in the act for obtaining the reports. The bank must file a certification with the credit reporting agency certifying that it will use the report for only one of the specified authorized purposes. It's my view that it need not give a certification each time that it requires a credit report, that a blanket certification will be appropriate.

Now I mention again that, under some circumstances, a bank may be a credit reporting agency and in that situation of course, you would have to certify to that other bank that you were going to use its information for an authorized purpose.

The most important part of the user's responsibility has to do with responsibility to the consumer. If a bank denies credit or increases its cost based even partially on information in a consumer report from a consumer reporting agency, it's got to tell the consumer the name and address of that agency. The reason is clear: there are other statutory provisions which allow the consumer then to go to the agency and see what's in his files and give him an opportunity to correct any erroneous information. But when a bank turns down credit, or increases the cost, based upon information from a credit reporting agency, it must give the name and address of that agency to the consumer. It must also advise him that the report contributed to or caused that denial of that credit or the increase in cost.

Well, that's not too difficult, but it becomes more difficult when a bank turns down or increases its cost because of information from someone other than a credit reporting agency, from an employer, or from another bank, or from a finance company. When it increases the cost, or if it turns down the credit, based upon information from one of these other sources, it must tell the consumer that he has a right to ask for the nature of that information. And if he does ask for the nature of the information, if he makes a written request for it, the bank has got to give it to him. They've got to tell him, for example, that his credit history with another financial institution is poor, or that his income is not what he represented it to be, or that he has not been employed or lived at the address for the specified period claimed in the application, or that his debts are greater than he represented, or that the statement in his application that his debts are current is inaccurate.

This would all be information that the bank would have determined from a third party who is probably not a credit reporting agency, and if it turns down or increases the cost based upon that information, it must first advise the consumer that he has a right to request the nature of the information. If he does request it in writing, then you've got to give him the information that caused the turn down or the increase in cost.

One of the questions that I believe will arise is what happens if the turndown is based upon information on a coworker, or a guarantor or surety. The statute is unclear, but it seems to me that you ought to follow these rules that I have just mentioned if the turndown or increase in cost is based upon information on a co-maker, guarantor or surety. I want to emphasize that the bank need make no disclosures whatsoever if it denies credit or increases the cost because of information it has in its files, solely as to its own prior transactions with the customer or based upon information in the customer's own credit application or based upon its general credit policies.

It must only make these disclosures when it uses information from a third person, either a credit reporting agency or an employer or another bank or finance company. I want to emphasize that a bank may continue to make enquiries about a customer to prior creditors and credit reporting agencies and others. The only responsibilities are to the consumer if there is a turndown.

Now there are special responsibilities if the bank makes what is called a "request and investigative credit report," or "investigative consumer report" and this is just what it sounds like. It's a report involving personal interviews with neighbors, friends, associates, others, about the individual's general character, mode of living and so forth. It's probably not likely that a bank will make that kind of request in connection with an extension of credit, but it might very well do so in connection with employment. Well, if it does request one of these reports, it's got to tell the customer or the prospective employee within three days of making that request and it must inform him that you will tell him the nature and scope of the investigation, the type of questions asked, and the type of people to whom they were directed.

What changes should you consider today to comply as a user of credit information? First of all, you recall that a certification is required to each credit reporting agency. Now the primary responsibility falls on the credit reporting agency to obtain that certification, but you ought to be aware that one will be required. You'll need to instruct your employees that consumer reports can be obtained for certain permissible purposes: in connection with the extension of credit, the review or collection of an account, for employment purposes, underwriting insurance or other legitimate business purposes. You cannot, for example, request a credit report on your prospective son-in-law that is, unless you view it as a business transaction! Otherwise, you can't do it any more. Another procedure: you should establish procedures and instruct your employees to make sure that these disclosures I mentioned are made to consumers when there's a turndown or the charge is increased. You recall that you have to disclose the name and address of the consumer reporting agency or the right to request the nature of the information when it comes from a third party.

Now, you've got to establish procedures to maintain records of information you get from third parties so that if the customer requests the nature of the information, you'll have it available and can make the disclosure to him. You'll also need forms to disclose that you're making an investigative credit report, if you're doing so.

The real controversy arises as to whether a bank may be a consumer reporting agency. The issue is an important one because a consumer reporting agency must make its files available, must make the information in its files available to consumers under certain prescribed rules. It also is important because you remember the responsibility of the user depends upon whether he gets the information from a credit reporting agency or not. So you as one banker should be interested in whether another bank from whom you get information is a consumer reporting agency.

Now a consumer reporting agency is defined as, among other things, any person who on a cooperative, nonprofit basis regularly engages, in whole or in part, in assembling or evaluating information on consumers for purposes of furnishing consumer reports to third parties. It doesn't say for the purpose or the sole purpose or the pri-

mary purpose of furnishing consumer reports to third parties; it just says for purposes of furnishing consumer reports to third parties. It's a little bit vague as it applies to the interchange of information. Congressional history suggests that it was the intent of the majority of the members at least who were knowledgeable about the bill that this would apply to banks in any situation in which they exchanged information other than solely as to transactions or experiences that they have had with the consumer.

It seems to me that, as long as a bank does not record information it picked up from employers, does not report information it picked up from other creditors, does not pass on information obtained in a credit report, it will not be a consumer reporting agency. Now to be cautious, I wouldn't pass on information that was contained in the consumer's own credit application. I think I would limit what you pass on—if you wish not to be a credit reporting agency—to information simply as to the transactions, loans deposits, and so forth, or experiences with the consumer.

Now you could disclose, for example, that the consumer had a history of delinquency with you, or was current, or you could give other information as to the status of loans or deposits with you. If you are regularly furnishing other than information relating to transactions or experience, you've had it with the consumer.

Now is the time to decide if you wish to continue that practice and be a consumer reporting agency—and some banks may very well wish to be—or not be a consumer reporting agency.

In making that decision, let me talk about some of the requirements imposed on a consumer reporting agency. You recall the certification. A consumer reporting agency would have to obtain certification from all the users of its reports that they will be used for the permissible purposes. So you as a bank that is a consumer reporting agency would have to obtain agreements from the recipients of your information that they will use it only for permissible purposes. Now, in addition, you cannot use obsolete information in any reports that you furnish, and the act tells you what is obsolete information. Basically, it is information about bankruptcies, that are over 14 years old, or any other adverse information that is 7 years old. This would include suits and judgments, paid tax liens, accounts placed for collection, arrests, indictments, convictions. All this material would have to be deleted from the file and not passed on. Now you as a user of reports, who is interested in and required by law to determine whether a prospective employee has been convicted of crime. may be thwarted in your efforts because the information you get from a credit reporting agency won't tell you whether he's been convicted over seven years ago. I don't know what the resolution of that problem will be.

I might mention that these restrictions on passing on obsolete information do not apply in the case of the extension of credit for $50,000 or more, or in connection with an application for employment at $20,000 or more a year.

Well, then, what must a bank do which is a consumer reporting agency. It must maintain procedures to insure that the information is not released except where permitted: these large transactions of $50,000 or more. This would require periodic review of files to delete obsolete information and, of course, instruction of employees. Procedures must be developed to insure that information is given only for the permissible purposes. Again, if you as a credit reporting agency give out information on that prospective son-in-law, you have violated the law and it can be serious. You have to obtain certifications and so forth.

Well, the point of all this really is to give the consumer an opportunity to come in and correct erroneous information in his files. And a bank as a consumer reporting agency has a number of responsibilities to a consumer. You recall that when the user of your report denies credit he must give out your name and address and under the statutory scheme the consumer then comes to you. Upon his request and proper identification, you've got to disclose the nature and substance of all the information in your files on him, except medical information.

Not only must you disclose the information in your files, you must disclose the sources of that information, except under certain very limited circumstances; but in general you would have to disclose the sources of all the information in your files. You've also got to disclose the recipients of information from that file for employment purposes within the last two years, and for any other purposes within 6 months. So obviously the bank which is a consumer reporting agency has got to keep records of every telephone inquiry in response to which information is furnished on the consumer so that it can then disclose the recipient of that information if he asks for it.

Now I might mention that if information is removed from this file before April 25, which is the effective date of this act, then the sources and the recipients of that information need not be disclosed if the consumer requests it. I think this is in recognition of the fact that information was given in the past on a confidential basis, and you do have an opportunity to remove that information from your file before the effective date of the act and in that circumstance you need not disclose the sources or the recipients of the information. Now when the consumer comes to you he has a right to disclose during normal business hours on notice, in person, or by telephone, as long as he pays for the call. He's permitted to be accompanied by someone else, you can require him to give you written permission to disclose the information to that other person. You've got to supply trained personnel to give him the information in his files and I think any bank which is a consumer reporting agency is going to have to draw together from all its departments the information it might have on a particular individual, or certainly set up procedures so that it can readily draw that information together so that if a customer requests it, a disclosure can be made to him.

All this disclosure to the consumer of what's in his files is of course to allow him to correct or dispute information in that file. And if he asks you to, you've got to reinvestigate and record the current status of any information that he disputes in the file. This is, unless you consider the request frivolous or irrelevant, but I think a bank should be very, very cautious about ignoring any consumer's request to reinvestigate on the grounds that it is a frivolous or irrelevant request, and I might mention that the status says that simply because there is contradictory information in your files, contradictory to his allegation, this is not a grounds for assuming that his request is frivolous or irrelevant.

Now if it reinvestigates, if the financial institution reinvestigates, and it can't reconfirm that information, it's got to delete it from the file right there if it can no longer be verified, it must be deleted. Now what happens where reinvestigation confirms the information in the file? Well, in that circumstance the consumer is entitled to file a brief statement of his side of controversy. And unless again, that statement of the controversy is frivolous or irrelevant, all subsequent consumer reports must contain a brief statement, this statement, or a codification or a summary of it. In other words, the consumer will be telling his side of the story when future consumer reports are distributed.

Not only that, but he can request that you notify prior recipients of the report of his dispute and those same provisions, two years in the case of requests for employment purposes, six months in the case of other recipients applying. Anybody who has received information that the consumer reports in that period must be notified of the correction or statement that the consumer is furnishing. And the bank of course would have to clearly indicate to the consumer his rights, all these various rights I've indicated, these rights to make a request.

Well, let's assume that this has scared you off from being a consumer reporting agency. There is an extremely unclear portion of the statute which will affect every single bank in this room and that has to do with activities with regard to dealer paper. Let me give you my reading of this provision which certainly can be proved wrong in the future, but let me take a crack at it for you. Assume the financial institution wishes to avoid becoming a consumer reporting agency. In that situation, any time there is a call-around by a dealer, before the contract is signed, to inquire whether the bank will accept the deal, will extend the credit, and the bank turns it down or increases the cost because of information in a consumer report or from third parties, disclosures must be made by the dealer to the consumer and by the bank to the consumer.

Let me go over that again. This is if you want to avoid becoming a consumer reporting agency. On a call-around situation, if the financial institution does not accept the deal or increases the cost—again even partially because of information from a third party, whether it's a credit reporting agency or employer, or prior creditor—disclosures have to be made both by the dealer and by the financial institution to keep the bank from becoming a consumer reporting agency. Now the dealer must advise the consumer of the name and address of the bank, and the bank then must follow normal procedure of a user of reports, and you recall that if you're using a consumer report from a consumer reporting agency, you've got to give the name and address of the consumer reporting agency. If you're using information from a third party who is not a consumer reporting agency—an employer, a finance company, another bank—then you've got to disclose to the consumer his right to make a request to be informed of the nature of that information. Then you've got to disclose the nature of that information if he makes a written request within 60 days. Again, on the turndown, the dealer has got to disclose to the consumer your name and address and you have to disclose to the consumer either the name and address of the consumer reporting agency you used or his right to request the nature of the information when it came from a third party.

Now although this second responsibility falls directly on the bank, to me that the easiest way to comply is to have the dealer as your agent and on your behalf make those disclosures for you. Unfortunately, you run a good deal of risk that he might not do it. So I think strict, tight procedures would have to be developed if you took this approach to insure that you got copies of any disclosures made by the dealer on your behalf. He's got the customer before him, presumably you can tell him what to say on the phone, he can fill out the form on your behalf, hand it to the customer and that should handle your responsibilities.

I might mention, I have talked to some bank counsel this week who feel that they are not willing to advise their banks to take that risk and they will presumably require the customer's name and address from the

dealer so that they in turn can make the disclosures directly to the consumer.

I'd like to talk briefly about the responsibilities of a bank as an employer, or one who furnishes information to others on consumers for employment purposes. The act has direct application to your operations in these two situations. Again, there is nothing in the act that prohibits you from giving out information that may be in your files on a consumer when somebody calls to find out about him for employment purposes, but again I must caution you that if you give out anything other than your own transactions or experiences you may find yourself in the role of a consumer reporting agency. If you are a consumer reporting agency, and you're passing on information which includes information of public record which may have an adverse affect on this person's ability to obtain employment, for example liens and judgments, pending law suits, arrests and convictions and so forth—at the time you pass that information on, you've got to tell the consumer of the name and address of the person to whom you gave it. Now the alternative is to make sure that that public record information is absolutely up to date, that you check the courthouse and the suit that was filed has gone to judgment, has been dismissed, whatever the absolute up-to-date disposition of it is. If you do that, you need not tell the individual the name and address of the person to whom you reported the information.

Now in evaluating a potential employee, a bank may continue to obtain the consumer report and it can continue to make inquiries from previous employers, for example. You will recall, though, that if you make an investigative credit report, you've got to tell the consumer that you're making that investigating report and disclose his right to know the nature and scope of the report. This does not apply if it's a job for which he has not specifically applied, if you're doing it on the sly, so to speak. But if he's applying for the job and you make an investigative report, you've got to make these special disclosures to him.

A word about liability. There is plenty of it in the statute. Willful noncompliance, actual damages, punitive damages, court cost, attorneys' fees for the successful litigant. Our experience in truth-in-lending where there is also provision for court costs and attorneys fees for successful litigants is that there are a lot of litigants trying to be successful right now. So I think there is real exposure, under these provisions, for negligence. They dropped the punitive damages but you can still be subject for actual damages.

Let's go back to that son-in-law and let's say you really want to obtain a report on the son of a guy, but you're aware of this act so you call up a consumer agency and suggest that you need it because you want to lend him some money. Well, that could land you in jail and it could also cause you to be fined $5,000. Let's say your brother-in-law works in the consumer reporting agency and he knows doggone well why you want the report, why he could also go to jail and you could spend the time there together. You can't release or obtain information for unauthorized purposes.

In conclusion, the Fair Credit Reporting Act is a complicated statute. It applies in one way or another to every single bank represented in this room, it becomes effective on April 25. I think your first job is to determine whether you want to be a consumer reporting agency or not and adjust your procedures accordingly. In any event you will have to develop new procedures for disclosures as users of information. Time is short, the responsibilities are substantial, the penalties are severe, and I suggest you all become acquainted with the act.

[From the Chicago Daily News, Apr. 20, 1971]

STRETCH YOUR MONEY: WHAT NEW CREDIT LAW MEANS TO YOU

(By Dan and Michele Miller)

A North Side Chicago family has been trying for a year to convince a big mail-order house that they never ordered or received 7 sheets and 14 pillowcases. But the bills, with increasingly ominous warnings, keep coming.

A south suburban couple is having similar problems with a credit-card company that insists they took a two-week vacation last year in Barcelona, Spain, and financed it with a credit card. The couple haven't been outside Cook County in two years.

And other families are being threatened with maiming of their credit rating because of unpaid bills from record clubs, book clubs and art clubs they never joined.

Frustration is one of two results in communicating with a computer. The other is usually irreparable damage to a credit rating.

But beginning next Sunday, credit-using consumers will wield a little more clout when trying to correct inaccuracies in their credit dossiers.

The Fair Credit Reporting Act goes into effect April 25 and it spells out some basic rights consumers have in protecting their reputations. Here are the main provisions:

The next time a company turns down your request for credit because of a bad report from a credit-reporting agency, the company must tell you the name and address of the agency. The same applies to an insurance company that rejects you for a policy or to an employer who refuses to hire you on the basis of a credit report.

You have the right to know the "nature and substance of all information" in your file at the credit-reporting agency, except for medical information. You can't paw through the file yourself, but a trained employee must explain to you what's in your file. You have a right to know the sources of almost all information, but not the sources used in an investigation of your life-style. You can find out, for instance, the name of a record club that has given you a black mark, but not the names of your neighbors who complained to credit investigators about your personal affairs or general character.

Credit-reporting agencies must reinvestigate disputed information "within a reasonable period of time," unless the agency has "reasonable grounds to believe that the dispute . . . is frivolous or irrelevant." If the dispute is unresolved, you can tell your side of it in a brief statement that will become part of your record and be included in any future reports. It will also be forwarded to agencies that received the disputed information in a credit report.

Even if you aren't turned down for credit by a company, you can find out what is in your credit file by requesting the information from the appropriate credit bureau. The same provisions for reinvestigation and disputed information apply, but the credit-reporting agency can charge you a "reasonable" fee for examining your file.

Certain kinds of information in your file cannot be reported to anyone. These include bankruptcies over 14 years olds, suits and judgments over 7 years old or the time allowed under the statute of limitation (10 years in Illinois), whichever is longer, or any other adverse information over 7 years old. But the embargo doesn't apply if you are being investigated for an insurance policy for $50,000 or more or a job that pays more than $20,000 a year.

You are entitled to know if someone has ordered an "investigative consumer report" on you. That kind of report on your personal life is based on interviews with your neighbors, friends and associates. But you won't find out if someone is checking on you through your past or present creditors—unless the information results in denial of a job, credit or life insurance.

Details of the Fair Credit Reporting Act can be obtained from Sheldon Feldman, Bureau of Consumer Affairs, Division of Special Projects, Federal Trade Commission, Washington, D.C., 20580.

[From the Capital, American Bankers Association, Apr. 13, 1971]

CREDIT REPORTING

Banks have been warned to study the Fair Credit Reporting Act of 1970 so they will be ready to comply with the new law when it goes into effect April 25.

The new statute, enacted as a rider to last year's foreign bank secrecy law, applies "in one way or another to every single bank," Federal Reserve Board attorney Griffith Garwood declared at ABA's National Installment Credit Conference in Miami Beach last week.

"I think your first job is to determine whether you want to be a consumer reporting agency or not and to adjust your procedures accordingly," he advised bankers. "In any event, you will have to develop new procedures for disclosures as users of information."

"Time is short," he continued. "The responsibilities are substantial. The penalties are severe. And I suggest you all become acquainted with the Act."

Garwood also said that under the new law the Fed is not required to issue implementing regulations. And the agency may not even issue guidelines for banks to follow before the law takes effect, he added

Emphasizing that his views were his own and not an expression of Fed policy, Garwood said the law will apply to banks "as credit granters, as employers, as purchasers of dealer paper and as credit card issuers."

The law restricts the use of information and requires deletion from files of certain obsolete information. It also entitles consumers to know why a loan request is refused or the cost increased.

However, Garwood stressed, "the bank need make no disclosures whatsoever if it denies credit or increases the cost because of information it has in its files solely as to its own prior tranactions with the customer or based upon information in the customer's own credit application or based upon its general credit policies."

A bank "must only make these disclosures when it uses information from a third person, either a credit reporting agency or an employer or another bank or finance company and so forth," he said.

Under the law, Garwood suggested that the crucial question for a bank will be to determine whether it desires to be a consumer reporting agency itself.

If so, the bank "would have to obtain agreements from the recipients of your information that they will use it only for permissible purposes," he said. "In addition, you cannot use obsolete information in any reports you furnish."

As a consumer reporting agency, the bank would also have to disclose, if the consumer requests, information filed on the consumer as well as the sources of the information.

And the bank would have to disclose recipients of information for employment purposes from a consumer's file in the past two years and for any other purposes in the past six months.

Any information removed from files before April 25 is exempt from these rules, Garwood said.

"All of this disclosure is aimed at giving the consumer a chance to correct or dispute information in his file," he said.

If a consumer requests, a bank must reinvestigate material in its file, he said. If the

information is not confirmed, it must be removed from the bank's file. And even if it is confirmed, the consumer has the right to enter his own explanation in the file.

To avoid being a consumer reporting agency, Garwood advised that a bank not record information obtained from employers, not report information obtained from other creditors and not pass on information obtained from credit reports.

"To be cautious," he added, "I think I would limit what you pass on—if you wish not to be a credit reporting agency—to information simply as to the transactions, loans, deposits and so forth or experiences with the consumer."

[From the Phoenix American, Apr. 7, 1971]

CONSUMER RIGHTS: BAD CREDIT REPORTING OPEN TO INSPECTIONS

Almost every American adult has his or her name on a file in the 2500 credit bureaus and local merchants' associations in the U.S. On April 25 a new law called the Fair Credit Reporting Act goes into force which gives consumers some rights against use of erroneous data in these files.

The Consumer's new rights under the Fair Credit Reporting Act are:

1. A company that turns down your credit application because of a bad report must give you the name and address of the bureau. The same applies to an insurance company that rejects your application for a policy or an employer who refuses to hire you because of a bad credit report.

2. The Credit Bureau must then disclose to you "the nature and substance of all information" in its file, except medical information. You do not, however, have the right to know the sources of hearsay evidence about your character or personal life

3. The credit bureau must also tell you the names of any firms that received your credit record during the previous six months.

4. Ordinarily, you must go to the credit bureau in person, but at written request and with proper identification over the telephone, information can be given to you over the telephone.

5. The credit reporting agency must delete any data that is shown to be "inaccurate or unverifiable," and must send notice to all who have received an inaccurate report within the past six months (2 years for employment purposes.)

6. If you cannot prove your claims, about having paid a bill for example, the law gives you the right to put in the file a statement of 100 words giving your side of the argument.

7. The bureau is not permitted to charge for disclosing what's in your file or for making corrections, deletions, additions or notifications required by law.

8. As a consumer, you have the right to find out what's in your file at any credit bureau even though you may not have been notified of an unfavorable report.

"The Credit Bureau of Phoenix," according to Nielsen, General Manager, "has always had an 'open door policy.'" Nielsen says that an average of 15 persons come in for a file check every day in Phoenix and this number of checks has remained consistent for the past several years. With a coverage of 100 million files, Nielsen says, that's a low percentage of possible complaints about false information. Other cities of comparable population average about 45 file checks per day.

Nielsen's biggest gripe about the Fair Credit Reporting Act is that the title of the law singles out credit reporting bureaus rather than investigative agencies. The Credit Bureau of Phoenix is a member of Associated Credit Bureaus and is a non-profit member-owned association. The Credit Bureau's competitor in Phoenix is Retailers Commercial Agency, Inc. The bureau serving Mesa is Credit Bureau Services. All the other listings given in the Mountain Bell Directory under Credit Reporting Agencies are either commercial credit bureaus or collection agencies.

Information held by credit bureaus flows two ways. Information is freely sold to clients for credit reports, hiring references, insurance applications and even for mailing lists. Stores and financial institutions buy credit reports. They also send to credit bureaus the vital statistics and repayment records of consumers.

TWR Information Services, Inc., on a fully computerized system, has predicted that it can store data in its computer memory on every credit-using American by 1973. The Credit Bureau of Phoenix may participate in TWR's fully automated system, now under study, by housing a terminal in the Phoenix office hooked to memory storage units in Anaheim, Calif.

[From the Toledo Blade, Apr. 4, 1971]

EXTENSION OF CREDIT LAW TIGHTENS FILE PROTECTION—RULES TO BE MORE STRINGENT ON RELIABILITY OF INFORMATION

(By George Zielke)

WASHINGTON.—Over the years many a person has wondered about what's in his credit file, especially if some event—loss of credit, for instance, or failure to obtain a particular job—has been traced to misinformation.

Congress listened to some horrendous stories of what had happened to unwitting victims of mistaken "facts" in somebody's files—and then determined to take the mystery out of such files.

Come April 25, when another major section of the Fair Credit Reporting Act of 1970 goes into effect, credit investigators will be required to tell you if they're making an inquiry and will have to tell you all that they know—or think that they know—about you.

If there's something wrong in the credit report, you can demand a correction—and retraction—where misinformation has been passed along.

If a consumer reporting agency or its customer (the user of the information) willfully or negligently violates the law, you can sue for damages.

Also, there's a criminal penalty (fines up to $5,000, a year in prison, or both) for willfully obtaining information from a credit reporting agency under false pretenses or for a report by any employee of a consumer reporting agency who knowingly provides an unauthorized person with information from a consumer file.

Under the new law, when any reporting agency begins an investigation into a consumer's character, reputation, or mode of living compiled from personal interviews with the subject's neighbors, friends, associates, or anyone with knowledge of these facts, the agency must give the individual written notice—and tell him of his right to submit a written request for disclosure of the nature and scope of the inquiry.

Where employment is concerned, the reporting agency is required to tell the individual that the report is being prepared—and who will receive it—if it contains information from the public record (liens and judgments, for example) that is likely to have an adverse effect on the individual's chances of getting the job.

Basically, the consumer is entitled to find out all the information in his file. To do so, he must notify the credit reporting agency in person or by letter. He may bring along one person (an attorney or anyone else) to see the report.

The credit reporting agency is required to provide trained personnel to explain the nature and substance of the report on the individual and to give the sources of information, except for the names of persons interviewed in compiling the investigative report.

Consumers are entitled to be told who has received this report within the previous two years for employment purposes or within the previous six months for any other purpose.

The reporting agency may make "a reasonable charge" for providing the information, the Federal Reserve Board (which wrote the regulations) says.

When a consumer questions the accuracy or completeness of any information in his credit report, the reporting agency must investigate and, if the information can't be verified, it must be deleted from the file.

If the investigation doesn't resolve a dispute over the facts, the consumer will be entitled to file a statement of his objections to the report information, and the reporting agency must provide this statement to anyone receiving the credit report.

If information is deleted, the consumer may request that all who have received the report for employment purposes within the previous two years, and anyone receiving it for any other purpose within the previous two months, be sent notice of the deletion.

To begin with, the new law states that a consumer reporting agency is permitted to furnish a report only upon request for specified reasons.

These include a court order, a consumer's request for his own report, or another person's request when the information is to be used in connection with credit, employment, insurance, government license, or other legitimate business transaction involving the consumer.

However, the reporting agency may provide a government agency with the individual's name, address, former addresses and places of employment—but nothing else—even though the government agency doesn't meet the test on the purpose of the request.

In other words, if a government agency wants to look at what's in your credit file—for any reason other than employment or a government license—it will have to get a court order.

Besides misinformation, another concern of the law is "stale" information. The law requires deletion from a file of certain types of information after stated periods of time:

Bankruptcy after 14 years.

Suits or judgments after seven years or at the expiration of the statute of limitations, whichever is longer.

Paid tax liens after seven years.

Past due accounts after seven years.

Arrest, indictment, or conviction of a crime after seven years from date of disposition, release, or parole.

Any other adverse information after seven years.

However, if the credit report is requested in connection with a credit or insurance transaction for $50,000 or more, or employment at a salary of $20,000 or more, all information may be reported, no matter how old.

The law will require all consumer reporting agencies to maintain reasonable procedures to remove "stale" information and to make sure that only appropriate persons obtain copies of a consumer's credit report.

These procedures must include a requirement that users of such information identify themselves, certify the purposes for which the information is sought, and declare that it will be used for no other purpose.

[From the Toledo Blade, Apr. 4, 1971]

CREDIT ACT TAKES EFFECT IN STEPS

WASHINGTON.—The Fair Credit Reporting Act has taken effect in several steps.

As of last Oct. 26, when President Nixon signed it into law, the act banned sending of a credit card (except for a renewal) to anyone who didn't ask for it.

Effective last Jan. 25, the law limited the liability of a credit card holder to $50 for unauthorized use of the card, and decreed that there is to be no liability at all if the issuer didn't provide a self-addressed, no-postage-required notification statement to mail in case of loss or theft or possible un-

authorized use of the card. Major card issuers haven't complied with this provision—so millions of card holders currently face no liability for any unauthorized use.

The "consumer bill of rights" section, dealing with credit information, takes effect April 25.

[From the Milwaukee Courier, Apr. 3, 1971]

FEDERAL LAW HELPS CONSUMERS FIGHT UNFAIR CREDIT RATINGS

What do you do if your credit rating goes bad? A new federal law, the Fair Credit Reporting Act, that goes into effect April 25 gives consumers some rights against the use of erroneous data in the files of credit bureaus.

Dossiers on almost every adult American are kept in the files of some 2,500 credit bureaus and local merchants' associations.

Credit bureaus freely exchange information from their dossiers and sell it to their clients for credit reports, hiring references, insurance applications, and even for mailing lists. But prior to the new law there was virtually no way for the consumer to protect his financial standing, and perhaps even his personal reputation.

The new law means that after you have been told that a credit bureau report has hurt your credit, insurance or employment status you have the right to obtain from the bureau "the nature and substance of all information" about you in its file. The exception is medical information.

TOLD SOURCES

You also have the right to be told the sources of almost all information except hearsay evidence about your character or reputation.

When a credit bureau tells you what's in your file, it must also tell you the names of any firms that received your credit record during the previous six months. It must tell you who received your record of employment purposes in the previous two years.

Ordinarily, you must go to the credit bureau for this information, but at your written request and after taking proper precautions about identifying you, the bureau is allowed to give you the information over the telephone.

Suppose you find out that the credit bureau has false, incomplete or inaccurate information about you. What does the Fair Credit Reporting Act do for you then?

Disputed information must be reinvestigated by the credit bureau "within a reasonable period of time" unless "it has reasonable grounds to believe that the dispute by the consumer is frivolous or irrelevant." Consumers Union, the nonprofit consumer-advisory organization, says that unfortunately weasel words like those quoted may sabotage enforcement.

DELETE DATA

But if the credit bureau doesn't try to weasel out, it must promptly delete any data found to be inaccurate or unverifiable. And at your request, it must send notice of the deletion to any or all those who received your report in the previous six months, or the previous two years if the inquiry was for employment purposes.

If the credit bureau's investigation doesn't settle the dispute, you are entitled to have your statement of 100 words included in your file. That means that your side of the story must be told in any future report, and if you wish, your statement must also be sent to those who have already received the disputed information.

If you go to the credit bureau within 30 days of receiving official word of the bad report, the law says that all of the services required of the bureau must be performed without charge to you.

You have a legal right to know what's in your credit bureau file even if you haven't been told there may be information there against you. In that case, you may be charged a "reasonable" amount. But if you find wrong or incomplete information in your file, the credit bureau must make correction and also send corrective notices without charge.

MAY SUE

The Fair Credit Reporting Act generally forbids bureaus to send out adverse information more than seven years old. The exceptions include bankruptcy, which may be reported for 14 years, and there is no time limit on information in reports on those who apply for a loan or a life insurance policy of $50,000 or more or those who apply for a job with an annual salary of $20,000 or more.

There are occasions on which you can sue a credit bureau, but Consumers Union says the law limits a consumer's right. You'd have to prove the credit bureau had willful intent to injure you or that a bureau or user of its information violated the Fair Credit Reporting Act.

Consumers Union believes the threat of law suits may prove to be the only effective enforcement. This is because the credit bureau lobbyists managed to win a provision hobbling the authority of the Federal Trade Commission to enforce the new law.

[From the San Antonio Light, Mar. 30, 1971]

"TRUTH IN LENDING" LAWS SAID BEST SAFEGUARDS FOR CONSUMERS

(By Ed Castillo)

The truth in lending laws enacted in 1969 are among the best safeguards that have been furnished American consumers—if they will only take advantage of them.

This is the opinion of Ferdinand Luna, San Antonio, member of the Federal Trade Commission's consumer protection bureau.

Luna, speaking at a one-day seminar sponsored by the Mexican-American Legal Defense and Education Fund (MALDEF), at the Gunter Hotel, Monday, said in too many instances, the consumer can be his own worst enemy by not taking proper and common sense measures of self-protection in purchasing or making loans.

Luna pointed out businesses dealing in credit sales must, in accordance with the law, give the consumer all the information required in a time payment plan, including all costs of credit. "Credit is never free," Luna said, adding, "The sad part of it is the people that can least afford it are usually the ones who abuse it the most."

Luna also told of the changes taking place in credit card operations and of the laws passed to protect consumers using them. The FTC official said the "flooding" of consumers with credit cards has been stopped, and a store or bank cannot legally send a credit card to a consumer unless he applies for it.

Luna said many consumers pay a higher rate of interest because of a bad credit history. "Many seek places that will give them credit knowing they are a bad risk," he declared.

A person who has had a bad credit rating in the past, but has maintained a good credit standard for seven or more years, can have his bad record removed from credit reporting agency files, Luna explained.

Luna said a person who has committed a felony or filed for bankruptcy can also regain good credit standing if he has maintained good credit for 14 years after the offense or bankruptcy petition was filed.

Another speaker at the seminar was James R. Shanklin, inspector, San Antonio office of the U.S. Food and Drug Administration.

Shanklin said FDA had been responsible over the years for safeguarding consumers from contaminated foods, dangerous drugs or cosmetics and devices that might harm the user.

The official pointed out FDA also has taken a stronger stand with more recent legislation concerning labeling of items. Safeguard laws have also been passed to protect children from dangerous toys, he added.

Shanklin said it is up to the consumer, in many instances, to aid in the regulation of existing laws by informing FDA promptly of any food item, drug, cosmetic, or device he may consider dangerous.

Other speakers at the seminar were C. A. Sanborn, FTC consumer protection bureau, who warned of fabrics that are "supposed to be fireproof but aren't," or "fire resistant" material which might not be, and Barney McCoy, legislative assistant to State Sen. Joe J. Bernal, sponsor of a recent consumer protection bill in the Texas senate.

[From U.S. News & World Report, Apr. 26, 1971]

NEWS YOU CAN USE IN YOUR PERSONAL PLANNING

You now have the legal right to find out what is in your credit-bureau file—and to have any erroneous information corrected.

Credit-Bureau file. The Fair Credit Reporting Act, effective April 25, entitles you to get a report on "the nature and substance" of any information in your file, although you do not get an exact copy. You may take another person with you to inspect the credit report. And the bureau is required to provide trained people to explain the contents of your file.

Disputed accounts. An important feature of the new law gives you an opportunity to present your case in a dispute with a creditor. You are entitled to find out whether a creditor, and which one, has filed an adverse report on you in a disagreement over the amount you owe, if any.

You can request that any disagreement be investigated by the bureau. If that does not clear up the problem, you are entitled to have your statement on the dispute placed in the file. Any prospective creditors asking for your credit record must receive a copy of your statement.

Other protections. To safeguard your privacy, the new law provides that reports from your record may be made only for specified reasons. In general, reports must be in connection with credit, employment, insurance, government license, or other legitimate business transactions. A seven-year limit is applied to reports from your file of certain types of adverse information.

More information. A detailed explanation of your protection under the new law is contained in a pamphlet entitled, "Consumer Credit Bureaus and the Fair Credit Reporting Act." It's available free from Associated Credit Bureaus, 6767 Southwest Freeway, Houston, Tex. 77036.

NEW BREED OF CAPITAL TOURIST

Mr. SAXBE. Mr. President, in tonight's Washington Star, columnist Smith Hempstone has written an extremely thoughtful and timely piece about the new breed of tourist so rampant in our Capital these days. I like the piece and ask unanimous consent that it be printed in the RECORD.

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

NEW BREED OF TOURIST COMES TO WASHINGTON

Spring is tourist time in Washington, bringing Americans in the tens of thousands to visit their national monuments, to recapture the roots of their past.

A new breed is with us now and has been these past 10 days. And their banners (with apologies to Longfellow) bear some passing strange devices. They want an end to the war in Vietnam (who does not?). They want free abortions on demand, clean water, gay liberation, union lettuce, Nixon's political scalp, jam on Thursdays. They want, they want. They want everything, these babies who were always picked up when

they cried, and they offer so little aside from the spectacle of themselves clustered lemming-like in the streets.

Their spearhead was a group of about 1,200 Vietnam Veterans Against the War, who put on demonstrations of their version of search-and-destroy missions, ending up by discarding their decorations. To this observer's knowledge, no reporter in this city of reporters made a serious effort to discover how many of the 1,200 actually had served in Vietnam or to validate the decorations they said they held.

Many of them, including their leaders and the badly wounded ones, unquestionably were genuine. Perhaps, as in the case of all those Black Panthers "killed" by the police, some enterprising writer for the New Yorker will put the record straight.

Then came Saturday's emote-in down Pennsylvania Avenue to the Capitol. There were the usual hirsute patriots carrying the flags of North Vietnam and the Viet Cong, the placards of Mao Tse-tung and Leon Trotsky, chanting obscenities. They were, it is true, peaceful, although nothing really is more insulting than to praise a man for doing what he ought to do.

Finally, after five hours of rambling, repetitious speeches and folk music, the crowd of 200,000, largely white and young, trickled off to do its thing. Medical personnel were kept busy dealing with drunkenness and overindulgence in narcotics. End of Phase Two.

Now we are in the middle of Phase Three. We have in town a sizable group of ladies and gentlemen who call themselves the Peoples Coalition for Peace and Justice. One of their leaders is a philosopher named Rennie Davis, who once was involved in some litigation in Chicago.

These worthies are here to rap (as they say) with federal employes in an effort to persuade them to join in a general strike and to sign a made-in-Hanoi "Peoples Peace Treaty" to end the war. On Monday and Tuesday, "tribesmen" of the May Day Movement, a group of militants associated with the Coalition, have promised to extend our political education by attempting to block early-morning commuter traffic at 21 key points in downtown Washington and suburban Virginia.

And it is, of course, gratifying in the extreme to know that the Nixon administration, in its wisdom, has put at the disposal of the Coalition a portion of federal parkland here to use as a training ground and assembly area for people who have announced their intention to break the law. It is probable that the whole shebang will cost the taxpayers not less than $1 million, and possibly a good deal more (the tab for the three-day 1969 Vietnam War Moratorium was $688,714).

Now the people of this country have the right to assemble here peacefully to petition their government. But they do not have the right to interfere with the lawful activities of other citizens. They do not have the right to plot (however sophomorically) the overthrow of their government or to try to interfere (however ineffectually) in the process of government. There is a place for such people and it is called jail.

This cup, of course, will pass from us. Rennie Davis & Co. are not going to become the government of this country. Mrs. Sallye Davis (Angela's mama and one of our speakers last Saturday) is unlikely to become attorney general. While Rep. Bella Abzug has, admittedly, a certain entertainment value, I do not see her as a future secretary of state.

Meanwhile, a few home truths which should not go unsaid: While 1,200 veterans demanded an immediate end to the war, 2.49 *million* others did not cry out for peace at any price; while 10 senators and 29 representatives endorsed Saturday's rally, 90 senators and 406 representatives did not; while 200,000 Americans chose to take their politics into the streets last week, nearly 200 million others did not.

Which is not to say that the Vietnam veterans who did not come to town, the congressmen who did not endorse the demonstration, the Americans who did not choose to spend Saturday listening to David Ifshin and Peter, Paul and Mary, like the war.

It means merely, I like to think, that they want the war ended without a scuttle, that they prefer ballots to ballyhoo, that—when all is said and done—they desire a democracy rather than a mobocracy.

And so they must unless the prophecy of W. B. Yeats—"Things fall apart; the centre cannot hold; Mere anarchy is loosed upon the world."—is to come to pass. Unfortunately, it *can* happen here.

EXEMPTION OF CHROME ORE FROM LIST OF MATERIALS SUBJECT TO RHODESIAN EMBARGO

Mr. CANNON. Mr. President, on March 29, the distinguished senior Senator from Virginia (Mr. BYRD), introduced the bill S. 1404 which, if enacted, will exempt chrome ore from the list of materials subject to the Rhodesian embargo and thus end our dependency upon the Soviet Union for this highly important commodity.

Under the Byrd proposal, the President could not ban the importation of a strategic material from a free world country if the importation of the same material is permitted from a Communist-dominated country. The importance of this proposed measure was brought forcibly to my attention within the past few days. My Subcommittee on the National Stockpile and Naval Petroleum Reserves currently has under consideration some 28 administration proposals to release excess materials from the national and supplemental stockpiles. One of these—S. 773—if approved, would permit the disposal of 1,313,600 short dry tons of metallurgical grade chromium—chrome ore equivalent—from the Government stockpiles. This constitutes about 30 percent of this material we now have on hand to assure an adequate supply in case of emergency.

Mr. President, this proposal creates somewhat of a problem. There is no domestic production of the type of material in question and we are dependent upon foreign sources to supply our requirements. Based upon the present rate of consumption, the amount to be disposed of would supply our total requirements for a period of less than 2 years. Testimony before my subcommittee left it unmistakably clear that while the amount of the material to be released could be readily absorbed by the consuming industry and might serve the temporary expediency of holding world chrome ore prices in line, the relief would be short-lived. The principal importation sources in calendar year 1970 in descending order, were the U.S.S.R., Turkey, and South Africa, with the Soviet Union supplying about 60 percent of our needs. Rhodesia was formerly a prime source of supply, providing about 40 percent of our annual requirements. However, as you know, United States imports are currently banned in conformity with the United States observance of the mandatory U.N. sanctions against Rhodesia.

To further illustrate the shifting of our dependency upon the Soviet Republic as a source of supply, in calendar year 1965 and prior to imposing sanctions against Rhodesia, 36 percent of our imports came from Rhodesia and about an equal amount from the Soviet Republic. As might be expected prices have risen accordingly. The price per ton of ore imported from the U.S.S.R. in 1965 was $25 as opposed to $72 in calendar year 1971. This is an increase of about 288 percent. It is apparent therefore that while the release of the metallurgical grade chromite covered by the bill S. 773 would serve a temporary expediency, there can be no permanent relief until the importation of chrome ore from Rhodesia can be resumed.

Mr. President, I strongly urge that the Committee on Foreign Relations, to which was referred the bill—S. 1404—introduced by the senior Senator from Virginia, take prompt action on the measure, mindful that it raises a serious problem for this Nation, which, unfortunately, we cannot continue to ignore.

SAFE RETURN OF AMERICAN PRISONERS FROM NORTH VIETNAM

Mr. COOK. Mr. President, I ask unanimous consent that Senate Joint Resolution 89, a joint resolution that the Senator from Alaska (Mr. STEVENS) and I introduced last Friday be printed in the RECORD.

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

A joint resolution expressing a proposal by the Congress of the United States for the safe return of American Prisoners of War and the accelerated withdrawal of all American military forces and equipment from South Vietnam.

Whereas the Government of the United States has financially assisted the non-communist forces in Indochina since 1954; and

Whereas this assistance has evolved into complete military, economic and diplomatic support for the people of South Vietnam; and

Whereas the Government of the United States has contributed over 120 billion dollars and the lives of over 44,000 of its finest young men in support of the people of South Vietnam; and

Whereas it is the intention of the Congress of the United States that all American military personnel be withdrawn from South Vietnam consistent with the time reasonably necessary for completion of the program of Vietnamization and in conformance with the Nixon Doctrine as announced on July 25, 1969; and

Whereas the President's program of Vietnamization which is designed to give the people of South Vietnam a reasonable opportunity of defending themselves from aggression has moved to the point of successful completion; and

Whereas the Government of the United States has thereby honorably fulfilled its commitment to the people of South Vietnam; and

Whereas the remaining objective of the Government of the United States is the release of its Prisoners of War:

Now Therefore be is Resolved by the Senate and the House of Representatives of the United States of America in Congress assembled, that upon an agreement between the Government of the United States and the Government of North Vietnam as to the

release of American Prisoners of War, the Government of the United States shall declare a cease fire-in-place, and withdraw all of its military forces and equipment from South Vietnam in a time certain not to exceed nine months from the date of the adoption of the Prisoners of War Agreement.

BREEDER REACTORS AND THE DANGER OF PLUTONIUM

Mr. NELSON. Mr. President, the Senator from Alaska (Mr. GRAVEL) recently discussed the proposed breeder reactor development program in a speech before the National Newspaper Association.

In the address, Mr. GRAVEL warned of impending dangers to the health and safety of a potentially large number of individuals and to the environment unless this program is subjected to intensive examination.

Mr. GRAVEL raises the question whether section 102(c) of the National Environmental Policy Act is applicable to the breeder reactor development program. There is little question in my mind that the section is applicable.

I ask unanimous consent that the text of the address by Senator GRAVEL be printed in the RECORD.

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

SHOULD WE BACK, OR SACK, THE BREEDER?

(By Mike Gravel, U.S. Senator from Alaska)

I am going to do everything I can to help focus national attention on President Nixon's decision to back the breeder. The breeder will be a new kind of nuclear reactor costing the taxpayers about $3 billion to develop.[1]

What will we get for that massive investment?

We will get another way to boil water for making electricity, and we'll get more radioactive plutonium out of the breeder reactor than we put into it.[2] This bonus-plutonium can be fashioned into fuel to boil some more water.[3]

One pound of plutonium can produce as much energy as 3 million pounds of coal.[4] It is not enough, however, to marvel at this singular aspect of plutonium; it has other interesting aspects.

One pound of plutonium can also produce an explosion with a force equal to 20 million pounds of TNT.[5]

Furthermore, one pound of plutonium is a poison so powerful that it represents the maximum "permissible" amount *for 700 million people.*[6] Breathing or swallowing a bit of plutonium about the size of a common dust particle can give a person his full "permissible" amount.[7]

By 1980, we will be making 60,000 pounds (not particles—pounds) of new plutonium every year in this country with the current nuclear technology, unless some present policies are changed very soon.[8] That plutonium-figure will leap even higher if we develop and deploy breeder reactors.

Promoting a "plutonium economy", as plutonium-discoverer Dr. Glenn Seaborg calls it,[9] is gambling that man can confine every bit of this toxic and tricky material—tricky because it catches fire so very easily. The plutonium fires at the Rocky Flats warhead factory are not a good omen.[10]

Half of any plutonium particles which escape into the environment by fire, flushing, or other accident, will remain as a radioactive hazard for 24,000 years.[11]

Plutonium's complete confinement is something you naturally wonder about when you look at the AEC's own "Plutonium Production Flow Diagram," and see how many handlings are required just to produce what the diagram calls a "Finished Plutonium Item."[12]

In some laboratories, all forms of plutonium are kept in hermetically sealed enclosures; in other labs, most of the work is performed within glove boxes. Workers wear protective clothing which must be cleaned in a laundry with special facilities, and they must use special air-supplied masks if the contamination-level is high.[13]

Just a few pounds of plutonium can form a critical mass and explode, if the confinement is close and rapid.[14] That is how nuclear warheads go off. Therefore, in a plutonium production plant, where large quantities of plutonium are handled, what the AEC describes as "elaborate precautions" must be taken to prevent accidental nuclear explosions.[15]

Plutonium will someday be handled in every country of the world, if the breeder reactor is allowed to become man's prime energy source for the future. Carelessness somewhere just seems inevitable.

Since plutonium escaping into the environment will travel freely around the planet, the breeder, by its very nature, is an international problem. Furthermore, this country is not alone in its breeder research; Britain, Italy, France, Germany, Belgium, the Netherlands, Japan, and Russia are also conducting breeder research.[16] The efforts may be a civilian variant on the arms race; perhaps no country dare not to "breed" its very own plutonium for the "plutonium economy" of the future.

Deadly accidents releasing massive amounts of radioactivity from nuclear power plants are a possibility—perhaps a probability—which deserves our most vigorous investigation, both with regard to the breeder and to the reactors already going into operation.[17]

Clearly a growing number of informed Americans *are* wondering about that hazard, as you can tell by efforts in California, Minnesota, Oregon, and New York City to prohibit further construction of nuclear power reactors.[18]

Also notable is the audience response to the television program, "The Advocates." In mid-February, one of the subjects was Should There Be a Moratorium on the Construction of Nuclear Power Plants? There are over a million viewers, who may vote by mail. Obviously there are sometimes attempts to stack the mail, but the program tries to recognize and announce them. In the fourth largest vote in the history of the show (which is in its second season), the vote was as follows:

3702 in favor of a moratorium.

3154 against a moratorium.

Plus 2435 additional votes against a moratorium identified as "bloc voting from concerted lobbies," including General Electric. Organized votes are those on form-letters, letters with identical wording, and letters sent in bulk from the same address. Most of the lobby-vote came from Louisiana and Alabama; Alabama sent in 1378 votes against a moratorium, and 24 votes for a moratorium.[19]

When the organized vote is discounted, the majority of viewers favored a moratorium. I am not saying that "The Advocates" audience is typical.

However, the vote is yet another signal that there is plenty of deep concern in this country about radioactive power plants. It would be foolish if President Nixon were to imagine the matter could be settled simply with his budget decision.

His decision might inadvertently seal the fate of all mankind, and such a decision deserves, at the very least, as much public debate as the SST airplane. An administration decision to push this country—and probably the world—into a plutonium economy without first inviting, encouraging, and stimulating the most profound public discussion, reveals a conceit which I find astonishing.

I hereby, today, before this group of newsmen, call upon the President, his science advisors, his four AEC Commissioners, the breeder-backers at Westinghouse, General Electric, and North American Rockwell, to explain and justify this project of theirs in open forums, domestic and international.

The strategy used so far to make utilities, also, invest in the breeder makes me uneasy. It comes as no surprise to me that the utilities were not contributing much to the breeder;[20] utilities spend about eight times more money on advertising than on any research, good or bad.[21] What surprises me is the kind of encouragement which the AEC, deeply anxious for help with the breeder, may be extending to the utilities.

In a speech about "truly advance technology," like—specifically—the breeder, AEC Commissioner Johnson hinted darkly last September about the peril to our social fabric and democratic institutions if we don't have plenty of electricity, and then he closed by saying this:

"There is substantial truth in the old adage, 'He who pays the piper calls the tune.' In my personal view, this could well prove to be a prophetic admonition to our utility industry . . . If this industry, with a sympathetic government, can not devise ingenious ways to bring about the kind of truly advanced technology that the coming decades demand, then ways will nevertheless be found to meet our national needs, and they may prove to be insensitive to the traditional independence which has characterized decision making in this pluralistic industry."[22]

Barking for the breeder occurred also at the annual conference of the American Nuclear Society and the Atomic Industrial Forum, where it was admitted that sufficient unity of will and action in favor of the breeder program had not yet been achieved. The necessity of informal meetings and plain talk with key leaders in and out of government was described.

That conference was in November, 1970. Now the President's budget is showing a 46% increase in the breeder-effort—up from $95 million last year to $139 million this year.[23]

Who are those key leaders in and out of government who are promoting the breeder? They have names, and yet you and I and the public—we don't know who they are. It seems likely that bankers are involved, that strategists who might like control over most sources of energy are involved, as well as other individuals in very high finance.

After all, billions of dollars have been invested in nuclear power plants, the program might collapse for lack of fuel without the breeder, and that's enough to make key leaders resolutely blind to the safe alternatives like solar, geothermal, wind, and fusion energies, and techniques to remove pollutants from fossil-fuels and to repair damage from strip-mining.

If the American people do not want a plutonium economy, is there a justifiable price-tag for stopping it? I believe this is a reasonable and crucial question. In my opinion, it would be naive and self-defeating not to start insisting on some open answers.

A policy committing us all to a radioactive economy deserves the attention of the whole country—not just of the President, the AEC Commissioners, and a handful of others. I favor vigorous and public discussion with those key leaders and with others from coast to coast.

One place we could start is right here, in the Appropriations Committees of Congress. The National Environmental Policy Act re-

Footnotes at end of article.

quires the Administration to submit detailed "environmental statements" for scrutiny before money is appropriated for federal projects with possibly adverse environmental impacts; such statements must discuss alternatives to the proposed project, too.[24]

We also need to hear from independent voices in engineering, medicine, ecology, and alternative methods for making electricity, as well as from the workers who would be called on to process the plutonium in a breeder-economy. We need to encourage a great national debate:

Should we back the breeder, or sack the breeder?

FOOTNOTES

[1] The government has invested an estimated $1 billion in the breeder already; research began with the Clementine project in 1946.

Dr. Glenn Seaborg says, "To successfully achieve the LMFBR (breeder) program objectives, the AEC will have to spend in excess of $2 billion in addition to the large industrial expenditures. The program will take over fifteen years of intense and consentrated effort."

(Statement in Hearings before the Senate Appropriations Committee on H.R. 14159 (Public Works), Fiscal Year 1970, Part 7, page 7142.)

[2] A simple description of this process is to be found in the *New York Times*, March 8, 1971, "'Clean' Reactors Delayed in Drive for Atom Power," by Walter Sullivan.

[3] Gas-cooled breeder reactors might have the potential for advancing beyond water-boiling into direct-cycle gas-turbine generation of electricity, according to Gulf General Atomics. However, the Nixon decision is to subsidize the water-boiling liquid metal fast breeder reactor (LMFBR).

[4] See the booklet, "Plutonium," by William N. Miner, Aug. 1968. It is one of the AEC's "Understanding the Atom" series, available from the AEC Division of Technical Information, Oak Ridge, Tenn. 37830. The coal-equivalence is illustrated on page 5.

[5] "Plutonium," page 1. See note No. 4.

[6] The "maximum permissible body burden, or the total amount of plutonium that can be accumulated in an adult without eventually producing undue risk to health, has been set at 0.6 microgram" ("Plutonium," page 37; see note No. 4.).

A microgram is one-millionth of a gram. There are about 450 full grams to a pound.

[7] Also from "Plutonium," page 37. See note No. 4.

"Hot" particles of plutonium-oxide in the lung may pose a special danger; an interesting paper on the subject is "Plutonium and Public Health," by Dr. Donald P. Geesaman, 1970; it is available in "Underground Uses of Nuclear Energy," Part 2, Hearings before the Senate Subcommittee on Air and Water Pollution, August 5, 1970, page 1523.

Dr. Geesaman concludes, "The health and safety of public and workers are protected by a set of standards for plutonium acknowledged to be meaningless. Such things make a travesty of public health, and raise serious questions about a hurried acceptance of nuclear energy."

[8] These figures derive from testimony of T. C. Runion, President of Nuclear Fuel Services, Inc.; see "Environmental Effects of Producing Electric Power," Part 2 (Vol. I), Hearings before the Joint Committee on Atomic Energy, January and February 1970, pages 1704–5.

His forecast for U.S. spent-fuel in 1980 is almost 3,000 tons for that single year; he estimates that there are 10,000 to 12,000 grams of plutonium in every ton of "spent" nuclear fuel. A total of 30 million grams of plutonium works out to roughly 60,000 pounds.

[9] Speech by Dr. Glenn Seaborg, October 5, 1970, entitled "The Plutonium Economy of the Future;" delivered to the Fourth International Conference on Plutonium and Other Actinides.

[10] The most serious plutonium fire (costing $45 million) occurred there on May 11, 1969. According to *Science News* (Nov. 29, 1969, page 496), "Plutonium is a diabolical element: unpredictable, difficult to handle and as a result dangerous. In fact, because it combines so readily with oxygen, small plutonium fires are almost an every day occurrence in Atomic Energy Commission plants that handle it."

[11] The physical half-life of plutonium-239 is 24,000 years. Physical half-life means the time required for half of the radioactive atoms to decay to non-radioactive forms. After ten half-lives (which makes 240,000 years for plutonium-239), one thousandth of the original amount of radioactivity still exists.

The biological half-life of a radioactive substance is the time required for half of it to leave the body. "Once in the body, plutonium is eliminated so slowly that as much as 80% of any amount taken in will still be there 50 years later" (from "Plutonium," page 37; see note #4.).

[12] See "Plutonium," pages 14–15 (note #4). Plutonium operations include: cooling tank storage, dissolver, chemical processing, precipitation, hydrofluorination, reduction, pickling, fabrication; also chemical washing, dissolving incinerating, and chemical processing to produce a plutonium nitrate solution; also waste disposal.

[13] From "Plutonium," pages 37–39 (see note #4).

[14] From "Plutonium," pages 34–35 (see note #4).

The amount necessary for a critical mass is only 13.2 pounds, according to an article called "Please Don't Steal the Atomic Bomb," in *Esquire* magazine, May 1969. That article also asserts that a black-market for plutonium is considered a serious danger by Dr. Glenn Seaborg, Dr. Ralph Lumb (who is the AEC's expert on this particular matter), Dr. Ralph Lapp, Dr. Albert Wohlstetter, Dr. Theodore Taylor.

[15] From "Plutonium," page 35 (see note #4).

[16] A chart called "Liquid Metal Cooled Fast Reactor Projects" (international) is to be found in "Cost-Benefit Analysis of the U.S. Breeder Reactor Program," WASH–1126, April 1969 from the AEC Division of Reactor Development and Technology; page 98.

[17] See, for instance, an interview in the January 1970 issue of *Power Engineering* with M. A. Shultz, Professor of Nuclear Engineering at Pennsylvania State University.

He says, "Better gear notwithstanding, when we talk about 50 reactors, the statistical probability of something going wrong and an accident occurring is an absolute certainty . . . Mathematically, this is a certainty, and in a short finite period of time. I'm not talking about maximum credible accidents. I'm saying that there will be accidents. My feeling is that they will be minor accidents. The industry's safety record to date is perfect. I am going to argue on the basis of (John) Garrick's studies and some of my own work that, when there are 500 plants on the line, we will have to do considerably better or our perfect safety record disappears."

Refer also to warnings from AEC experts in "Concern over Nuclear Power Plant Safety," *Congressional Record*, March 19, 1971, pages 7203–7207.

[18] A nuclear moratorium bill in the Minnesota legislature is being introduced by State Senator Coleman.

Two bills are in the Oregon Senate:

SB 51, sponsored by Senator Hallock.

SB 218, sponsored by the Senate Committee on Environmental Affairs at the request of the Oregon Environmental Council.

A bill in the New York City Council was sponsored by Councilman Theodore Weiss.

In California, an active citizens' initiative is underway to put a 5-year nuclear moratorium on the 1972 California ballot;

It is section No. 16 of a long, environmental petition sponsored by the People's Lobby, Hollywood, California.

[19] As reported in *Nucleonics Week*, March 11, 1971, pages 4–5.

[20] See, for instance, speech by AEC Commissioner James T. Ramey, December 10, 1970, "The Breeder Reactor: Need for Greater Utility Participation." Also a speech by Rep. Chet Holifield, November 18, 1970, "The Need for a Comprehensive Energy Program."

[21] Senator Lee Metcalf (Montana) says the 1969 figures were $323.8 milion on sales and advertising, and $41 million on research and development; as reported by Ralph Lapp in *The New Republic*, January 23, 1971, page 18.

[22] Speech by AEC Commissioner Wilfred E. Johnson, September 22, 1970, "Energy for Tomorrow."

[23] Fiscal 1971: $85 million for technical development. $10 million for work on a demonstration plant.

Fiscal 1972 (requested): $103 million for technical development. $36 million for work on a demonstration plant.

In making comparison, an inflation factor of about 5% should be considered.

[24] National Environmental Policy Act of 1969, Public Law 91–190, Title I, Section 102.

COMMENTARY ON WORLD ATTITUDES

Mr. MONDALE. Mr. President, on March 14, 1971, Sidney H. Scheuer made the following statement on radio station WQXR in New York City. Mr. Scheuer is head of Scheuer & Co. and Intertex International, Inc., as well as a group of affiliated industrial companies. He is chairman of the National Committee for an Effective Congress, treasurer of the International Humanist and Ethical Union, and a trustee of the Ethical Culture Society of New York and the Ethical Culture Schools. He was executive director of the Foreign Economic Administration during World War II and was a U.S. delegate to many international conferences. He also was a member of U.S. economic missions to Japan and Germany during occupation.

In his distinguished public career, Mr. Scheuer has given much of his time to improving the quality of American life. I commend the following example of his valuable knowledge and insight to the Senate.

Mr. President, I ask unanimous consent that Mr. Scheuer's article "Is Coexistence Enough? A Commentary on World Attitudes," be printed in the RECORD.

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

IS COEXISTENCE ENOUGH? A COMMENTARY ON WORLD ATTITUDES

(By Sidney H. Scheuer)

In 1960 I appeared as a witness before a Senate Committee holding hearings on East-West trade. I had reported on some significant contracts consummated by companies with which I was associated. These called for the erection of large industrial plants in the U.S.S.R. as well as the supply of many types of equipment. One of the Senators asked me how I happened "to open up trade with them." In itself this is a revealing question as if this were an amazing rather than a normal undertaking. My answer was: "I had a feeling that we were not making too much

progress in fostering diplomatic relations or enlarging their or our understanding and that perhaps by day-to-day working relationships, (knowledge and mutual respect could be advanced)." I have since confirmed this view and have come to know some of the leaders of that country and dozens of officials in their agencies and have developed understanding not otherwise accomplishable. Through practice rather than theory one gains knowledge and much diplomatic activity smacks more of theory than understanding. All other countries but ours have recognized the validity of the approach I have outlined and consequently have made mutually desirable progress.

As you know, all communist activities are centered in the State; i.e. diplomatic, planning, commercial, industrial, educational, public services, scientific. Everything is owned by government. To maximize normalization of personal and official relationships with a people who have lived for 50 years in a closed society, calls for a mental and psychological awareness which Westerners sometimes find difficult. The lack of such sensitivity is painfully apparent in United States-U.S.S.R. relationships.

The philosophy of international "co-existence" was suggested by the Russians. If this means anything, it is respect for the rights of others to conduct their affairs without outside interference—surely not the dominance of one nation by another or the forcing of changes in the government of another country. In practice, however, all large nations have violated this—in some instances flagrantly, in others less objectionably. The major violations are too familiar to require enumeration. If capitalism and communism continue as important concepts for the foreseeable future, as I believe they will, amendments and corrections will be made as they have been and are being made. We must never forget that all governments are operated by human beings (and therefore they function no better than the values and abilities of their officials.) It is the people who lead and operate governments and societies who in large measure determine their conduct and goals.

The communist system enjoys many theoretical advantages but practice has disclosed that influences necessary to maximum accomplishment are missing. The complete structuring of life and the controls which dominate all activities seem to reduce incentives which are stimulative of creativity and responsibility. By this I do not mean to suggest that such elements are totally absent, far from it. Many great and gifted people hold important positions in the U.S.S.R. and in all communist countries but the communist systems have not overcome this central defect and, as a consequence, they fail to search out and elevate such citizens.

In our country we have preserved many of the freedoms and values with which we started but I fear materialism, acquisitiveness and individual aggressiveness have overwhelmed the moral emphasis which was fundamental to the founding fathers. The bigness mania which has dominated has put a premium upon sophisticated manipulation and has bred serious injustices and distortions. More often than not, these have impeded and diverted the effectiveness of capitalist industrial society. Indeed, I could devote all the time available to me to this subject.

Inflation is an inevitable consequence of malfunction in capitalist societies. It evidences failure which need not occur. There are many classical economic explanations for inflation but all such overlook the fact that irresponsible conduct in political and economic affairs encourage excesses. These cannot be overcome by classical measures alone be they that of increasing the supply of money or the legislating of deficit budgets. The current United States inflation can in my judgment be corrected only by a change in emphasis in political, economic and social activities. A greater sense of individual responsibility is the obligation of free men; without it our relatively unstructured society becomes a prey. A legal lawlessness is indulged which has yielded advantage to the individual at the expense of society. The rigors of correction have only begun to be felt; they must be worked at and worked out, and no economic and financial manipulations will substitute for this necessity. I mention inflation because it is an infection which impedes international well-being.

If we contemplate the state of international relationships and compare them with the promise envisioned after World War II, what we find is hardly to be credited. The start was auspicious—the United Nations, the World Bank, the International Monetary Fund and dozens of volunteer efforts, all expressive of worthy intent. Our own great Marshall Plan, our assistance to Japan and other nations evidenced our faith in the potentialities of peaceful reconstruction. Despite these significant actions, contention, confrontation and wars have dominated. Unless the great powers had encouraged or supported these, they could not have been pursued. All could have been avoided, minimized or adjudicated if the major powers had had the wisdom, not to say integrity, to exert their influence to such ends.

In searching for reasons one cannot avoid placing primary responsibility on the overemphasis given to ideologies. The mutual fears and the accompanying suspicions these breed tend to encourage demagogy and downgrade statesmanship. The increase in understanding of peoples which cooperation might have yielded has been given lip service. Accusations, denials, distortions, inflexibility, technical manipulations and economic pressure have served as substitutes for creativity.

One prime example is the Aswan dam. Our country withdrew its support for this project because we could not gain the political accommodation we required. As you know, the U.S.S.R. quickly replaced us and constructed the dam and financed it. It is difficult to appraise all the consequences of this action but it is clear that United States stature and influence could have become a balancing force in the Middle East had we made a wiser determination. A more constructive example of statesmanship is the Marshall Plan which produced enormous benefits to mankind and yielded moral and material gains of which we can be proud.

The largest nations—the U.S.S.R., U.S.A. and China—are the chief contributors to this unhappy world spectacle. Had these countries had greater confidence in their concepts and their way of life, they would have looked inward and been less preoccupied with dangers outside and, as a consequence, their progress would have been more significant. Had they recognized that the undermining of their country could not be accomplished by outsiders but by their own inadequacies, the world situation would now be vastly different. The threats which they imagined were inherent in the policies of other nations were in fact exaggerated and used sometimes to influence domestic support. The esteem of mankind which every nation desires and to which most humans respond has largely escaped these great nations.

It would be difficult for communist countries to accept the thesis that their advance, as well as that of their so-called adversaries, would have been enhanced had good faith and fair dealing dominated relationships, had each been willing to take the risks of trust instead of mistrust. The merits of individual theories and dogmas of Communist China or the U.S.S.R., Yugoslavia or Rumania and, indeed, our country would have been more fully and fairly tested had international conduct been more seemly.

Obviously, had the large and powerful nations outgrown or amended some of their obsolete fixations such as spheres of influence, military domination, regional pacts, zones of security, they would have been the better for it. All these subtly and sometimes not so subtly violate the stated objectives of "coexistence." The fact is mankind has been and is encumbered with obsolete tactics which at best accomplish only short-range advantage.

While statesmen have persisted in clinging to these theories and habits, world opinion has attained to challenging dimensions and has passed them by. The peoples of the world are heartsick and burdened and they increasingly reveal an awareness that governments have been grossly mismanaged.

Another concern of men everywhere is secrecy and espionage which have dominated governments since World War II. In our country total expenditures necessary to operate military and naval intelligence, CIA, domestic criminal investigatory activities are not disclosed but we know they are staggering and have never been greater. Increasing dependency upon espionage and intelligence has become an obsession.

The U.S.S.R. has maintained large domestic and foreign intelligence establishments and perhaps a government created by revolution necessitates this. Moreover, there is much in Russian history which is supportive of espionage. They feel a hostility surrounding them which they tend to overestimate and which to a degree is of their own making. The U.S.S.R. has not overcome the conviction that it lives in a world of enemies, as if little has changed between 1920 and 1971. We have not made the Russians feel any more secure by our attitudes nor they us by theirs though to do so is one of the essentials of statesmanship. In this both countries have failed.

Despite the fact that some of the greatest mistakes made by governments have been caused by their dependency upon espionage, all have clung to it. Secrecy begets secrecy and frequently serves as a cover up of errors which might never have occurred, had appraisals and policies been based on publicly available data. All too often secrecy has become a substitute for wisdom and statesmanship.

The United States has been imitative in this indulgence; in effect, whatever the U.S.S.R. does, we must do on a greater scale. If Russia needs the reassurance which such activities seem to give them, why do we? Have we not become too dependent on this resource? Secrecy is the plaything of fear! It has become an area of activity which always expands and is rarely questioned or fully reappraised. It gives an emphasis to Executive activities and policies which puts a premium on undisclosed considerations which must be accepted on faith. It makes a travesty of international negotiations because they are necessarily approached with the mistrust which makes espionage indispensable. It perpetuates one of the worst aspects of contemporary international life.

Though the controlling figures in and out of governments who have failed to create a sane world will for a time continue to function, internal pressures and necessities of all countries have and are certain to force accommodation and change. The overthrow of governments, military takeovers, political protests, the relaxing of rigidities all evidence dissatisfaction—all are caused by governmental default. Inevitably the realization by their constituencies that new and more effective statesmen are indispensable is being expressed. Men holding recognizably different values will emerge and will gain support. I suspect that this will occur much sooner

than might now seem possible. Such men will bespeak a grander vision of man's potentialities; they will recognize that morality is not to be honored in the breach and will offer promise that the remainder of the 20th century will accomplish new heights. The cynics will discount this potential—they will refuse to believe that in all countries qualified people exist or that they will become increasingly influential.

Magnanimity has been an asset to the United States—our Lend Lease and our AID activities are examples but I fear our military preoccupations have trapped us into adventures which in large measure have nullified these. The U.S.S.R. has undertaken aid to other countries but in high degree this has involved ideological and political considerations. More recently, China, too, has also granted aid but only with distinctly political motivations. Thus worldwide awareness of the desirability for sharing is a plus even if it is somewhat adulterated by political and military considerations. This is a post World War II phenomenon. The imposition of domination or control by nations granting aid is and will be increasingly resisted and benefactors will learn that gratitude will not be accompanied by subservience!

Our country is now engaged in critical negotiations with the U.S.S.R.; the SALT talks appear to be following the same tactical patterns which have characterized such negotiations in the past. While it must be recognized that many highly technical considerations are involved, such discussions need not exclude much broader concerns. These meetings allow little room for the give and take which characterize normal relationships. The delegations of both countries continue to be operated by complete remote control. Ultimately, an agreement of sorts will be worked out which will reflect a high degree of wariness and mutual distrust. Thus what might have been hoped for will not be accomplished but it will at least evidence recognition that the arms' race needs some curbing.

Unhappily, such an agreement will serve to confirm that hideous weapons of destruction will continue to dominate and adulterate international relations. Apparently these serve as a reassuring necessity to the present leaders of both countries. Clearly neither seems capable of risking their abandonment. This must ultimately change and will but only when the new men I have described attain to authority.

Frequently negotiations do not prosper because of the inadequacies of the delegates. The judgment required for selection of government officials and representatives reflect the qualifications and judgment of the appointing Executives. Our country's record in this leaves much to be desired but we are not alone in this. With governments everywhere playing an overwhelming role in the lives of men, it is all the more important that standards of selection be elevated and appointments be more carefully reviewed. If ordinariness dominates, a downgrading occurs and a veritable Gresham's Law takes over international relationships.

You will understand in brief discussion of so vast a subject one is forced to omit supporting data. Perhaps at the conclusion of the broadcast my views can be amplified.

The one-world concept first suggested by Wendell Wilkie has finally become a fact of contemporary life. It is certain to dominate all future international considerations. What then are some of the realities involved in international conduct? I will mention but a few.

There is no master race and should not be.

Cultural diversity of mankind is a fundamental basis for a world order.

People of the world need one another and this is an image which must never be overlooked.

Gradually the myth of effectiveness of propaganda will explode. Monopolistic propaganda will be increasingly ineffective because it is monopolistic.

Emotional preparation of people everywhere for tolerance must be a constant process if statesmen are to fulfill their mission.

The peacemaker must work with psychological materials which exist and this involves an understanding of the image a nation holds of itself. The eyes with which the British, the Russians or other nationals see themselves and by the same token an understanding of ourselves and, of course, how others see us. It should be recalled that the Declaration of Independence called for a decent respect for the opinions of mankind.

National pride can be the springboard to understanding and mutual confidence but it also can be presumptuous and harmful.

There is a point at which determination becomes obstinacy and fails to reflect statesmanship.

Peaceful "co-existence" then is not only a goal; it is unavoidable. Despite crisis and conflict and posturing, Armageddon will not occur. There is no reason to despair. The flaws of government, national and international, are increasingly apparent and, as I have suggested, this in itself insures betterment and change and at a faster pace than the world has yet known. Even the most self-seeking and cynical politicians in and out of government, begin to recognize this. They will accommodate to it even though their preferences might be in other directions. And so I view the defaults of the past as stimulants for a more promising world. This is the wave of the future though it may at the moment only appear to be a ground swell.

ADDRESS BY HELEN DELICH BENTLEY, CHAIRMAN, FEDERAL MARITIME COMMISSION

Mr. BEALL. Mr. President, Mrs. Helen Delich Bentley, Chairman of the Federal Maritime Commission, on March 21, 1971, addressed the Maryland Historical Society in Baltimore. Helen Bentley has the reputation of being one of the Nation's authorities on maritime affairs. She traces the maritime developments in Baltimore and other parts of the Nation and notes that cities will only succeed and prosper because of their "capacity for staying ahead of the times." Baltimore has done that.

I ask unanimous consent that her excellent speech be printed in the RECORD.

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

REMARKS BY MRS. HELEN DELICH BENTLEY, CHAIRMAN, FEDERAL MARITIME COMMISSION, BEFORE THE MARYLAND HISTORICAL SOCIETY, BALTIMORE, MD., MARCH 21, 1971

Ladies and gentlemen: There are two things I enjoy more than anything in this world. The first is traveling; and the second is coming home. When President Nixon nominated me as Chairman of the Federal Maritime Commission he gave me ample opportunity to do the first. Today you have given me the best reason anyone could think of for doing the second.

For Baltimore is more than just a home to me. It's the place where I began my career as a maritime reporter and the base from which I have operated for most of my adult life. Yet it's also an adopted home for me—I came here originally from Nevada—and I can tell you that no matter how far away you go, Baltimore is a good place to come back to.

This is Baltimore, harmonizing, as it were, in tune with the season, moving with the tide and keeping abreast of the changing directions of 20th Century America, blending the old with the new in a world of constant turmoil, in a society existing in a perpetual state of flux.

For Baltimore is changing: its character, its appearance, its outlook. My home is to the north of the city, and as I drove downtown today I became increasingly aware of the many physical changes that have occurred in Baltimore, particularly in recent months and years. For one thing, the Maryland Historical Society is no longer cramped into its former headquarters down the street. You have this fine, new building to exhibit your collections, for the enjoyment of the public and for the benefit of scholars.

Farther into the city is the Charles Center development, with its modern office buildings and ultramodern Morris Mechanic Theatre. And then, of course, there's the Inner Harbor Redevelopment Project, with plans for offices, apartments, theaters, hotels, marinas, and a multitude of shops and boutiques, places to go, things to see.

Baltimore is no longer the World War II town of the forties, as I first knew it, but a diversified, thriving metropolis at the heart of the Eastern Seaboard, a 20th Century center of culture and learning, of commerce and industry. True, Baltitmore's experiencing growing pains, and at times the pains have been very sharp—but it's doing its best to channel expansion in the right directions—and it's succeeding. The one-time Liberty and Victory Ship capital of the war years has come a long way.

An area where Baltimore's greatest change—possibly its most significant, and certainly it's least noticed—has taken place, is the port. Commerce that once centered on Pratt Street and along the Inner Harbor has moved to modern, new marine terminals, such as Dundalk and the old passenger terminals of Light Street have gone the way of the bay steamers, down the pages of history, locked forever in memories, never to be heard from again.

Development is the order of the day in this Port That Built a City, but this time the process is reciprocal. Just as the city is expanding, so too is the port; and as the port is improved, tht economy of the city—and state as well—is simultaneously enriched.

The value of Baltimore's foreign commerce during 1970 has been tentatively set at $2.6 billion, with import and export tonnages totaling over 31 million—an impressive record—third in foreign tonnage for 1970. And when you consider the business and industry thriving on this mass movement and the countless numbers of jobs it creates, the figure becomes even more impressive. Who knows how many truck drivers, trainmen, dock workers, seamen, ship chandlers, steamship agents, freight forwarders, tugboat operators, line handlers, and all sorts of support personnel—maritime and otherwise—owe their livelihoods to the port? The number extends well into the thousands.

But what of the average citizen, the man or woman not connected with the marine industry? This person profits as well, because a Maryland economy made healthy by a leading world seaport is thus able to provide for the state's several million inhabitants such benefits as improved social services, parks and recreational facilities, cultural activities, modern transportation, and a multitude of advantages most of us have become accustomed to taking for granted.

Much of what we have in this state we owe to the port. And in order to make certain that we continue to enjoy the benefits of such prosperity, port interests have been taking steps to insure that the maritime industry in Baltimore will continue to flourish. To this end, massive development and expansion have been under way for some time, and large sums of money are being invested.

In the decade of the sixties, some $50 mil-

lion in public funds were expended on port facilities in Baltimore excluding such major projects as channel improvements and private waterfront industrial development. In the first six years of the seventies, some 70 additional millions will be spent.

The Maryland Port Authority alone is spending approximately $87 million on a 10-year port improvement plan, with more than $8 million of that sum being spent during the current fiscal year. In fiscal 1972 the Port Authority plans to invest some $24 million more.

The money is going into new piers for containerization and break bulk cargo, for new development in such areas as the south side of Locust Point and possibly Hawkins Point, and to continue the expansion at Dundalk Marine Terminal, the former municipal airport which has become one of the most spectacular port successes in the United States.

When the Port Authority took over Harbor Field from the city just 11 years ago, there were skeptics who predicted that one white elephant was merely being turned into another, that the ambitious project would never bear fruit. We know today that they couldn't have been further wrong: the expansive marine terminal leads the world in the importation of automobiles—some 275,000 having moved through during 1970—and was instrumental in placing Baltimore second among the East Coast ports last year in container shipments.

There was a period during the initial days of the container revolution when it appeared that Baltimore was going to be left far behind in the new era. And it was particularly during that period that Baltimore was grateful to the activities of Rukert Marine Terminals, headed by Captain W. G. N. Rukert, who had attracted diversified cargoes to this port by offering many specialized services and Captain Rukert, who is here today and is the dean of our port, deserves much credit for the personal investment he has made in the port over the years—and his continuing interest.

New York, of course, heads the list of U.S. container ports, but Baltimore finished a strong second, with well over a million containerized tons handled during the decade's initial 12-month period. The ports of Hampton Roads were a distant third, with just over 870,000 tons in containers.

Philadelphia, the remaining member of the four top U.S. ports, was far out of the picture, having entered the decade with no container operations other than those combined with break bulk carriers. Only within the last year, in fact, did that city get its first full container service: Hapag-Lloyd, shipping between Philadelphia and Northern European harbors.

But the Pennsylvania port is rapidly making up for its slow start in this revolutionary mode of shipping, with three new container terminals in the planning and construction stage, and the Delaware River's initial container berths newly operative.

These first container berths are at Philadelphia's Packer Avenue Marine Terminal, which is being enlarged by 43 acres to provide full containership handling capabilities and increased storage capacity. Future plans at Packer Avenue call for construction of two additional marginal berths equipped with a large container crane, and a slip berth for roll-on/roll-off cargo.

Philadelphia's newest facility is the Tioga Marine Terminal complex, which went into partial operation last year and is designed to handle unitized, break bulk and roll-on/roll-off cargoes as well as containers. The facility is similar in concept to Baltimore Dundalk Marine Terminal, which also is capable of handling a variety of cargoes and is equipped with a roll-on/roll-off platform for ships with stern-door loading and unloading capability.

In the way of supporting facilities for container operations, Dundalk has had a 65,000-square-foot consolidation shed in service since 1969, and the Port Authority just recently let contracts for two similar structures which will give the terminal a total of 195,000 square feet of enclosed container-packing space by the middle of 1972. The Tioga facility has one 300,000-square-foot transit shed and 52 acres for storage. Its two slip berths are equipped with a single container crane, and the terminal has about 70 acres of paved backup area. The slip berth at the downstream end of the property is suitable for bulk handling, including lumber, and for roll-on/roll-off activities.

Philadelphia's third major terminal is to be located on 123 acres at the mouth of the Schuylkill River. But this is currently still in the planning stage, with nothing concrete at the present time.

Baltimore also has plans for another major container center—at Locust Point. Last summer, the Port Authority acquired 50 acres of land and 92 acres of riparian rights on the north and south sides of the point, stretching from Port Covington to Fort McHenry. Eleven of the 50 acres are to be used for storage and backup at the existing Locust Point Marine Terminal. But the state agency has earmarked more than $13 million for a redevelopment project on the south side, adjacent to the Western Maryland Railway's Port Covington facility. The new terminal will emphasize containerization, providing three marginal quay-type berths in addition to two finger piers, one of which is currently being operated by United Fruit Company for the importation of bananas. Acquisition of the $3 million Locust Point property, long considered a prime area for port expansion, had been under negotiation for over four years.

Yet publicly-financed facilities are not the only ones responsible for Baltimore's massive container tonnage during 1970. Better than a third of the shipments were accounted for by Sea-Land Service, Inc., the pioneer container carrier which operates its own terminal in the Canton area of the port built by the Canton Railroad for Sea-Land. In fact, it was Sea-Land's more than 400,000 tons of container cargo, added to the Dundalk total of 692,452, that put Baltimore over the million-ton mark last year.

But Sea-Land has not centered its operations in Baltimore. Far from it. The line is headquartered at Elizabeth, New Jersey, in the Port of New York complex, where it handles the bulk of its United States shipments; and recently it began direct weekly sailings to Northern Europe from Hampton Roads. Using four ships and working a 28-day term, Sea-Land is calling each Sunday at Portsmouth Marine Terminal as its last U.S. port of call on the service.

Until about a year ago, Sea-Land did not go to the Virginia ports at all. Thus this new European service underscores the line's desire to expand in the Hampton Roads area, where it also provides direct service between Portsmouth and the Mediterranean, including Spain, France and Italy.

At present, Portsmouth has two berths devoted to containership handling. But because both are of the marginal quay-type variety, they are also used for break bulk and straight bulk cargoes. Located in the Pinners Point sector of the Hampton Roads complex, the Portsmouth container operation is on a 125-acre tract equipped with a container crane, heavy-lift gantrys, transit shed, covered warehouses and hard-paved open surfaces. Because there is ample space—including another 375 undeveloped acres—the terminal rarely has to stack containers, and even then, only two high.

Space also presents little problem here at Baltimore, with containers at Dundalk rarely piled more than two high. Such stacking at the Baltimore terminal is accomplished by five large straddle carriers specially designed for containers.

Just as Dundalk was formerly a municipal airport, the container facility at Norfolk—Norfolk International Terminals—used to be an Army base. The first phase of the container development there started in 1967 with the rebuilding of 750 feet of marginal berthing space, installation of a 30-ton rail-mounted crane, and in the summer of 1969, the addition of a second, 50-ton crane to serve the terminal's second container berth—which was then opened in February 1970. And four rail-mounted straddle cranes big enough to span a stack of containers three tiers high and five wide, were installed during the first half of last year.

Phase Two of the Norfolk development plan calls for construction of an additional 3250 linear feet of marginal berthing space service by an appropriate number of cranes, and the ability to handle another five vessels. Looking to the future, the Norfolk terminal operators are considering the use of computers for the purpose of developing an accurate picture of exact lengths of time required for freight consignments of individual shippers to move through the port's facilities.

But if the Virginia state legislature doesn't start appropriating some massive sums of money for container development at its ports, Norfolk and its adjoining Hampton Roads sisters are going to lose out in this all-important race. Already Baltimore has the jump on both Norfolk and Portsmouth, and Newport News isn't even in the running. In addition, Baltimore is taking good advantage of its inland location—the Maryland port is up to 200 miles closer to the industrial Midwest than any other East Coast port. But Hampton Roads is closer to the sea, some nine hours steaming time nearer New York. And when you add the extra hours it takes a ship to come up the Chesapeake Bay in rough weather, and fog, the Virginia time advantage becomes even more pronounced.

Yet Hampton Roads' biggest hangup is consolidation—not of containers, but of the various port areas themselves. If Norfolk, Portsmouth and Newport News ever wise up and join forces instead of fighting each other like they've been doing in recent decades, they could give Baltimore and New York and all the other would-be contenders on the East Coast a real run for their container money. Such a consolidation effort has been under way now for some time, and these rival ports would be well advised to keep close tabs on the outcome.

In the area of cruise business, Norfolk last month put into operation a newly refurbished passenger terminal which it hopes will attract additional cruise vessels to the Virginia port. Some $30,000 was spent to remodel the former Army Port of Embarkation pier to accommodate cruise-goers with future upgrading to include escalators and other facilities if regular service becomes a reality.

At Baltimore, where eight Caribbean cruises and the first transatlantic crossing since the war years, are underway and on tap this month and next, passenger facilities have been nonexistent since the heyday of the Chesapeake Bay packets ended some two decades ago. But—off the record—there's talk of a new terminal possibly being built here in the not too distant future, perhaps in the Dundalk or Locust Point area. Matter of fact, there's a spot at Locust Point that would be just right for such a passenger facility.

But that's speculation at this juncture, particularly in view of the problematic future of the entire passenger industry in this country, an industry which saw the last of the American-flag cruise vessels on the East

Coast—the S.S. Santa Rosa—recently laid up for lack of ability to compete with the foreign lines.

There's still some U.S.-flag cruise business on the West Coast, but it won't be long before that disappears too. In the meantime, the European operators seem to be doing pretty well, and no less than three cruise ships from as many different countries will call at Dundalk terminal before the end of April.

But back to containerization. At Dundalk, container improvements have been going on almost constantly since the terminal handled its first box more than three years ago. Increasing containerized tonnages at the Baltimore facility—from 77,455 tons in 1968, to 229,948 in 1969, to the record million-ton-plus figure in 1970—have necessitated the addition of two more bridge-type container cranes currently under construction, and the signing of contracts for four similar Japanese-built models, to be operative before the end of 1972. Not counting the huge Paceco at Sea-Land's terminal, the port will thus have seven giant container cranes in public use in about a year and a half. Total cost of these units is well over 7 million dollars, and when fully operational, they will afford Baltimore container handling capabilities unequaled on the U.S. side of the North Atlantic, with the exception of New York.

Lately, however, it appears that the American ports are not the ones most likely to present the biggest challenge to New York and Baltimore for the lead in the container race, but the Canadian ports of Halifax and, possibly, St. John's.

These two areas, in fact, threaten all the U.S. North Atlantic ports by virtue of ocean freight rates to the U.K. and continental Europe that are $20 to $30 a ton cheaper for general cargo, and the advantage of a heavily subsidized rail system. Canadian railroads, for instance, are able to offer container unit train rates to Windsor, Ontario, and thence via Detroit to the American heartland, far below the Plan II piggyback rates now applicable between our own North Atlantic ports and the Midwest. And if and when the English seaport of Falmouth comes into being, the Halifax advantage will likely become even more pronounced.

As the capital of Nova Scotia, Halifax is already well advanced commercially, as is St. John's, the capital of Newfoundland. I submit, therefore, that the real threat to the container existence, not only of Baltimore, but of all the East Coast American ports as well, lies in these emerging Canadian maritime centers.

At present, Halifax presents the major threat, though St. John's cannot be discounted as a factor in the future.

So what are we in the United States to do? Sit back as we have in the past and let the foreign interests take over? Acknowledge defeat without a fight? Certainly not! There are many things we can do. We can make every effort to remain technologically ahead of the competition. Barring that, we upon finding that our shippers or ports are discriminated against by the shipments can make such adjustments in rates or changes in order to remove such discrimination. We can take a bit more pride, too, in the services offered by our American ports instead of favoring the foreign operators because they're able to undercut our costs. And if all else fails, we can begin to look foreign competition in the eye for what it is—undercutting of our strength—and react accordingly.

Shippers in other nations don't run immediately to the competition; and if they do so at all, it's only when the savings are overwhelming. So why should we? Or, to be more precise—why do we? Ladies and gentlemen: I don't have the answer to that question. If I did, I'd be able to tell you why the American merchant marine finds itself in the deplorable state it's in today.

But that's a whole other story. Nonetheless, I can tell you that where the Canadian ports are concerned, we had better wake up and do something before it's too late. Because if we don't, we're to find ports like Halifax and St. John's not only laying claim to cargo we've always thought was ours, but taking it away from us and keeping it as well.

Once a shipping pattern is established, it's hard to break. So what we've got to do is prevent Canada from capitalizing on our weaknesses by eliminating those weaknesses beforehand. In effect, we've got to shut the door on the Canadians before they can shut it on us.

Of course, we still cannot be sure exactly how the container picture is going to shape up. Whether in the final analysis there will be true "leader ports" and "feeder ports" as many industry observers predict remains to be seen. But it stands to reason that the ports with the best facilities, lowest rates, and fastest turnarounds will get the lion's share of the business. And the others just might fall by the wayside.

For the name of the game in the merchant marine of the 1970's is speed. And economy. Keeping the cargoes moving, and the ships moving as well. That's what containerization is all about. If you can't get one big box on and off a ship faster and more economically than a bunch of little boxes, then what good is it?

And if you can't get the massive, new container carriers in and out of port in a fraction of the time it takes to turn a smaller ship around, then they're not much good either. To this end, the new vessels are getting progressively bigger and (hopefully) better than their predecessors, spending more of their time at sea carrying cargo from one port to another, and fewer days—or hours, in the case of the fastest ships—loading and discharging.

Yet containerships are not the latest innovations on the maritime scene: they have been upstaged by the LASH ships, or barge carriers, if you will. LASH stands for lighter-aboard-ship, and the concept involves a huge vessel that comes into a port area—without berthing, if possible—discharges some of its barges in a protected harbor, and then goes on to its next port of call to repeat the process. The barges either propel themselves or are towed to a pier where they are then loaded or unloaded, and wait for the mother ship to return to pick them up.

The concept has many distinct advantages, notably the fast turnaround of the ship, and the relative ease and efficiency of the handling operation. Moreover, berthing space for the huge vessel is not required—in the concept's ideal operation—thus the potential for a lessening of harbor congestion in busy port areas.

There are only four such vessels in existence at the present time, and unfortunately none of these operates under the ideal conditions envisioned in the original concept. The world's first LASH ship, the Acadia Forest, carries mostly paper and seems to be making out pretty well—under foreign registry. But the second, the Prudential-Grace Line's Lash Italia, has been beset with labor problems and is just now beginning to move ahead, hopefully at full steam.

The remaining LASH vessels are not yet operational, and construction is planned or under way on eight more of the Lash Italia variety. In addition, Lykes Brothers Steamship Company, of New Orleans, has three ships of a similar design, designated as Seabarge Carriers, or Seabees, on order and being built in Quincy, Massachusetts. The Seabees differ from the LASH vessels most noticeably in that their barges are to be self-propelled, and will be handled by means of a stern elevator instead of being lifted in and out of the water by shipboard crane. Maybe by the time these are completed, the problems confronting the LASH will have been long resolved.

Which concept will prove more desirable is indeterminate at this point. What is important, is getting the ships finished and into operation. It's ironic, isn't it? that this nation of ours, which invented the container and the barge ship, is the one benefiting from these advances the least, because this country has so encumbered itself with a variety of difficulties stemming from the deplorable American tradition of entangling all things good in a web of red tape, both through labor agreements and legislation. And as we dawdle and vacillate and spend long hours attempting to defeat ourselves, the rest of the world reaps the benefits of our labors.

You might even say that the container and barge ship are backfiring on America, for though both are capable of producing untold benefits in all areas of shipping, it is the foreign countries that are reaping the biggest rewards, not the United States. We have invented for the world the means by which nations can move their goods quickly and easily, and most countries are taking advantage of the situation. Only here, in our U.S. ports, do we become our own worst enemy.

For what is the advantage of fast turnaround if you can't get anyone to put the cargo on your ship? And what is the sense of having a container to carry a lot of small items direct from origin to destination if it's going to be torn down and restuffed at each stop along the line? And what's the good of building efficient new vessels if you don't have crews who will sail them? The rush of technology in this industry, in this country, can only bear fruit when labor and management resolve to put their differences aside and work together for the common good.

As is so evident, the rapid development of containerships, the further dislocation of conventional vessels in some key ocean trades, the arrival of the barge carriers and mini-containerships on the rivers, and the consequent impact on established port operations, are elements vital to the future content of waterfront labor negotiations.

Baltimore has been fortunate in this area. Our port has a long history of good labor-management relations. And the longshore force in Baltimore is considered among the best in the country. Local dock workers have a reputation for honesty and efficiency, and are known to be more careful and dependable than their counterparts in most other port areas. We are indeed fortunate in this regard.

But looking good because others look bad is not enough. If Baltimore is to remain a leading world port, its longshoremen must continue to strive for excellence; they must maintain their high productivity level. They must not go the way of the New York dockers, for example, many of whom are content to receive pay under guaranteed annual wage agreements even though they might not work all the hours they're supposed to.

Another vital factor involving Baltimore's position as a leading seaport is the ability of its channels to handle the massive new vessels currently in operation, as well as those on the drawing boards. Container and LASH ships are measuring well over 800 feet in length, with displacements approaching 50,000 tons. And the Doctor Lykes, the first Seabarge vessel, now about halfway finished, will be the world's largest dry cargo ship, 875 feet and a displacement tonnage of 50,900.

Tankers, of course, are even bigger, what with the Japanese turning them out in the 300,000-deadweight-ton range and planning to build some as heavy as 500,000 tons. The

largest of these will never come to Baltimore, but we do have bulk carriers in the 75-to-100,000-ton range serving the port.

And recently Bethlehem Steel Corporation revealed design specifications for construction of a new type ship called an OBO, which the firm plans to build at some future date here at Sparrows Point.

The OBO is a new variation of an old concept. Its name is an acronym drawn from the words ore, bulk and oil, the three types of cargo the vessel can handle on consecutive voyages in a triangular service. A number of OBO's are already operating in world trade, most of them constructed in Japan, but none has yet been built in American yards or registered under the U.S. flag.

The Sparrows Point designs are for vessels in the 77-to-80,000-deadweight-ton class, ships which certainly should be able to call at Baltimore. But at least one yard has applied for subsidy to build what might be termed super OBO's of some 165,000 tons, and who is to say that even larger units might not be forthcoming in the future?

If the Port of Baltimore is to remain competitive in the container, barge-carrying, supertanker age, it must have the capability of handling these larger, modern vessels. Our marine terminals are meeting the challenge, but they cannot do the job alone. The ships can't be worked here unless they can get here. And the massive vessels that are the wave of the future won't be able to come to Baltimore unless and until we widen and deepen our access facilities.

One of Baltimore's great advantages is its dual routes to the sea, via the Virginia Capes and the Chesapeake & Delaware Canal. The canal, as you know, is being widened and deepened under a $104 million U.S. Army Corps of Engineers project. The improvements are better than 80 percent complete, but all will go for naught unless the project is carried out to conclusion. Various stumbling blocks have been thrown in the way of this important endeavor, designed to extend the canal's depth from 27 to 35 feet, and until the work is finished, the controlling depth will remain at 27 feet.

The future of the main shipping channel is even more in doubt. Currently 42 feet deep throughout, the channel is to be dredged to 50 feet and widened from its present 600 to 1,000 feet. The project will comprise some 35 miles of channel, including a 20-mile stretch from the Chesapeake Bay Bridge to Baltimore.

Authorization for funding of the five-to-seven-year undertaking is included in the $600 million Omnibus Rivers and Harbors Act of 1970, recently approved by Congress and signed by President Nixon. Under this bill Baltimore stands to receive $40 million to begin work on the channel, with more funds promised later on to finish what will eventually become a $100 million project.

Like the C. & D. Canal, the work on the channel will not bear fruit until fully completed, because the shallowest depth will always remain the controlling factor. Thus a 50-foot channel 99 percent complete won't be any better than the present 42-foot channel until the work is 100 percent finished.

And once the project gets under way, Baltimore will have to begin thinking about deepening the channels in the Northwest Branch of the Patapsco, into areas such as Dundalk and Canton and Locust Point, where controlling depths currently vary from about 34 to 40 feet.

Port interests had also better keep watch to be sure the funding for the channel project doesn't get bogged down in further congressional maneuverings. Authorization for a program is one thing, but actually getting the money for it is quite another. And Baltimore doesn't have George Fallon as Chairman of the House Committee on Public Works to count on anymore to help get the funds appropriated.

In the final analysis, however, Baltimore seems to be doing a pretty fair job of keeping in step with the changing maritime picture. Its terminals and facilities are being kept up-to-date, and it's spending the money necessary to expand and modernize for the future. The port appears well prepared for any contingency.

Back in Colonial days two communities that were situated near the head of Patapsco River withered and died on the vine before the third, and present Baltimore, was founded in 1729. These two predecessors to the east of the existing city failed because they were unable to change with the times. Modern Baltimore has succeeded and prospered because of its capacity for staying ahead of the times.

And in this fast-moving world of the seventies, where the competition it cut-throat—and the inability to keep pace could likely be fatal—that's no mean achievement.

THE IMPLICATIONS OF BIOMEDICAL RESEARCH AND TECHNOLOGY

Mr. MONDALE. Mr. President, last month I introduced Senate Joint Resolution 75 to create a National Advisory Commission on Health Science and Society. I am glad to say that the resolution now has 20 cosponsors from both parties. In my introductory remarks, I referred to a number of articles which demonstrated the need for a study of the ethical, social, and legal implications of advances in biomedical research and technology.

In the short time since the introduction of Senate Joint Resolution 75 four more significant articles have been published. I think this demonstrates two things. First, there is a growing awareness and concern throughout the country about the implications of biomedical advances. Second, significant breakthroughs may be very imminent. Science is not waiting for us, so we must move now if these issues are to receive the thorough examination they require.

The first article appeared in the March 28 New York Times. I think it summarizes the general topic rather well, and shows how action on Senate Joint Resolution 75 is needed.

The second is from the April 14 Wall Street Journal and explains the medical profession's attempts to deal with some of these difficult questions by means of medical ethics panels. The article gives us a good idea of the day-to-day ethical problems which must be faced by physicians and hospital officials as they try to improve their capacity to minister to our health needs without taking unwarranted risks with fellow human beings.

The third article is a special section in the April 19 issue of Time magazine. It provides a comprehensive examination of the promise and perils that biomedical research holds in store for the body, the mind, and the spirit of man.

Finally, a two-part article appears in the May issue of the Atlantic. The first part, entitled "The Obsolescent Mother" summarizes developments in test tube fertilization and discusses the possibilities for development of a completely artificial fetal environment. It illustrates very well some of the ethical and social dilemmas which these possibilities will present. The second part, by the Nobel Prize-winning geneticist, Dr. James D. Watson, alerts us to the potential birth of a duplicate human being or "clonal man" sometime within the next 20 to 50 years. Dr. Watson states:

I would thus hope that over the next decade wide-reaching discussion would occur, at the informal as well as formal legislative level, about the manifold problems which are bound to arise if test-tube conception becomes a common occurrence.

Mr. President, because I think these articles will add measurably to our understanding of this important matter, I ask unanimous consent that they be printed in the RECORD.

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

[From the New York Times]

ETHICS DEBATE SET OFF BY LIFE SCIENCE GAINS

Scientists and doctors, theologians and legislators and a host of other professionals around the country are showing an intense new interest in the moral dilemmas created by innovations in the life sciences.

The growing ethical concern, which amounts to a movement, arises from such recent developments as heart transplants and new drugs to alter emotions and behavior. It is also prompted by such future possibilities as the creation of test-tube babies and the manipulation of genes to "improve" the human race.

Unless thought is given to such matters now, said James Watson, the Nobel Prize-winning geneticist, "the possibility of our having a free choice will one day suddenly be gone."

Last week Senator Walter F. Mondale, Democrat of Minnesota, and 17 bipartisan cosponsors introduced a bill in the Senate to establish a two-year National Advisory Commission on Health Science and Society to explore the moral, social and legal implications of devlopments in biology and medicine.

The new interest has already given rise to a number of institutions that are investigating the ethics of biology and medicine, a rapidly proliferating literature on the subject and a burgeoning number of scientific conferences on ethical issues.

Under attack are many of the traditional assumptions that underlie not only biology and medicine but all science and technology. Among them are the beliefs that scientific progress is automatically good, that what is medically beneficial to the individual is necessarily good for society, and that scientists are the best judges of the direction in which their research should go.

At this point "agreement is far greater on the questions than the answers," said Dr. J. Russell Elkinton, editor of the Annals of Internal Medicine. But, he added, at least a responsible debate is under way.

The debate is focused upon discoveries capable of radically affecting the quality of life, altering the structure of society and even changing the very nature of man himself.

Doctors have already developed drugs and elaborate machinery capable of prolonging the lives of countless millions of people suffering from terminal illnesses.

When should the plug be pulled? Does a person have the right to ask that he be left untreated to die in peace? Should the physician, in some cases, speed the end to the patient's suffering? Where do the rights of society come in when physicians, funds and hospital beds used to keep terminal patients alive are in short supply?

Similarly, the first transplant of a human heart in December, 1967, created a host of still unresolved ethical questions. When is a person dead? How can a limited organ sup-

ply be fairly used in face of an overwhelming need and demand? Can society justify the costly treatment in view of other pressing medical needs?

As the American Friends Service Committee put it in a recent report: "A single heart transplant costs $20,000 to $50,000. How many individuals could be rehabilitated with glasses, hearing aids, or dental care for the cost of one heart transplant?"

A BROADER MENACE

Dr. René Dubos, bacteriologist and scientific humanist at Rockefeller University, sees a broader question of social commitment than simply the either-or questions within traditional medicine.

"Why become excited about a few hundred organ transplants when every day in New York City 30,000 children are exposed to the possibility of permanent handicaps from lead poisoning and no one is doing anything about it?" he asks.

On the horizon are science-fiction sounding discoveries that would create a vast array of brand-new ethical dilemmas. Scientists have already been able to take a cell from an adult frog and, by placing its nucleus into a frog egg, create a new frog that is a genetic carbon copy of the original adult. Although the same feat in mammals is technically far more difficult, some geneticists expect it to become a human reality within a decade or two.

This process, known as cloning, has already raised questions. Does an individual have a right to his uniqueness? What would be the psychological effects of seeing one's genetic blueprint played out in advance if, for example, the person one was cloned from developed muscular dystrophy at age 35?

BEETHOVEN MULTIPLIED

For musical reasons, it might be nice to have a whole conservatory of Beethovens, but the societal effects of so many persons with Beethoven's temperament might be disastrous. What would be the effect on family structure if scores of American men could order their own copy of Raquel Welch? And what if cloning had been a reality when Hitler was in power?

Other future ethical problems are expected to grow out of the increasing ability of neurologists to define precisely the areas of the brain that control certain aspects of behavior. Questions will clearly arise, too, from a rapidly growing array of potent drugs that can change behavior, raise or lower intelligence, enhance or impair memory and affect specific kinds of learning.

Should criminals be forced to accept rehabilitation that would involve direct electrical or chemical stimulation of their brains, or even brain surgery? Such techniques are already being tested in man.

Would the use of a drug that raised the general level of intelligence create a society of persons unwilling to do essential menial chores? Would man twice as smart as he now is still be human?

ON A NARROW BASE

Until now consideration of such ethical and social questions has generally been confined to a few isolated individuals in science and religion.

Recently, however, a number of institutes have sprung up to pursue such issues on a formal interdisciplinary basis and in anticipation of scientific advances wherever possible.

Set in the tranquil beauty of Hastings-on-Hudson, N.Y., the Institute of Society, Ethics and the Life Sciences, now two years old, has recruited 70 persons in fields ranging from philosophy to biochemistry to serve on task forces in the areas of population control, genetic engineering, death and dying, and behavior control.

In dealing with population problems, said the institute's director, Daniel Callahan, a Roman Catholic philosopher, "our job is not to provide easy answers but to spell out the ethical acceptability of various approaches—such as mandatory abortion or birth control incentives—that might be adopted as government policy."

A second major organization, the Institute of Religion, operates in the midst of Houston's huge Texas Medical Center. The institute promotes interdisciplinary discussions of ethical problems that arise out of medicine and research, including the heart transplants for which the center is famous.

BUSES TO POOR DELAYED

Kenneth Varrett, an economist at the Xerox Center for Health Care Research in the Houston complex, noted in an interview that largely as a result of discussion with the Rev. Kenneth L. Vaux of the institute staff, his center had postponed plans to put experimental diagnostic equipment on buses and send them out into poor areas.

"We realized that it would be unethical to screen people for illnesses and raise expectations of their being helped until we were also prepared to offer them treatment," he explained.

Several smaller institutes recently created include the Center for Human Values in the Health Sciences in San Francisco and the Institute for Theological Encounter with Science and Technology at St. Louis University. Dr. Leon Kass is heading a new 15-member committee on Life Science and Social Policy, a part of the National Academy of Sciences.

Some theologians specializing in ethics are trying to acquaint themselves with the facts and future of biology and medicine. Paul Ramsey, professor of religion at Princeton University, for instance, recently spent a sabbatical year studying genetics and ethics at Georgetown Medical School and has since written widely on the ethical problems of genetic engineering.

PANELS IN CENTERS

In the last few years committees have been set up at virtually all medical centers to review proposed human experiments.

Such panels, which would, for example, prevent an experiment that would involve injecting cancer cells into persons incapable of understanding the nature of the experiment, are now mandatory for federally financed research.

And medical schools throughout the country, often under pressure from students, have started to set up courses on ethical issues.

Dr. Willard Gaylin, a 46-year-old psychiatrist who is helping to develop an ethics program at Columbia College of Physicians and Surgeons, recalls that in his medical school days, "ethics meant what size shingle a doctor should hang outside his office." "Today's students," he says, "are grappling with such sticky questions as whether to let a 10-year-old girl with a terminal illness die in peace as her mother requested or whether to try to prolong her life."

WHO WILL DECIDE

Underlying the new ethical concern is a conviction that the authority of science, like that of universities, the churches and the military, must increasingly come into question.

Scientists and others are now asking whether scientific progress necessarily serves the good of man and, in cases where it obviously does, whether scientists should be the only ones to determine the direction it takes. There is, in short, a growing consensus that the consequences of science are too important to be left to the scientists.

"We're talking about changing the bodies and minds of men," remarked Dr. Kass, himself a biochemist. "Scientists are not peculiar repositories of wisdom on these matters."

He and other individuals and institutions concerned with the new ethics would like to see critical scientific questions, such as whether to create carbon copies of people—posed on an interdisciplinary basis.

Dr. Robert Francoeur, an embryologist at Fairleigh Dickinson University and a married Roman Catholic priest, favors an "international consortium of scientists, physicians, sociologists, economists, lawyers, theologians and others" to deal with such matters.

The Mondale proposal would set up a 15-member committee appointed by the President from the areas of medicine, law, theology, biology, sociology, physics, the humanities, government, public affairs and health care.

LEGISLATORS OR PROFESSIONALS

How can the ethical question they discuss ever be resolved? There is a consensus that some problems—the definition of death, perhaps, or the use and distribution of organs for transplants—might be best dealt with through legislation. Others, however, such as policies governing euthanasia, may be more appropriately handled through professional guidelines and the evolution of a public consensus.

Among the new ethicists there is general agreement that some way must be found to involve the public. Dr. Ramsey would like to see the public represented even on fairly technical interdisciplinary boards.

"Some people might be simply stunned and overwhelmed," he said, "but their symbolic presence would put the professions on notice that society does have a concern."

Yet many scientists on the firing line are nervous about having the public looking over their shoulders. One fear is that the public is antiscience and will inhibit research.

SCIENTISTS' FEARS

When Senator Mondale first introduced a resolution to establish a national commission on medical ethics three years ago, he expected scientists to welcome it.

Instead, he recalled the other day, "I was disappointed and appalled by the almost unexplainable fear on the part of some scientists about the public being involved. Their attitude was, 'It's none of the public's business.' Others said, 'Do it, but keep it within the profession'."

The senator said: "Research has more to gain from the public process than to lose. Secrecy could do a lot of harm."

Dr. Kass said: "Instead of raising the bogy man of interference, scientists should help legislators and the public discriminate between the technology we should scrutinize and that we should leave alone."

Another fear of scientists is that the long process of public deliberation might grind scientific research to a halt.

THE PENALTY OF TIME

Dr. Robert White, a neurosurgeon at Western Reserve University who studies brain and body transplants in dogs and monkeys, said he welcomed the new sensitivity to ethical concerns. But he added: "If we were starting now, open heart surgery would take two or three times longer to develop than it actually did because universities, hospitals and doctors themselves are very much more sensitive to what they're doing to patients."

Implementing the ideas of the biomedical ethicists presents a number of difficulties.

"For one thing, there's no lobby group," said Robert Veatch, a pharmacologist, theologian and medical ethicist at the Hastings Institute. "No one organizes around the fact that he's sick. What we really need is a Ralph Nader for medical ethics."

Another serious limitation is money. Dr. Callahan's group found that few foundations that support research have thus far shown interest in the area and have difficulty fitting requests for funds for medical ethics into their traditional categories.

TERMS IT CHEAP

Dr. Kass noted, however, that "the kind of research and thought needed is cheap compared to the cost of what produces these problems" and suggested a routine budgeting of 1 per cent of research funds for study of the ethical consequences of the research.

A third difficulty is that there are no real answers to ethical questions, and in most cases the choice is not between good and evil but between relative goods.

"We're not dealing with solvable problems in the usual sense of the word," said Dr. Kass. "In a fragmented, pluralistic society, you're not going to come to agreement on matters that have divided the best of human minds since antiquity."

Yet the growing consensus is that the thinking must be done and done now. "What man can do is becoming more obvious," said Dr. Elkinton. "What man ought to do is yet a dark enigma."

[From the Wall Street Journal, Apr. 14, 1971]

MEDICAL-ETHICS PANELS ARE SET UP TO RESOLVE DILEMMAS ON RESEARCH

(By Liz Roman Gallese)

BOSTON.—Antonia, a pretty, blue-eyed five-year-old, is slowly dying of leukemia at Massachusetts General Hospital. Doctors here are working on a new drug that has a chance—though only a remote one—of curing her and many other leukemia patients. But the drug is so potent that it might also suddenly trigger severe liver damage.

Should the little girl be given the drug?

This sort of agonizing dilemma confronts medical researchers across the country almost every day. The dilemmas have become so controversial within the medical profession that individual doctors are no longer formulating the answers.

Instead, medical-ethics committees, usually made up of doctors who are neither involved in testing a new drug nor directly responsible for the care of the patients, are trying to make independent decisions. In some cases, however, these decisions are themselves sparking controversy.

A BID TO BALANCE INTERESTS

Some hospitals have had ethics committees for many years. But the real impetus to establish them came in 1966, when the National Institutes of Health decided not to award research grants to hospitals or other institutions that don't have such panels. In that year there were 371 committees; today there are more than 1,900. The NIH made grants totaling $872 million in 1970, thus financing a major part of U.S. medical research.

Everyone agrees that the ethics committees' job isn't easy. Bernard Barber, a Columbia University sociology professor, who has studied the committees, says that frequently their task is to try to balance a patient's rights to have the best possible treatment against society's interest in medical advancement.

"Sometimes cases are difficult, if not impossible, for the committee to decide, and members must act on insufficient knowledge of the risks and benefits involved," Prof. Barber says.

The committees, composed of from three to a dozen or more top doctors at a hospital, meet once a week or once a month to check projects proposed by researchers and physicians. In many cases, a project wins approval without running into any obstacles.

ANTONIA'S DRUG APPROVED

Antonia, for example, has taken five doses of the experimental drug since the Massachusetts General ethic committee gave a go-ahead to the research project that included her. The drug hasn't caused any liver damage in the girl. On the other hand, there isn't any evidence it has cured Antonia's leukemia, either. Doctors still figure there's a 90% probability her disease will prove fatal.

In cases where a project is questioned, ethics committees and researchers often work out compromises. One technique is to alter the study somewhat, sometimes by varying a drug dosage.

Seeking a way to treat excess facial and body hair and acne in adolescent girls, a researcher at one Eastern hospital recently proposed a five-milligram dose daily of the hormone stillbestrol. The ethics committee, however, questioned the dose because the hormone was suspected of retarding growth in adolescents. The researcher says the committee was also concerned about the possibility of blood clotting resulting from five milligrams of the hormone, an estrogen drug.

The researcher, after checking earlier experiments, found the committee correct on both counts, although the blood clotting had occurred in women in their 30s, usually after childbirth. Now, with the committee's approval, the researcher is using a two-milligram dose in the experiments and, as an added precaution, is using it only on tall girls.

CASES OF SHARP CONFLICT

In some cases, however, researchers trying to achieve medical breakthroughs are coming into sharp conflict with ethics committees worried about patients' welfare. After several years of conflict, Dr. Adrian Kantrowitz, a noted heart surgeon, left Maimonides Medical Center in Brooklyn late last year for Sinai Hospital in Detroit. With him went a group of 20 surgeons, nurses and researchers and $2,500,000 of federal funds for heart research.

"I was ready to perform a heart transplant a year or so before Dr. Christiaan Barnard (the South African physician)," Dr. Kantrowitz says. But the Maimonides ethics committee refused to grant approval because "it had never been done before," Dr. Kantrowitz contends. When the committee finally approved the proposal about a year later, he says, Dr. Barnard had already done the world's first heart transplant, on Dec. 3, 1967 Dr. Kantrowitz did his first heart transplant three days after Dr. Barnard's operation.

Dr. Jacques Sherman, acting director of Maimonides, denies Dr. Kantrowitz's description of events and says his transplant proposal was approved a year or so before he performed the operation.

Another and more recent clash at Maimonides involved Dr. Kantrowitz's attempts to use a mechanical pump to aid in bringing heart attack patients out of shock. The mechanical pump was to supplement the heart's own pumping action.

"There's usually a 95% mortality rate for these patients, but I was able to bring 60% of them out of shock," although not all of them survived, Dr. Kantrowitz says. After initial experiments, the Maimonides ethics committee rejected further work "because I couldn't save all my patients," Dr. Kantrowitz says.

Again Dr. Sherman of Maimonides differs. He says the ethics committee rejected the research only at first because the proposal failed to contain an adequate definition of heart patients in shock. He adds that once the proposal was rewritten, it was approved.

Ethics committees have also become involved in the controversy surrounding patient consent. Medical ethics require—and most doctors agree—that a patient be fully informed and his consent obtained when he is a subject in a research project. Both the National Institutes of Health and the Food and Drug Administration require such patient consent, and ethics committees routinely check to see that it is obtained.

But the committee checks are sometimes too routine, it is charged. At Johns Hopkins Hospital in Baltimore, a researcher sent a letter to parents telling them their child—all those involved were juvenile delinquents in state institutions—"has been included" in a study. The letter described the project merely as involving "a special diagnostic genetic (chromosome) study" and concluded by saying "please sign" the consent form.

The study was actually aimed at determining whether the delinquent youngsters had an extra chromosome, often called the XYY chromosome arrangement, which researchers speculate may lead to criminal activity.

"The Hopkins' form did not advise that participation was purely voluntary and it did not reveal that the existence of any XYY chromosome pattern might be related to criminal behavior," the American Civil Liberties Union charged. The ACLU also feared that the research results wouldn't be kept confidential and that individual youngsters could be stigmatized as having a "dangerous" XYY pattern. "In addition, correctional and parole officers were being utilized to obtain the consent of parents of institutionalized boys, a situation which smacked of coercion," the Civil Liberties Union said.

CONSENT FORM REVISED

The hospital denies that parole officers were specifically used to gain parental consent. Rather, it says, the officers were informed of the details of the experiment, which they could pass on to the parents if asked. The hospital says it still isn't using the officers to obtain consent.

The hospital temporarily suspended the research project and revamped its consent form to satisfy the ACLU's objections. Dr. Gordon Walker, chairman of the hospital's research committee, concedes that the committee didn't review the written form the researcher used at first, but he says committee members asked the researcher what information he would orally give his subjects.

"The researcher told us he would explain all medical implications of the study to his subjects and their parents," Dr. Walker says. He adds that the ethics committee didn't delve into the issue of confidentiality because "we're not lawyers."

In some cases, obtaining fully informed consent is very difficult if only because giving a patient full details about his disease and about the risks of experimental treatment might unduly upset him, ethics committee members argue. This is especially so in the case of cancer, they say.

"Real, informed consent would send patients into acute anxiety and terrify them," says Dr. John E. Plager, an ethics committee member at Roswell Park Memorial Institute, a cancer research center in Buffalo.

THE PROBLEM WITH CHILDREN

In cases involving young children, especially those who are mentally retarded and unable to understand a research project, obtaining patient consent is all but impossible, ethics committee members also say. The consent of both young patients and their parents is often required. Yet research with such children is practically the only way to obtain certain scientific information.

The ethics committee at Massachusetts General recently wrestled with the dilemma. Scientists know that certain types of cancer trigger a high level of calcium in the blood that can kill the patient far faster than the cancer itself. They also suspect that the amount of calcium in a person's blood may be at least partly regulated by calcitonin, a recently discovered hormone produced by the thyroid gland. This opens the possibility of using calcintonin to control calcium levels and thus greatly prolong the patient's life Scientists also suspect that calcitonin may have other and as-yet undefined therapeutic value.

But first scientists are trying to nail down the fact that calcitonin does indeed control calcium and how it does so. To prove this, the

scientists need a group of normal children whose thyroids produce calcitonin and a group of children without thyroids producing this hormone so that the two groups can be compared.

PANEL QUERIES RESEARCHER

Dr. Alberto Hayek, a Harvard University researcher who is working on the calcitonin study, proposed using mentally retarded children in an institution affiliated with Massachusetts General for the group without thyroids. This upset the ethics committee. During a committee meeting to consider Dr. Hayek's written proposal, members posed question after question.

"Why does he wish to use mentally retarded children?" one ethics committee member asked.

"Why use institutionalized children, who constitute a captive group?" another member asked.

"Can't other subjects be found who are intelligent enough to give consent to the study?" a third member asked.

The committee framed its questions in a letter.

In a written reply to the committee and in a later interview, Dr. Hayek said other subjects aren't suitable.

"Only one in every 30,000 babies is born without a thyroid gland and more than half of these have an IQ far less than 90. The result is that many of the members of this very tiny group are in institutions for the mentally retarded. There is virtually no place else to find them."

Dr. Hayek also emphasized that the study, while tedious, would pose very little risk to the children. The project involves three-hour calcium infusions into the bloodstream and blood samples taken every half-hour to check calcitonin levels so doctors can assess the relationship between the two chemicals.

THE PHYSICIAN-ADVOCATE

The ethics committee finally agreed to approve the project but only after appointing a physician-advocate—a move that is increasingly being used at research hospitals.

The physician-advocate, who is not one of the researchers, is named to represent the children's interests. His duty is to make sure that full information is given to parents when their consent is asked, that undue risks are avoided and that every safety precaution available is taken. He can withdraw the patients he represents from a research project if he thinks they are taking too great a risk.

In rare cases an ethics committee may have a physician-advocate peering over a researcher's shoulder to make sure all is well. In one big hospital, for example, a brain surgeon is seeking to use electrodes to stimulate the brains of patients undergoing surgery for various reasons.

The surgeon's project is based on discoveries that short bursts of electricity into certain parts of the brain can cause persons to "see" things, raising hopes that an artificial seeing device might someday be devised for the blind. As preliminary research, the surgeon intends to ask the patients, under local anesthesia, what they "see" as he stimulates their brains.

The hospital's ethics committee recently approved the project when the researcher clarified his intention that the electrodes be placed only on the surface of the brain. But the committee was deeply worried lest an electrode be pushed into the brain itself, a move that might cause permanent brain damage.

The project is approved, the committee stated, only so long as the physician-advocate in the case is present in the operating room to make sure an electrode doesn't penetrate into the patient's brain.

[From Time magazine, Apr. 19, 1971]

MAN INTO SUPERMAN: THE PROMISE AND PERIL OF THE NEW GENETICS

Reshaping life! People who can say that have never understood a thing about life—they have never felt its breath, its heartbeat—however much they have seen or done. They look on it as a lump of raw material that needs to be processed by them, to be ennobled by their touch. But life is never a material, a substance to be molded. If you want to know, life is the principle of self-renewal, it is constantly renewing and remaking and changing and transfiguring itself.—Doctor Zhivago by Boris Pasternak.

Perhaps it was simply a matter of chance, a random throw of the molecular dice. Perhaps some greater, transcendent force was at work in the earth's primeval seas. Yet from the moment of its miraculous genesis three billion years ago, life has been continually renewing and remaking itself, an evolutionary process that has led to the appearance of a unique creature quite unlike any of those before him. Thinking, feeling, striving, man is what Pierre Teilhard de Chardin called "the ascending arrow of the great biological **synthesis."**

Now, only some 35,000 years after the birth of modern man—a brief interval on the evolutionary time scale—the arrow is pointing in a dramatic new direction. Not only has man begun to unlock the most fundamental life processes, but he may soon be able to manipulate and alter them—curing such killer diseases as cancer, correcting the genetic defects that account for perhaps 50% of all human ailments, lessening the ravages of old age, expanding the prowess of his mind and body. Says Caltech's Robert Sinsheimer, one of the architects of the biological revolution: "For the first time in all time, a living creature understands its origin and can undertake to design its future."

To an extent, man has already altered himself and his planet. Scientists can only guess at the genetic toll from radioactive fallout, chemical contamination and other assaults on the environment. Even man's noblest impulses are apt to offend against nature. While improved medical care assures the survival and reproduction of those with genetically caused mental and physical defects, it also ensures that an increasingly larger percentage of the population will be heir to these illnesses in years to come. Geneticist Theodosius Dobzhansky succinctly expresses the ethical dilemma. "If we enable the weak and the deformed to live and to propagate their kind," he says, "we face the prospect of a genetic twilight. But if we let them die or suffer when we can save or help them, we face the certainty of a moral twilight."

The biological revolution could make some of the choices easier. In the future, defective genes may be excised by pinpoint laser beams and replaced by viruses acting as man's genetic messengers in the body. Anguished man may also find his mental burdens lightened, as he turns to anti-aggression and knowledge pills, or learns to stimulate his brain's pleasure centers with electrodes.

But other advances may only increase man's moral agony. By growing life in artificial wombs, for instance, or even rearranging enough molecules to create life itself, man will invoke comparison to the legendary Faust. He attained the power to create life—the tiny test-tube man, or homunculus—but only after he had bartered away his soul to the devil. If the new knowledge is used recklessly, Faustian man of the future may wonder if he, too, has not made a pact with dark forces.

In the long history of evolution, 100 million species of plants and animals have inhabited the earth.

Of these, 98% are now extinct, unable to survive the challenges of a changing environment. Man himself may face such a life-and-death test. Unlike his predecessors on the evolutionary ladder, he has the capability to meet it—and to fail it even more grandiosely than did creatures with lesser brains and imaginations.

Astonishingly, this capacity has been acquired only recently with remarkable advances in the life sciences. On the following pages, TIME describes the advances, including their promises and dangers. Some are distant, others close at hand. Together they may eventually shape *Homo futurus*, a creature resembling the Superman of the Nietzschean and Shavian dream—or at least one whose powers will be dramatically different from contemporary man's.

THE CELL: UNRAVELING THE DOUBLE HELIX AND THE SECRET OF LIFE

Wildly excited, two men dashed out of a side door of Cambridge University's Cavendish Laboratory, cut across Free School Lane and ducked into the Eagle, a pub where generations of Cambridge scientists have met to gossip about experiments and celebrate triumphs. Over drinks, James D. Watson, then 24, and Francis Crick, 36, talked excitedly, Crick's booming voice damping out conversations among other Eagle patrons. When friends stopped to ask what the commotion was all about, Crick did not mince words. "We," he announced exultantly, "have discovered the secret of life!"

Brave words—and in a sense, incredibly true. On that late winter day in 1953, the two unknown scientists had finally worked out the double-helical shape of deoxyribonucleic acid, or DNA. In DNA's famed spiral-staircase structure are hidden the mysteries of heredity, of growth, of disease and aging and in higher creatures like man, perhaps intelligence and memory. As the basic ingredient of the genes in the cells of all living organisms, DNA is truly the master molecule of life.

The unraveling of the DNA double helix was one of the great events in science, comparable to the splitting of the atom or the publication of Darwin's *Origin of Species*. It also marked the maturation of a bold new science: molecular biology. Under this probing discipline, man could at last explore—and understand—living things at their most fundamental level: that of their atoms and molecules. Once molecular biology was sardonically defined as "the practice of biochemistry without a license." Now it has become one of science's most active, exciting and productive arenas, taking the limelight (and some of the best talent) from that longtime favorite, nuclear physics.

Using laboratory skills that were unheard of a generation ago, scientists have isolated, put together and manipulated genes, and have come close to creating life itself. In 1967 Stanford University's Arthur Kornberg synthesized in a test tube a single strand of DNA that was actually able to make a duplicate of itself. Kornberg's "creation" was only a copy of a virus, a coated bit of genetic material that occupies a twilight zone between the living and inanimate. But many scientists have become convinced that they may eventually be able to create functioning, living cells.

Molecular biology, in part is rooted in the science of genetics. Ever since Cro-Magnon man, parents have probably wondered why their children resemble them. But not until an obscure Austrian monk named Gregor Mendel began planting peas in his monastery's garden in the mid-19th century were the universal laws of heredity worked out. By tallying up the variations in the offspring peas, Mendel determined that traits are passed from generation to generation with mathematical precision in small, separate packets, which subsequently became known as genes (from the Greek word for race).

Mendel's ideas were so unorthodox that they were ignored for 35 years. But by the time the Mendelian concept was rediscovered at the turn of the century, scientists were better prepared for it. They already suspected that genetic information was hidden inside pairs of tiny, threadlike strands in cell nuclei called chromosomes, or colored bodies (for their ability to pick up dyes). During cell division they always split lengthwise, thereby giving each daughter cell a full share of what was presumed to be hereditary material.

A few years later, the suspicions were dramatically confirmed by the pioneering geneticist Thomas Hunt Morgan in Columbia University's famed "Fly Room." Through ingenious crossbreeding experiments with the fruit fly *Drosophila melanogaster*, Morgan and his students were able to map the relative positions of the genes along the insect's four pairs of chromosomes. Still, the gene's physical nature remained as great a mystery as ever. DNA had been discovered in the nuclei of cells by the Swiss biochemist Friedrich Miescher a few years after Mendel did his work on peas. But since the chromosomes in which the DNA was found also contained proteins—the basic building blocks of life—few scientists had any inkling that DNA might be playing an even more central role to life.

By the 1940s, however, the molecular biologists had come on the scene, and they insisted that fundamental life processes could be fully understood only on the molecular level. In their investigations, some used the electron microscope, which revealed details of structure invisible to ordinary optical instruments. Others specialized in X-ray crystallography, a technique for deducing a crystallized molecule's structure by taking X-ray photographs of it from different angles. Physicist Max Delbrück turned to nature for his investigative tools; bacteriophages (literally, "bacteria eaters"), tiny parasite viruses that invade their host bacteria and rob them of their genetic heritage.

But the honors for making the breakthrough discovery went to a traditional bacteriologist. Taking purified DNA extracted from the chromosomes of dead pneumonia bacteria, Rockefeller Institute's Oswald T. Avery and his associates showed that it could transform other, normally harmless bacteria into virulent ones. The experiment indicated that it was DNA, and not protein, that carried the genetic message. So unexpected was that finding that even Avery was at first unwilling to accept it. Eight years later, Alfred Hershey and his assistant Martha Chase demonstrated that a virus' DNA could, by taking over a bacterium, also nullify the cell's genetic instructions and replace them with its own. Only then was DNA finally accepted as the magic substance of the genes.

Inspired by these experiments, Watson, then a young Ph.D in biology from Indiana University, decided to take a crack at the complex structure of DNA itself. The same thought struck Crick, a physicist turned biologist who was preparing for his doctorate at Cambridge. Neither man was particularly well equipped to undertake a task so formidable that it had stymied one of the world's most celebrated chemists, Linus Pauling. Watson, for his part, was deficient in chemistry, crystallography and mathematics. Crick, on the other hand, was almost totally ignorant of genetics. But together, in less than two years of work at Cambridge, these two spirited young scientists showed how it is possibly to win a Nobel Prize without really trying.

In 1968 Watson himself produced a highly irreverent, gossipy bestseller, *The Double Helix*, which revealed the human story behind the discovery of DNA's structure: the bickering, the academic rivalries, even the deceits that were practiced to win the great prize. Out of Pauling's earlier work, Watson and Crick got the idea that the extremely long and complicated DNA molecule might take the shape of a helix, or spiral. From the X-ray crystallography laboratory at King's College in London, where Biochemist Maurice Wilkins was also investigating the molecule's structure, they quietly obtained unpublished X-ray data on DNA. Relying as much on luck as logic, they constructed Tinkertoy-like molecular models out of wire and other metal parts. To everyone's astonishment, they suddenly produced a DNA model that not only satisfied the crystallographic evidence but also conformed to the chemical rules for fitting its many atoms together.

Out of the architecture of their precisely constructed double helix emerged the secret of DNA's awesome powers. The banisters of the staircase were fashioned of long links of sugars and phosphates; the steps between them were made of pairs of chemicals called bases, weakly joined at the center by hydrogen atoms. Only four different bases were used—adenine (A), thymine (T), cytosine (C) and guanine (G). But their sequence could vary so widely along the length of the staircase that they made up an almost limitless information-storage system, like the memory bank of a computer. In addition, because the bases were chemically complementary—that is, A paired off only with T, and C only with G—one side of the staircase was in effect of genetic mirror image of the other. Watson and Crick quickly recognized from the structure of their model how DNA worked. But their 900-word announcement in *Nature*, the international weekly published in Britain, concluded with one of the more coy statements in scientific literature. "It has not escaped our notice," they said, "that the specific pairing we have postulated immediately suggests a possible copying mechanism for the genetic material."

In a second letter, they described that mechanism: how the DNA molecule unwinds and unzips itself right down the middle during cell division, its base pairs breaking apart at their hydrogen bonds. Then by drawing on the free-floating material surrounding them in the nucleus of the cell, the two separated strands link up with complementary base-and-strand units along their entire length, forming two exact copies of the original double helix. Thus DNA faithfully passes its genetic information on to new cells and to future generations.

Ingenious as the theory was, scientists still demanded proof that the molecule actually replicated itself. That proof was quick to come. By 1956, Arthur Kornberg, then at Washington University in St. Louis, discovered an enzyme, or natural chemical catalyst (which he named "DNA polymerase") that was apparently critical to some of the activities of the double helix. Once he obtained enough of the enzyme, he placed it in a test-tube brew with a bit of natural DNA, one of whose strands was incomplete, the four bases (A, T, C, G) and a few other off-the-shelf chemicals. True to his expectations—and the Watson-Crick theory—the incomplete segment picked up its complementary nucleotides from the brew to form a complete double helix.

Implicit in the Watson-Crick model were the workings of DNA's other essential function: how it orders the production of proteins. These are also long and twisted helical molecules, but they are the actual building blocks rather than the genetic blueprints for living things. As such, proteins are immensely varied; there are many thousands of different kinds in the human body alone. The distinctive proteins that make up the cells of the eye, for example, differ from those of the kidneys or muscles. Despite their variety, however, all proteins are built from some of only 20 smaller and simpler molecules, called amino acids. How then, scientists asked themselves, did the isolated double helix, locked in the nucleus of the cell, direct the assembly of amino acids into protein in other parts of the cell?

Scientists suspected that DNA had a helper, a single-stranded chemical first cousin called ribonucleic acid (RNA). Most of the cell's RNA is found in ribosomes. These are globular bodies in the material outside the cell's nucleus that seem to be highly active centers of protein synthesis. But if this ribosomal RNA played a role in protein making, how did it obtain and execute the instructions from the master molecule DNA inside the nucleus?

In 1955, after wrestling with the question, Francis Crick postulated (and Harvard Biochemists Paul Zamecnik and Mahlon Hoagland confirmed) a second form of RNA, which was later found to carry specific amino acids floating in the cytoplasm to the ribosomes; this substance became known as transfer RNA. Then in the early 1960s, biologists discovered a third kind of RNA—shortly after its existence had been theorized by Jacques Monod and Francois Jacob of France's Pasteur Institute. Called messenger RNA, it provided the missing piece in the molecular puzzle. It was formed on an uncoiled strip of DNA in the nucleus, imprinted with the particular "message" encoded in that portion—or gene—of the staircase, and then sent off with these instructions to the protein-making ribosomes.

Neat as it was, this scheme still left unanswered one more question: How could DNA or RNA choose from among 20 amino acids to produce complex proteins by using an informational system that had only four code letters—the four bases—at its disposal? An answer to this intriguing problem was suggested by Physicist George Gamow, who likened the four bases to the different suits in a deck of playing cards.

If the cards are dealt one at a time, disregarding the order of the cards within the suits, the player encounters only one of four possibilities on each draw (a heart, diamond, spade or club); nearly, if DNA's code worked this way, there would not be enough choices to encode 20 amino acids. If the cards are dealt in pairs, the number of combinations increases to 16 (since each card may combine with its own kind or one of three other suits). But such a two-unit system also would be inadequate. So Gamow reasoned that DNA's four bases had to be taken at least three at a time: this would yield 64 possible combinations (4 x 4 x 4), more than enough to code for the existing amino acids.

In 1961, Crick's team at Cambridge proved Gamow's ingenious "triplet" theory. They demonstrated that RNA formed from only one or two base units could not effect the manufacture of proteins. But when they added a third base unit, protein formation began immediately. It remained, however, for an unknown young biochemist named Marshall Nirenberg, at the National Institutes of Health, to crack the code itself. That same year Nirenberg had succeeded in building up short, synthetic strands of RNA out of only one type of base. Invariably, this artificial RNA induced the manufacture of chains of proteins consisting of only one type of amino acid, phenylalanine. The conclusion was inescapable: in the genetic code, Nirenberg's triplet had to signify phenylalanine.

Using this clue as their Rosetta stone, Nirenberg and other researchers eventually found one or more three-letter code words, or codons, that could call up every single amino acid—plus other words that acted as punctuation, marking the start or completion of a message ordering the production of a protein. Even more remarkable, they learned that the code was universal: the same four letters, taken three at a time to form a single genetic word, code the same amino acids in all living things. Thus by

the mid-1960s, scientists finally understood how DNA passes on genetic information with exquisite precision, and the way it orders up the fabrication of new cellular protein.

That process, shown in the accompanying color chart, was summarized by Crick in a series of rules that became known as the Central Dogma. Most scientists interpreted the key rule of that dogma to be that genetic information flowed in one direction: from DNA to RNA to protein. To the surprise of many molecular biologists, however, it has recently been shown that part of the process can sometimes be reversed. This finding, in the opinion of molecular biologists like Columbia's Sol Spiegelman, may offer an important clue to the workings of cancer cells (*see box, page 44*).

DNA is as complex as the system it directs. Even after two decades of intensive study only about one-third of the genes have been mapped along the length of DNA in the chromosome of so elementary a creature as the digestive tract bacterium *Escherichia coli*. The reason: just a teaspoon of E. coli DNA has information capacity approximately equal to that of a computer with a storage capacity of about 100 cu. mi.

Man, for his part, is even more generously endowed—with 1,000 times as much DNA as one *E. coli* in each of his reproductive cells. Even so, the cells of such relatively primitive animals as salamanders, lungfish and even certain one-celled algae contain far more DNA than man's. Does this mean that such lowly beasts have a richer genetic capacity than man?

The Carnegie Institution's Roy Britten and David Kohne, after much painstaking investigation, may have found the answer to that embarrassing question. A few years ago they discovered that in the DNA of higher organisms many genes seem to be repeated. In calf cells, they calculated, up to 40% of the DNA consists of segments that are repeated as many as 100,000 times apiece. As a result of this work, some scientists are now convinced that in this seeming redundancy of genes, rather than in the total number, lies the secret of the genetic sophistication of higher organisms.

How would such genetic repetition help man? Some theorists suspect that the "spare" DNA plays a regulatory role, perhaps switching other genes on and off at just the right moment during the involved process of protein manufacturing. Harvard Biochemist Charles Thomas, however, supports a more radical idea. He thinks that the repeated segments are actually "slaves" of a "master" gene from which they have been copied. Working in tandem, explains Thomas, such "slaves" could produce proteins more quickly and efficiently—though, he admits, not necessarily in greater diversity.

Molecular biologists are also probing ever more deeply into the process of cell differentiation. It has long been known that the DNA in every body cell of an individual organism is identical; this DNA contains all the information necessary to construct the whole organism. Why then, in a human being, for example, is a liver cell so different from a hair cell, a heart cell so different from a skin cell? The answer, Jacob and Monod theorized in 1961, is that only a small percentage of the genes in any cell are giving instructions for the operation of that particular cell. The rest are "turned off" by protein repressers, which wrap themselves around long stretches of DNA and prevent them from transferring their coded information to messenger RNA.

A number of such repressers have since been found in bacteria. Scientists have also isolated enzymes that turn the genes back on. These inducers, as they are called, work by unlocking the repressers on the segment of DNA. But even in *E. coli*, such switching can become bafflingly difficult; the repressers and inducers, for example, require controlling enzymes of their own. These enzymes, in turn, apparently need the help of still other molecules, such as the recently discovered sigma, rho and psi factors, in recognizing the appropriate genes. In fact, it is because of the very complexity of these processes that leading molecular biologists like Crick find the questions arising from cell differentiation so fascinating. How in the human embryo, for instance, are certain genes switched on so that by the end of the first week after conception identical cells have begun to grow into cells with differing characteristics?

So far these fundamental questions are largely unanswerable, although some clues have been uncovered. For one thing, it is thought that in higher, multicellular forms of life, repressers may be a special class of proteins called histones; these are not found in bacteria. When histones are removed, Rockefeller University's Vincent Allfrey has found, RNA production soars by 400%, evidence that formerly repressed segments of DNA have become active. In addition, it has been learned that the cell membrane itself appears to play a crucial part in switching genes on and off. When a membrane is merely brushed by certain hormones—a large class of molecules that serve as intercellular messengers—the membrane will respond as though jolted by an electric probe. It will instantly send off a signal to the nucleus, triggering RNA production by the genes. That finding could eventually have medical application for diseases—like diabetes—resulting from vital genes that are inexplicably turned off.

Many more puzzles remain unsolved. Why are there small bits of DNA located outside the nucleus in energy-producing cell centers called mitochondria? Does this mean that there are other, unknown repositories of hereditary information? In spite of such questions and complications, the basic structure of DNA postulated by Crick and Watson 18 years ago has withstood the test of time remarkably well. More important, it has given man a profound new understanding of basic life processes—and the means to control and alter them.

THE BODY: FROM BABY HATCHERIES TO "XEROXING" HUMAN BEINGS

The remarkable advances in molecular biology during the past two decades have given man an understanding of the basic processes that shape his life and have placed within the realm of possibility medical achievements undreamed of a scant few years ago. As more and more of the once-mysterious life forces within the cell are defined in the logical language of chemistry, the way is being opened not only for permanent cures of genetic diseases but also for drastic changes in man's genetic makeup. The acquisition of the power to eliminate genetic imperfections and engineer entirely new characteristics for humans is, for all of its promise, a frightening prospect for those who believe that man should not tamper with his inheritance. Yet even before the structure of DNA was defined and the genetic code broken, doctors had begun, mostly by trial and error, to develop techniques of genetic medicine.

Man today is heir to a host of inherited imperfections, ranging from diabetes to degenerative nerve disease. Each individual, geneticists have determined, carries between five and ten potentially harmful genes in his cells, and these flawed segments of DNA can be passed down to his progeny along with the messages that determine whether a child will have red hair or blue eyes.

Nature itself takes care of the worst genetic mistakes. One out of every 130 conceptions ends before the mother even realizes she is pregnant because the defective zygote, or fertilized egg, never attaches itself to the wall of the uterus. Fully 25% of all conceptions fail to reach an age at which they can survive outside the womb, and of these, at least a third have identifiable chromosomal abnormalities. Still, as many as five out of every 100 babies born have some genetic defect, and Nobel-Prize winning Geneticist Joshua Lederberg believes the proportion would be even higher were it not for nature's own process of quality control.

The most obvious deformities result from chromosomal abnormalities. Down's syndrome, or mongolism, which occurs once in every 600 births, is caused when one set of chromosomes occurs as a triplet rather than a pair. Hydrocephalus, or water on the brain, and polydactyly, the presence of extra fingers or toes, also result from faulty genes.

But the majority of genetic stigmas have somewhat more subtle symptoms and occur when defective genes fail to order the production of essential enzymes that trigger the body's biochemical reactions. Phenylketonuria (PKU) is caused by the absence of the enzyme necessary for the metabolism of the amino acid phenylalanine; as a result, toxins accumulate in the body and eventually cause convulsions and brain damage. Cystic fibrosis, which causes abnormal secretion by certain glands and respiratory-tract that can lead to death by pneumonia, is the most common inborn error of metabolism; it is believed to be caused by a deficiency in a single gene.

Most people are unaware that they are carrying defective genes until they have a deformed, diseased or mentally retarded child. While medical science has not yet developed the techniques for repairing the bad genes, it can increasingly determine that they are present. Genetic counselors can thus advise prospective parents on the possibilities that their offspring will be born with genetic diseases. Properly informed, a couple that runs a high risk of producing a defective child may well decide to forgo having children.

If both parents carry genes for diabetes, for example, the chances are one in four that their children will inherit an increased risk for developing the disease. If either parent actually suffers from diabetes, the odds are even worse. Members of one large South Dakota family afflicted with a rare degenerative nerve disease have been advised, for example, that the odds are 50-50 that any children they have will suffer loss of balance and coordination and die, probably of pneumonia, by age 45 (TIME, Jan. 25).

Genetic counseling once relied more heavily on mathematics than medicine to predict the chance of hereditary handicaps. But it is now possible for doctors to identify and catalogue chromosomes. If there are certain chromosomal abnormalities, the prospective parents are informed that they will almost definitely produce deformed offspring. While this knowledge may take some of the mystery and romance out of procreation, it also eliminates much of the uncertainty. As one geneticist puts it, "There is nothing very romantic about a mongoloid child or a deformed body."

An even more important technique enables physicians to examine the cells of the unborn only months after conception and to determine with accuracy whether or not the infant will inherit his parents' defective genes. The procedure is known as amniocentesis, from the Greek *amnion* (membrane) and *kentesis* (pricking); it is performed by inserting a long needle through the mother's abdomen and drawing off a small sample of the amniotic fluid, the amber liquid in which the fetus floats. Physicians then separate the fetal skin cells from the fluid and place the cells in a nutrient bath where they continue to divide and grow. By examining the cells microscopically and analyzing them chemically, the doctors can identify nearly 70 different genetic disorders, most of them serious.

Amniocentesis, performed between the 13th and 18th weeks of pregnancy, is not without some risk to both mother and baby.

But in cases where family history leads them to suspect genetic defects, physicians feel that the benefits more than justify the danger; for the tests, which have been carried out on more than 10,000 women in the U.S. alone in the past 40 years, have proved extremely accurate. Using amniocentesis, Dr. Henry Nadler, a Northwestern University pediatrician, diagnosed mongolism in ten of 155 high-risk pregnancies tested. Subsequent examination of the fetuses showed that his diagnosis was correct in all cases.

At present, the woman who learns through amniocentesis that she is carrying a seriously deformed fetus has only two choices: abortion or the heartbreak of delivering a hopelessly defective infant. But the mother whose unborn baby is found to have one of several hereditary enzyme deficiencies has a more acceptable alternative, for medicine has developed techniques for treating many such illnesses. An amniotic test for fetal lung maturity, for example, has helped warn doctors when a child may be born with hyaline membrane disease, which blocks proper breathing. In those cases, birth can be delayed by sedation until tests show the baby ready to breathe on its own. Tests that permit prompt postnatal detection of PKU give doctors an opportunity to place babies so affected on special diets that prevent the accumulation of the deadly toxins and allow them to live relatively normal lives.

Some treatments are even possible before birth. Physicians routinely perform intrauterine transfusions on fetuses suffering from Rh disease, a genetic condition that results from the incompatibility of maternal and fetal blood.

Artificial insemination, once the exclusive province of livestock breeders, also offers escape from some genetic mishaps. An estimated 25,000 women whose husbands are either sterile or carry genetic flaws have been artificially inseminated in the U.S. each year, many of them with sperm provided by anonymous donors whose pedigrees have been carefully checked for hereditary defects. Some 10,000 children are born annually of such conceptions.

Doctors also see possibilities in artificial inovulation, a procedure in which an egg cell is taken directly from the ovaries, fertilized in a test tube and then reimplanted in the uterus. By carefully scrutinizing the developing embryo in the test tube, doctors could spot serious genetic deficiencies and decide not to reimplant it, thus avoiding an abortion later on. If the embryo is normal, it could even be reimplanted in the womb of a donor mother and carried to term there, enabling the woman either unable or unwilling to go through pregnancy to have children that were genetically her own.

Even test-tube babies, once the stuff of science fiction, are now not only possible, but probable. Dr. Landrum Shettles of Columbia University and Dr. Daniele Petrucci of Bologna, Italy, have shown that considerable growth is possible in test tubes. Shettles has kept fertilized ova growing for six days, the point at which they would normally attach themselves to the lining of the uterus. Petrucci kept a fertilized egg alive and growing for nearly two months.

Indeed, only development of an "artificial womb" capable of supporting life stands in the way of routine ectogenesis, or gestation outside the uterus, and now even this problem may yield to solution. Scientists at the National Heart Institute have developed a chamber containing a synthetic amniotic fluid and an oxygenator for fetal blood, and have managed to keep lamb fetuses alive in it for periods exceeding two days. Once their device is perfected, the baby hatchery of Aldous Huxley's *Brave New World* will be a reality and life without birth a problem rather than a prophecy.

Man may eventually be able to abandon sexual reproduction entirely. That startling and perhaps unwelcome possibility has been demonstrated by Dr. J. B. Gurdon of Britain's Oxford University. Taking an unfertilized egg cell from an African clawed frog, Gurdon destroyed its nucleus by ultraviolet radiation, replacing it with the nucleus of an intestinal cell from a tadpole of the same species. The egg, discovering that it had a full set of chromosones, instead of the half set found in unfertilized eggs, responded by beginning to divide as if it had been normally fertilized. The result was a tadpole that was the genetic twin of the tadpole that provided the nucleus. Gurdon's experiment was also proof of what geneticists have long known: that all of the genetic information necessary to produce an organism is coded into the nucleus of every cell in that organism.

Man, say the scientists, could one day clone (from the Greek word for throng), or asexually reproduce himself, in the same way, creating thousands of virtually identical twins from a test tube full of cells carried through gestation by donor mothers or hatched in an artificial womb. Thus, the future could offer such phenomena as a police force cloned from the cells of J. Edgar Hoover, an invincible basketball team cloned from Lew Alcindor, or perhaps the colonization of the moon by astronauts cloned from a genetically sound specimen chosen by NASA officials. Using the same technique, a woman could have a child cloned from one of her own cells. The child would inherit all its mother's characteristics including, of course, her sex.

Dramatic as cloning may be, it is overshadowed in significance by a technique that may well be practiced before the end of this century: genetic surgery, or correction of man's inherited imperfections at the level of the genes themselves. When molecular biologists learn to map the location of specific genes in human DNA strands, determine the genetic code of each and then create synthetic genes in the test tube, they will have the ability to perform genetic surgery.

Some molecular biologists envisage using laser beams to slice through DNA molecules at desired points, burning out faulty genes. These would then be replaced by segments of DNA tailored in the test tube to emulate a properly functioning gene and introduced into the body as artificial—and beneficial—viruses.

The concept is not as farfetched as it sounds. Real viruses are merely segments of DNA (or RNA) surrounded by largely-protein sheaths; they penetrate the cell nucleus (leaving their sheaths behind) and take over the cellular DNA.

The potential of the technique is already being tested by an international research team in the treatment of two children whose hereditary inability to produce the enzyme arginase had resulted in severe mental retardation. The team infected the youngsters with a natural virus, the Shope papilloma, which contains DNA that triggers arginase synthesis. Although the experiment is expected to produce no improvement in the children's mental condition, it may belatedly trigger the production of the missing enzyme and prove that viruses can carry beneficial messages to the cells.

There is other evidence that the beginning of genetic surgery is not far off. Dr. Sol Spiegelman of Columbia University has synthesized an artificial virus that is indistinguishable from its natural model and has used it to infect bacteria and produce new viruses. He and his colleagues have little doubt that they will also eventually create "friendly" viruses and use them to cure disease rather than cause it—by using the viruses to stimulate the production of the chemical products upon which health and life itself depend.

Prophylaxis is important, but man's molecular manipulations need hardly be confined to the prevention and cure of disease. His understanding of the mechanisms of life opens the door to genetic engineering and control of the very process of evolution. DNA can now be created in the laboratory. Soon, man will be able to create man—and even superman.

Researchers have found that they can increase the life span of laboratory animals by underfeeding them and thus delaying maturation. This phenomenon, they believe, occurs because a smaller intake of food results in the formation of fewer cross linkages—connecting rods that link together and partly immobilize the long protein and nucleic acid molecules essential to life. If scientists can retard cross linking in man, they may well slow his aging process. Scientists also hope that they can some day do away with disease, genetically breeding out hereditary defects while breeding in new immunities to bacterial and other externally caused ailments. Finally, they look forward—in the distant future and with techniques far beyond any now conceived—to altering the very nature of their species with novel sets of laboratory-created genetic instructions.

Current predictions about the appearance of re-engineered man seem singularly uninspired. Some scientists argue that man's head should be made larger to accommodate an increased number of brain cells. They do not, however, explain what man would do with this additional gray matter; there is good reason to believe that man does not use all that he presently possesses. A few others note that the efficiency of man's hands could be increased by an extra thumb and his peripheral vision enhanced by protruding eyes—improvements that seem unnecessary in the light of man's expanding technology.

Some favor less obvious alterations. They have suggested that man be given the genes to produce a two-compartment stomach (a cow has four) that could digest cellulose; that mutation could be advantageous if man fails to increase his food supplies fast enough to feed the planet's growing population, but superfluous if he does. They also want man programmed to regenerate other organs, such as he now does with the liver, so that he can repair his damaged or diseased heart or lungs if necessary.

Others call for even more specialized humans to perform functions that in reality will probably be done better by machines. British Geneticist J.B.S. Haldane called for certain regressive mutations to enable man to survive in space, including legless astronauts who would take up less room in a space capsule and require less food and oxygen (larger and more powerful spacecraft would seem to be an easier and less monstrous solution). Haldane also suggested apelike men to explore the moon. "A gibbon," he said only half-jokingly, "is better preadapted than a man for life in a low gravitational field."

Eventually, scientists fantasize, man will escape entirely from his inefficient, puny body, replacing most of his physical being with durable hardware. The futuristic cyborg, or combination man and machine, will consist of a stationary, computerlike human brain, served by machines to fill its limited physical needs and act upon its commands.

Such evolutionary developments could well herald the birth of a new, more efficient, and perhaps even superior species. But would it be man?

THE SEARCH FOR A CANCER CURE

At present there are only three main ways of treating cancer, which will kill more than 335,000 in the U.S. alone this year. Doctors can cut tumors out with a knife, burn them out with radiation or kill them cell by cell with drugs. Though these treatments can be effective in combination, each has its draw-

backs. Now, cancer researchers have turned to molecular biology, which shows promise of providing new and more effective means of dealing with the disease.

No one really knows what causes cancer, which is actually more than 100 distinct diseases, all sharing two common characteristics: rapid cell growth and a terrifying tendency to spread from one part of the body to another. Most researchers agree, however, that the villain is a virus, a miniature packet of nucleic acid with a membranous coat that was shown as early as 1911 to cause tumors in animals.

Unable to reproduce themselves, viruses invade normal cells and use their hosts' chemical mechanisms to produce more viruses. Eventually, the infected cell ruptures, releasing the newly formed viruses to affect other cells. Dr. Howard Temin of the University of Wisconsin has shown that some tumor viruses behave differently. They reverse the normal order of genetic transmission, and with the aid of a recently discovered enzyme, use their RNA messenger molecules to produce DNA, the double-helix master molecule. In a way not yet understood, this triggers the cellular genetic machinery to order cell division, causing the cancerous growth that is then perpetuated in succeeding cell generations.

The new enzyme associated with Temin's discovery was at first believed to be unique to cancer cells infected by viruses. Thus when Columbia University's Sol Spiegelman and the National Cancer Institute's Robert Gallo found high enzyme activity in the cells of leukemic patients, medical science had a solid clue that leukemia might be caused by a virus. Even more important, some researchers speculated that if the Temin enzyme was found only in cancer cells, the spread of cancer might be halted simply by inhibiting the enzyme.

Their hopes for an immediate cancer cure were short-lived. The NCI's George Todaro and other researchers have since found similar enzyme activity in normal cells as well. They have also found evidence of these enzymes in human and animal embryonic tissues, thus helping to confirm the views of many scientists who believe that cancer is probably an aberration of normal cellular growth.

If it is, Temin thinks he knows why it occurs. According to his hypothesis, normal cells manufacture RNA, which moves to neighboring cells in the form of a protovirus, or template, and stimulates the production of a new form of DNA. But, theorizes Temin, if this wandering RNA somehow transmits the wrong message after entering the cells, it can cause the production of altered DNA that orders the cells to grow abnormally.

Dr. Robert Huebner of the NCI speculates that cancer is caused by a noninfectious virus that is a normal part of every living thing. According to Huebner, the virus, which he has labeled the "C particle," is a part of everyone's genetic heritage, a tiny bit of RNA that is passed vertically from one generation to another and perhaps helps normal development by causing the cells of an embryo to grow. The C particle should become inactive as the fetus matures; if it fails to do so, the result is the rapid cell growth that characterizes cancer.

Many researchers believe that the best method of attacking cancer is to use the body's own genetic mechanism to order cancerous cells to stop growing. Transmitting such orders may be difficult. DNA programmed to carry the command would be digested almost immediately by the body's enzymes if it were injected into the bloodstream, thus making conventional methods of administering medication impractical. But the RNA viruses, which produce DNA, have proven their ability to move directly into the cells and could easily carry such communications. Scientists speculate that benign viruses could be made in test tubes with proteins and synthesized RNA. The viruses, injected into the body, would home in on the cancerous growth and shut down the cells' runaway reproductive mechanism.

Avenues other than virology are also being explored in the search for a cancer cure. Researchers have long been aware that animal cells growing a culture medium will stop multiplying once they come in contact with one another. But in some recent experiments at Princeton, Biochemist Max Burger found that when he stripped normal mouse cells of their membranes, they continued to grow wildy—as do cancer cells—even after they had touched. Burger thus speculates that the loss of a cell's protective coating, possibly as a result of viral infection, could lead to cancer by exposing a sensitive area that signals the cells to continue growth. If the protective covering could be restored, he suggests, it might be possible to stop the genes of cancer cells from ordering further growth.

It may even be possible to use the body's immunological mechanism, which now helps to protect it against other diseases, to combat cancer. Some researchers note that organ transplant recipients, who take large doses of drugs to suppress their immune reactions and prevent the rejection of foreign tissue, may develop cancer. Also, the immune system often fails to respond to many cancer cells, although they have unique antigens that should alert the body to their presence. Accordingly, doctors have begun exploring ways of beefing up the body's defenses and immunizing man against cancer in the same way that he can now be vaccinated against polio and other viral diseases.

In a unique series of experiments, Dr. Loren Humphrey of Atlanta's Emory University inoculated patients with a vaccine made, at least in part, with tissues taken from tumors similar to their own. He then followed up the inoculations by cross-injecting the patients with white blood cells from fellow patients who had presumably been sensitized to the tumor antigens. Though only long-term testing will tell if Humphrey's approach is effective, the preliminary results appear promising. One patient with bowel cancer has been free of the disease for three years, while three others have evidenced definite remissions.

THE MIND: FROM MEMORY PILLS TO ELECTRONIC PLEASURES BEYOND SEX

In all of his 35,000-year history, Homo sapiens has found it harder to fathom the depths of his mind than to unlock the secrets of his body. But the discoveries of molecular biology may well show the way to a new comprehension; they may make it possible, through genetic engineering, surgery, drug therapy and electrical stimulation, to mold not only the body but also the mind.

Man cannot wait for natural selection to change him, some scientists warn, because the process is much too slow. Yale Physiologist José Delgado likens the human animal to the dinosaur: insufficiently intelligent to adapt to his changing environment. Caltech Biophysicist Robert Sinsheimer calls men "victims of emotional anachronisms, of internal drives essential to survival in a primitive past, but undesirable in a civilized state." Thus, by his own efforts, man must sharpen his intellect and curb his aboriginal urges, especially his aggressiveness.

To most laymen, the idea of remaking man's mind is unthinkable: "You can't change human nature," they insist. But many scientists are convinced that the mind can be altered because it is really matter. Explains Physicist Gerald Feinberg: "What sets us apart from inanimate matter is not that we are made of different stuff, or that different physical principles determine our workings. It is rather the greater complexity of our construction and the self-awareness that this makes possible."

That self-awareness resides in the brain, the organ about which scientists have the most to learn. To Physiologist Charles Sherrington, the brain's 10 billion nerve cells were like "an enchanted loom" with "millions of flashing shuttles." For some functions, M.I.T. Professor Hans-Lukas Teuber explains, brain cells are pre-programmed with "enormous specificity of configuration, chemistry and connection." Some are sensitive only to vertical lines, others only to horizontal or oblique ones. "Each of these little creatures does his thing," Teuber says.

In the hope of deciphering this staggering variety, hundreds of scientists, including molecular biologists, in the U.S. and abroad, are now turning to brain research. One day in the distant future, their discoveries may help man to improve his already remarkable brain—for despite its dazzling versatility and subtlety, it is not without limitation. "Computers slashing from circuit to circuit in microseconds can cope with the input and response time of dozens of human brains stimultaneously," Biophysicist Sinsheimer laments. Besides, the brain can call up only a limited amount of stored information at a time to focus it on a particular problem. And while it can grasp as many as 50 bits of visual information at once, it cannot file away more than 10 of them per second for later reference.

To most scientists, this reference system, or memory, is one of the most important tools of man's intelligence. Long before the development of molecular biology, Marcel Proust pondered the mystery of memory in *Remembrance of Things Past*. About a man's own past, he wrote that "it is a labor in vain to attempt to recapture it: all the efforts of our intellect must prove futile. The past is hidden somewhere beyond the reach of the intellect." In *Swann's Way*, it was a tea-soaked *petite madeleine* that touched off the hero's long-forgotten childhood memories. In the scientific world, the stimulus is sometimes a surgeon's probe. Montreal Surgeon Wilder Penfield, for example, while performing operations under local anesthesia, by chance found brain sites that when stimulated electrically led one patient to hear an old tune, another to recall an exciting childhood experience in vivid detail, and still another to relieve the experience of bearing her baby. Penfield's findings led some scientists to believe that the brain has indelibly recorded every sensation it has ever received and to ask how the recording was made and preserved.

Initially, some brain researchers believed that memories were stored in electrical impulses. But scientists could not comprehend how a cranial electrical system, however complex its interconnections, could accommodate the estimated million billion pieces of information that a single brain collects in a lifetime.

Their doubts increased when they found that a trained animal generally remembered its skills despite attempts to disrupt its cerebral electrical activity by intense cold, drugs, shock or other stress; only short-term memory—of recently learned skills—was impaired. There was an obvious conclusion: while short-term memory may be partly electrical, long-term memory must be carried in something less ephemeral than an electric current.

That something, theorists believed, was chemical. Scientists had long known that chemical as well as electrical activity goes on in brain neurons: these cells carry on metabolism and protein synthesis like other body cells. Researchers soon learned that the leap of message-carrying nerve impulses across the gap between one cell and another takes place only with the help of chemical transmitter substances. One of these, acetylcholine, was promptly identified, and investigators began to look for other brain chemicals, specifically for varieties that might contain memories.

Their reasoning was that just as DNA carries genetic "memories," so other molecules might encode and carry information plucked from transient electrical impulses. Some early researchers proposed the idea of a separate brain molecule for each memory. The hypothesis of Swedish Neurobiologist Holger Hydén of the University of Göteborg was a bit more sophisticated; he thought that RNA was the key to memory formation and was encouraged in his belief by the results of his experiments with rats. When he taught them special tasks, he discovered that the RNA had not only increased in quantity but was different in quality from ordinary RNA. In short, what Hydén did was to lay the groundwork for a molecular theory of memory.

As Hydén's rat experiments demonstrated, RNA itself does not store memories; instead, it may play an intermediary role, stimulating the brain to produce proteins that are perhaps the actual repositories of memory. In one experiment inspired by that theory, University of Michigan Biochemist Bernard Agranoff taught goldfish to swim over a barrier, then injected them with puromycin, an antibiotic that prevents protein synthesis. When the injection was given hours after learning, it had no effect, suggesting that memory proteins had already formed. Injected just before or just after training, the drug prevented learning.

Other experiments based on the RNA-protein theory may demonstrate actual chemical memory transfer. Among the most publicized are those of University of Michigan Psychologist James McConnell and Neurochemist Georges Ungar of the Baylor College of Medicine. McConnell works with planaria, or flatworms, conditioning them by electrical shock to contract when a light is flashed. He then grinds them up and feeds them to untrained worms. Once they have cannibalized their brothers, the worms learn to contract twice as fast as their predecessors. What may happen, McConnell theorizes, is that the first batch of worms form new RNA, which synthesizes new proteins containing the message that light is a signal to contract. Having consumed these memory proteins, the second group of planaria presumably do not need to manufacture so much of their own; they have swallowed memory, as it were.

Ungar's experiments are similar. Using shock, he conditions rats to shun the darkness they normally prefer, then makes a broth of their brains. This he injects into the abdominal cavities of mice, which seem to react with a parallel unnatural aversion to the dark. Moreover, the more broth Ungar injects, the faster the mice seem to learn this fear. His theory: the memory message (that darkness should be avoided) is encoded by the rats' DNA-RNA mechanism into an amino-acid chain called a peptide, a small protein that Ungar managed to isolate and then synthesize. His name for it: scotophobin, from the Greek words for "darkness" and "fear."

The experiments done by both men are hard to repeat, and investigators are still trying to decide whether the few apparent replications are sound. There is controversy, too, over the meaning of results: critics say it is hard to interpret the behavior of worms and other lower creatures objectively. Some say that Ungar may have discovered not a memory molecule but a molecule that blocked a normal response (to seek darkness) instead of teaching a new reaction (to seek light). Most investigators doubt that a single memory molecule will be found, but they believe that molecular biology will eventually reveal the secret of memory. If so, the blue-sky possibilities are limitless. It might be possible to develop "knowledge pills" that woud impart instant skill in French, tennis, music or math. McConnell jokingly proposes another idea: "Why should we waste all the knowledge a distinguished professor has accumulated simply because he's reached retirement age?" His solution: the students eat the professor.

Many less frivolous proposals for improving memory and other apsects of mental life are emerging from molecular biology and genetics. It is known that genes do not cause behavior. But they influence it and set limits to physical structure, temperament, intelligence and special abilities.

Psychiatrist Alexander Thomas of New York University finds that babies show a characteristic style (easy, difficult or slow-to-warm-up) from their earliest days. While he admits that this temperament may develop in the months after birth, he does not rule out the possibility that it is inborn. Other life scientists warn that "when we strive for equality of opportunity, we must not deceive ourselves about equality of capacity." For example, it is believed that genetic influence is especially great in such areas as mathematics, music and maybe acrobatics. Unless genetic potential is tapped by the environment, it will not develop: kittens prevented from walking will not learn normal form and depth perception. Says Geneticist Joshua Lederberg: "There is no gene that can ensure the ideal development of a child's brain without reference to tender care and inspired teaching."

This interaction between environment and heredity is one of the factors that make it so difficult to change human characteristics. Another is that nearly all behavioral traits are polygenic—dependent on several genes. But even so complex a trait as intelligence may eventually come under the control of molecular biologists. Some scientists fantasize that supergeniuses will some day be produced by increasing brain size, through either genetic manipulation or through transplantation of brain cells to newborn infants or to the fetus in the womb. (Such cells might be synthesized in the laboratory or developed by taking bits of easily accessible tissue from a contemporary Newton or Mozart and inducing them to turn into brain neurons.)

Another prospect is to alter genes so that babies will be born with rote knowledge—language skills, multiplication tables—just as birds apparently emerge from the egg with genetic programs that enable them to navigate. Some researchers hope to develop shared consciousness among several minds, thus pooling intellectual resources.

Most observers continue to feel that reining in man's aggressiveness is as important as spurring his intelligence. Harvard Neurosurgeon Vernon Mark advocates a nongenetic approach. "There are basic brain mechanisms that will stop violent behavior, and we are born with them," Mark asserts. To tap those mechanisms, scientists would like to develop an anti-aggression pill (estrogens, or female hormones, have already been used experimentally to inhibit aggressive behavior). Until they do, Mark and two Harvard colleagues—Psychiatrist Frank Ervin and Surgeon William Sweet—are fighting aggression by using surgery to destroy the damaged brain cells that sometimes cause violence in people with specific brain disease. Typical of their patients is a gifted epileptic engineer named Thomas, who used to erupt in rages so frenzied that he would hurl his children or his wife across the room. First, Mark and Ervin sent electric current into different parts of Thomas' brain; when the current sparked his rage, the doctors knew they had found the offending cells. Surgeons Mark and Sweet then destroyed them, and in the four years since, Thomas has had no violent episodes.

Physiologist Delgado has developed even more dramatic methods of aggression control in animals. In one famous experiment, he implanted electrodes in the brain of a bull bred for fierceness. Then, with only a small radio transmitter as protection, he entered the ring with the bull and stopped the angry animal in mid-charge by sending signals into what he believes was its violence-inhibiting center. Similarly, Neuroanatomist Carmine Clemente of U.C.L.A. has shocked cats into dropping rats they were about to kill. But neither man sees any early prospects for remote control of human aggression.

Other mental problems may well succumb to molecular biology. Many therapists resist the idea that emotional problems have biochemical equivalents; yet Freud himself believed that they do and that they would one day be identified. Researchers are already convinced that schizophrenia has some genetic basis, although, as Psychologist David Rosenthal explains, it is not the disease that is inherited but a tendency to it. As a match must be struck before it will burn, so must the tendency be triggered by something in the environment. No one is yet sure whether the trigger is cultural or familial, electrical or chemical, but some investigators back the chemical theory on the ground that certain drugs enable schizophrenics to live outside institutions, at least for short periods. To date, drugs for schizophrenia have been administered on a trial-and-error basis; as molecular biologists learn more, it will become possible to use specific drugs to achieve specific ends.

Further research may provide a bonus of new genetic, chemical and electronic ways to enhance sexual pleasure. Physicist John Taylor, in fact, professes to fear that sex will become so much fun that people will want to give up practically all nonsexual activities. Author Gordon Rattray Taylor predicts that it may become possible to "buy desire," or switch it on or off at will; the playboy might opt for continuous excitement and the astronaut for freedom from sexual urges during space flight.

Unlikely as it may seem, there are researchers who claim to have discovered something better than sex. At McGill University in Canada, Psychologist James Olds used electrodes to locate specific "pleasure centers" in the brains of rats, and then allowed the animals, electrodes still in place, to stimulate themselves by pressing a lever. Given a choice, the rats preferred this new pleasure to food, water and sex. Some pressed the lever as many as 8,000 times an hour for more than a day, stopping only when they fainted from fatigue.

Such experiments lead Herman Kahn of the Hudson Institute to predict that by the year 2000, people will be able to wear chest consoles with ten levers wired to the brain's pleasure centers. Fantasizes Kahn: "Any two consenting adults might play their consoles together. Just imagine all the possible combinations: 'Have you ever tried ten and five together?' couples would ask. Or, 'How about one and one?' But I don't think you should play your own console; that would be depraved."

Author Taylor, on the other hand, sees nothing wrong with solitary pleasure. Some day, he writes, a man may be able to put on a "stimulating cap" instead of a TV set, and savor a program of visual, auditory and other sensations. He and other futurists envision "experience centers" or "drug cafés" that would replace bars and coffeehouses. There, perhaps with the help of "dream machines," one might order a menu of "enhanced vision, sensory hallucinations and self-awareness." One might also be able to experience the mental states of a great man, or even of an animal. Molecular Biologist Leon Kass of the National Academy of Sciences projects a world in which man pursues only artificially induced sensation, a world in which the arts have died, books are no longer read, and human beings do not bother even to think or to govern themselves.

Some life scientists see even greater perils in man's new knowledge. "I would hate to see manipulation of genes for behavioral ends,'

warns Stanford Geneticist Seymour Kessler, "because as man's environment changes, and as man changes his environment, it is important to maintain flexibility." Professor Gerald McClearn of the Institute for Behavioral Genetics at the University of Colorado agrees, explaining that a gene that is considered "bad" now might become necessary for survival in the event of drastic environmental change. "It is foolhardy to eliminate genetic variability," he says. "That is our evolutionary bankroll, and we dare not squander it. Species that ran out of variability ran out of life."

Such worries are probably premature. To some experts, the more radical forms of behavior control, especially genetic modification, belong to the realm of science fiction. Yet others believe that biological predictions are always too conservative, and that man will soon proceed, and succeed, with his experiments. If he does, he must prepare himself for a social and moral revolution that would affect some of his most cherished institutions, including religion, marriage and the family. With such possibilities in mind, Nobelist George Beadle has warned that "man knows enough but is not yet wise enough to make man."

THE SPIRIT: WHO WILL MAKE THE CHOICES OF LIFE AND DEATH?

The quantum leap in man's abilities to reshape himself evokes a sense of uneasiness, a memory of Eden. Eat of the forbidden fruit, God warns, and "you shall surely die." Eat, promises the serpent, and "you shall be like God."

That temptation—to be "like God"—is at the root of the ethical dilemmas posed by molecular biology. In one sense, the new findings have continued the work of Newton, Darwin and Freud, reducing men to even tinier cogs in a mechanistic universe. At the same time, it was man himself who deciphered the code of life and who can now, in Teilhard de Chardin's phrase, "seize the tiller of the world." If he is only a bundle of DNA-directed cells, more sophisticated but hardly dissimilar from those of animals and plants, he can at least use that knowledge to improve, even to re-create himself. But should he?

In his persuasive 1969 book *Come, Let Us Play God*, the late biophysicist Leroy Augenstein argued that man takes the role of God by default or design and has always done so. Ecologically, he changes the very face of the earth: first with plows, then with dams, insecticides and pollution, he has seriously upset the balance of nature. His humane instincts and scientific curiosity team up to preserve life so well that the world faces a population crisis. Moreover, by extending the lives of those with defective genes, science increases the chance that damaging genes will be passed down to ever-larger portions of succeeding generations. Germany's preeminent Protestant ethicist, Helmut Thielicke, notes that men must recognize how "the act of compassion to one generation can be an act of oppression to the next." Thielicke argues that men must be willing to make hard choices. If society intervenes to keep alive the hereditarily ill (as he believes it should), then it must also be willing to intervene again, perhaps even sterilizing some with hereditary diseases.

This is only one kind of ethical problem raised by the new genetics, and it is already close at hand. Other problems are still in the far future, but how the dilemmas of population control are handled will set important patterns for later issues.

Population pressures increase the likelihood of widespread government drives, or even coercion, to limit births. Couples who are warned by genetic counseling that they risk producing deformed offspring would face far greater pressure than they do now to avoid having children; those with defective genes could become, in effect, second-class citizens, a caste of genetic lepers.

One current example illustrates the problem. Amniocentesis can now quite accurately predict whether a fetus is mongoloid; women carrying such abnormal fetuses are now encouraged, where it is legal, to have abortions. Already a number of medical planners are pointing up the cost-effectiveness of abortion in those cases. Unless the birth rate of mongoloid children is reduced, their care by 1975 may well cost some $1.75 billion nationally.

Methodist Paul Ramsey, Professor of Religion at Princeton and one of the top Protestant ethicists in the U.S., protests the aborting of such abnormal fetuses as an unjustified taking of human life. But he does not think moral men can avoid the problems of population and genetic crises. Indeed, he urgently recommends that society develop an "ethics of genetic duty." The right to have children can become an obligation not to have them, Ramsey asserts; it is shocking to him that parents will refuse genetic counseling and take the "grave risk of having defective children rather than remain childless." Dead set as he is against abortion in all but the most serious cases, Ramsey would prefer to see one parent undergo voluntary sterilization. "Genetic imprudence," he says, "is gravely immoral."

To Ramsey and others, genetic surgery—repairing, replacing or suppressing a "sick" gene—could be profoundly moral. Depending on the defect, genetic surgery before or after birth could prevent abnormality, and also insure that it was not passed on. Moral Theologian Bernard Häring of Rome's Accademia Alfonsiana applauds basic remedial intervention as "corrective foresight."

But Häring is one among many, both scientists and ethicists, who find it considerably harder to justify "positive" genetic engineering, restructuring the genes to make the "perfect" man. The prospect suggests apocalyptic possibilities: M.I.T. Biologist Salvador Luria approaches it "with tremendous fear of its potential dangers." Biologist Joshua Lederberg of Stanford University disowns such Utopian aims as a proper goal for serious biology, and even doubts that techniques sophisticated enough to achieve them could be perfected in the near future. But the possibility nonetheless tantalizes: Who would decide what qualities to preserve, and by what standards? Even remedial genetic engineering could pose a distressing problem if it achieved the ability to remove "undesirable" behavior tendencies. Asks Thielicke: "Would one try to eradicate Faust's restlessness, Hamlet's indecision, King Lear's conscience, Romeo and Juliet's conflicts?"

Human cloning, the asexual reproduction of genetic carbon copies, raises similar questions. Who shall be cloned, and why? Great scientists? Composers? Statesmen? When Geneticist Hermann J. Muller first broached the idea of sperm banks in *Out of the Night* (1935), he suggested Lenin as a sperm donor. In later editions, Lenin was conspicuously absent, replaced on Muller's list by Leonardo da Vinci, Descartes, Pasteur, Lincoln and Einstein. Society could well be as fickle—or worse—about cloning. It might create a caste of subservient workers, as in *1984*, or a breed of super-warriors out of a "genetics race" between the U.S. and the U.S.S.R. An even more hideous nightmare would be the "clonal farm," where anyone could keep a deep-frozen identical twin on hand for organ transplants.

Such fanciful fears tend to obscure deeper ethical and practical objections to cloning. The process could be used, for example, to allow a woman to produce a child without passing on her own or her mate's defective gene. A cell nucleus from the genetically sound parent could be substituted for the nucleus in her egg. But even that quite reasonable application could introduce a novel set of complications. Would the cloned child develop a sibling rivalry with its biological parent? Would he face a severe identity crisis, being someone else's "duplicate"? Beyond such considerations, a number of scientists and ethicists would list cloning among those things that men should never do, even if they can. Says Embryologist Robert T. Francoeur, author of *Utopian Motherhood:* "Xeroxing of people? It shouldn't be done in the labs, even once, with humans."

To many critics cloning is only one of several biological developments that threaten what Paul Ramsey calls "a basic form of humanity": the family. Ramsey thinks that artificial insemination by a donor, which is already fairly common, has opened the door to further invasions of family integrity. In his recent book *Fabricated Man*, he mentions other possible developments: artificial inovulation (the "prenatal" adoption of someone else's fertilized egg), "women hiring mercenaries to bear their children," and "babies produced in hatcheries." Beyond finding some of the possibilities repellent, Ramsey argues that they violate "covenant-fidelity," a bond of spiritual and physical faithfulness, between wife and husband or parent and child.

Francocur, on the other hand, feels that the new embryology can lead to a fresh flexibility in the family structure. He favors host mothers (Ramsey's "mercenaries") because some women want children but cannot carry them to term. In an opposite way, artificial inovulation could be the means for a sterile mother to bear a child, even if not from her own egg. But he draws the line at artificial wombs, which, he says, "would produce nothing but psychological monsters." Others emphasize that the family itself must survive to fill important psychological needs. Molecular Biologist Leon Kass, who left the research labs to become executive secretary of the National Academy of Science's Committee on the Life Sciences and Social Policy, puts it effectively: "The family is rapidly becoming the only institution in an increasingly impersonal world where each person is loved not for what he does or makes, but simply because he is. Can our humanity survive its destruction?"

Beyond population control, beyond "Xeroxing" and patterning people, beyond the survival of the family lies the ultimate ethical question: the sanctity of life itself. The move toward new knowledge requires experimentation. The new generation of experiments, however, involves human life, and many moralists suggest that many of those experiments are intrinsically evil because they toy with life. They point, for example, to the experiments by Italian Biologist Daniele Petrucci, who in 1961 announced that he had kept a fertilized egg alive for 29 days in vitro (in the glass) before letting it die because it is monstrously deformed. Another Petrucci embryo lived for 59 days before it died because of a laboratory mistake. The Vatican, which sternly forbids all experimentation with fertilized eggs, demanded that Petrucci cease his investigations. He agreed to comply.

In a recent experiment conducted by Landrum Shettles at Columbia University, a 100-cell human embryo growing in a petri dish was unceremoniously pipetted in a salt solution onto a glass slide. For those who believe that human life begins with fertilization, Shettles' simple laboratory procedure was an act of unjustifiable killing, even though such experiments might help perfect a morally justified technique like genetic surgery. Even in the case of laboratory mistakes that might produce monsters, argues Bernard Häring, only those that are clearly inhuman should be destroyed. A number of scientists, on the other hand, subscribe to an alternate ethical view that an embryo is not human until later in its development—per-

haps as early as two months or as late as six months.

Most scientists, naturally, fight what they see as arbitrary limits on their right to experiment. But not all. Testifying before the House subcommittee on science in January, Molecular Biologist James Watson took time off from his cancer investigations to express concern about developments in embryo research. Predicting that many biologists would soon join Britain's R.G. Edwards in experimenting with human eggs, Watson suggested that one course of action could be to prohibit all research on human cell fusion and embryos. Failing that, he proposed international agreements limiting such research before it becomes widespread and irresponsible, and before "the cat is totally out of the bag."

Watson is not alone in his worries. Last summer Biologist James Shapiro, one of three young scientists who successfully isolated a bacterial gene, gave up his promising career to take up social work because he feared government misuse of genetic achievements. An Episcopal priest, Canon Michael Hamilton of Washington (D.C.) Cathedral, called Shapiro's action a "loss of nerve." Yet the looming issues are enough to test the nerve of any thoughtful man. Central is the question: Who will decide? Who will make the choices not only of life and death, but what kind of life?

To consider such issues, Roman Catholic Lay Theologian Daniel Callahan and a number of like-minded ethicists and scientists have set up the Institute of Society, Ethics and the Life Sciences. Among the 70 members are Geneticist Theodosius Dobzhansky, Psychiatrist Willard Gaylin, Theologian John C. Bennett, and U.S. Senator Walter F. Mondale of Minnesota, who three years ago introduced a bill to establish an interdisciplinary committee to examine new scientific problems. It did not pass, but Mondale is trying again this year. "There may still be time," he says, "to establish some ground rules."

The long-term goal of the institute, says Callahan, is "legitimizing the problems," making the study of ethical issues a respectable part of the scientific curriculum. Too many scientists, says Gaylin, "see this as something mushy, something for Sunday morning, beyond the realm of science." To change that situation, the institute is trying to educate legislators on the importance of ethical considerations, and is encouraging universities to offer a solid background in ethical studies for "every scientific professional." At the Texas Medical Center in Houston, a similar interdisciplinary effort has been started by the Institute of Religion and Human Development and the Baylor College of Medicine. The Sunday School Board of the Southern Baptist Convention has developed a thorough adult-education course on biomedical issues as one of its electives for this spring.

Cancer Researcher Van Rensselaer Potter of the University of Wisconsin has suggested in a new book, *Bioethics*, that the U.S. create a fourth branch of Government, a Council for the Future, to consider scientific developments and recommend appropriate legislation.

Indeed, some form of super-agency may be the only solution to the formidable legal problems sure to arise. Already, laws relating to artificial insemination by a donor are in confusion; developments such as donor mothers and cloning will raise even more complicated questions. If a mother had herself cloned without her husband's permission, for only one example, would he be legally responsible for the child?

Some scientists, however, frankly believe that laymen are ill equipped to discuss issues with them, let alone share control of what they do. The matters, they contend, are technical and should be decided by the technical men who understand them. Even if government does enter the field, points out Daniel Callahan, much of the success of any ethical policy will depend on a responsible professional code. "If you depend solely on laws, sanctions and enforcements," says Callahan, "the game is over." Molecular Biologist Francis Crick is confident that basic morals and common sense will prevail. Some of the wilder genetic proposals will never be adopted, he claims, because "people will simply not stand for them."

Some ethicists and scientists argue that the worries, the plans and the proposals are premature, that ethics has always been an *ad hoc* thing, dealing with the world as it is, not as it might be in the future. Given the enormousness of the new problems and the speed of change, that attitude may be a luxury.

Beyond the sanctity of human life, the single criterion that ethicists most often mention as an absolute, or nearly one, is human freedom. Scientific advances, as they see it, can either promote freedom or inhibit it, but the distinctions are not always obvious or easy. The danger is that a democratic society might therefore fail to act at all, and by default pass the problems—and the solutions—to a small, uncontrolled elite, leading perhaps ultimately to a totalitarian government. The late author C. S. Lewis warned more than a quarter century ago that "man's power over Nature is really the power of some men over other men, with Nature as their instrument."

Despite the urgency, there can be no single ethical approach to the problems posed by the new genetics. The mechanists may want simply to deal with the facts of molecular biology, exploiting its discoveries as well as they know how, but not quite willing to look beyond to spiritual considerations.

Among many religious thinkers, there is an affection for the futurist philosophy of Teilhard de Chardin, who wrote glowingly of a coming scientific age when men would exult in "fathoming everything, trying everything, extending everything" on their road to an ultimate Omega Point of shared godhood. Finally, there are those, believers and unbelievers, who know man to be a victim of what might still be called original sin. Those in the religious community, especially Roman Catholics, warn that man must not tinker with such sacred values as life and the family for fear of disturbing the natural order of things. Those in the scientific world, more pragmatically, tend to mirror Potter's warning about "dangerous knowledge"—knowledge that accumulates faster than the wisdom to manage it.

There is hardly a chance for complete consensus among the three schools, but it may help to borrow a lesson or two from each. From the mechanist, his conviction that there is an order in the physical world, discoverable and manageable if it is approached with enough humility to comprehend its mysteries. From the Teilhardians, the confidence that God, whoever he is, has something to do with the future and may yet meet man there. From those who still believe in man's propensity for error, the willingness to put on the brakes a bit and reflect on values and consequences—but also, as Helmut Thielicke counsels, the courage to act despite almost certain knowledge that man will make serious mistakes.

As they look back toward the time when man stood on the threshold of a biological revolution, troubled and uncertain, but determined to push ahead, what will the beings of the future say about their ancestors? Caltech Biologist Robert Sinsheimer suggests an optimistic—and poignant—answer in his essay "The Mind of Pooh": "Perhaps, when we've mutated the genes and integrated the neutrons and refined the biochemistry, our descendants will come to see us as we see Pooh: frail and slow in logic, weak in memory and pale in abstraction but usually warmhearted, generally compassionate, and on occasion possessed of innate common sense and uncommon perception."

[From the Atlantic, May 1971]

THE OBSOLESCENT MOTHER

(By Edward Grossman)

"Did you know that a woman can now have children without a man?"

"But what on earth for?"

"You can apply ice to a woman's ovaries, for instance. She can have a child. We are no longer necessary to humanity."

At once Ella laughs, and with confidence. "But what woman in her senses would want ice applied to her ovaries instead of a man?" Doris Lessing. *The Golden Notebook*

In a German woodcut from the sixteenth century, a woman is giving birth. She squats on a birthstool, something that looks like a portable three-legged toilet, various models of which turn up in mosaics, drawings, and paintings all the way from Rome until the early 1800s in America. This German woman (or rather girl: the flesh of her placid face is rounder and firmer than the saggy jowls on the midwives who attend her) grasps with her left hand the bottom of the stool while with the right she presses down on the swelling under her clothes. She is fully dressed, like the others in the picture, one midwife (perhaps the assistant) standing behind her, holding her up by the armpits, while the senior hag sits on a very low chair facing the girl's spread legs, her arms thrust up the girl's voluminous skirts, giving the artist a chance to show off his technique with light and shadow on folds, and exposing the girl's feet.

These feet—they are bare, muscular, contorted. They are in contrast with the rest of the picture, which is stylized, with little except formal lines of tension. They are just about the only sign that in real life the scene was not serene, but hectic, noisy, painful, with sweat and juices running, screams, moans, and curses, and in the air a possibility of death. If this girl died in labor, or her child from infection in the first few days of life, it was as unremarkable as the father of her child being slaughtered in the wars of religion.

Other animals don't seem to feel pain or run much risk in giving birth: their bodies take on a casual attitude, the mother doesn't need help. The human mother is an exceptional case that it took the whole progress of evolution to produce. For almost as long as Man has been human, birth has been a big event, a disturbance, and more or less a shock, so much so that at least one mythology has accounted for the pain of it as punishment for an original sin against Almighty God. Considering how long Man has been human—defined biologically or mythologically—it is just yesterday that childbirth began to be mitigated. For thousands of years the experience of women was pretty much that of the German girl. It was against the law to dissect, and no one understood the reproductive organs. Obstetrical tools were scarce and clumsy, and midwives relied on the cunning of their (dirty) hands. There was no pain-killer, so women went through the thing wide-awake, unless they were lucky enough to faint. An ordeal, and one which thoughtful men must have been happy to be spared.

Yet the transformation of childbirth from painful and dangerous event to safe and efficient routine was thanks to men, to the energy of males. The beginning of this transformation dates only from a little before the time when drawings and paintings start to show men, instead of women, working around the swollen body of the woman in labor. What part of this male energy, channeled into ingeniousness, derived from a curiosity

separate from feeling, what part from compassion, or guilt? Leonardo's drawings of the fetus may well be just an expression of his need to find nature out and record it; yet without such anatomical study, childbirth could not have changed. Peter Chamberlen, inventor of the forceps in the year Shakespeare published *Love's Labour Lost*, kept the details of his simple and great invention secret, haggling for a price and with his colleague-rivals while women suffered. In contrast to him, there have probably been any number of doctors of whom we could think that their sympathy for women was at least as active as their desire to get rich or be famous. Maybe it is true that the motives of most of the doctors were mixed, and that only the humble practitioners were pure.

In 1842, James Young Simpson, professor of midwifery at the University of Edinburgh, at the age of thirty became the first to use anesthesia to help women in labor. Before he got any honor for it, he had to contend with the gloomy abuse and doubt of the people who ran the medical and religious Establishments—that is, other men. Ministers, for example, objected to Simpson because:

"Pain during operations is, in the majority of cases, even desirable! Its prevention or annihilation is, for the most part, hazardous to the patient. In the lying-in chamber, nothing is more true than this: pain is the mother's safety, its absence her destruction. Yet, there are those bold enough to administer vapor of ether, even at this critical juncture forgetting it has been ordered, that 'in sorrow shall she bring forth.'"

This combination of bad moralizing and bogus medicine was not considered stupid or cruel; it sounded convincing to most people, even women. Some of the letters Dr. Simpson got from his colleagues were better informed, but even agnostic medical men were apt to believe that (a woman's) pain was somehow necessary, without bothering to prove it. While women couldn't have begun to be liberated from the special pains and dangers of their biology without the help of certain men, there have always been, at each "critical juncture," other men opposing this liberation, or at least the technical means of achieving it.

Simpson's answers to the reactionaries and the skeptics radiate good sense and also concern for the suffering of women. He has to remind a Dr. Meigs of Philadelphia, one of his critics, that the fact is "the contractions of the uterus, and not pain, is the essential to the progress of labor." But aside from the medical facts, he is obliged to go in for some moralizing, too:

"Like other physicians you deem it, I doubt not, your duty to wield the powers of your art, in order to free those that submit themselves to your medical care, from these and from other similar sufferings. But if it is right for you to relieve and remove these pains, why is it not right for you also to relieve and remove the pains accompanying the act of parturition? I cannot see on what principle of philosophy, or morality, or humanity, a physician should consider it his duty to alleviate and abolish, when possible, the many minor pains to which his patients are subject, and yet should consider it improper to alleviate and abolish, when possible, pains of so aggravated a character, that, in your own language, they are absolutely indescribable and comparable to no other pains. 'Pains for which there is no other name but Agony.'"

Even Simpson was not entirely altruistic, however. During the time it took for painkillers to be accepted by the medical Establishment and acquiesced in by the Church (about twelve years, until Queen Victoria's much-publicized labor under chloroform), he fretted, not only about the women who continued to go through childbirth cold-sober but also about his professional reputation and whether he would get the glory coming to him. Innovators, great benefactors of women like Simpson, have generally had complicated feelings, their sympathy being sharpened by ambition. Only women, once they have realized the meaning for themselves of these innovations, have displayed uncomplicated enthusiasm, which finally proves more effective than anything else in overcoming tradition. The first woman on whom Simpson tried chloroform, in 1848 (until that time he had been making do with ether), was so grateful, and perhaps unconsciously clear about the improved future of her half of the human race, that she had her girl-child christened "Anesthesia."

Other men made further advances: antisepsis in surgery, antibiotics, refinements in diagnosis and delivery. Because of this accumulation of knowledge, to have a child in an industrial country today is no longer dangerous. The process may be bothersome and uncomfortable for many, but very few women die in childbirth anymore. However, despite this, it is still not possible to say that we take birth as casually as animals do. A tinge of mystery remains; the things still seems formidable, perhaps least to obstetricians, more to women, and most to men.

As long as men have had the artifice to represent, they have made the image of the beatific Madonna and Child, an image that speaks to some profound need, love, guilt, fear, or reverence, or all of these together subsumed under awe. Today, medical knowledge has grown, and conception and childbearing are apparently less mysterious than they once were. It is understood that the egg when it bursts from its follicle in the ovary is about as big as the period at the end of this sentence; that if it happens to be fertilized during its journey down the fallopian tube (in Latin, *oviduct*), the genetic material from it and the sperm combine and rearrange, and the new organism (an embryo) divides, and divides again, and again, until it arrives in the uterus looking something like a segmented soccer ball, and implants itself into the mucus lining of the uterus, where about two weeks after fertilization there begins to arise between the embryo and its mother one of the most complicated structures in nature: the placenta. This is an entire environment, a universe for the embryo alone, separating it from and connecting it to its mother by membranes so fine that blood cells pass through undamaged, bringing the embryo nourishment and carrying away poisons. For the next eight months, so long as she eats, breathes, and excretes for herself, the mother eats, breathes, and excretes for the embryo, then fetus, which develops from a plasm with creases, to a mollusk, to a fish, to a pig, and attains the morphology (Greek, *morphe*, "form") of a human being, with two clear and open jelly eyes which rapidly move in movements associated with dreaming. Then, in a normal pregnancy, about nine months after conception, the gigantically stretched uterus begin to contract and expel, and birth takes place.

All this is known today, yet the process of childbearing, with its final event as if something were coming to inexorable term, still has about it a sense of prehistory, savage and elemental, even though it is surrounded by rubber gloves and stainless steel. It is a spectacle that impresses the civilized no less than the savage mind as awesome, and together with the other striking biological events associated with a woman's body, may lead a man like Sigmund Freud to write, "Anatomy is destiny." However, this epigram, with its numerous social, sexual, economic, and political implications, has had its portion of incontrovertible truth reduced in the years since it was written, and again, this has been thanks to men. The female's circular, periodic, excitable, "destined" biology of the male as a result of new knowledge of the chemistry of sexual differentiation and functioning, and the technology that this knowledge has made possible—above all, the Pill.

But a stubborn remnant of biological fact and cultural myth, that men and women alike are affected by, persists. So long as we reproduce ourselves, we also reproduce the spectacle of a woman withdrawing into herself, becoming huge, and in blood and tumult bringing forth the succeeding generation.

This is the stuff myths are made of, customs (such as the French custom of kissing a lady's hand, which originated not as a compliment to her but a symbolic gesture of gratitude to all women together for what they endure in childbirth) and practice (such as the practice of the mother, rather than the father, caring for children, because for nine months it was impossible to decide whether she and the child constituted two organisms or one).

Even the mother may experience this mystic awesomeness, so strange and somehow at odds with the present and the future. Yet it is only the remnant of a myth, and technology, which has gone part of the way toward destroying it, may yet destroy the rest.

II

According to the Nobel Prize Committee, the great advances in the science of biology in the years from the middle fifties to the middle sixties involved advances in knowledge of the genetic code. The most famous hypothesis put forward and confirmed was Crick and Watson's model of DNA, but also of importance was later work, identifying, under tremendous magnification, individual genes. Biologists say that with the cracking of the genetic code and the visualization of the smallest unit in genetics, a period of intense exploration and significant discovery has come to an end; the work remaining is not speculative, but by way of filling in and reconfirming. There is a sense, among younger men, that the "excitement" has gone out. Many have shifted their attention to the closely related field of embryology, which is rich in tantalizing problems. For example, the knowledge of how the basic genetic material reproduces itself has been helpful to the embryologist, but he still does not know exactly how the genes themselves dictate the orderly development of a fertilized egg into a complicated and highly differentiated multicelled organism: what makes an eye an eye, and an arm not an eye, and what puts together limbs and organs so as to make an individual creature? Not only are such questions of "pure" interest, but since they go to the center of the reproductive process, the answers to them promise to have practical application to problems of genetic defect and birth control, two worldly matters much on the minds of scientists and nonscientists alike.

The research of the last few years in embryology, or molecular and reproductive biology, has already yielded a number of interesting hypotheses, as well as laboratory experiments, such as the one called "cloning." Theoretically, since every cell of an animal carries a load of genetic information unique to that individual, it ought to be possible, by destroying (with radiation) the female complement of chromosomes in the nucleus of an unfertilized frog cell, say, and implanting in its place an entire nucleus lifted out from another cell of a second frog, to fertilize the first cell and fabricate an embryo which would grow, be born, and mature into an adult frog that would not merely resemble the donor frog but would be its absolute replica. In cloning, this theory has living proof. A whole crowd (or *clone;* Greek, "a throng") of identical creatures has been bred in the laboratory, literally and predictably identical in every way to the donor frog except that some of the copies are older than

others. Among other things, this shows that an individual creature, previously unique and mortal, may be rid of its uniqueness and have immortality conferred on it. The experiment is dazzling, and some of the knowledge gained ("spinoff") may eventually have practical human application, but so far the major interest has been "pure": no one suggests that humans can be immortal, or that there is any good reason why they should be. Much the same thing can be said of experiments in parthenogenesis, or the asexual fertilization, by mechanical means, of mammalian eggs. The first reports of such "immaculate conception" in lower animals in the laboratory came many years ago, when the French biologist Jacques Loeb caused "traumatic parthenogenesis" by touching a sea urchin egg with dry ice, but recently the accuracy of the method has been improved, and it has been made to work on mammals such as rabbits. Again, however, the direct human application is not apparent for many reasons, among them that human eggs fertilized by parthenogenesis always deteriorate and die; that because of the chromosome business, only females are conceived; and that, taking a long view, parthenogensis is undesirable because the machinery of adaptive evolution requires sexual reproduction.

There are many embryologists at work in many laboratories, and much going on besides cloning and parthenogenesis. Some of it focuses right on the human egg, sperm, and embryo. This work has closer applicability to human affairs; indeed, the money that pays for it comes mostly from funds allotted not for "pure" research, but for applied—specifically, research to be applied to real and actual problems of contraception, fertility, sterility, and birth defects. To gain knowledge which would lead to new and better technology and social programs in these areas of daily concern, embryologists have needed to observe, measure, and experiment with the first phases of human reproduction, which they have long suspected are crucial in many respects (such as genetic defect), but which they have had mostly to speculate about, since the events were hidden in the female body. Now, these first phases, including culturing of the human egg, its fertilization by sperm, and development as an embryo, have been carried out under the microscope, or in the scientific terminology, *in vitro*, "under glass."

There were an unusual number of obstacles that had to be overcome before this was accomplished. The first and by no means least was that human eggs suitable for experimentation were hard to get. While there has never been a problem of getting sperm (the current rate of remuneration for a sample by masturbation is $25), eggs could only be obtained, until very recently, either from fresh cadavers or from ovarian tissue cut out during gynecological survery and given by the surgeon to the embryologist as a favor. Both methods were unsatisfactory, yielding few and often damaged, stale, or immature eggs. It was much easier to get eggs from mice, rabbits, and hamsters, which could simply be killed at the right time in the egg-maturing cycle, and their eggs picked out of the follicles of the ovary or flushed from the oviduct. The first experiment of this kind was conducted by the German Schenik, who in 1878 put some rabbit eggs in a culture dish and added sperm; nothing happened, however. For about fifty years a small number of biologists in scattered laboratories fitfully persisted in trying to fertilize mammalian eggs outside the body. In 1934 an American, Dr. Gregory Pincus, later one of the developers of the Pill, published findings that suggested he might have succeeded in fertilizing rabbit eggs. In 1940, Dr. John Rock, another American, who was to play an important role in legalizing and propagandizing birth control, said that he had put some human eggs, which he had managed to get, into the presence of sperm, and that a small number of the eggs had been fertilized and had actually divided. Ten years later, Landrum Shettles, an obstetrician at Columbia-Presbyterian Hospital in New York, also claimed to have gotten fertilization and growth of the human egg *in vitro*, this time to a stage where the embryo was a solid mass of cells.

There was considerable skepticism, however, about the validity of Pincus', Rock's, and Shettles' results. One of their fellow scientists who was most skeptical, and offered the most persuasive criticism, was M. C. Chang of the Worcester Foundation for Experimental Biology in Shrewsbury, Massachusetts. Chang said that if you take an egg out of the body and just leave it alone in a culture dish, as likely as not it will show signs of "dividing"—signs that will inevitably prove misleading, for in fact, the egg will be deteriorating and dying. The events described by Pincus, Rock, and Shettles, Chang more than implied, could just as well have taken place without the presence of sperm, and therefore, the case for fertilization was unconvincing. Furthermore, Chang reminded biologists that the very definition of fertilization had still not been agreed on (this was in the mid-fifties). He advanced the view, which has since been accepted by everyone, that fertilization, rather than being a single event which happens instantaneously (the mythical "moment of conception"), is a process which takes place over several hours. Fertilization, in other words, is not the simple penetration of the sperm into the outermost layer of the egg; rather, it includes a whole series of events and reactions which probably cannot be said to be complete until the division (or cleavage) of the egg into two cells, each carrying a load of maternal and paternal chromosomes in its nucleus.

Chang now set out to make a thorough study of the process of fertilization in mammals, with the goal of eventually devising and carrying out an experiment whose meaning no one could dispute. His diligent work during the fifties rescued this sector of embryology from the realm of the exotic. One of Chang's first and most important discoveries while working with rabbits was that the sperm had to have something happen to it while it was in the female reproductive tract before it would penetrate an egg cell: the sperm had to be "capacitated." The precise mechanism of this physiological change in sperm is even now not completely understood, but exploiting what he had learned, and after extensive investigation in timing and mapping egg development, Chang was finally able, in 1959, to fertilize a mammalian egg outside the body, using "capacitated" sperm recovered from the uterus of a female rabbit killed soon after coitus. Chang's evidence was beyond dispute, because he took the egg he had fertilized and implanted it in the uterus of another rabbit, certified not pregnant, which was segregated from males and in due course gave birth.

In the next few years Chang's experiment was successfully repeated by at least two other research teams. The reports quickened activity in *in vitro* fertilization in several countries. In 1961 a physiologist at the University of Bologna, Dr. Daniele Petrucci, said that he had fertilized a human egg *in vitro*, cultured the embryo for twenty-nine days ("a heartbeat was discernible"), and then destroyed it because "it became deformed and enlarged—a monstrosity." He said that as a womb substitute he had used a silicone container filled with amniotic fluid (liquid material that separates the growing embryo from the innermost membrane of the natural placenta), which he extracted from pregnant women. Petrucci, who professed himself a good Catholic, told the Italian newspapermen that his aim was just to find a way to culture organs that would resist the rejection phenomenon when transplanted. A couple of days after the story was printed, the Vatican's *L'Osservatore Romano* ran an editorial which read in part, "God surrounded the act of creation of a human being with the most supreme assistances of love, nature, and conscience. It would be monstrous to violate these conditions," which suggested to some that certain pressures had been put on Petrucci to stop. Another kind of reaction came in an editorial in *Jenmin Jin Pao*, the paper of the Chinese Communist Party:

These are achievements of extreme importance, which have opened up bright perspectives for similar research. . . . Nine months of pregnancy is no light or easy burden and such diseases as poisoning due to pregnancy are detrimental to health. If children can be had without being borne, working mothers need not be affected by childbirth. This is happy news for women.

The Russians were also impressed. Petrucci was invited to Moscow and spent two months at the Institute of Experimental Biology, returning to Bologna with a Soviet medal. Presumably, he gave the Russians the benefit of his expertise, and since then, while he has desisted from further work, there have been rumors from time to time that professors Anokhin and Maiscki in Moscow have followed up on Petrucci, "and have got even further than he did."

But rumors only. In another context, writing about "The Ethical Basis of Science," Bentley Glass, professor of biology at the State Univerity of New York and former president of the American Association for the Advancement of Science, said:

A full and true report is the hallmark of the scientist, a report as accurate and faithful as he can make it in every detail. The process of verification depends upon the ability of another scientist, of any other scientist who wishes to, to repeat the procedure and to confirm the observation.

Dr. Petrucci offered no photographs; he never even published a report in a scientific journal to describe how he had far surpassed anything that had ever been done before. Because of this, among biologists in the West who understand science roughly as Glass does, Petrucci's "experiment" is said to be "incompletely documented," which seems to be a polite formula for saying, not that there is an honest difference of opinion as there was between Shettles and Chang, but that Petrucci is a fraud.

Meanwhile, more serious men, many quite young, were initiating projects whose findings appeared in the *Journal of Embryology and Experimental Morphology, Science*, the *International Journal of Fertility*, and other sober and reputable publications. Their work would converge, toward the end of the sixties, in successful *in vitro* fertilization and growth of the human egg. Three of the most important projects were run by Americans.

Joseph C. Daniel, Jr., professor of biology at the University of Colorado, used rabbits, ferrets, and mink to investigate the development of the embryo just before it implants in the uterus. He found that certain proteins and other compounds are crucial at this phase. Professor Daniel was supported by grants from the National Institutes of Health and the Atomic Energy Commission.

Ralph Brinster, professor of veterinary medicine at the University of Pennsylvania, perfected a combination of nutritive substances (the "medium") in which eggs can be cultured best. He also described the changing biochemistry of the embryo during the time from fertilization to implantation, and devised an efficient incubator and culturing chamber for *in vitro* work, hooked up to CO_2 gas and maintained at 37° centigrade. Professor Brinster's work was also sponsored by the NIH.

Dr. Wesley Whitten of the Jackson Laboratory at Bar Harbor and Dr. John Biggers of

Johns Hopkins cultured mice eggs from fertilization to just before implantation. For the first time, they observed the whole development of the embryo in this crucial stage when it is "free," not yet attached to the mother, and can be manipulated *in vitro* and reimplanted without apparent harm to the offspring. The work of Whitten and Biggers was supported by the National Institute for Child Health (in addition, Biggers' work was supported by the Population Council).

With the knowledge and experience gained from these and other experiments available to him, Dr. Robert G. Edwards of Cambridge University was ready in 1969 to try to achieve convincing *in vitro* fertilization of the human egg. He had been making various preparations for this for ten years. Among other things, he and his group had plotted out the stages a human egg must go through on its own between the time it leaves the ovarian follicle and the time it is ready to be fertilized. Edwards would not have been able to do this preliminary research, let alone achieve fertilization, had he not exploited a new method of obtaining large numbers of usable human eggs.

Women volunteers were injected with a hormone, gonadotrophin, which caused them to "superovulate" many eggs (usually only one egg matures per menstrual cycle). Thirty hours after the injection, the volunteer would undergo an operation called "laparoscopy" (Greek, *lapara*, "flank" or "abdomen"), performed by a surgeon in Edwards' group, Patrick Steptoe. Two small punctures were made in the woman's side, into the ovary. Through one of these openings Dr. Steptoe introduced a slender hollow suction tube, and through the other an ingenious miniature optical device with a tiny flashlight which allowed him to look into the ovary. While he held the optical image steady in his left hand, with his right he maneuvered the suction probe from follicle to follicle, sucking out the eggs. In this way the Edwards group has been able to collect the basic, unsubstitutable, natural material they needed, which no other investigators had ever had in such quantity and quality.

In 1969, the eggs were incubated and washed, and three hours after collection, each one in its separate dish was put in the presence of sperm, which the volunteer woman's husband had contributed. The ratio of nutrients in the dish, the regulation of temperature, gas, and acidity followed closely the work of the Americans on mice, rabbits, and hamsters; Edwards counted, as it turned out only partly correctly, on the uniformity in timing and chemistry among eggs, sperm, and embryos of all mammals. As for "capacitation" of the sperm, Edwards was relieved to find that it would not be necessary to ask the volunteers to have intercourse, and then to operate to recover sperm from the uterus; the masturbated sperm could be capacitated simply by adding to the medium of the culturing dish some serum from the blood of a lamb fetus.

Having put eggs and sperm together, Edwards and his colleagues watched through microscope to see what would happen. "Suddenly," Edwards was later to recall, "to our unbounded delight, the sperm started penetrating the eggs." In a minority of the dishes, there was to be definite proof of the first stage in fertilization, defined by the formation of "pronuclei" and the expulsion from the center of the egg of something called the "second polar body." Edwards was entitled to his emotion, for this was a considerable success, but there was still no evidence that he had been able to push the process of fertilization to its acknowledged completion: the cleavage of the egg into two cells each having its own nucleus and full number of chromosomes. Possible reasons for this failure suggested themselves, and the Edwards group prepared another series of experiments under somewhat different conditions. It was decided to take the eggs from the volunteers before they were ovulated, and to mature them in *vitro*, so that the timing in placing them with sperm could be exact.

In 1970, the laparoscopies were repeated, the eggs and sperm placed together under new conditions, and by thirty-eight hours after this *in vitro* insemination, many eggs had undergone a cleavage into two cells; by forty-six hours and some had divided again into four cells; by sixty-two hours, some had divided again into eight cells; by eighty-five hours a few had divided again into sixteen cells. According to the report of the Edwards group published in the English journal *Nature*, none of the embryos matured past sixteen cells. When no cleavages had been seen to occur for two days, the embryos were removed from their dishes.

The photographs published in *Nature* show a clear, jellylike mass, not much like a soccer ball, more like a bunch of grapes.

These photographs and other data are substantial evidence that true fertilization and development took place *in vitro*. The evidence is not, however, indisputable. A determinedly skeptical embryologist might still insist, even in the face of the symmetry and regularity of the cleavages, that there is a chance the eggs were simply deteriorating all the time; he would not be convinced unless, as in Chang's experiment with rabbits, an egg was put back into the uterus of one of the volunteer women, she was then segregated from her husband, and eight and three quarters months later she gave birth. It should be noted that no embryologist has expressed such doubts formally; Edwards' colleagues in the field seem to be convinced by the evidence available. Yet this is not the end of it.

One or more embryos [Edwards wrote in *Nature*] have been produced from twenty-nine of the forty-nine patients under treatment in this work. The normality of embryonic development and the efficiency of embryo transfer cannot yet be assessed, although conditions for implantation in the treated patients should be favorable.

Edwards thus indicates that when it is taken, the next step for his group will in effect duplicate Chang's absolute test with rabbits. The question is, When will that step be attempted?

Indeed, the question may be asked, Why have Edwards and his group been at their work with human eggs, sperm, and embryos at all? Has it been just for the satisfaction of research and discovery? Edward's answer is a definite "no." His answer, in interviews and statements, is that he wishes to relieve the suffering of the women who come to his laboratory as volunteers. These women are sterile; they have tried, and failed to have babies. Their husbands have adequate sperm, but there has been no conception. They and their husbands are very unhappy to be childless, and much preferring to follow any hope of conceiving their own child rather than adopt one, they have been referred by obstetricians and gynecologists to the lab in Cambridge. Edwards says, "We tell these women, 'Your only hope is to help us.'" Because of their motives, his success in fertilizing and culturing eggs cannot be the end of it; rather, it is a first step, which makes them eager for the obvious next one.

It is known that roughly a fourth of sterile women fail to conceive because their oviducts are either blocked or nonexistence, thus preventing sperm from reaching the egg. In the technique used by Chang, and by now routine in lower mammals, the egg is fertilized *in vitro;* it completes *in vitro* the divisions it would normally undergo in the oviduct; then the embryo is implanted in the uterus, where its presence provokes the growth of a placenta within which it matures into a fetus that is eventually born and is normal. The infertility that most of Edwards' volunteers are suffering from is attributable to blocked or absent oviducts. They come to Edwards for one reason only, to be cured of their barrenness. And the money which pays for Edwards' work (American money, Ford Foundation) is specifically awarded for research in fertility. This is why the next step is obvious.

And yet the decision to take it is not easy. What makes him hesitate, Edwards says, is that much testing remains to be done on the *in vitro* embryos to make sure that the manipulation of eggs and sperm does not damage the chromosomes, which would show up in more or less serious birth defects. "The last thing we want is abnormal babies." In order to do this minute checking up on the genetic material in the nuclei of the cells, a procedure called "karyotyping" (Greek, *karyo*, "nucleus"), the embryo has to be removed from its dish, which endangers its survival.

According to the published reports, all the genetic work has been done on embryos which spontaneously stopped growing. In fact, officially, the problem of deciding to take the next step is postponed and somewhat eased by the report that none of the embryos has survived *in vitro* past the sixteen-cell stage, while only an embryo developed well past that stage can successfully implant itself or be implanted into the uterus. However, when the Edwards group does succeed in culturing embryos to the implantation stage, the decision to implant a given embryo will have to be based on statistical evidence, and on hope—it will not be possible to karyotype the embryo itself. As Edwards' colleague, Dr. Steptoe, says, it will call for a "brave decision."

Toward the other end of the process of child-bearing, or gestation (Latin, *gestare*, "to bear," "to carry"), other researchers, quite independent of the sort of *in vitro* embryological work being done by Edwards, have been devising ways to save babies when a woman's natural machinery fails and the fetus is born too soon. This new branch of medicine is called "fetology." The fetus, its umbilical cord to the natural placenta having been cut, is placed in an incubator which supplies heat and oxygen. There it is fed intravenously, and its breathing is forcibly assisted by an iron lung. By such means, doctors are now able to save most seven-month-old premature babies (average weight two pounds), some six-and-a-quarter- to seven-month-old "premies," and a very few under six and a quarter months. Incubators, which have been in use for a long time, substitute for many of the functions of the womb or placenta in order to permit the premature baby to gain size and weight. However, the baby is indeed a baby, and not a fetus anymore, because the umbilicus has been cut and the lungs are working. Some fetuses are expelled from the mother's body even earlier in gestation, and they die in an incubator. The challenge is to build an environment that duplicates the ordinary environment of a fetus, in which it will not have to do things for which its body is unready. Fetologists are trying various approaches. Dr. Robert Goodlin at Stanford has put fetuses born less than six months after conception into a thick steel chamber where a saline solution saturated with oxygen is kept under a pressure of 200 pounds per square inch, roughly the same experienced by a deep-sea diver at a depth of 450 feet. This immense pressure drives the oxygen through the skin of the fetus, sparing its lungs the need to work. But Goodlin has not solved the problem of buildup of carbon dioxide and other poisonous wastes, and no fetus has lasted more than forty-eight hours. Dr. Geoffrey Chamberlain, a British scientist then in Washington, D.C., on a year's research scholarship, has kept alive some much younger fetuses, weighing only 300 to 980 grams, which were obtained during Cesarean section for therapeutic abortions. Chamberlain's method is to save the umbilical cord and connect it to a combination heart-lung-kidney machine. In a

report in the *Ob-Gyn Observer* on his most successful experiment, Dr. Chamberlain wrote, "A brisk spontaneous flow [of blood] was noted 22 minutes postpartum; the fetus was kept on the circuit for 5 hours and 8 minutes. Only when a cannula slipped out by accident and could not be reintroduced was the experiment halted."

Earlier during gestation (when the organism is still actually an embryo), Dr. D. A. T. New of the Strangeways Laboratory in England has cut out from their mothers mice only 2 millimeters in length and cultured them on drops of blood plasma and nutrient solution. The embryos have rudimentary hearts and nervous systems. During the time they continue to grow in Dr. New's experiment, they quadruple in length, their hearts begin to beat, their brain, spinal cord, eyes, ears, guts, and kidneys develop, and their limbs begin to bud. However, as in Goodlin's experiments with human fetuses, the lack of a placenta or placenta-substitute to draw off poisonous wastes has been fatal to the mice within forty-eight hours. Perhaps the most promising of all the approaches so far is that of Drs. Warren Zapol and Theodor Kolobow at the National Heart Institute, Bethesda, Maryland. Zapol and Kolobow separate a lamb fetus from its mother at a gestation age of 125 days. The complete gestation cycle in sheep is 147 days, so the equivalent human fetus would be seven and a half months, an age at which the ordinary incubator is pretty adequate. However, instead of incubating the premature lamb, causing its lungs to function, Zapol and Kolobow keep it alive by what they call "extracorporeal perfusion." This involves placing the fetus in an unpressurized bath of solution resembling amniotic fluid (the same stuff used by the Italian Petrucci in his "experiment"). The lamb's umbilical cord is attached by a catheter (segmented polyurethane Lycra, Du Pont Corporation) to a circuit of machinery including a pump, a bag of adult-sheep blood, a silicone membrane lung (Medical Division, Dow Corning Corporation), and a bottle of antibiotics and nutrients. As the fetus is removed from its mother, the system is attached and the lung and pump are put to work to take over. The significant thing about this method is that it seems to achieve both nutrition and carrying-off of waste products. The levels of various chemicals in the lamb's body seem to stay fairly constant: in technical language, ". . . the fetus remains in a metabolically stable state lasting several days." Nor is death, after several days, caused by poisoning: "During perfusion, the fetus rested quietly in the artificial amniotic bath. About once each hour it moved its head or legs spontaneously. It exhibited a strong sucking reflex as well as a withdrawal reflex when pinched. After 55 hours of perfusion, the fetus abruptly underwent cardiac arrest." Apparently Zapol and Kolobow have problems remaining to contend with. But perhaps these are not insuperable.

The editorialist of the *New Scientist* has said, ". . . the development of the 'perfect' artificial placenta can only be a matter of time."

III

Early in 1970, the National Academy of Sciences published the results of a study undertaken by a panel of distinguished scientists, at the request of the federal government, on "The Consequences of Technology." The scientists were asked to estimate when various technological developments could be expected to take place. One of these developments was described as the "capability of fertilizing a human ovum *in vitro* and implanting it in a surrogate mother." (Surrogate motherhood will mean either a kind of space-age wet-nursing, or prenatal adoption, the principle in both cases being that an embryo from the egg of one woman may be implanted in the uterus of another woman at the right moment of her menstrual cycle.) At the time this panel of experts was asked for its estimate, the Edwards group had already succeeded in getting the first stages of *in vitro* fertilization, and was on the verge of getting cleavage to sixteen cells and perhaps beyond. Yet the average estimate of the panel for the date of achievement of this technology was 1995.

It was not the first time that those who are relied on for advice and prediction have failed to see how imminent the future is. The reasons for this failure are not clear, but perhaps the general bewildering multiplicity of events and reports has something to do with it. Also, a panel entrusted with technological forecasting may be under strains of advocacy and opposition that are eased by pushing the future safely into the next century, or to the very end of this century. However, in a democracy it is not only the experts who prepare the way for the future.

Two familiar phenomena of democratic societies are the *respected opinion-maker* and the *public opinion poll*. Anyone who is interested in the social setting of embryological research should consult the evidence from respected opinion and public opinion; while the amount of it is not substantial yet, it does invite some working conclusions to be drawn.

The New York *Times*, under the headline, "Test Tube Babies Ahead?" published an editorial about the Edwards experiments praising the hope they hold out for childless couples. Then the *Times* said:

Ultimately the prospect looms of human babies engendered by fertilization and development completely outside any woman's body—test tube babies, in the most literal sense. . . . Abuses are easy to envisage, but it is encouraging that so far at least there is no evidence of such abuses in the use of artificial insemination to help women conceive. The real question even now is whether—and how—people can develop the sense of social responsibility that will be required if, by the year 2000 or earlier, women are able to have children without any of the morning sickness, special diets and other discomforts and dangers pregnancy now entails.

The *Times* mentions artificial insemination. At least 20,000 babies are conceived by mechanical means in the United States each year, and there may be a million Americans now alive who were so conceived. This indicates a widespread acceptance of the technique, though a recent Harris poll on "New Methods of Reproduction" had only 5 percent of the sample knowing what artificial insemination is. However, once it was explained to them, 49 percent of men and 62 percent of women approved insemination with the husband's sperm in cases of infertility; 24 percent of men and 28 percent of women approved insemination with anonymous donor sperm. The poll-takers also explained other techniques still not in existence, and got opinions on these. Thirty-two percent of men, 39 percent of women would approve of embryo implants of the sort planned by Edwards—37 percent of men, 48 percent of women said they "would feel love" for a baby of their own conceived in this way. The poll-takers then asked about "test-tube babies," babies who at no time would be inside the mother's body. Thirty percent of men, 35 percent of women were of the opinion that "this would be justified if wife might die or be crippled from childbirth." However, if "a woman just wanted to skip pregnancy and have a baby too," more than 90 percent of men and women would disapprove. Forty-seven percent of men, 53 percent of women said they "would feel love" toward such a "test-tube baby" of their own (for some reason, the percentage here, for both men and women, was higher than in the case of the embryo implant). Fifty-five percent of men, 61 percent of women said they believed a "test-tube baby would feel love for [its] family." A striking aspect of the results of the poll is that women invariably display a greater readiness to consider "new methods of reproduction" than men. This readiness is enhanced when the responses are broken down by age group: for example, of the women under thirty, fully 57 percent approved embryo implants. And yet, there was confusion too. Many of the men and women who approved of the new methods, including "test-tube babies," said they saw in them a way to bolster the ideal of monogamous marriage by ensuring that no couple need be childless; yet it was admitted that the new methods might have exactly the opposite effect—that is, of undermining further the ideal of the family.

The *Times* editorial and the Harris poll seem to show that there is important "public" enthusiasm for the goals, both official and possible, of the embryological research now under way, even if this enthusiasm is qualified by some doubts and fears. Indeed, it may be debatable how long the vociferous reaction in the case of a deformed baby from embryo-implant would persist, stifling grants and research. And if exquisite care is taken choosing the first embryo for implant, and the baby is born apparently sound, the excitement and enthusiasm will probably overwhelm doubts and criticism. The whole idea of "new methods" will be given a boost, and methods which had seemed fit only for science fiction will undergo a strange metamorphosis: "test-tube babies," for example.

Leaving aside for the moment the question whether such a method is desirable—is it feasible? The answer would have to do with technology, with whether ways could be devised to transfer the embryo fertilized *in vitro* to an artificial placenta which would duplicate for eight and a half months the environment of the natural placenta. The complexity of this invention of nature has already been hinted at. It has taken scientists five years just to get to understand the physiological process involved in the diffusion of oxygen and carbon dioxide across the placental membrane of the pig. How other substances—amino acids, vitamins, sugars, proteins—are passed is still a mystery. In addition, it is known that just a bit too much of a substance, or too little, too late or too early, can cause peculiar things to happen to embryos, whether they are mammalian and placental, or lower down on the phylogenetic scale. For example, if lithium chloride or magnesium chloride is added to fish eggs, the fish that are hatched will be Cyclopean. So it would be, at the least, a delicate, painstaking, and drawn-out task of plotting the career of a human embryo and fetus in the placenta from minute to minute, and then fabricating the machinery to duplicate the placenta and a computer to monitor and direct it and oversee the piping-in of nutrients and carrying-off of wastes. The technological problems here are formidable, as fetologists working on the margins already known; but are they more formidable than those involved in, say, Apollo 11? Probably not, and using Apollo as a hackneyed but serviceable example, it might be said that for the United States, there is no technological project that is not assured of success provided the decision is made to invest whatever talent and money are necessary; provided also that there is a strong enough sense of national priority so that any misfortune (such as the death by fire of three astronauts on the pad at Cape Kennedy) does not endanger the life of the project itself. It would be too much to expect an artificial womb to "work" the first time, and people would have to be ready to accept the death of a fetus, even though, in contrast with Gus Grissom, the fetus never volunteered.

What reason would there be to make the development of an artificial womb a national

priority? Once they are compiled, the specific and predictable benefits of an efficient artificial womb make an impressive list:

1. Fetal medicine would be much improved. By being able to monitor growth and development continuously, fetologists would be able to catch, and perhaps treat, sickness that occurs in the natural womb but does not show up until after birth.

2. Likewise, fetologists would be able to immunize a child for the diseases it would be likely to contract in the world, but while it is still in the sterile safety of the womb.

3. Tissue samples could be taken from the fetus, cultured, and frozen for storage, which would resist the rejection phenomenon should the human born ever require organ transplant.

4. An efficient artificial womb, far from increasing the incidence of birth defects, would reduce them by keeping the fetus in an absolutely safe and regular environment; safe, for example, from infection by German measles or drugs taken by the mother. There are now thousands of babies born in the United States each year with defects, ranging from relatively minor ones like harelip, to deformed limbs and congenital diseases of the nervous system. Whatever the magnitude of the defect, it is disastrous: doctors say that the immediate and overwhelming response of the parents is not love or pity, but anger; they are angry at the doctor, and angry at their deformed child for choosing them as its parents. This behavior is evident on the part of both parents alike: there is no special redemptive mother-love. Some parents will reject the child, or, after a guilty reaction, some will gird themselves for the job of lifelong sacrifice, of being "noble."

5. The same new conditions that would allow fetologists to prevent birth defects would allow geneticists eventually to be able to program a fetus' development for some superior trait on which society could agree: larger brain capacity, for example. This would seem to be the direction that is being taken anyway now, with genetic counseling. The artificial womb would lift such work out of the realm of the haphazard.

6. An artificial womb would make "sexing" (choosing the sex of the embryo) a simple matter.

7. That part of the population which would use the artificial womb would not have to worry about illegitimacy or doubtful paternity. For the first time it will be possible to prove beyond a shadow of a doubt that a man is the father of his children.

8. Women who are prone to miscarry, or who because of body structure or constitution run a danger of injury in childbirth, would be spared the unhappiness, disappointment, and danger. Other women would be spared the discomfort.

9. Women who decided to have children by the artificial womb might choose to undergo the operation in which the fallopian tubes are tied. This would not affect fertility, but it would be an instant, guaranteed, and permanent barrier to conception from sexual intercourse. No other "birth control" would have to be exercised, and the Pill, together with its harmful and unknown side effects, could be dispensed with. Of course, these women would never have to have abortions, either.

It would seem that from the development and use of an artificial womb, all of society would benefit, but women would stand to gain the most. The artificial womb would set about breaking to pieces the stubborn remnant of biological fact and cultural myth that makes all women pay. The invidious question whether women are different from men in some ultimate and irreducible metaphysical way, whether as a result they should be set and should set for themselves different goals and different styles of life, would be removed from the context of biological difference, which has so far complicated its resolution with gratuitous factors, and would be set in a context of biological equity. Culturally, if the artificial womb "catches on," it will mean that the awefulness associated with pregnancy and childbirth will have nothing to feed on, and motherhood, if it continues to excite any awe at all, will not do so more than fatherhood. This will have its inevitable effect on the relation of women to men, women to their children, and the society or state to children. Once a woman has no more difficult or lengthy role in reproduction than a man (or not much more difficult or lengthy: she will still have to undergo laparoscopy once, when several dozen eggs will be collected and put into cold storage), she will find that society does not expect her to have a special relation to her offspring that takes up years of her life, and also she will not expect it of herself. Too, a society that can grow fetuses in a laboratory will be more disposed to have meaningful day- and night-care centers and communal nurseries on a large scale, for the state, being a third parent, will wish to provide for the maintenance and upbringing of its children.

Natural pregnancy may become an anachronism. The two tiny laparoscopy scars, exposed by a bikini on the beach, will be as ordinary as our smallpox vaccination, but women will no longer have lost their figures in childbearing. The uterus will become appendixlike, though the ovaries will be as crucial as before. At the age of twenty, each girl will be able to choose to be superovulated and her eggs collected and frozen, as it is known that babies conceived by young women are less likely to suffer from mongolism and other birth defects. If there are advances in prenatal care, it may not be necessary to prohibit natural childbearing in the interest of public health and eugenics. In that case, the women who wish to put up with the old style and all that it implies will be free to do so. But it will be a throwback and increasingly rare as the manifest advantages of the artificial womb make it likely to win the competition.

Most, if not all, of its *disadvantages* might be more apparent to us than real to the next generations. We bear it in mind that a man-made mutation like this, finishing what the Pill started unprecedented in evolution perhaps since sea creatures grew lungs and came out on land or apes developed the ability to touch thumb to forefinger, must have its effect on the body and mind of everyone in society, men not much less than women. Might not everyone, and particularly women, also *suffer* from the artificial womb? The myth of the beatific Madonna has, after all, among its various sources the fact that some women do experience unusual well-being when they have a baby. A more recent myth is that women on the Pill for a long time, who have much sex but never a baby, suffer the opposite of the bodily and psychic happiness of the Madonna. Does this mean the body has its own wisdom and that for women to be given access to an artificial womb would be to go against the deepest instincts provided by nature?

Again, the question may be invidious. In the first place, as a matter of fact, for every beatific mother in our society there is at least another with "post-partum blues." To propose a "fundamental nature" for women (or men) to which it is immoral or unwise to offer an alternative may be to support a fallacy which is really old-fashioned. The well-being of the Madonna, her rosy complexion, may have as simple an explanation as that during pregnacy and lactation, her body's production of estrogen has shot up: maybe a woman having a baby by the artificial womb might take estrogen orally.

But won't women be "alienated," as we say, from their children, causing further distance to be put between all of us from the crucial beginning, which is not what we need? Again, perhaps an invidious question. In the 1840s, opponents of Dr. Simpson asked whether (actually they claimed that) anesthesia during labor would make children "strangers" to their mothers. Has this proven true? Maternal love does not seem to be connected with the pain of childbirth, or even with childbirth; we know that some women beat the children they have borne, while others love the children they have adopted.

However, by "creating life" won't we be raising ultimate questions that we are not prepared to answer, such as "What is a human being?" The effect may well be to raise such questions. As for "creating life," that is to misunderstand what the artificial womb will do. It will not "create" life, for the materials which contain all the factors for differentiation, growth, and genetic coding—the egg and sperm—will not be created or fabricated: they will only be given another environment in which to work out their process. Sexual reproduction will be preserved; only intercourse and reproduction will be separated, once and for all.

The "ultimate" questions will be harder to ignore perhaps. But this has been predicted. Jean Rostand, the French biologist and Nobel Prize winner, has considered what life will be like and what questions people will have to face up to when the artificial womb and other "inevitable" technologies become a reality:

People will live for two hundred years, or even more. There will be no more failure, no more fear, no more tragedy. Life will be safer, easier, longer. But will it still be worth living? . . . How shall we contrive to exercise the formidable powers allotted to us? . . . How . . . shall we avoid finding ourselves on the perilous slope and yielding to the abuses of a Promethean intoxication?

Well, Rostand says, "our task will be to improvise the solution, taking account of the collective mentality, of the social and moral situation [and remembering Bacon's warning], 'Knowledge, if it be taken without the true corrective [charity] hath in it some nature of venom or malignity.'"

Rostand assumes the artificial womb and other such innovations are "inevitable": that seems a pecular idea. He also predicts that when the womb arrives it must have a universal effect. Here he is evidently right. If there is a single prototype artificial womb made and successfully tested, it is unlikely that it will turn out—as the Apollo missions might—an exorbitant stunt without consequence for "the man in the street." Because it will literally be down to earth, an artificial womb will have the potential to change the life of every person. But is the artificial womb "inevitable," as Rostand says? "Inevitable" seems to imply that something will come to pass without our doing anything or despite our intervention, which in the case of an artificial womb is nonsense. And yet there is a meaning of "inevitable" which, in this context, is not ridiculous. This is the meaning which in effect asks to what extent human beings exercise free will, and to what extent they are determined by forces forever beyond them. A very ancient question. Yet is it conceivable that if Dr. Simpson, in 1842, had not decided to give anesthesia to a woman in labor, anesthesia would not be routinely used in labor today? It is not conceivable. If he had not done it, some other doctor would, driven by the combination of curiosity, sympathy, and ambition which many men, not just a single indispensable man, are endowed with. The picture of the solitary scientist breaking ground may be excessively romantic. Without denying the medical scientist in particular his glory, his Nobel Prize, and the gratitude of the people whose suffering he has eased, it may be said that the scientist is far from being on his own, that he is, as we all are, an agent of something, determined by a

force, a momentum which blurs distinctions between "it has become possible to do it," "it should be done," "it must be done," and is resolved in the inevitable: "it will be done."

Looked at in this light, it would not seem to make much difference (except, obviously, to the volunteer childless couples at Cambridge) whether Dr. Edwards decides to implant an embryo: the operation is going to take place pretty soon whatever he decides or does. Likewise the question whether what is about to be done in embryology, and what is about to be done in fetology, will ever come together in its logical consummation. If it becomes a national priority, it will be achieved sooner; if unlimited money and support are not forthcoming, it will be achieved later. But it is hard to imagine it not being achieved at all.

Certainly it would take more exertion, over the long run, to prevent it than to achieve it, and why prevent it? Who is to say that Monsignor Vallainc, the Vatican press officer who branded the Edwards experiments "immoral acts and absolutely illicit," is not the hapless spokesman of cruelty and stupidity, our contemporary version of the ministers who damned Simpson? In any case, it is not the thirteenth century anymore, and the centers of research happen not to be in Russia or in Roman Catholic theocracies. There is no forbidding most things and no arresting Dr. Edwards and charging him with murder. More than this: the research is conducted quietly, indoors; it does not require the vast hardware of an Apollo project, and there are no thunderous blasts and clouds of smoke. The expunging of perhaps our foremost Myth, with its ancient, numberless effects of inspiration and practice, habit and suffering, may be accomplished both inevitably and quietly—which leads to the ironic part, that whether anyone, or any movement, comes out for the artificial womb, or not, will make little difference in the end. The only difference it might make—and perhaps this is no small thing for the race—is that at least we will be able to say that our liberation did not catch us by surprise.

MOVING TOWARD THE CLONAL MAN—IS THIS WHAT WE WANT?

(By James D. Watson)

The notion that man might sometime soon be reproduced asexually upsets many people. The main public effect of the remarkable clonal frog produced some ten years ago in Oxford by the zoologist John Gurdon has not been awe of the elegant scientific implication of this frog's existence, but fear that a similar experiment might someday be done with human cells. Until recently, however, this foreboding has seemed more like a science fiction scenario than a real problem which the human race has to live with.

For the embryological development of man does not occur free in the placid environment of a fresh-water pond, in which a frog's eggs normally turn into tadpoles and then into mature frogs. Instead, the crucial steps in human embryology always occur in the highly inaccessible womb of a human female. There the growing fetus enlarges unseen, and effectively out of range of almost any manipulation except that which is deliberately designed to abort its existence. As long as all humans develop in this manner, there is no way to take the various steps necessary to insert an adult diploid nucleus from a pre-existing human into a human egg whose maternal genetic material has previously been removed. Given the continuation of the normal processes of conception and development, the idea that we might have a world populated by people whose genetic material was identical to that of previously existing people can belong only to the domain of the novelist or moviemaker, not to that of pragmatic scientists who must think only about things which can happen.

Today, however, we must face up to the fact that the unexpectedly rapid process of R. G. Edwards and P. S. Steptoe in working out the conditions for routine test-tube conception of human eggs means that human embryological development need no longer be a process shrouded in secrecy. It can become instead an event wide-open to a variety of experimental manipulations. Already the two scientists have developed many embryos to the eight-cell stage, and a few more into blastocysts, the stage where successful implantation into a human uterus should not be too difficult to achieve. In fact, Edwards and Steptoe hope to accomplish implantation and subsequent growth into a normal baby within the coming year.

The question naturally arises, why should any woman willingly submit to the laparoscopy operation which yields the eggs to be used in test-tube conceptions? There is clearly some danger involved every time Steptoe operates. Nonetheless, he and Edwards believe that the risks are more than counterbalanced by the fact that their research may develop methods which could make their patients able to bear children. All their patients, though having normal menstrual cycles, are infertile, many because they have blocked oviducts which prevent passage of eggs into the uterus. If so, *in vitro* growth of their eggs up to the blastocyst stage may circumvent infertility, thereby allowing normal childbirth. Moreover, since the sex of a blastocyst is easily determined by chromosomal analysis, such women would have the possibility of deciding whether to give birth to a boy or a girl.

Clearly, if Edwards and Steptoe succeed, their success will be followed up in many other places. The number of such infertile women, while small on a relative percentage basis, is likely to be large on an absolute basis. Within the United States there could be 100,000 or so women who would like a similar chance to have their own babies. At the same time, we must anticipate strong, if not hysterical, reaction from many quarters. The certainty that the ready availability of this medical technique will open up the possibility of hiring out unrelated women to carry a given baby to term is bound to outrage many people. For there is absolutely no reason why the blastocyst need be implanted in the same woman from whom the preovulatory eggs were obtained. Many women with anatomical complications which prohibit successful childbearing might be strongly tempted to find a suitable surrogate. And it is easy to imagine that other women who just don't want the discomforts of pregnancy would also seek this very different form of motherhood. Of even greater concern would be the potentialities for misuse by an inhumane totalitarian government.

Some very hard decisions may soon be upon us. It is not obvious, for example, that the vague potential of abhorrent misuse should weigh more strongly than the unhappiness which thousands of married couples feel when they are unable to have their own children. Different societies are likely to view the matter differently, and it would be surprising if all should come to the same conclusion. We must, therefore, assume that techniques for the *in vitro* manipulation of human eggs are likely to become general medical practice, capable of routine performance in many major countries, within some ten to twenty years.

The situation would then be ripe for extensive efforts, either legal or illegal, at human cloning. But for such experiments to be successful, techniques would have to be developed which allow the insertion of adult diploid nuclei into human eggs which previously have had their maternal haploid nucleus removed. At first sight, this task is a very tall order since human eggs are much smaller than those of frogs, the only vertebrates which have so far been cloned. Insertion by micropipettes, the device used in the case of the frog, is always likely to damage human eggs irreversibly. Recently, however, the development of simple techniques for using animal cells has raised the strong possibility that further refinements of the cell-fusion method will allow the routine introduction of human diploid nuclei into enucleated human eggs. Activation of such eggs to divide to become blastocysts, followed by implantation into suitable uteri, should lead to the development of healthy fetuses, and subsequent normal-appearing babies.

The growing up to adulthood of these first clonal humans could be a very startling event, a fact already appreciated by many magazine editors, one of whom commissioned a cover with multiple copies of Ringo Starr, another of whom gave us overblown multiple likenesses of the current sex goddess, Raquel Welch. It takes little imagination to perceive that different people will have highly different fantasies, some perhaps imagining the existence of countless people with the features of Picasso or Frank Sinatra or Walt Frazier or Doris Day. And would monarchs like the Shah of Iran, knowing they might never be able to have a normal male heir, consider the possibility of having a son whose genetic constitution would be identical to their own?

Clearly, even more bizarre possibilities can be thought of, and so we might have expected that many biologists, particularly those whose work impinges upon this possibility, would seriously ponder its implication, and begin a dialogue which would educate the world's citizens and offer suggestions which our legislative bodies might consider in framing national science policies. On the whole, however, this has not happened. Though a number of scientific papers devoted to the problem of genetic engineering have casually mentioned that clonal reproduction may someday be with us, the discussion to which I am party has been so vague and devoid of meaningful time estimates as to be virtually soporific.

Does this effective silence imply a conspiracy to keep the general public unaware of a potential threat to their basic ways of life? Could it be motivated by fear that the general reaction will be a further damning of all science, thereby decreasing even more the limited money available for pure research? Or does it merely tell us that most scientists do live such an ivory-tower existence that they are capable of thinking rationally only about pure science, dismissing more practical matters as subjects for the lawyers, students, clergy, and politicians to face up to?

One or both of these possibilities may explain why more scientists have not taken cloning before the public. The main reason, I suspect, is that the prospect to most biologists still looks too remote and chancy—not worthy of immediate attention when other matters, like nuclear-weapon overproliferation and pesticide and auto-exhaust pollution, present society with immediate threats to its orderly continuation. Though scientists as a group form the most future-oriented of all professions, there are few of us who concentrate on events unlikely to become reality within the next decade or two.

To almost all the intellectually most adventurous geneticists, the seemingly distant time when cloning might first occur is more to the point than its far-reaching implication, were it to be practiced seriously. For example, Stanford's celebrated geneticist, Joshua Lederberg, among the first to talk about cloning as a practical matter, now seems bored with further talk, implying that we should channel our limited influence as public citizens to the prevention of the wide-

scale, irreversible damage to our genetic material that is now occurring through increasing exposure to man-created mutagenic compounds. To him, serious talk about cloning is essentially crying wolf when a tiger is already inside the walls.

This position, however, fails to allow for what I believe will be a frenetic rush to do experimental manipulation with human eggs once they have become a readily available commodity. And that is what they will be within several years after Edwards-Steptoe methods lead to the birth of the first healthy baby by a previously infertile woman. Isolated human eggs will be found in hundreds of hospitals, and given the fact that Steptoe's laparoscopy technique frequently yields several eggs from a single woman donor, not all of the eggs so obtained, even if they could be cultured to the blastocyst stage, would ever be reimplanted into female bodies. Most of these excess eggs would likely be used for a variety of valid experimental purposes, many, for example, to perfect the Edwards-Steptoe techniques. Others could be devoted to finding methods for curing certain genetic diseases, conceivably through use of cell-fusion methods which now seem to be the correct route to cloning. The temptation to try cloning itself thus will always be close at hand.

No reason, of course, dictates that such cloning experiments need occur. Most of the medical people capable of such experimentation would probably steer clear of any step which looked as though its real purpose were to clone. But it would be short-sighted to assume that everyone would instinctively recoil from such purposes. Some people may sincerely believe the world desperately needs many copies of really exceptional people if we are to fight our way out of the ever-increasing computer-mediated complexity that makes our individual brains so frequently inadequate.

Moreover, given the widespread development of the safe clinical procedures for handling human eggs, cloning experiments would not be prohibitively expensive. They need not be restricted to the superpowers. All smaller countries now possess the resources required for eventual success. Furthermore, there need not exist the coercion of a totalitarian state to provide the surrogate mothers. There already are such widespread divergences regarding the sacredness of the act of human reproduction that the boring meaninglessness of the lives of many women would be sufficient cause for their willingness to participate in such experimentation, be it legal or illegal. Thus, if the matter proceeds in its current nondirected fashion, a human being born of clonal reproduction most likely will appear on the earth within the next twenty to fifty years, and even sooner, if some nation should actively promote the venture.

The first reaction of most people to the arrival of these asexually produced children, I suspect, would be one of despair. The nature of the bond between parents and their children, not to mention everyone's values about the individual's uniqueness, could be changed beyond recognition, and by a science which they never understood but which until recently appeared to provide more good than harm. Certainly to many people, particularly those with strong religious backgrounds, our most sensible course of action would be to de-emphasize all those forms of research which would circumvent the normal sexual reproductive process. If this step were taken, experiments on cell fusion might no longer be supported by federal funds or tax-exempt organizations. Prohibition of such research would most certainly put off the day when diploid nuclei could satisfactorily be inserted into enucleated human eggs. Even more effective would be to take steps quickly to make illegal, or to reaffirm the illegality of, any experimental work with human embryos.

Neither of the prohibitions, however, is likely to take place. In the first place, the cell-fusion technique now offers one of the best avenues for understanding the genetic basis of cancer. Today, all over the world, cancer cells are being fused with normal cells to pinpoint those specific chromosomes responsible for given forms of cancer. In addition, fusion techniques are the basis of many genetic efforts to unravel the biochemistry of diseases like cystic fibrosis or multiple sclerosis. Any attempts now to stop such work using the argument that cloning represents a greater threat than a disease like cancer is likely to be considered irresponsible by vitually anyone able to understand the matter.

Though more people would initially go along with a prohibition of work on human embryos, many may have a change of heart when they ponder the mess which the population explosion poses. The current projections are so horrendous that responsible people are likely to consider the need for more basic embryological facts much more relevant to our self-interest than the not-very-immediate threat of a few clonal men existing some decades ahead. And the potentially militant lobby of infertile couples who see test-tube conception as their only route to the joys of raising children of their own making would carry even more weight. So, scientists like Edwards are likely to get a go-ahead signal even if, almost perversely, the immediate consequences of their "population-money"-supported research will be the production of still more babies.

Complicating any effort at effective legislative guidance is the multiplicity of places where work like Edwards' could occur, thereby making unlikely the possibility that such manipulations would have the same legal (or illegal) status throughout the world. We must assume that if Edwards and Steptoe produce a really workable method for restoring fertility, large numbers of women will search out those places where it is legal (or possible), just as now they search out places where abortions can be easily obtained.

Thus, all nations formulating policies to handle the implications of *in vitro* human embryo experimentation must realize that the problem is essentially an international one. Even if one or more countries should stop such research, their action could effectively be neutralized by the response of a neighboring country. This most disconcerting impotence also holds for the United States. If our congressional representatives, upon learning where the matter now stands, should decide that they want none of it and pass very strict laws against human embryo experimentation, their action would not seriously set back the current scientific and medical momentum which brings us close to the possibility of surrogate mothers, if not human clonal reproduction. This is because the relevant experiments are being done not in the United States, but largely in England. That is partly a matter of chance, but also a consequence of the advanced state of English cell biology, which in certain areas is far more adventurous and imaginative than its American counterpart. There is no American university which has the strength in experimental embryology that Oxford possesses.

We must not assume, however, that today the important decisions lie only before the British government. Very soon we must anticipate that a number of biologists and clinicians of other countries, sensing the potential excitement, will move into this area of science. So even if the current English effort were stifled, similar experimentation could soon begin elsewhere. Thus it appears to me most desirable that as many people as possible be informed about the new ways of human reproduction and their potential consequences, both good and bad.

This is a matter far too important to be left solely in the hands of the scientific and medical communities. The belief that surrogate mothers and clonal babies are inevitable because science always moves forward, an attitude expressed to me recently by a scientific colleague, represents a form of laissez-faire nonsense dismally reminiscent of the creed that American business, if left to itself, will solve everybody's problems. Just as the success of a corporate body in making money need not set the human condition ahead, neither does every scientific advance automatically make our lives more "meaningful." No doubt the person whose experimental skill will eventually bring forth a clonal baby will be given wide notoriety. But the child who grows up knowing that the world wants another Picasso may view his creator in a different light.

I would thus hope that over the next decade wide-reaching discussion would occur, at the informal as well as formal legislative level, about the manifold problems which are bound to arise if test-tube conception becomes a common occurrence. A blanket declaration of the worldwide illegality of human cloning might be one result of a serious effort to ask the world in which direction it wished to move. Admittedly the vast effort, required for even the most limited international arrangement, will turn off some people—those who believe the matter is of marginal importance now, and that it is a red herring designed to take our minds off our callous attitudes toward war, poverty, and racial prejudice. But if we do not think about it now, the possibility of our having a free choice will one day suddenly be gone.

DIRECTORY OF FEDERAL PROGRAMS FOR THE HANDICAPPED

Mr. DOLE. Mr. President, on April 14, 1971, I addressed the Senate on the needs and potential of handicapped Americans. In this speech, I referred to many of the Federal agencies concerned with the welfare of the millions of disabled citizens of this country.

Preparation for this speech revealed that a comprehensive listing of Federal programs for the handicapped was not available. In an effort to provide a source of information on Federal programs for the handicapped to those in need of the services, and in an effort to recognize the great progress that has been made toward the realization of the potential of the disabled, I requested through the Library of Congress the compilation of a directory of Federal programs for the handicapped. Mr. President, I ask unanimous consent that the directory be printed in the RECORD at this point.

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

FEDERAL PROGRAMS FOR THE HANDICAPPED

The following is a compilation of all Federal programs designed specifically to serve physically and mentally handicapped persons. This includes programs in vocational rehabilitation of the handicapped, education for handicapped, programs for disabled, veterans, welfare programs providing aid to the blind and to the permanently and totally disabled, social security programs for the disabled, mental health and mental retardation programs, programs for the blind, and health programs to prevent and treat handicapping conditions. This does not include all programs that are serving the handicapped, just those that are specifically designed to serve them. For instance, in the area of veterans programs, disabled veterans, of course, are eligible for veterans programs, of general applicability, including education and health care services, but this compilation just

lists those programs that apply particularly to disabled veterans. The same is true with Office of Education programs, this compilation does not include all general education legislation that happen to be helping some handicapped persons.

This compilation provides, as far as it has been possible to obtain, five types of information for each program, as follows:

1. A brief description of the program, including the type of grant it provides, if it provides a grant and the purpose for which the grant is to be used. If the program does not provide grants then the description tells what it does.

2. Authorizing legislation for the program.

3. Fiscal data for the program, including, whenever possible, obligations or expenditures for fiscal year 1970, appropriations for fiscal year 1971, and the budget request for fiscal year 1972.

4. Program data for the program, including number of grants awarded, number of persons being served by the program, and whatever other accomplishments of the program that seem relevant.

5. Name and address of the Federal agency administering the program.

Data on the programs included in this compilation have come from several types of sources. Descriptive information and authorizing legislation were obtained from the Office of Economic Opportunity's April 1970 *Catalog of Federal Domestic Assistance* and from assorted publications of the various Federal agencies administering programs for the handicapped. Fiscal and program data were obtained from the Appendix of the fiscal year 1972 Budget of the United States Government and from telephone conversations with personnel of the various agencies administering the programs for the handicapped.

VOCATIONAL REHABILITATION SERVICES

Basic support

A program of formula grants to State vocational rehabilitation agencies to provide and support the following types of rehabilitation services for handicapped persons: (1) comprehensive evaluation, including medical study and diagnosis; (2) medical, surgical, and hospital care, and related therapy to remove or reduce disability; (3) prosthetic and orthotic devices; (4) counseling and guidance services; (5) training services; (6) services in comprehensive or specialized rehabilitation facilities, including adjustment centers; (7) maintenance and transportation as appropriate during rehabilitation; (8) tools, equipment, and licenses for work on a job or in establishing a small business; (9) reader services for the blind and interpreter services for the deaf; (10) recruitment and training services to provide new careers for handicapped people in the field of rehabilitation and other public service areas; (11) the construction or establishment of rehabilitation facilities; (12) the provision of facilities and services which promise to contribute to a group of handicapped people, but which do not relate directly to the rehabilitation plan of any one individual; (13) services to families of handicapped people when such services will contribute substantially to the rehabilitation of the handicapped client; (14) other goods and services necessary to render a handicapped person employable; and (15) placement services, including follow-up services, to assist handicapped individuals to maintain their employment.

Funds under this program are also used for the initial establishment, management, and State agency supervision of vending stands for the blind authorized by the Randolph-Sheppard Act.

Vocational Rehabilitation Act as amended by P.L. 90–391 and extended by P.L. 91–610, Section 2; Randolph-Sheppard Act, P.L. 75–732.

Fiscal Year 1970 Obligational Authority—$436 million.

Fiscal Year 1971 Appropriation—$436 million.

Fiscal Year 1972 Budget Request—$518 million.

In 1970, the Vocational Rehabilitation program served 875,911 persons. 266,975 persons were rehabilitated.

Rehabilitation Services Administration, Social and Rehabilitation Service, Department of Health, Education and Welfare, Washington, D.C. 20201.

Innovation grants

A program of project grants to State vocational rehabilitation agencies to support innovation projects which either introduce new techniques, or are designed specifically to increase services for physically or mentally handicapped persons with particularly severe disabilities.

Vocational Rehabilitation Act as amended, Section 3.

Fiscal Year 1970 Obligational Authority—$3.2 million.

Fiscal Year 1971 Appropriation—$3.2 million.

Fiscal Year 1972 Budget Request—None, see data for Expansion Grants Section 4(a)(2)(A).

The program is being phased out, but in FY 1969, 39 new project grants were awarded, and 66 continuation grants as well.

Rehabilitation Services Administration, Social and Rehabilitation Service, U.S. Department of Health, Education and Welfare, Washington, D.C. 20201.

Research and demonstration projects

A program of grants to provide support for projects which hold promise of making a substantial contribution to the solution of vocational rehabilitation problems which are common to all or to several States, and problems related to the rehabilitation of the mentally retarded. Research projects are aimed at discovery of new principles and concepts necessary for the understanding of the rehabilitation process. Demonstrations test the effectiveness of new rehabilitation procedures and, if successful, provide a guide for their widespread use.

Vocational Rehabilitation Act as amended by P.L. 83–565, Section 4(a)(1).

Fiscal Year 1970 Obligations—$20,003,000.

Fiscal Year 1971 Appropriation—$20,955,000.

Fiscal Year 1972 Budget Request—$14.3 million.

In FY 1971, this program is supporting 229 projects, of which 19 are concerned with the mentally handicapped.

Social and Rehabilitation Service, U.S. Department of Health, Education and Welfare, Washington, D.C. 20201.

Support for training rehabilitation personnel

A program of project grants to educational institutions and agencies dealing with the handicapped, with the objective to increase the supply of personnel in the rehabilitation fields by helping training programs to expand and by offering scholarship assistance to students, to work with professional groups to improve the quality of preparation, to facilitate communication and working relationships among the professional fields, and to give rehabilitation workers opportunities to improve their skills. Grants are made in the fields of rehabilitation, counseling, medicine, nursing, occupational therapy, physical therapy, prosthetics and orthotics, psychology, speech pathology and audiology, dentistry, social work, recreation, sociology, rehabilitation facilities administration, rehabilitation of the deaf, the blind, public offenders, the mentally ill, the mentally retarded, and related human services.

Vocational Rehabilitation Act as amended by P.L. 83–565, Section 4(a)(1) and 7(a)(2).

Fiscal Year 1970 Obligations—$27.7 million.

Fiscal Year 1971 Appropriation—$27.7 million.

Fiscal Year 1972 Budget Request—$14,650,000.

In FY 1970, the program supported 460 long-term teaching grants and 5,563 long-term traineeships, as well as 69 short-term teaching grants and 6,994 short-term traineeships.

Rehabilitation Services Administration, Social and Rehabilitation Service, U.S. Department of Health, Education and Welfare, Washington, D.C. 20201.

Research and training centers

A program of special project grants to provide partial support of special research and training centers for rehabilitation medicine, vocational rehabilitation, mental retardation, and rehabilitation of the deaf. These grants are awarded to universities or other university-affiliated institutions with programs of research and training in rehabilitation.

Vocational Rehabilitation Act as amended by P.L. 90–391, Section 4(a)(1).

Fiscal Year 1970 Obligations—$9,761,000.

Fiscal Year 1971 Appropriation—$10,275,000.

Fiscal Year 1972 Budget Request—$10,275,000.

This program is supporting 19 centers, 3 of them concerned with rehabilitating the mentally retarded.

Social and Rehabilitation Service, U.S. Department of Health, Education and Welfare, Washington, D.C. 20201.

Rehabilitation of the mentally retarded

A program of project grants to pay part of the cost of organized, identifiable activities which are undertaken to contribute to the rehabilitation of mentally retarded individuals generally not eligible for vocational rehabilitation services. Grants provide for expansion or establishment of programs serving the mentally retarded, application of new techniques for rendering services, coordination of resources and information, and for increasing the number and types of specialized personnel working with the retarded. The Student Work Experience and Training (SWEAT) program is the major program supported.

Vocational Rehabilitation Act as amended by P.L. 90–391, Section 4(a)(1).

No separate funding, but funding is included under other Section 4(a)(1) program.

In fiscal year 1970, 46 service projects in 27 States received support under this program. Students were hired for summer work with retarded persons in 72 projects in 35 States, the District of Columbia, and Puerto Rico.

Rehabilitation Services Administration, Social and Rehabilitation Administration, U.S. Department of Health, Education and Welfare, Washington, D.C. 20201.

SPECIAL RESEARCH PROJECTS IN MENTAL RETARDATION

A program of project grants to support applied research activities designed to discover and develop new knowledge for the increased efficiency of services and to help plan, conduct, evaluate, and coordinate a comprehensive nationwide program of care for the mentally retarded.

Public Health Service Act as amended, Section 301.

Fiscal Year 1970 Obligation—$113,000. No longer being funded.

One project was funded in FY 1970. The program is no longer being funded separately, but research concerning mental retardation is being carried out under the Vocational Rehabilitation Act, Section 4(a)(1) research programs.

Rehabilitation Services Administration Social and Rehabilitation Service, U.S. Department of Health, Education and Welfare Washington, D.C. 20201.

MENTAL RETARDATION HOSPITAL IMPROVEMENT PROGRAM (HIP)

A program of project grants to stimulate the upgrading of services to mentally re-

tarded persons living in State-operated residential institutions. The projects funded under the program may include demonstrations of new techniques in services, innovative approaches to the organization or delivery of services, or a combination of these and others.

Public Health Service Act as amended, Section 303.

Fiscal Year 1970 Obligations—$6,730,642.

Fiscal Year 1971 Appropriation—$9.3 million (includes both HIP and HIST programs).

Fiscal Year 1972 Budget Request—$6.5 million (includes both HIP and HIST programs).

In FY 1970, 91 Hospital Improvement Programs were funded at amounts up to $100,000 a project.

Rehabilitation Services Administration, Social and Rehabilitation Service, U.S. Department of Health, Education and Welfare, Washington, D.C. 20201.

MENTAL RETARDATION HOSPITAL IN-SERVICE TRAINING (HIST)

A program of project grants to upgrade the skills of technical and attendant personnel in residential institutions for mentally retarded persons. Types of training which may be supported are: orientation and refresher training, continuation training, supervisory training, and instructor training.

Public Health Service Act as amended, Section 303.

Fiscal Year 1970 Obligations—$1,659,358.

Fiscal Year 1971 Appropriation—See data for HIP program.

Fiscal Year 1972 Budget Request—See data for HIP program.

In FY 1970, 82 In-Service Training programs were funded at amounts up to $25,000 a project.

Rehabilitation Services Administration, Social and Rehabilitation Service, U.S. Department of Health, Education and Welfare, Washington, D.C. 20201.

DEVELOPMENTAL DISABILITIES GRANTS TO STATES FOR PLANNING, ADMINISTRATION, SERVICES AND CONSTRUCTION OF FACILITIES

This new program of formula grants to States replaces existing authority for the construction and staffing of community mental retardation facilities with a broad program to assist the States in developing and implementing a comprehensive plan for meeting the needs of persons with developmental disabilities. States may use these funds to construct facilities, provide services, support State and local planning, administration, and technical assistance, train specialized personnel, and develop and demonstrate new service techniques. The term "developmental disability" is defined to include mental retardation, cerebral palsy, epilepsy, or other neurological conditions originating in childhood which are closely related to mental retardation and require treatment similar to that required for the mentally retarded.

The Developmental Disabilities Services and Facilities Construction Act of 1970, P.L. 91–517, Title I.

Fiscal Year 1970 Obligations—$16.87 million for construction projects and $7.3 million for initial staffing grants.

Fiscal Year 1971 Appropriation—$11,215,000.

Fiscal Year 1972 Budget Request—$11,215,000.

Under the community facilities for the mentally retarded program, 370 projects had been approved as of December 1970. Ninety-eight facilities were completed and in operation at that time, and 110 additional facilities were under operation. These facilities will provide care and treatment for approximately 95,000 retarded persons. In FY 1970, 78 new construction projects and 222 initial staffing grants were approved.

Rehabilitation Services Administration, Social and Rehabilitation Service, U.S. Department of Health, Education and Welfare, Washington, D.C. 20201.

UNIVERSITY-AFFILIATED FACILITIES FOR THE DEVELOPMENTALLY DISABLED

A program of project grants to assist universities or affiliated facilities in the construction of special facilities capable of demonstrating exemplary care, treatment, education, and rehabilitation of the developmentally disabled. These facilities provide comprehensive services, train specialized personnel, or demonstrate new techniques of specialized services.

Developmental Disabilities Services and Facilities Construction Act of 1970, P.L. 91–517, Title II.

No appropriations for fiscal years 1970 and 1971, and no budget request for fiscal year 1972.

Since first authorized in 1963, the program has assisted in the construction of eighteen centers.

Rehabilitation Services Administration, Social and Rehabilitation Service, U.S. Department of Health, Education and Welfare, Washington, D.C. 20201.

CRS–17

DEVELOPMENTAL DISABILITIES DEMONSTRATION AND TRAINING GRANTS

A new project grants program to cover the costs of administering and operating demonstration facilities and interdisciplinary training programs for personnel needed to render specialized services to individuals with developmental disabilities. Funds are available only to institutions and agencies operating university-affiliated centers with priority given to applicants who have made arrangements for junior college participation.

Developmental Disabilities Services and Facilities Construction Act of 1970, P.L. 91–517, Title II.

No funds requested in Fiscal Year 1972 budget.

Rehabilitation Services Administration, Social and Rehabilitation Service, U.S. Department of Health, Education, and Welfare, Washington, D.C. 20201.

CRS–18

VOCATIONAL REHABILITATION SERVICES

Expansion grants

A program of project grants to State rehabilitation agencies, and to other organizations to expand services for disabled persons in order to increase the number of persons rehabilitated. The projects help bring increased rehabilitation services to persons with many types of disabilities, including victims of heart disease, cancer, and stroke, as well as the disabled poor, the blind, the deaf, the mentally ill and retarded. The grants also provide for evaluation units and additional staff in rehabilitation facilities, and new approaches to cooperative programs between State rehabilitation agencies, schools, and private and public hospitals.

Vocational Rehabilitation Act as amended by P.L. 90–391; Section 4(a)(2)(A).

Fiscal Year 1971 Appropriation—$12.8 million.

Fiscal Year 1972 Budget Request—$38,660,000. (Included $10.1 million for Regular Expansion Grants, $2.2 million for continuation of Sec. 3 Innovation Grants, and $26,360,000 for projects serving public assistance recipients.)

This program is being expanded to include continuation of innovation grants, as well as a new thrust in rehabilitation public assistance recipients. In Fiscal Year 1972, it is expected that about 60 projects will be funded to serve about 45,500 public assistance recipients, rehabilitating 8,000 of them into paid employment during the fiscal year.

Rehabilitation Services Administration, Social and Rehabilitation Service, U.S. Department of Health, Education, and Welfare, Washington, D.C. 20201.

Contracts or cooperative agreements

A program of project grants to allow contracts or jointly-financed cooperative arrangements with employers and organizations for the establishment of projects designed to prepare handicapped people for gainful employment in the competitive labor markets. The handicapped people are provided training and employment in a realistic work setting, along with other services which are necessary for them to continue to engage in employment.

Vocational Rehabilitation Act as amended by P.L. 90–391, Section 4(a)(2)(B).

Fiscal Year 1970 Obligation—$450,000.

Fiscal Year 1971 Appropriation—$1 million.

Fiscal Year 1972 Budget Request—$1 million.

In FY 1970, this program funded 3 arrangements with industry.

Rehabilitation Services Administration, Social and Rehabilitation Service, U.S. Department of Health, Education, and Welfare, Washington, D.C. 20201.

New career opportunities in vocational rehabilitation

A program of project grants to State vocational rehabilitation agencies and other agencies to develop new programs to provide appropriate manpower in programs serving the handicapped, and to upgrade or expand those services. This includes programs for the employment and career development of sub-professionals and indigenous workers.

Vocational Rehabilitation Act as amended by P.L. 90–391, Section 4(a)(2)(C).

Fiscal Year 1971 Appropriation for Sec. 4(a)(2)(C) and (D)—$2 million.

Fiscal Year 1972 Budget Request for Sec. 4(a)(2)(C) and (D)—$2 million.

In FY 1970 the two new career opportunities programs supported 9 projects.

Rehabilitation Services Administration, Social and Rehabilitation Service, U.S. Department of Health, Education, and Welfare, Washington, D.C. 20201.

New career opportunities for the handicapped

A program of project grants to State vocational rehabilitation agencies and other agencies to develop new programs to recruit and train handicapped individuals for new carrer opportunities in the fields of rehabilitation, health, welfare, public safety, law enforcement, and other appropriate public service employment.

Vocational Rehabilitation Act as amended by P.L. 90–391, Section 4(a)(2)(D).

For fiscal and program data, see data for preceding program—

SEC. 4(a)(2)(C).

Rehabilitation Services Administration, Social and Rehabilitation Service U.S. Department of Health, Education, and Welfare, Washington, D.C. 20201.

Construction, planning, and initial staffing of rehabilitation facilities

A program of project grants for the planning and construction of rehabilitation facilities and workshops for disabled persons. Facilities grants may cover acquisition of existing buildings, purchase of land, new construction, expansion, remodeling, alteration and renovation, as well as equipment. Federal funds may also be used to assist in planning specific local facility projects. Project Development Grants for planning specific facilities may be made to public or other nonprofit agencies which are operating or studying the feasibility of developing a rehabilitation facility. Initial staffing grants are available to rehabilitation facilities. These grants pay part of the costs of professional and technical staff on a declining support over a period of 4 years and 3 months.

Vocational Rehabilitation Act as amended by P.L. 89–333, Section 12.

Fiscal Year 1970 Obligations—Construction—$1,191,000. Project Development—$286,000. Initial Staffing—$500,000.

Fiscal Year 1971 Appropriation—Project development and construction—$1.75 million. Initial Staffing—$550,000.

Fiscal Year 1972 Budget Request—Initial Staffing—$550,000.

In FY 1970 this program funded 16 construction projects, 40 project development or planning projects, and 9 projects for initial staffing.

Rehabilitation Services Administration, Social and Rehabilitation Service, U.S. Department of Health, Education and Welfare, Washington, D.C. 20201.

Training services grants

A program of project grants to support training services, including training allowances, furnished to handicapped persons in rehabilitation facilities. These grants are available to agencies and organizations to provide training, such as work evaluation and testing, occupational tools and equipment necessary for training purposes, and job tryouts.

Vocational Rehabilitation Act as amended by P.L. 89–333, Section 13(a).

Fiscal Year 1970 Obligations—$6.0 million.

Fiscal Year 1971 Appropriations—$7.1 million.

Fiscal Year 1972 Budget Request—$7.1 million.

In FY 1970, the program funded 41 projects in 26 States. About 4,000 persons were referred through these projects, of which 1,800 received training and were placed in employment.

Rehabilitation Services Administration, Social and Rehabilitation Service, U.S. Department of Health, Education, and Welfare, Washington, D.C. 20201.

A program of project grants to rehabilitation facilities to pay part of the cost of projects to analyze, improve, and increase their professional services to the handicapped, their business management, or any other part of their operations affecting their capacity to provide employment and services for handicapped clients.

Vocational Rehabilitation Act as amended by P.L. 89–333, Section 13(b).

Fiscal Year 1970 Obligations—$3,896,820.

Fiscal Year 1971 Appropriation—$4 million.

Fiscal Year 1972 Budget Request—$2.7 million.

In FY 1970, 155 grants were funded under the program.

Rehabilitation Services Administration, Social and Rehabilitation Service, U.S. Department of Health, Education and Welfare, Washington, D.C. 20201.

Technical assistance

A program of project grants to rehabilitation facilities to provide them with the means to obtain technical assistance and consultant services on a short-term basis to help them solve operating, business, and technical problems.

Vocational Rehabilitation Act as amended by P.L. 89–333, Section 13(c).

Fiscal Year 1970 Obligations—146,000.

Fiscal Year 1971 Appropriation—$200,000.

Fiscal year 1972 Budget request—$200,000.

In FY 1970, 191 consultations were held under this program.

Rehabilitation Services Administration, Social and Rehabilitation Service, U.S. Department of Health, Education and Welfare, Washington, D.C. 20201.

Vocational evaluation and work adjustment

A program of formula grants to State vocational rehabilitation agencies to extend the type of evaluation and work adjustment services which are already available to eligible handicapped clients, to persons who are disadvantaged because of factors other than a physical or mental disability. These would include persons disadvantaged by reason of low educational attainments, ethnic or cultural factors, prison or delinquency records, youth or advanced age, or other conditions, especially in association with poverty, which constitute a barrier to employment. Services may also be provided to members of the families of disadvantaged clients, when such services are necessary for the evaluation or rehabilitation of the disadvantaged client.

Vocational Rehabilitation Act as amended by P.L. 90–391, Section 15.

Not funded.

Rehabilitation Services Administration, Social and Rehabilitation Service, U.S. Department of Health, Education and Welfare, Washington, D.C. 20201.

NATIONAL CENTER FOR DEAF-BLIND YOUTH AND ADULTS

The Vocational Rehabilitation Amendments of 1967 authorized the establishment and operation of a Center for vocational rehabilitation of handicapped individuals who are both deaf and blind. The purposes of the Center will be to demonstrate methods of providing intensive and specialized services for the deaf-blind, to train professional and allied personnel, to conduct research in the rehabilitation of the deaf-blind, and to aid in the conduct of related activities which will expand or improve the services, or help improve public understanding, of the problems of the deaf-blind.

Vocational Rehabilitation Act as amended by P.L. 90–99, Section 16.

Fiscal Year 1971 Appropriation—$3.1 million.

Fiscal Year 1972 Budget Request—$600,000

The center is under construction at the Industrial Home for the Blind, Brooklyn, New York.

Rehabilitation Services Administration, Social and Rehabilitation Service, U.S. Department of Health, Education and Welfare, Washington, D.C. 20201.

VOCATIONAL REHABILITATION SERVICES

Handicapped migrant agricultural workers

A program of project grants to State vocational rehabilitation agencies to pay 90 percent of the cost of pilot and demonstration projects to provide rehabilitation services for disabled migratory agricultural workers and to members of their families, if such services contribute to the rehabilitation of the worker.

Vocational Rehabilitation Act as amended by P.L. 90–99, Section 17.

Not funded.

Rehabilitation Services Administration, Social and Rehabilitation Service, U.S. Department of Health, Education, and Welfare, Washington, D.C. 20201.

VOCATIONAL REHABILITATION SERVICES FOR SOCIAL SECURITY BENEFICIARIES

Under agreements with the Social Security Administration, State agencies (usually the rehabilitation agency) make disability determinations on applicants for social security benefits, and make referrals for possible vocational rehabilitation services, so that the maximum number of such individuals may be rehabilitated into productive activity. Within certain limitations, Social Security Trust Funds up to one percent of the disability benefits paid in the preceding year, may be used to pay for necessary rehabilitation services from a State vocational rehabilitation agency, to selected disability beneficiaries.

Social Security Act as amended in 1965, Section 222(d) as added by Section 336 of P.L. 89–97.

Fiscal Year 1970 Expenditures—$21.5 million (from Social Security Trust Funds).

Fiscal Year 1971 Appropriation—$24,731,000.

Fiscal Year 1972 Budget Request—$28,700,000.

In FY 1970, this program served about 21,000 persons, of which 9,300 were rehabilitated.

Rehabilitation Services Administration, Social and Rehabilitation Service, U.S. Department of Health, Education, and Welfare. Washington, D.C. 20201.

VOCATIONAL REHABILITATION SERVICES

Vending stands for blind people

A program granting preference to blind persons in the operation of vending stands in Federal buildings. Randolph-Sheppard Act of 1936, P.L. 75–732.

At the end of fiscal year 1969, there were 836 stands on Federal properties employing 972 blind persons. In addition, there were 2,084 stands employing 2,287 blind persons on non-Federal installations.

Rehabilitation Services Administration, Social and Rehabilitation Service, U.S. Department of Health, Education and Welfare, Washington, D.C. 20201.

COMMITTEE ON PURCHASE OF BLIND-MADE PRODUCTS

(Wagner-O'Day Act)

A program to provide employment opportunities for the blind in the manufacture of products to be sold to the Federal Government.Wagner-O'Day Act of 1938, P.L. 75–739.

In fiscal year 1969, 78 workshops for the blind in 35 States sold approximately $23 million worth of goods to the Federal Government, providing employment to some 5,000 blind individuals.

Committee on Purchases of Blind-Made Products, 1511 K St. N.W., Washington, D.C. 20005.

REHABILITATION FACILITIES CONSTRUCTION

A program of grants and guaranteed loans to assist in the construction, modernization, and equipment of private nonprofit and public rehabilitation facilities.

Public Health Service Act as amended by P.L. 91–296, Title VI. (Hill-Burton program).

Fiscal Year 1970 Obligations—$3,655,282.

Fiscal Year 1971 Estimated Allocation—$15 million. (This represents an estimate of the amount of the total Hill-Burton appropriation that was allocated for rehabilitation facilities.)

Fiscal Year 1972 Budget Request—$15 million. (This represents an estimate of the total Hill-Burton budget request that will be allocated for rehabilitation facilities.)

A total of 26 projects for rehabilitation facilities received initial approval in Fiscal Year 1970. Since the incepton of the program, a total of 529 projects for rehabilitation facilities have been approved, with a Federal contribution of $126,614.

Health Care Facilities Service, Health Services and Mental Health Administration, U.S. Department of Health, Education and Welfare, Rockville, Maryland, 20852.

EDUCATION FOR THE HANDICAPPED

Preschool and school programs

A program of formula grants to State Departments of Education to assist them in the initiation, improvement, and expansion of educational and related services for handicapped children at the preschool, elementary, and secondary school levels.

Education of the Handicapped Act as amended by P.L. 91–230, Title VI–B.

Fiscal Year 1970 Obligations—$29.19 million.

Fiscal Year 1971 Appropriation—$34 million.

Fiscal Year 1972 Budget Request—$35 million.

Approximately 183,000 children are receiving services under the program in 1971.

Division of Education Services, Bureau of Education for the Handicapped, Office of Education, U.S. Department of Health, Education and Welfare, Washington, D.C. 20202.

Children in State-supported schools

A program of formula grants to strengthen education programs for children in State-operated or -supported schools for the handicapped.

Elementary and Secondary Education Act, Title I.

Fiscal Year 1970 Obligations—$37,483,000.

Fiscal Year 1971 Appropriation—$46,129,000.

Fiscal Year 1972 Budget Request—$46,129,000.

In FY 1970, 110,531 students in State schools for the handicapped received services supported by this program.

Division of Educational Services, Bureau of Education for the Handicapped, Office of Education, U.S. Department of Health, Education, and Welfare, Washington, D.C. 20202.

Supplementary educational centers and services

A program of formula grants to State agencies to fund local innovative or exemplary projects for the educational improvement of the handicapped.

Elementary and Secondary Education Act as amended, Title III.

Fiscal Year 1970 Obligations—$17,458,950 represents 15 percent of State's total Title III allotment.

Fiscal Year 1971 Appropriation—$16,438,160.

Fiscal Year 1972 Budget Request—$21.0 million.

Program data not available.

Division of Educational Services, Bureau of Education for the Handicapped, Office of Education, U.S. Department of Health, Education and Welfare, Washington, D.C. 20202.

Early education for handicapped children

A program of project grants to support model preschool and early childhood programs for handicapped children.

Education of the Handicapped as amended by P.L. 91-230, Part C, Section 623.

Fiscal Year 1970 Obligations—$3 million.

Fiscal Year 1971 Appropriation—$7 million.

Fiscal year 1972 Budget Request—$7.5 million.

In 1971, 40 centers are being supported to provide educational, diagnostic, and consultative services for preschool handicapped children and their parents.

Division of Educational Services, Bureau of Education for the Handicapped, Office of Education, U.S. Department of Health, Education and Welfare, Washington, D.C. 20202.

Vocational education programs for the handicapped

A program of formula grants to States to assist them in conducting vocational education programs. States must allocate 10 percent of their total allotment for vocational educational programs for the handicapped.

Vocational Education Amendments of 1968.

Fiscal Year 1970 Obligations—$36.0 million represents 10 percent of total grants to States for vocational education.

Fiscal Year 1971 Appropriation—$38.9 million.

Fiscal Year 1972 Budget Request—$38.4 million.

In FY 1970, about 26,000 handicapped students were enrolled in vocational education classes supported by this program.

Division of Educational Services, Bureau of Education for the Handicapped, Office of Education, U.S. Department of Health, Education and Welfare, Washington, D.C. 20202.

Media services and captioned films loan program

A program to advance the handicapped through film and other media. This includes a captioned film loan service for cultural and educational enrichment of the deaf; provision to contract for research in the use of educational and training films and other educational media for the handicapped and for their production and distribution and to contract for training persons in the use of such educational media for the handicapped; and authorization to establish and operate a National Center on Educational Media for the Handicapped.

Education for the Handicapped Act as amended by P.L. 91-230, Part E.

Fiscal Year 1970 Obligations—$4.75 million.

Fiscal Year 1971 Appropriation—$6 million.

Fiscal Year 1972 Budget Request—$6 million.

In 1970, 18 research projects and 8 training projects were supported.

Division of Educational Services, Bureau of Education for the Handicapped, Office of Education, U.S. Department of Health, Education, and Welfare, Washington, D.C. 20202.

Deaf-blind centers

A program of project grants to establish regional centers to provide all deaf-blind children the following: comprehensive diagnostic and evaluative services; a program for their education, adjustment, and orientation and effective consultative services for their parents, teachers, and others involved in their welfare.

Education of the Handicapped Act as amended by P.L. 91-230, Part C, Section 633.

Fiscal Year 1970 Obligations—$2 million.

Fiscal Year 1971 Appropriation—$4.5 million.

Fiscal Year 1972 Budget Request—$5 million.

In 1971, 10 model centers were supported.

Division of Educational Services, Bureau of Education for the Handicapped, Office of Education, U.S. Department of Health, Education, and Welfare, Washington, D.C. 20202.

Information and recruitment

A program of project grants to improve recruitment of educational personnel and to improve dissemination of information concerning educational opportunities for the handicapped.

Education of the Handicapped Act as amended by P.L. 91-230, Part D, Section 633.

Fiscal Year 1970 Obligations—$475,000.

Fiscal Year 1971 Appropriation—$500,000.

Fiscal Year 1972 Budget Request—$500,000.

Under this program, the Bureau carries on a project called "Closer Look," which, utilizing advertising in the media, urges parents of handicapped children to write for information on opportunities for their children. In 1970 there were about 30,000 inquiries received by the "Closer Look" project. This year they are averaging about 1,000 inquiries every week.

Division of Educational Services, Bureau of Education for the Handicapped, Office of Education, U.S. Department of Health, Education, and Welfare, Washington, D.C. 20202.

Children with specific learning disabilities

A program of project grants to provide for research, training of personnel and to establish and operate model centers for children with specific learning disabilities.

Education of the Handicapped Act as amended by P.L. 91-230, Part G, Section 661.

No authorization or appropriation for fiscal year 1970.

Fiscal Year 1971 Appropriation—$1 million.

Fiscal Year 1972 Budget Request—$1.5 million.

The program is expected to support 6 specific learning disabilities model centers in FY 1971 and 10 in FY 1972.

Division of Training Programs and Division of Research, Bureau of Education for the Handicapped, Office of Education, U.S. Department of Health, Education, and Welfare, Washington, D.C. 20202.

Library services

The Library Services and Construction Act as amended authorized formula grants to establish and improve library services in State institutions, including institutions for the handicapped, and to assist generally in extending library services to the physically handicapped, including the blind and other visually handicapped. Legislation in 1970 eliminated these specific programs and included library services for the handicapped as part of general library services being supported by Federal assistance, with the stipulation that the same amount allotted for library services for the handicapped in FY 1971 be allotted for such services in FY 1972.

Library Services and Construction Act as amended, Titles IV-A and IV-B; P.L. 91-600.

Fiscal Year 1970 Obligations—$1,334,000. This is for Title IV-B.

Library Services to the Handicapped only; funding for Title IV-A institutional assistance is not broken down to specify funding for handicapped.

Fiscal Year 1971 Appropriation—$1,334,000.

No separate budget for Fiscal Year 1972.

Almost every State has instituted some type of program to provide library services to the handicapped, sometimes in cooperation with the Library of Congress Division of the Blind and Physically Handicapped program. Workshops, institutes, and other programs are held to assist and inform teachers and school librarians.

Division of Library Programs, Bureau of Adult, Vocational, and Library Programs, Office of Education, U.S. Department of Health, Education and Welfare, Washington, D.C. 20202.

Regional resource centers

A program of projects and contracts to establish regional resource centers which provide advice and technical services in the educational diagnosis and remediation of handicapped children.

Education of Handicapped Act as amended by P.L. 91-230, Part C, Section 621.

Fiscal Year 1970 Obligations—$1.8 million.

Fiscal Year 1971 Appropriation—$3.55 million.

Fiscal Year 1972 Budget Request—$3.55 million.

In 1970, 6 regional resource centers were supported.

Division of Research, Buerau of Education for the Handicapped, Office of Education, U.S. Department of Health, Education and Welfare, Washington, D.C. 20202.

Research and related activities

A program of project grants to promote new knowledge and developments in the education of the handicapped.

Education of Handicapped Act as amended by P.L. 91-230, Part E, Section 641.

Fiscal Year 1970 Obligations—$13.06 million.

Fiscal Year 1971 Appropriation—$15 million.

Fiscal Year 1972 Budget Request—$15,455,000.

In 1970, 115 research and demonstration grants were awarded.

Division of Research, Bureau of Education of the Handicapped, Office of Education, U.S. Department of Health, Education and Welfare, Washington, D.C. 20202.

Research in physical education and recreation

A program of project grants for research and demonstration in the improvement of physical education and recreation programs for the handicapped.

Education of the Handicapped as amended by P.L. 91-230, Part E, Section 642.

Fiscal Year 1970 Obligations—$300,000.

Fiscal Year 1971 Appropriation—$300,000.

Fiscal Year 1972 Budget Request—$300,000.

In 1970, 4 research grants were supported.

Division of Research, Bureau of Education for the Handicapped, Office of Education, U.S. Department of Health, Education, and Welfare, Washington, D.C. 20202.

Personnel education

A program of project grants to assist in developing and improving training programs for educational personnel for the handicapped.

Education of the Handicapped as amended by P.L. 91-230, Part D, Sections 631 and 632.

Fiscal Year 1970 Obligations—$29.7 million.

Fiscal Year 1971 Appropriation—$31.9 million.

Fiscal Year 1972 Budget Request—$33,945,000.

In FY 1970, about 4,800 teachers and other education personnel received training under this program.

Division of Training Programs, Bureau of Education for the Handicapped, Office of Education, U.S. Department of Health, Education, and Welfare, Washington, D.C. 20202.

Training in physical education and recreation

A program of project grants to improve the quality and increase the supply of physical education and recreation personnel trained to work with the handicapped.

Education of the Handicapped as amended by P.L. 91–230, Part D, Section 634.

Fiscal Year 1970 Obligations—$300,000.

Fiscal Year 1971 Appropriation—$300,000.

Fiscal Year 1972 Budget Request—$700,000.

In FY 1970, the program supported 13 academic planning grants and 2 summer programs which served about 50 persons. In FY 1971, the program is supporting 15 planning and quasi-operational projects serving about 35 persons. In FY 1972, the program will fund 23 operational projects training about 100 students.

Division of Training Programs, Bureau of Education for the Handicapped, Office of Education, U.S. Department of Health, Education and Welfare, Washington, D.C. 20202.

Educational classroom personnel training

A program of project grants to increase the supply of regular educational personnel who understand and can effectively deal with handicapped children in regular classrooms, to improve the trainers and the training institutions for these personnel, to provide special education training for various kinds of specialists, and to develop training projects for persons who work with handicapped children in poverty areas.

Education Professions Development Act, Parts C and D.

Fiscal Year 1970 Obligations—$6.9 million.

Fiscal Year 1971 Appropriation—$6.9 million.

Fiscal Year 1972 Budget Request—$6.9 million.

In FY 1970, about 5,000 personnel received training under grants funded by this program.

Special Education Program, Bureau of Educational Personnel Development, Office of Education, U.S. Department of Health, Education and Welfare, Washington, D.C. 20202.

GALLAUDET COLLEGE

A private, nonprofit educational institution providing an undergraduate higher education program for the deaf, a preparatory school for deaf students who need such training to qualify for college admission, a graduate school program in the field of deafness, and adult education for deaf persons. It operates the Kendall School for deaf children (primarily from the District of Columbia) and a preschool program for very young deaf children. The college also has programs in research on deafness and on ways and means of assisting deaf persons in more adequately relating to a predominantly hearing environment. Federal funds provide slightly more than three-fourths of Gallaudet's operating costs.

The Columbia Institution for the Instruction of the Deaf and Dumb and Blind was incorporated by act of February 16, 1857. The name was finally changed to Gallaudet College by P.L. 83–420.

Fiscal Year 1970 Obligations—$4,853,000.

Fiscal Year 1971 Appropriation—$7,097,000.

Fiscal Year 1972 Budget Request—$11,260,000.

In school year 1969–1970, the college had enrollments of 989 in the undergraduate and preparatory programs, 62 in the graduate program, 214 in the Kendall School, and 50 in the preschool program. Gallaudet College, 7th and Florida Ave. N.W., Washington, D.C. 20002.

MODEL SECONDARY SCHOOL FOR THE DEAF

A school located at Gallaudet College, Washington, D.C., designed to provide an exemplary secondary education for deaf persons in order to prepare them for college or other advanced study.

Model Secondary School for the Deaf Act of 1966.

P.L. 89–694.

Fiscal Year 1970 Obligations—$567,000.

Fiscal Year 1971 Appropriation—$2,432,000.

Fiscal Year 1972 Budget Request—$17,460,000.

1971 was the first full year of operation of the educational component of the model secondary school. Emphasis was placed on the development of the individualized instruction program and curricular materials, on the refinement of administrative procedures and on the training of staff.

Model Secondary School for the Deaf, Gallaudet College, 7th and Florida Ave., N.E., Washington, D.C. 20002.

DEMONSTRATION ELEMENTARY SCHOOL FOR THE DEAF

A program to modify and enlarge the authority of Gallaudet College to maintain and operate the Kendall School as a demonstration elementary school for the deaf to serve primarily the National Capital area.

P.L. 91–587.

This is a new program with little to show as yet in terms of accomplishment.

Gallaudet College, 7th and Florida Ave. N.E., Washington, D.C. 20002.

NATIONAL TECHNICAL INSTITUTE FOR THE DEAF

A residential facility for post secondary technical training and education for persons who are deaf in order to prepare them for successful employment. It is located at the Rochester Institute of Technology, Rochester, N.Y.

National Technical Institute for the Deaf Act of 1965, P.L. 89–36.

Fiscal Year 1970 Obligations—$2,630,000.

Fiscal Year 1971 Appropriation—$19,744,000 of which $16,136,000 was for construction and shall remain available until expended.

Fiscal Year 1972 Budget Request—$4,119,000.

The program has 402 deaf students and 20 staff members and interns undergoing professional training.

National Technical Institute for the Deaf, Rochester Institute of Technology, 1 Lomb Memorial Drive, Rochester, New York 14623.

AMERICAN PRINTING HOUSE FOR THE BLIND

A nonprofit institute created in 1879 which supplies educational materials and tangible apparatus for education of the blind to blind children in schools for the blind, in public schools, and in private nonprofit institutions and to multi-handicapped children and adult trainees at rehabilitation centers

An Act of March 3, 1879 as amended.

Fiscal Year 1970 Obligations—$1,404,000.

Fiscal Year 1971 Appropriation—$1,517,000.

Fiscal Year 1972 Budget Request—$1,580,000.

Numbers of blind children served—1971 actual, 20,512; 1971 estimate, 21,222; 1972 estimate, 22,117.

American Printing House for the Blind, 1839 Frankfort Ave., Louisville, Ky. 40206.

BOOKS FOR THE BLIND AND PHYSICALLY HANDICAPPED

A program of library services to blind and physically handicapped residents of the United States and its territories through the dissemination of talking books, books in braille, and talking book machines.

Act to Provide Books for the Adult Blind, as amended by P.L. 87–765.

Fiscal Year 1970 Obligations—$6,985,000.

Fiscal Year 1971 Appropriation—$7,598,000.

Fiscal Year 1972 Budget Request—$8,536,000.

During the five-year period from 1966 to 1970, the number of readers requiring catalogs from which to select reading matter has grown from about 109,000 to almost 223,000, and circulation from approximately 4,470,000 units to over 6,280,000.

Division for the Blind and Physically Handicapped, Library of Congress, 1291 Taylor Street NW., Washington, D.C. 20542.

SOCIAL SECURITY

Disability insurance

A program to provide monthly cash payments to a person with a physical or mental impairment severe enough to keep him from working, if the disability has lasted (or is expected to last) for 12 months or longer. Each applicant is considered for services by the Vocational Rehabilitation Agency in his State. The Social Security Disability Insurance Trust Fund pays disability benefits to eligible persons throughout their periods of disability. In addition, a certain percentage of the fund pays the costs of vocational rehabilitation services to selected social security disability beneficiaries.

Social Security Act of 1935 as amended, Title II.

Fiscal Year 1970 Payments—$2,778 million (from the Disability Insurance Trust Fund).

Fiscal Year 1971 Estimated Payments—$3,231 million (subject to revision with enactment of P.L. 92–51 which provides for a 10 percent benefit increase).

Fiscal Year 1972 Estimated Payments—$3,416 million.

In fiscal year 1970, benefits were made to 1.4 million disabled workers totalling $2,206 million and to 1.1 million dependents of disabled workers totalling $572 million.

Bureau of Disability Insurance, Social Security Administration, U.S. Department of Health, Education, and Welfare, Baltimore, Maryland 21235.

AID TO THE BLIND

A program of financial help to the States to make income-maintenance payments to needy individuals who are blind.

Social Security Act of 1935 as amended, Titles X and XI.

Fiscal Year 1970 Expenditure—$56,297,000.

Fiscal Year 1971 Estimated Expenditures—$61,017,000.

Fiscal Year 1972 Budget Request—$65,434,000.

In 1970, the average monthly number of recipients of aid to the blind was 79,024 and the average monthly payment was $97.45. The total Federal, State and local expenditure for maintenance payments under the program was $92.4 million, with the Federal share amounting to $54,561,000.

Assistance Payments Administration, Social and Rehabilitation Service, U.S. Department of Health, Education and Welfare, Washington, D.C. 20201.

AID TO THE PERMANENTLY AND TOTALLY DISABLED

A program of financial help to the States to make income-maintenance payments to people who cannot support themselves because they have a permanent and total physical or mental impairment.

Social Security Act of 1935 as amended, Titles X and XI.

Fiscal Year 1970 Expenditure—$517,249,000.

Fiscal Year 1971 Estimated Expenditure—$575,987,000.

Fiscal Year 1972 Budget Estimate—$744,047,000.

In 1970, the average monthly number of recipients of aid to the permanently and totally disabled was 787,339 and the average monthly payment was $88.35. The total Federal, State, and local expenditure was $834,-

842,000, with the Federal share amounting to $490,034,000.

Assistance Payments Administration, Social and Rehabilitation Service, U.S. Department of Health, Education and Welfare, D.C. 20201.

SOCIAL SERVICES

Aid to the blind and to the permanently and totally disabled

A program of formula grants to the States to help the blind and the permanently and totally disabled, to the extent possible, achieve stronger family life, improved health and self-care, self-support in whole or in part, and reduced dependency. Services can include, according to the standards of the individual State, protective services, services which enable an individual to remain in or return to the community, appropriate services for support, and other services as the State may elect to provide.

Social Security Act, as amended, Titles XIV and XVI.

The Social Services program also serves aged recipients of public assistance and it is impossible to break out specific expenditures for any one recipient group. It is estimated that $50 to $55 million is spent on Social Security Services to the Blind and to the Permanently and Totally Disabled.

The Social Services program operates in only 38 to 40 of the States, and serves about 62 percent of the eligible recipients in those States. Division of Services to the Aged and Handicapped, Community Services Administration, Social and Rehabilitation Service, U.S. Department of Health, Education and Welfare, Washington, D.C. 20201.

MATERNAL AND CHILD HEALTH SERVICES

A program of formula grants which provides financial support to States to extend and improve services (especially in areas suffering from severe economic distress) for reducing infant mortality and improvement of the health of mothers and children. Some of these funds are used by States to conduct special clinics for mentally retarded children where diagnostic, counseling, treatment, and followup services are provided.

Social Security Act as amended, Title V, Section 503.

Fiscal Year 1970 Obligations—$107,856,000. (Includes grants for Crippled Children's Services)

Fiscal Year 1971 Appropriation—$117,850,000.

Fiscal Year 1972 Budget Request—$119,650,000.

In FY 1970, under this program 400,000 mothers received prenatal and postpartum care in maternity clinics. In addition, 1.65 million children attended well-baby clinics.

Maternal and Child Health Service, Health Services and Mental Health Administration, U.S. Department of Health, Education and Welfare, Rockville, Maryland 20852.

CRIPPLED CHILDREN'S SERVICES

A program of formula grants to provide financial support to States (especially in areas suffering from severe economic distress) for medical and related services to crippled children and children suffering from conditions that lead to crippling.

Social Security Act as amended, Title V, Section 504.

See fiscal data for Maternal and Child Health Services program.

In FY 1970, an estimated 480,000 children received physicians' services and 78,000 received inpatient hospital care under this program.

Maternal and Child Health Services, Health Services and Mental Health Administration, U.S. Department of Health, Education and Welfare, Rockville, Maryland 20852.

MATERNITY AND INFANT CARE PROJECTS

A program of project grants to help reduce the incidence of mental retardation and other handicapping conditions associated with childbearing and to help reduce infant and maternal mortality. The grants are used to find the more vulnerable patients early in pregnancy and make available a broad spectrum of diagnostic and specialist consultation services, provide hospitalization during the prenatal period as well as during labor and delivery, and provide for medical and intensive nursing care for prematurely born and other high risk infants. The program also supports health care projects for children and youth, particularly in areas where low-income families are concentrated and comprehensive dental care projects for children.

Social Security Act as amended, Title V, Section 508(a)(1).

Fiscal Year 1970 Obligations—$75,825,000.

Fiscal Year 1971 Appropriation—$83,350,000.

Fiscal Year 1972 Budget Request—$90,380,000.

55 projects were in operation as of January 1971. In fiscal year 1970, an estimated 128,000 maternity patients were admitted and 42,000 infants received health care in these projects. In 1970, 59 centers served 403,000 preschool and school-age children with comprehensive health care services. In FY 1971, the first year of the dental care program, about 10,000 children are expected to receive dental care services.

Maternal and Child Health Service, Health Services and Mental Health Administration, U.S. Department of Health, Education and Welfare, Rockville, Maryland 20852.

MATERNAL AND CHILD HEALTH RESEARCH

A program of project grants to support research projects relating to maternal and child health services or crippled children's services which show promise of substantial contribution to the advancement of such services.

Social Security Act as amended, Section 512.

Fiscal Year 1970 Obligations—$14,885,000. (Includes funds for training grants)

Fiscal Year 1971 Appropriation—$16,935,000.

Fiscal Year 1972 Budget Request—$21,106,000.

Studies funded through this program have aided development of better maternal and child health services programs which have contributed remarkably to the decrease in infant mortality. A nationwide study of the nutrition of preschool children is underway with pilot studies already completed.

Maternal and Child Health Service, Health Services and Mental Health Administration, U.S. Department of Health, Education, and Welfare, Rockville, Maryland 20852.

MATERNAL AND CHILD HEALTH TRAINING

A program of project grants to train personnel for health care and related services for mothers and children, particularly mentally retarded children and children with multiple handicaps.

Social Security Act as amended, Title V, Section 511.

See fiscal data for Maternal and Child Health Research.

In FY 1968, this program supported 149 training grants to institutions of higher learning under which 409 long-term trainees received training. An additional 323 trainees received short-term training in health-related fields.

Maternal and Child Health Service, Health Services and Mental Health Administration, U.S. Department of Health, Education, and Welfare, Rockville, Maryland 20852.

SOCIAL SECURITY

Special benefits for disabled coal miners

A program to provide cash benefits to coal miners who have become totally disabled due to pneumoconiosis (black lung disease) arising out of employment in underground coal mines, and for dependents of miners who die of this occupational disease.

Federal Coal Mine Health and Safety Act of 1969, P.L. 91-173.

Cumulative Benefit Payments from Jan. 1, 1970 through April 5, 1971—$242 million.

This is a new program and only started paying benefits on Jan. 1, 1970. As of April 5, 1971, benefits totalling $22 million a month are being paid to 68,000 miners, 48,600 widows, and 80,000 other beneficiaries. An additional 82,000 miners and 26,500 widows have had applications for benefits denied and are undergoing the appeal procedure.

Bureau of Disability Insurance, Social Security Administration, U.S. Department of Health, Education and Welfare, Baltimore, Maryland 21235.

MEDICAL ASSISTANCE PROGRAM (MEDICAID)

A program of financial assistance to States to administer medical assistance programs and pay for medical services that benefit certain groups of needy persons, and others at the option of the State. Among the groups for which Federal financial participation is available are the blind and the disabled public assistance recipients.

Social Security Act as amended, Title XIX.

Fiscal Year 1970 Federal Payments to States—$2,502 million.

Fiscal year 1971 Estimated Federal Payments—$3,072 million.

Fiscal Year 1972 Estimated Federal Payments—$3,650 million.

In FY 1970, 81,000 recipients of aid to the blind and 1,175,000 recipients of aid to the permanently and totally disabled received medical assistance under the Medicaid program.

Medical Services Administration, Social and Rehabilitation Service, U.S. Department of Health, Education and Welfare, Washington, D.C. 20201.

MENTAL HEALTH RESEARCH GRANTS

A program of project grants to develop new knowledge and approaches to the causes, diagnosis, treatment, control, and prevention of mental diseases of man through basic, clinical, and applied research, investigations, experiments, demonstrations, and studies. Areas of special interest include alcoholism, suicide prevention, early child care, metropolitan mental health problems, crime and delinquency, narcotics, and drug abuse.

Public Health Service Act, Section 301(d).

Fiscal Year 1970 Obligations—$84,796,000.

Fiscal Year 1971 Estimated Obligations—$90.6 million.

Fiscal Year 1972 Budget Request—$92.4 million.

90 research grants were supported in 1970.

Division of Extramural Research Programs, National Institute of Mental Health, Health Services and Mental Health Administration, U.S. Department of Health, Education and Welfare, Chevy Chase, Maryland, 20015.

MENTAL HEALTH TRAINING GRANTS

A program of project grants to increase the number and improve the quality of people working in the areas of mental health and mental illness by training professionals for clinical service, teaching and research, providing technical training for ancillary personnel, and by continuing education for existing mental health manpower.

Public Health Service Act, Sections 301, 303, and 433.

Fiscal Year 1970 Obligations—$118,335,000. (Funding for training grants and fellowships are combined in budgetary data).

Fiscal Year 1971 Estimated Obligations—$116,350,000.

Fiscal Year 1972 Budget Request—$113,300,000.

In 1970, 2,024 training grants were awarded.

Division of Manpower and Training Programs, National Institute of Mental Health, Health Services and Mental Health Administration, U.S. Department of Health, Education and Welfare, Chevy Chase, Maryland, 20015.

MENTAL HEALTH FELLOWSHIPS

A program of project grants to provide training for research relating to the problems of mental illness and mental health, and to raise the level of competence and to increase the number of individuals engaged in research.

Public Health Service Act, Sections 301 and 433.

See funding for training grants.

In 1970, 1,031 fellowships were awarded.

Behavioral Sciences Training Branch, Division of Manpower and Training Programs, National Institute of Mental Health, Health Services and Mental Health Administration, U.S. Department of Health, Education and Welfare, Chevy Chase, Maryland, 20015.

MENTAL HEALTH

Hospital staff development grants

A program of project grants to support staff development programs to increase the effectiveness of staff in mental health hospitals and to translate rapidly increasing knowledge into more effective services to patients.

Public Health Service Act, Section 303 (a) (1).

Fiscal Year 1970 Expenditures—$3,965,000.

Fiscal Year 1971 Estimated Expenditures—$3.6 million.

Fiscal Year 1972 Budget Request—$3.8 million.

In Fiscal Year 1970, the program supported 179 project grants.

Division of Mental Health Service Programs, National Institute of Mental Health, Health Services and Mental Administration, U.S. Department of Health, Education and Welfare, Chevy Chase, Maryland, 20015.

Hospital improvement grants

A program of project grants to provide funds to State mental hospitals for projects which will improve the quality of care, treatment, and rehabilitation of patients; encourage transition to open institutions; and develop relationships with community programs for mental health.

Public Health Services Act, Section 303 (a) (2).

Fiscal Year 1970 Expenditures—$7,491,000.

Fiscal Year 1971 Estimated Expenditures—$6.9 million.

Fiscal Year 1972 Budget Request—$5.9 million.

In Fiscal Year 1970, the program supported 89 project grants.

Division of Mental Health Service Programs, National Institute of Mental Health, Health Services and Mental Health Administration, U.S. Department of Health, Education and Welfare, Chevy Chase, Maryland 20015.

Construction of community mental health centers

A program of formula grants to provide funds to finance the building of community health centers. Such centers are intended to improve the organization and allocation of mental health services and to provide modern treatment and care.

Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 as amended.

Fiscal Year 1970 Obligations—$23,995,000.

Fiscal Year 1971 Estimated Obligations—$27,678,000.

No Fiscal Year 1972 Budget Request.

Since the inception of the program, 420 centers have received grant support for construction or staffing or both.

Division of Mental Health Service Programs, National Institute of Mental Health, Health Services and Mental Health Administration, U.S. Department of Health, Education and Welfare, Chevy Chase, Maryland, 20015.

Staffing of community mental health centers

A program of project grants to assist in the establishment and initial operation of community mental health centers by making grants to meet a portion of the costs of compensation of professional and technical personnel.

Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 as amended.

Fiscal Year 1970 Obligations—$47,622,000.

Fiscal Year 1971 Obligations—$90.1 million.

Fiscal Year 1972 Budget Request—$105.1 million.

In Fiscal Year 1972 the program will support 325 centers serving approximately 44 million persons.

Division of Mental Health Service Programs, National Institute of Mental Health, Health Services and Mental Health Administration, Chevy Chase, Maryland, 20015.

ST. ELIZABETHS HOSPITAL

St. Elizabeths Hospital provides treatment and care for the mentally ill who are either beneficiaries of the Federal Government or residents of the District of Columbia. Programs of the hospital are financed by Federal appropriations covering treatment and care of Federal beneficiaries and by reimbursements made to the hospital for services rendered other patient groups, principally residents of the District of Columbia. The hospital operates both inpatient and outpatient programs, as well as a community mental health center serving the Anacostia section of the District of Columbia.

Established by Act of March 3, 1855; transferred to Department of Health, Education and Welfare by Reorganization Plan 1 of 1953; Functions redelegated to National Institute of Mental Health by Secretary's reorganization order of August 9, 1967.

Fiscal Year 1970 Total Program costs—$41,884,000.

Fiscal Year 1971 Estimated Total Program costs—$44,960,000.

Fiscal Year 1972 Estimated Total Program costs—$48,508,000.

In 1970, the hospital treated 10,435 patients, and the Community Mental Health Center treated 1,549 patients.

St. Elizabeth's Hospital, Washington, D.C.

NATIONAL INSTITUTE OF MENTAL HEALTH

Direct operations

The NIMH carries out research and manpower development directly. Research in the behavioral and biological sciences includes psychiatry, socioeconomic studies, neurobiology, and neurochemistry and the special mental health problems of narcotic addiction, alcoholism, neuropharmacology, and clinical psychopharmacology. The manpower development direct program supports Institute staff who are responsible for planning and administration of the national mental manpower program including mental health manpower studies and the development of training programs for paraprofessionals.

Fiscal Year 1970 Obligations—Research—$26,797,000. Manpower Development—$5,678,-000.

Fiscal Year 1971 Estimated Obligations—$26,426,000, $5,810,000.

Fiscal Year 1972 Budget Request—$26,-942,000, $5,765,000.

National Institute of Mental Health, Health Services and Mental Health Administration, Chevy Chase, Maryland 20015.

MENTAL HEALTH SCIENTIFIC COMMUNICATIONS AND PUBLIC EDUCATION

A program to provide the fullest dissemination of mental health information through a full-scale program of scientific communications and public information and education activities serving the mental health professional community and the general public.

Public Health Service Act, Sections 301 and 315.

Fiscal Year 1970 Obligations—$4,019,000.

Fiscal Year 1971 Estimated Obligations—$4,831,000.

Fiscal Year 1972 Budget Request—$5,255,-000.

The National Clearinghouse for Mental Health Information, funded under this program serves as a central facility to coordinate information exchange in the mental health field and has become the foremost computerized repository of mental health and related research findings in the world.

Office of Communications, National Institute of Mental Health, Health Services and Mental Health Administration, U.S. Department of Health, Education and Welfare, Chevy Chase, Maryland 20015.

EYE RESEARCH

Grants

A program of research grants and conditional gifts made to universities, medical schools, hospitals, and other nonprofit institutions for research on the causes, prevention, diagnosis, and treatment of blinding eye diseases and visual disorders.

Public Health Service Act as amended, Section 301(d).

Fiscal Year 1970 Obligations—$16,807,000.

Fiscal Year 1971 Estimated Obligations—$20,754,000.

Fiscal Year 1972 Budget Request—$24,-525,000.

The program supported 350 research grants in 1970 and 391 in 1971.

National Eye Institute, National Institutes of Health, U.S. Department of Health, Education and Welfare, Bethesda, Maryland 20014.

Fellowships

A program of project grants providing support through fellowships to individuals sponsored by the institutions of their choice. It provides training opportunity in careers in research on visual disorders.

Public Health Service Act, Section 301(d)

Fiscal Year 1970 Obligations—$865,000.

Fiscal Year 1971 Estimated Obligations—$1,676,000.

Fiscal Year 1972 Budget Request—$876,-000.

The program provided support for 57 fellowships in 1970 and 123 in 1971.

National Eye Institute, National Institutes of Health, U.S. Department of Health, Education and Welfare, Bethesda, Maryland 20014.

Training grants

A program of project training grants to assist institutions in establishing, expanding or improving training opportunities for individuals interested in careers in research, teaching, administration, and services in the visual sensory fields.

Public Health Service Act as amended, Section 301(d).

Fiscal Year 1970 Obligations—$2,959,000.

Fiscal Year 1971 Estimated Obligations—$2,998,000.

Fiscal Year 1972 Budget Request—$2,225,-000.

The program supported 52 training grants in 1970 and 48 in 1971.

National Eye Institute, National Institutes of Health. U.S. Department of Health, Education and Welfare, Bethesda, Maryland 20014.

NATIONAL EYE INSTITUTE

The National Eye Institute carries out a direct research program in diseases of the eye and visual system. Laboratory and clinical studies conducted by Institute staff are directed toward increasing our knowledge and understanding of specific vision disorders. A close association between laboratory and clinic facilitates rapid and direct application of new knowledge to the treatment of eye patients. A small program of contract support to research and development organizations has been started to exploit and to accelerate the application of new knowledge to the treatment of visual disorders. The Institute also supports epidemiological investigations of the incidence and prevalence of eye diseases, and assistance to in-

house and extramural programs in the design of biostatistical studies of visual disorders.

Public Health Service Act as amended, Title IV, Part F.

Fiscal Year 1970 Obligations—$2,034,000.

Fiscal Year 1971 Estimated Obligations—$4,459,000.

Fiscal Year 1972 Budget Request—$4,798,000.

No program data other than that described above.

National Eye Institute, National Institutes of Health, Bethesda, Maryland 20014.

NATIONAL INSTITUTE OF NEUROLOGICAL DISEASES AND STROKE

The National Institute of Neurological Diseases and Stroke conducts and supports research and training programs to develop new knowledge on the diagnosis, treatment, and prevention of diseases of the central nervous system. Research is carried out by scientists working in the laboratories of the Institute and through grants and contracts. Programs are planned and coordinated to wage a concerted multidisciplinary attack against cerebrovascular disease, epilepsy, parkinsonism, multiple sclerosis, muscular disorders, head and spinal cord injury, and disorders of human communication.

Public Health Service Act as amended, Title IV, Part D.

Fiscal Year 1970 Obligations—Grants for Research, Fellowships, and Training—$71,627,000. Direct Operations—$25,187,000.

Fiscal Year 1971 Estimated Obligations—$75,884,000, $27,138,000.

Fiscal Year 1972 Budget Request—$72,143,000, $23,353,000.

In FY 1970, 1,277 research grants, 169 fellowships, and 219 training grants were supported by the Institute.

National Institute of Neurological Diseases and Stroke, National Institutes of Health, Bethesda, Maryland 20014.

NATIONAL INSTITUTE OF CHILD HEALTH AND HUMAN DEVELOPMENT

The National Institute of Child Health and Human Development conducts and supports research and training programs spanning the entire life cycle from conception through old age. Research covering both normal and abnormal development is carried out both at the Institute and through grants and contracts with other research organizations. Areas of concentration include development of the unborn and newborn, the intellectual and physical development of the young and the prevention and amelioration of mental retardation.

Public Health Service Act as amended, Title IV, Part E.

Fiscal Year 1970 Obligations—Grants for Research, Fellowships, and Training—$59,543,000. Direct Operations—$17,111,000.

Fiscal Year 1971 Estimated Obligations—$64,165,000, $30,320,000.

Fiscal Year 1972 Budget Request—$66,967,000, $35,565,000.

In FY 1970, the Institute supported 800 research grants, 199 fellowships, and 131 training grants.

National Institute of Child Health and Human Development, National Institutes of Health, Bethesda, Maryland 20014.

PRESIDENT'S COMMITTEE ON EMPLOYMENT OF THE HANDICAPPED

The President's Committee promotes employment opportunities for the physically and mentally handicapped through cooperation with Governors' Committees in the 50 States and with local community committees and with other public and private groups in promotional campaigns.

In 1949, P.L. 82–162 created the President's Committee on National Employ the Physically Handicapped Week; Executive Order 10640 of October 10, 1955, changed the name to the President's Committee on Employment of the Physically Handicapped; Executive Order 10994 of February 14, 1962, established the present Committee.

Fiscal Year 1970 Obligations—$575,000.

Fiscal Year 1971 Appropriation—$674,000.

Fiscal Year 1972 Budget Request—$726,000.

President's Committee on Employment of the Handicapped, Washington, D.C. 20210.

FEDERAL EMPLOYMENT FOR THE HANDICAPPED

The Federal Government provides employment opportunities to handicapped persons in positions for which they can apply. This supports the traditional concept of assuring equal opportunity to all citizens desiring Federal employment and is fully compatible with the goal of efficiency and economy in Government. It serves to focus attention on a frequently overlooked source of valuable manpower. The Civil Service Commission, as the central personnel agency for the Federal Government, has the responsibility for a positive Federal program for the selective placement for the handicapped. The Commission serves as a catalyst for a nationwide effort by coordinating all phases of the program with Federal agencies.

Civil Service Commission Act.

Fiscal and program data on funds spent on this program and numbers of persons assisted are not available in any way suitable for inclusion in this compilation.

Director of Public Policy Employment Programs, Manpower Sources Division, Bureau of Recruiting and Examining, U.S. Civil Service Commission, Washington, D.C. 20415.

EMPLOYMENT SERVICES

A program of project grants, advisory services and counseling, and specialized services designed to place persons in employment by providing services to individuals in need of preparation and placement in jobs and to employers seeking qualified individuals to fill job openings. Special services include special employment counseling services and placement assistance to physically and mentally handicapped persons seeking work in cooperation with other community agencies serving the handicapped, and priority in preferral, selection, and referral services to veterans seeking employment assistance, with preferential treatment for the disabled veteran.

Wagner-Peyser Act of 1933 as amended.

Fiscal and program data are difficult to break out from the total program of unemployment services.

U.S. Training and Employment Service, Washington, D.C. 20210.

MENTAL RETARDATION

Secretary's committee on mental retardation

The Secretary's Committee serves as a focal point for information on all aspects of the Department's mental retardation program and responds to requests for consultation and information from the general public as well as the professional community concerned with mental retardation.

Established by the Secretary of Health, Education and Welfare in March 1955.

Fiscal Year 1970 Expenditure—$111,000.

Fiscal Year 1971 Estimated Expenditure—$110,000.

Fiscal Year 1972 Budget Request—$110,000.

Secretary's Committee on Mental Retardation, U.S. Department of Health, Education and Welfare, Washington, D.C. 20201.

President's Committee on Mental Retardation

The Committee advises and assists the President on all matters pertaining to mental retardation; evaluates national, State, and local efforts; helps coordinate Federal activities; facilitates communication between Federal, State, and local agencies; informs the public about mental retardation; and mobilizes support for related activities.

Created by Executive Order 11280, dated May 11, 1966.

Fiscal Year 1970 Expenditure—$580,000.

Fiscal Year 1971 Estimated Expenditure—$550,000.

Fiscal Year 1972 Budget Request—$650,000.

President's Committee on Mental Retardation, Washington, D.C. 20201.

DISABLED VETERANS

Compensation for service-connected disability

A program of income replacement to compensate veterans for disabilities due to service based upon the average impairment in earning capacity such disability would cause in civilian occupations.

38 USC 310, 331.

Fiscal Year 1970 Expenditures—$2,393 million.

Fiscal Year 1971 Expenditures—$2,717 million.

Fiscal Year 1972 Expenditures—$2,908 million.

In 1970, a total of 2,064,994 disabled veterans received compensation averaging $1,159 a year.

Veterans Administration, Washington, D.C. 20420.

Pension for non-service-connected disability

A program of income support to assist veterans in need whose nonservice-connected disabilities are permanent and total and prevent them from following a substantially gainful occupation.

38 USC 510, 511, 512, 521.

Fiscal Year 1970 Expenditures—$1,357 million.

Fiscal Year Estimated Expenditures—$1,409 million.

Fiscal Year Budget Request—$1,441 million.

In 1970, a total of 1,105,103 veterans received pensions averaging $1,228 per case per year.

Veterans Administration, Washington, D.C. 20420.

Automobile grants

A subsidy program to provide financial assistance not to exceed $2,800 to certain disabled veterans toward the purchase price of an automobile or other conveyance.

38 USC 1901.

Fiscal Year 1970 Expenditures—$5,857,000.

Fiscal Year 1971 Estimated Obligations—$6,080,000.

Fiscal Year Budget Request—$20,640,000.

In fiscal year 1970, assistance was provided for the purchase of 3,665 automobiles and other conveyances at an average cost of $1,598 per conveyance.

Specially adapted housing

A program of grants to assist certain totally disabled veterans in acquiring a suitable housing unit, with special fixtures and facilities made necessary by the nature of the veterans' disabilities. P.L. 91–12 liberalized the eligibility requirements and set the maximum of such grant at $12,500.

Fiscal Year 1970 Obligations—$7,786,000.

Fiscal Year 1971 Estimated Obligations—$7.5 million.

Fiscal Year 1972 Budget Request—$7.5 million.

In FY 1970, a total of 599 housing grants were awarded.

Veterans Administration, Washington, D.C. 20420.

Vocational Rehabilitation Services

A program of training, advisory services and counseling, subsidies, and direct loans and repayable advances with the purpose of restoring employability, to the extent consistent with the degree of disablement, lost by virtue of a handicap due to a service-connected disability.

38 USC 1502.

Fiscal Year 1970 Obligations—$13,881,000.

Fiscal Year 1971 Estimated Obligations—$18,775,000.

Fiscal Year Budget Request—$21,350,000.

In FY 1970, a total of 24,457 disabled veterans underwent vocational rehabilitation services at an average cost per trainee of $568.

Veterans Administration, Washington, D.C. 20420.

Rehabilitation of blind veterans

A program of specialized services to assist eligible blind veterans to reorganize their lives under the condition of blindness and provide any necessary medical or health related services. Blind rehabilitation centers have been established at 3 VA hospitals to accomplish this purpose. Other services available for the rehabilitation of blind veterans include medical care, prosthetic services, outpatient care, vocational counseling and training, and compensation and pension benefits.

38 USC 3021.

As the program encompasses so many different VA programs, it is difficult to break out any dependable fiscal or program data on rehabilitation of blind veterans.

Veterans Administration, Washington, D.C. 20420.

Veterans medical care

A program of care and treatment of eligible beneficiaries in Veterans Administration hospitals, domiciliary and nursing care beds, restoration centers, outpatient clinics, contract care facilities, and State homes. Inpatient care is available to veterans receiving care for service-connected disabilities, veterans with service-connected compensable disabilities who can receive care for nonservice-connected disabilities if a bed is available, and veterans who can receive care for nonservice-connected disabilities if they are unable to pay for care elsewhere.

38 USC 601 and following.

Fiscal Year 1970 Obligations—$1,655 million.

Fiscal Year 1971 Estimated Obligations—$1,903 million.

Fiscal Year 1972 Budget Request—$2,027 million.

In FY 1970 the total average daily patient census in medical bed, surgical bed, and psychiatric bed sections of VA hospital facilities was 85,547 patients. Nursing home care facilities in 1970 had an average daily nursing patient census of 3,760. Domiciliary care facilities served an average of 11,998 patients daily, and restoration centers served an average of 667 patients a day. Veterans outpatient care facilities in 1970 provided care in 7,312,000 medical visits, 180,890 dental examinations, and 135,790 dental treatments.

Department of Medicine and Surgery, Veterans Administration, Washington, D.C. 20420.

Prosthetics appliances and services

A program to provide prosthetic and related appliances and services to disabled veterans so that they may live and work as productive citizens. Such items include artificial limbs, artificial eyes, wheelchairs, aids for blind, hearing aids, braces, orthopedic shoes, eyeglasses, crutches and canes, medical equipment, and medical supplies.

38 USC 601, 610, 612, 614, 617, 619, 623, 624, 1506, and 5013.

Fiscal Year 1971 Program Costs—$22,099,000.

Fiscal Year 1971 Estimated Program Costs—$26,495,000.

Fiscal Year 1971 Budget Request—$34,509,000.

In FY 1970, there were 553,629 veterans eligible for prosthetics services.

Prosthetic and Sensory Aids Service, Veterans Administration, Washington, D.C. 20420.

Prosthetics research

A program of project grants to develop new and improved prosthetic devices, sensory aids, and related appliances for the primary benefit of disabled veterans. Through comprehensive educational and informational programs, the results of such research are made available for the benefit of disabled throughout the world.

38 USC 216.

Fiscal Year 1970 Obligations—$1,597,000.

Fiscal Year 1971 Estimated Obligations—$2,123,000.

Fiscal Year Budget Request—$2,034,000.

Program data not available.

Prosthetic and Sensory Aids Service, Veterans Administration, Washington, D.C. 20420.

ARCHITECTURAL BARRIERS TO THE HANDICAPPED

A cooperative effort to eliminate barriers to access of the handicapped in existing buildings and in future construction. The National Commission on Architectural Barriers to Rehabilitation of the Handicapped, established by the 1965 Amendments to the Vocational Rehabilitation Act, made a nationwide survey of the forms and extent of barriers to free access to public and private buildings by handicapped people. Its findings and recommendations for future action were transmitted to the President and the Congress. Legislation was passed in 1968 requiring Federal buildings and all structures built with Federal aid to have ready access and full use of facilities by handicapped. The Rehabilitation Services Administration, along with other units of the Department of Health, Education and Welfare, as well as other Government agencies, such as the General Services Administration and the Department of Housing and Urban Development, are all working together to put the Commission's recommendations into effect.

Vocational Rehabilitation Act of 1965, P.L. 89–333; P.L. 90–480.

Rehabilitation Services Administration, Social and Rehabilitation Service, U.S. Department of Health, Education and Welfare, D.C. 20201.

HOUSING FOR THE HANDICAPPED

Rental assistance

A program to assist nonprofit, limited profit, or cooperative entities in providing new or rehabilitated rental and cooperative housing for lower income families. Housing may be designed primarily for use by elderly or handicapped families and individuals. Assistance is in the form of Federal interest reduction payments to mortgagee, reducing the amount the mortgagor must pay on the mortgage to the amount he would pay if the mortgage bore an interest rate of one percent.

National Housing Act, Section 236.

Fiscal Year 1970 Obligations—$733,000.

Fiscal Year 1971 Estimated Obligations—$20.85 million.

Fiscal Year 1972 Budget Request—$151.4 million.

In 1970 there were 5,437 rental assistance units under payment; in 1971 this number is expected to increase to 94,700 units. The program assists other low-income groups besides the elderly and handicapped, so the actual number of units serving the handicapped is actually very low.

Federal Housing Administration, U.S. Department of Housing and Urban Development, Washington, D.C.

Mortgage insurance

A program of assistance to nonprofit or profit entities, and public agencies, to provide new or rehabilitated rental housing for elderly or handicapped families and individuals. For rehabilitated housing, the insured mortgage amount may be up to 100 percent of value at completion for a public or nonprofit project and 90 percent for profit sponsors. For new construction, the mortgage amount may be up to 100 percent of estimated replacement cost for public or nonprofit projects and 90 percent for profit sponsors.

National Housing Act, Section 231.

At the end of Fiscal Year 1970, there were 177 insurance contracts in force under this program for a total of $293 million.

Federal Housing Administration, U.S. Department of Housing and Urban Development, Washington, D.C.

A program to assist local housing authorities, Indian Tribal housing authorities, and other authorized public agencies in providing decent, safe, and sanitary housing for low-income families and individuals at rents they can afford, not in excess of 25 percent of tenants income. The handicapped are among eligible tenants, and housing may be designed to relate to their needs. The program provides annual contributions to local housing authorities to cover the debt service on bonds sold to finance the acquisition or construction of dwellings and, with limitations, the difference between operating income and operating expense. An additional subsidy of $10 per month may be provided for units occupied by special classes of tenants, including the handicapped.

United States Housing Act of 1937.

Fiscal Year 1970 Obligations—$459,503,000.

Fiscal Year 1971 Estimated Obligations—$654.5 million.

Fiscal Year 1972 Budget Request—$824.5 million.

In 1970 there were 830,454 dwellings eligible for assistance. Only a small percentage of them would have been dwellings for the handicapped.

Federal Housing Administration, U.S. Department of Housing and Urban Development, Washington, D.C.

PLANNING AND DESIGN OF MASS TRANSPORTATION FACILITIES TO MEET SPECIAL NEEDS OF THE ELDERLY AND THE HANDICAPPED

The Urban Mass Transportation Assistance Act of 1970 declared the national policy to be that elderly and handicapped persons have the same right as other persons to utilize mass transportation facilities and services; that special efforts shall be made in the planning and design of mass transportation facilities and services so that the availability to elderly and handicapped of mass transportation which they can effectively utilize will be assured; and that all Federal programs offering assistance in the field of mass transportation should contain provisions implementing this policy. The legislation authorizes grants and loans for the specific purpose of assisting in providing such services. In addition, the legislation provides that 1½ percent of all research, development, and demonstration grants be set aside and used to increase the information and technology related to this problem.

Urban Mass Transportation Assistance Act of 1970, P.L. 91–453, Section 16.

There has not been enough time since the enactment of this provision on October 15, 1970, for any specific accomplishments for the handicapped to have been made.

Urban Mass Transportation Administration, U.S. Department of Transportation, Washington, D.C. 20590.

HOUSING FOR THE HANDICAPPED

Homeownership assistance

A program to assist lower income families in acquiring homeownership or membership in a cooperative. The handicapped are eligible clients. Insured mortgage limits are $18,000 for small families ($21,000 in high cost areas) and $21,000 for large families ($24,000 in high cost areas). The program includes Federal payments to the mortgage to reduce interest costs on the mortgage to as low as one percent.

National Housing Act, Section 235.

Fiscal Year 1970 Obligations—$22,190,000

Fiscal Year 1971 Estimated Obligations—$94.5 million

Fiscal Year 1972 Budget Request—$299 million

In 1970 there were 65,654 units under payments in this program; by 1972 this number is expected to increase to 410,000 units. Only a small precentage of these units serve the handicapped.

Federal Housing Administration, U.S. Department of Housing and Urban Development, Washington, D.C.

Congregate housing

A program to provide housing for the handicapped (also the elderly and the displaced) which need not contain individual

kitchen facilities and which may contain community kitchens, common dining areas, and other shared facilities. Mortgages covering such projects may be insured under Section 221 of the National Housing Act and the projects may receive financial assistance under the Section 236 Program and the Rent Supplement Program, as well as the Low-Rent Public Housing Program.

Housing and Urban Development Act of 1970.

This is a new program, with no available fiscal or program data.

Federal Housing Administration, U.S. Department of Housing and Urban Development, Washington, D.C.

CONCLUSION OF MORNING BUSINESS

Mr. BYRD of West Virginia. Mr. President, is there further morning business?

The PRESIDING OFFICER (Mr. KENNEDY). Is there further morning business? If not, morning business is concluded.

CREATION OF A LIMITED COPYRIGHT IN SOUND RECORDINGS

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 74, S. 646.

The PRESIDING OFFICER (Mr. KENNEDY). The bill will be stated by title.

The legislative clerk read as follows:

S. 646, to amend title 17 of the United States Code to provide for the creation of a limited copyright in sound recordings for the purpose of protecting against unauthorized duplication and piracy of sound recording, and for other purposes.

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

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with amendments on page 2, line 9, after the words "copyrighted sound recording; or to", to strike out "single ephemeral recordings" and insert "reproductions"; in line 10, after the words "made by transmitting organizations", insert "exclusively"; in line 10, after the words "Sound recordings", to strike out "other than fixations of sound accompanying a motion picture"; on page 3, line 10, after the words "on the surface", to insert "of reproductions"; in line 10, after the words "considered to be a copy thereof.", insert the following:

"Sound recordings" are works that result from the fixation of a series of musical, spoken, or other sounds, but not including the sounds accompanying a motion picture. "Reproductions of sound recordings" are material objects in which sounds other than those accompanying a motion picture are fixed by any method now known or later developed, and from which the sounds can be perceived, reproduced, or otherwise communicated, either directly or with the aid of a machine or device, and include the "parts of instruments serving to reproduce mechanically the musical work," "mechanical reproductions," and "interchangeable parts, such as discs or tapes for use in mechanical music-producing machines" referred to in sections 1(e) and 101(e) of this title.

SEC. 2. That title 17 of the United States Code is further amended in the following respect:

In section 101, title 17 of the United States Code, delete subsection (e) in its entirety and substitute the following:

"(e) INTERCHANGEABLE PARTS FOR USE IN MECHANICAL MUSIC-PRODUCING MACHINES.—Interchangeable parts, such as discs or tapes for use in mechanical music-producing machines adapted to reproduce copyrighted musical works, shall be considered copies of the copyrighted musical works which they serve to reproduce mechanically for the purposes of this section 101 and sections 106 and 109 of this title, and the unauthorized manufacture, use, or sale of such interchangeable parts shall constitute an infringement of the copyrighted work rendering the infringer liable in accordance with all provisions of this title dealing with infringements of copyright and, in a case of willful infringement for profit, to criminal prosecution pursuant to section 104 of this title. Whenever any person, in the absence of a license agreement, intends to use a copyrighted musical composition upon the parts of instruments serving to reproduce mechanically the musical work, relying upon the compulsory license provision of this title, he shall serve notice of such intention, by registered mail, upon the copyright proprietor at his last address disclosed by the records of the copyright office, sending to the copyright office a duplicate of such notice.";

On page 5, line 9, to strike "SEC. 2." and insert "SEC. 3"; after the word "three", insert "four"; in line 10, following the words "months after its enactment", insert "except that section 2 of this Act shall take effect immediately upon its enactment"; and in line 12, following the words "United States Code", insert "as amended by section 1 of this Act," so as to make the bill read:

S. 646

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title 17 of the United States Code is amended in the following respects:

(a) In section 1, title 17, of the United States Code, add a subsection (f) to read:

"To reproduce and distribute to the public by sale or other transfer of ownership, or by rental, lease, or lending, reproductions of the copyrighted work if it be a sound recording: *Provided,* That the exclusive right of the owner of a copyright in a sound recording to reproduce it is limited to the right to duplicate the sound recording in a tangible form that directly or indirectly recaptures the actual sounds fixed in the recording: *Provided further,* That this right does not extend to the making or duplication of another sound recording that is an independent fixation of other sounds, even though such sounds imitate or simulate those in the copyrighted sound recording; or to reproductions made by transmitting organizations exclusively for their own use."

(b) In section 5, title 17, of the United States Code, add a subsection (n) to read:

"Sound recordings."

(c) In section 19, title 17, of the United States Code, add the following at the end of the section: "In the case of reproductions of works specified in subsection (n) of section 5 of this title, the notice shall consist of the symbol P (the letter P in a circle), the year of first publication of the sound recording, and the name of the owner of copyright in the sound recording, or an abbreviation by which the name can be recognized, or a generally known alternative designation of the owner: *Provided,* That if the producer of the sound recording is named on the labels or containers of the reproduction, and if no other name appears in conjunction with the notice, his name shall be considered a part of the notice."

(d) In section 20, title 17, of the United States Code, amend the first sentence to read: "The notice of copyright shall be applied, in the case of a book or other printed publication, upon its title page or the page immediately following, or if a periodical either upon the title page or upon the first page of text of each separate number or under the title heading, or if a musical work either upon its title page or the first page of music, or if a sound recording on the surface of reproductions thereof or on the label or container in such manner and location as to give reasonable notice of the claim of copyright."

(e) In section 26, tilte 17, of the United States Code, add the following at the end of the section: "For the purposes of this section and sections 10, 11, 13, 14, 21, 101, 106, 109, 209, 215, but not for any other purpose, a reproduction of a work described in subsection 5(n) shall be considered to be a copy thereof. "Sound recordings" are works that result from the fixation of a series of musical, spoken, or other sounds, but not including the sounds accompanying a motion picture. "Reproductions of sound recordings" are material objects in which sounds other than those accompanying a motion picture are fixed by any method now known or later developed, and from which the sounds can be perceived, reproduced, or otherwise communicated, either directly or with the aid of a machine or device, and include the "parts of instruments serving to reproduce mechanically the musical work," "mechanical reproductions," and "interchangeable parts, such as discs or tapes for use in mechanical music-producing machines" referred to in sections 1(e) and 101(e) of this title.

SEC. 2. That title 17 of the United States Code is further amended in the following respect:

In section 101, title 17 of the United States Code, delete subsection (e) in its entirety and substitute the following:

"(e) INTERCHANGEABLE PARTS FOR USE IN MECHANICAL MUSIC-PRODUCING MACHINES.—Interchangeable parts, such as discs or tapes for use in mechanical music-producing machines adapted to reproduce copyrighted musical works, shall be considered copies of the copyrighted musical works which they serve to reproduce mechanically for the purposes of this section 101 and sections 106 and 109 of this title, and the unauthorized manufacture, use, or sale of such interchangeable parts shall constitute an infringement of the copyrighted work rendering the infringer liable in accordance with all provisions of this title dealing with infringements of copyright and, in a case of willful infringement for profit, to criminal prosecution pursuant to section 104 of this title. Whenever any person, in the absence of a license agreement, intends to use a copyrighted musical composition upon the parts of instruments serving to reproduce mechanically the musical work, relying upon the compulsory license provision of this title, he shall serve notice of such intention, by registered mail, upon the copyright proprietor at his last address disclosed by the records of the copyright office, sending to the copyright office a duplicate of such notice."

SEC. 3. This Act shall take effect four months after its enactment except that section 2 of this Act shall take effect immediately upon its enactment. The provisions of title 17 of the United States Code as amended by section 1 of this Act, shall apply only to sound recordings fixed, published, and copyrighted on and after the effective date of this Act and nothing in title 17 of the United States Code shall be applied retroactively or be construed as affecting in any way any rights with respect to sound recordings fixed before that date.

Mr. McCLELLAN. Mr. President, S. 646, as reported by the Committee on the Judiciary, amends the Copyright Act of 1909 to establish a limited copyright in sound recordings, and provides stronger

damage provisions in the event of a violation of the mechanical royalty section of the copyright law. The legislation, of which I am the principal sponsor, is cosponsored by the distinguished senior Senator from Pennsylvania (Mr. SCOTT), the senior Senator from Texas (Mr. TOWER), the senior Senator from Tennessee (Mr. BAKER), and the junior Senator from California (Mr. TUNNEY).

The recent rapid increase in the unauthorized commercial duplication of legitimate recordings has become a serious problem both in this country and abroad. The widespread availability of inexpensive equipment has encouraged extensive commercial pirating of recordings and tapes. While it is difficult to establish the exact volume or dollar value of current pirating it is estimated by reliable trade sources that the annual volume of such piracy is now in excess of $100 million. The pirating of records and tapes is not only depriving legitimate manufacturers of substantial income, but performing artists and musicians are being denied royalties and contributions to pension and welfare funds. Federal and State Governments are losing tax revenues. By granting a limited copyright in sound recordings this legislation will make a major contribution to the suppression of this unethical and unfair business competition.

The Committee on the Judiciary on April 21 received a report from the Department of State declaring that the Department "fully supports S. 646 and recommends its early enactment into public law." The Department of State indicates that the United States is playing an active role in the development of an international treaty that would include provisions similar to S. 646. The report of the Department further states that:

> United States ratification of or adherence to the proposed treaty depends, of course, upon enactment of a domestic law such as S. 646. Accordingly, passage of the proposed legislation is necessary to give the Department of State an effective basis for continuing its efforts to secure international protection for American sound recordings.

The Committee on the Judiciary has been informed that the Library of Congress and the Copyright Office are "fully and unqualifiedly in favor of the purpose the bill is intended to fulfill." I concur in the view of these agencies that "the national and international problem of record piracy is too urgent to await comprehensive action on copyright law revision."

This legislation in no way restricts fair business competition in the production of phonograph records and tapes. By virtue of the mechanical royalty compulsory license, any record manufacturer is authorized to use a copyrighted song that has been licensed for use in a recording. Any of the so-called pirates who wish to make the investment in production and talent that is being made by the legitimate record companies may make use of the same copyrighted songs.

The extension of copyright protection to recordings has been recommended by the Copyright Office after protracted study in connection with the general revision of the copyright law. This legislation has the support of all segments of the artistic community—authors, composers, performers, music publishers, and record companies. At the executive session of the Judiciary Committee which considered this bill there was no opposition indicated by any of the members who were present. I urge the Senate to pass S. 646 as reported and pass it today.

Mr. President, I have received a number of communications supporting this bill from interested parties and organizations.

Mr. President, I ask unanimous consent that there be printed at this point in the RECORD a few of the many letters which I have received describing the need for this legislation.

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

NATIONAL TAPE DISTRIBUTORS OF NEW JERSEY, INC.,
Linden, N.J., March 29, 1971.

Hon. Senator JOHN L. MCCLELLAN,
Chairman of the Sub-Committee on Patents, Trademarks, and Copyrights, The Senate, U.S. Capitol, Washington, D.C.

DEAR SENATOR MCCLELLAN: This is to inform you of my feelings toward your recently introduced antipiracy Bill #S646. As Director of Sales on the East Coast for my company, I speak for my entire sales force when I say we've long awaited introduction of such a Bill as #S646. I cannot emphasize enough, how important it is to us to have this Bill become a law as soon as possible.

In my three years with National Tape Distributors, I have seen what was a minor backroom counterfeit problem grow into what is today; a mass array of illegal duplicators of Pre-recorded Music. These pirates who illegally duplicate music pay no royalties nor taxes and are simply stealing. Their stealing from: legal recording companies, recording artists, distributors, retail stores, and most important the buying public who can't always tell the difference between "Bootleg" and honest merchandise. They soon find out though because in most cases "Bootleg" recordings are of poor quality and carry no guarantee of workmanship to protect the consumer. Now I ask you is it fair that all these taxpayers lose out to bands of thieves who could care less who is hurt by their get rich quick scheme's all because there are no adequate laws against such cheating? But now there is a way to curb this piracy and I hope you will do your part by voting for the passage of Bill #S646.

Not too long ago I received in the mail from one of my salesmen a "Bootleg" tape and a letter. In the letter he asked me if there was anything that could be done to stop the sale of "Bootleg" tapes to his stores. In the past year he has lost thousands of dollars in sales because of this "Bootleg" problem which for him only means dollars lost in commissions. He was looking to me for help. Now we are looking toward you.

Respectfully,
THOMAS J. CATANZARITE,
Director of Sales.

D. & D. DISTRIBUTING CO.,
March 31, 1971.

Senator JOHN L. MCCLELLAN (Ark.),
Chairman, Subcommittee on Patents, Trademarks, and Copyrights, Senate Committee on the Judiciary, U.S. Senate, Washington, D.C.

DEAR SENATOR MCCLELLAN: I urge you to do everything you can to speed through passage of "Bill S-646" the bill for Piracy which you introduced on February 8, 1971.

I am manager of the Phonograph Record and Tape Division of the D&H Distributing Company with branches in Harrisburg, Pa., and Baltimore, Md., servicing over 600 Record and Tape Dealers in the states of Penna., Md., Va., W. Va., and Delaware.

In the past year piracy has become so flagrant in our markets as to affect the competitive position of many legitimate dealers and place them in a position that they have been forced to give almost if not all of their profits away in order to keep many of their customers.

These pirates have gone to the extreme of offering their pirated tapes to dealers and even gas stations on a consignment basis. Many of these don't even realize that this merchandise is pirated, others are advertising in their stores that these records and tapes are "Bootlegged and Pirated" and are offering them at ridiculously low prices.

One of our largest tape customers who has been fighting this situation competitively all along is now considering buying duplicating equipment to make his own pirated tapes in order to maintain his business and the image it has taken him years to build.

If this bill is not passed quickly I can see more legitimate retailers giving up the fight and joining these pirates to get a piece of the action I can also envision dealers and distributors like ourselves who refuse to buy these tapes and who refuse to sell even legitimate merchandise to dealers who handle these bootlegged and pirated tapes suffering loss of sales, profits and potential legitimate growth in what could be a beautiful industry. It will be discouraging to see pirating responsible for as many dollars at retail as legitimate product.

We can't afford to fight these people in civil courts where we would be wasting our time, effort and money.

Your introduction of this bill points out your concern for the effect these people have on our economy, now please don't let this thievery go on and on.

Hopefully,
DAVID PRESS,
Manager, Record—Tape Division.

GRT CORPORATION,
Sunnyvale, Calif., February 16, 1971.

Senator JOHN L. MCCLELLAN,
New Senate Office Building,
Washington, D.C.

DEAR SENATOR MCCLELLAN: Needless to say, I am delighted that you reintroduced bill S. 4592 (now S. 646) amending the copyright statute "to provide for the creation of a limited copyright in sound recordings for the purpose of protecting against unauthorized duplication and piracy of sound recordings, and for other purposes." The import of this bill cannot be underestimated.

Not a single day passes that I do not receive a field report of new incursions by bootleggers into my business. How is a legitimate businessman to compete with someone with a fraction of the expenses who is therefore able to sell the product for a fraction of the price, said advantage being gained by unlawful appropriation?

This mighty nation of ours was built upon the cornerstone of Adam Smith's philosophy of free enterprise. And for decades the federal government has been passing laws encouraging competition while seeking to dissuade unfair business methods. The present situation of tape piracy is just such an area which needs federal safeguards to foster "legitimate" competition.

Your leadership in this area is setting an example to all Americans of the function of the federal government in fostering and preserving our system of free enterprise. Keep up the good work.

Very truly yours,
ALAN J. BAYLEY,
President.

COUNTRY MUSIC ASSOCIATION, INC.,
Nashville, Tenn., April 13, 1971.

Senator JOHN L. MCCLELLAN,
Chairman, Subcommittee on Patents, Trademarks, and Copyrights, Senate Office Building, Washington, D.C.

DEAR SENATOR MCCLELLAN: The Country Music Association is an international trade

organization consisting of some 3,000 members divided into twelve categories.

The bootlegging and counterfeiting of musical recordings is a menace to all of our membership. The Country Music Association strongly urges your support of the Anti-Piracy Bill and strongly recommends that the bootlegging and counterfeiting of musical recordings be made a federal offense.

I am sure that I do not need to point out to you and other members of your Committee the evils of piracy in any field. We can, however, cite examples of this evil in the music industry and shall be happy to do so, if the information is needed.

Thank you very much for your consideration.

Sincerely,

(Mrs.) Jo Walker.

Bender & Wiggins Music Co.,
Clinton, Iowa, March 5, 1971.

Subject: Bill #S 646 Anti-Piracy.

Senator John L. McClellan,

U.S. Senate, Senate Committee on the Judiciary, Washington, D.C.

Dear Senator McClellan: I know you have received many letters from the so-called "biggies" in regards to anti-piracy. As an ordinary music store, quite frequently sales representatives freely try to sell us copies of the original at a much reduced price. It is quite tempting, especially with keeping the doors open not too easy any more. However, we have not done it. The salesmen tell us we are very foolish because many do it and make a much finer profit. However, I believe there should be some ethics in business.

We would be much more interested if our government would practice economy and cut the ridiculous inflationary period we are going through back to normal.

I have a suggestion: Ever think of what would happen if steel, for instance, instead of going along with strike requests they would hold the line and cut the cost of basic steel 10%. I am sure if a lot of this was done, our inflation would be controlled. However, the government would lose quite a chunk in payroll taxes through losing the added raises in pay.

Sincerely,

Art J. Bender.

D. & H. Distributing Co.,
Baltimore, Md., April 14, 1971.

Senator John L. McClellan,

Chairman, Subcommittee on Patents, Trademarks, and Copyrights, Senate Committee on the Judiciary, Washington, D.C.

Dear Senator McClellan: As Salesmanager for D&H Distributing Company in their Tape Division, the situation has come to pass whereby we are being punished business-wise because of bootleg and counterfeit tapes that are circulating in our market by many companies. This is affecting not only us, but many of our dealers who try to be legitimate and not handle this type of merchandise.

We feel the time has come for copyright laws to be passed that will afford protection for us and the people with whom we do business.

Thanking you for your consideration, I remain,

Yours truly,

A. E. Vogt,
Manager, Record and Tape Division.

Motown Record Corp.,
March 1, 1971.

Hon. John L. McClellan,
Senate Office Building,
Washington, D.C.

Dear Senator McClellan: I am writing as a concerned member of the recording industry with respect to legislation now pending in the Senate of the United States, Bill #S.646, regarding limited copyright in sound recordings aimed at the problem of record and tape piracy.

For myself personally and for not only those of us at Motown Record Corporation but our colleagues in the record industry, we strongly endorse this legislation and concur entirely your statement of December 18, 1970 on this subject.

In view of the fact that this legislation is noncontroversial in nature and has been endorsed by the Senate Sub-committee; the Copyright Office via L. Quincy Numford, the Librarian of Congress; and the House of Representatives, I would certainly hope and request that prompt and speedy action on this legislation could take place in the Senate.

I am further advised that certain international conferences and conventions are presently taking place which would greatly lend to the elimination of piracy in foreign territories. As you probably know, as bad as this problem is in the United States there are certain foreign territories where this problem is even worse. It is very encouraging to see a worldwide awareness of this problem and concrete steps being taken to create a legislative framework within which to deal in a lawful and regulated manner with this problem.

I understand that for American Record Companies and their artists and producers to be effectively protected by the international agreements now pending, it is necessary for the instant legislation granting limited copyright in sound recordings to become law. This is, of course, an extremely important additional reason I am personally requesting your favorable and prompt consideration of this legislation.

I am sure it can conservatively be estimated that the artists, the producers, the musicians (through A.F. of M.), as well as the owners of the master tapes are, by the illegal acts of the pirates, being deprived of enormous sums to which they are rightfully entitled. The passage of this legislation could possibly, in its own way, assist in keeping the price of sound recordings at or close to their present level rather than being raised and contributing to inflation.

Sincerely yours,

Ralph L. Seltzer,

Mr. HART. Mr. President, the able Senator from Arkansas has correctly reported to the Senate the course that the pending bill followed in the subcommittee and the full committee. Most particularly, when the bill was considered at the executive session of the full committee, no opposition and no questions were raised. Unfortunately, my schedule had me in attendance at a hearing of the Commerce Committee in Seattle, Wash. on the day of the executive session of the Judicial Committee. As a consequence, the questions I raise now were not raised in committee. For this, I am in a sense apologetic.

Mr. President, the Founding Fathers authorized Congress to exercise legislative power "to promote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries." This grant of and limit upon the power of Congress has given rise to copyright protection, a power to impose "a tax on readers for the purpose of giving a bounty to writers." T. Macaulay, Speeches on Copyright 25—C. Gaston, ed., for 1914.

Although there is little by way of "legislative history" on this provision of the Constitution, it is clear that copyright protection was intended to benefit "authors" of "writings" for a limited period of time in order to promote the progress of science and the useful arts. Like the other constitutional delegations of authority to Congress, the copyright clause is both a grant of power and a limitation upon the power of Congress to act in this field.

The bill pending before the Senate, S. 646, is sound in purpose, troublesome in design, and vague in reach. Its purpose is to prevent record "piracy," both the illegal form of piracy, where statutory copyright is not paid and legal piracy where all statutory liabilities are met. The latter practice is characterized by the committee report as unauthorized as well as the former; even though the latter complies with all that the law requires. The committee report makes no measure of the extent of the problem, the availability of alternative remedies, nor the effectiveness of the remedy chosen. Indeed, the report implicitly acknowledges that this activity is a recent phenomenon. The report is a further indication that rapid technological change may have left us with an inadequate legislative record from which to formulate precise remedies for carefully defined wrongs.

The bill is troublesome in design since the protection granted is not precisely located. The committee report acknowledges that "the copyrightable work comprises the aggregation of sounds and not the tangible medium of fixation." However the report then goes on to state:

> The copyrightable elements in a sound recording will usually, though not always, involve "authorship" both on the part of performers whose performance is captured and on the part of the record producer responsible for setting up the recording session, capturing and electronically processing the sounds, and compiling and editing them to make the final sound recording.

Consequently, the location of copyright protection is left unclear—is it in the performer, the recorder, or the record—as the report acknowledges. Granting copyright to the record would seem inconsistent with the constitutional grant to provide copyright protection where one cannot be classified as an author of a writing.

The reach of the proposed bill is vague even if authorship is located. The "author" is granted the exclusive right to "reproduce and distribute to the public by sale or other transfer of ownership, or by rental, lease, or lending, reproductions of the copyrighted work." A proviso limits the right of reproduction to the duplication of the sound recording in a "tangible form that directly or indirectly recaptures the actual sounds fixed in the recording." The committee report does not define the reach of this grant of exclusivity to reproduce and distribute. How much further the right extends beyond exclusion of a "pirate" to reproduce an exact copy on a disc or tape is not clear. In a field of rapid technological change we should be careful not to erect barriers to the evolution of technology.

In part, my confusion results from the use of the copyright grant to attack the problem of record piracy. Presumably, the committee believes record piracy imperils the investment of risk capital in the recording industry, although no

measure of this peril is made. This may well be so, and it may be a wrong in need of a remedy. But neither the patent grant nor the copyright grant were intended to protect the separate interest of an entrepreneur's investment of risk capital. They are limited to the protection of authors and inventors for the purpose of encouraging the disclosure of inventions and the publication of writings. Consequently, the use of copyright to protect the investment of risk capital by nonauthors is not within the scope of the constitutional grant.

This does not mean we should be unconcerned with the problem of protecting the investment of risk capital, if investigation reveals that the current state of the general law is incapable of protecting worthwhile investment of risk capital in the music industry. Granting record companies copyright protection in the process of reducing a performance to a tangible recording capable of reproduction, is being done to protect the "substantial income" these nonauthors derive from the sale of records. This kind of remedy for the problem of "piracy" may well stamp out the "pirates," but at the same time may well secure the monopoly profits of record companies for activity which is not within the purpose of granting copyright protection.

While I am not an expert on the economics and jurisprudence of copyright, much less the practical problems of the music industry, it would seem to me that careful thought and investigation of alternatives may yield a less questionable and more precise remedy for any wrong which exists.

For example, the extension of copyright protection to the performer of a musical work captured in a tangible form, coupled with adequate remedies, may prove a more successful but less drastic step to curb unjust piracy. Some thought might be given to restricting the channels of distribution of unfairly pirated musical performances by penalizing anyone who knowingly distributes pirated recordings. Compulsory licensing of whatever right is granted by S. 646 would at least reduce the scope of the monopoly granted if the Congress is unsure of the economic facts for and against this proposal.

As I have indicated, I am not an expert on copyright or the music industry. However, the extension of copyright protection should not be lightly taken since it has the effect of carving out an exclusive monopoly over an expression of an idea. It is also the creation of a form of property which gives the property holder a right to tax the use of the property or totally exclude any use. I am not prepared to say that an artist's creation or performance is not entitled to copyright protection, although there are some who seriously suggest that the best interests of society may be served by abolishing some forms of copyright protection. S. Breyer, "The Uneasy Case for Copyright: A Study of Copyright in Books, Photocopies and Computer Programs," 84 Harvard Law Review 281 (1970).

By the same token, I am not willing to extend copyright protection without clear and convincing evidence that we reward an author for his writings in order to promote science or the useful arts. And, I must reluctantly vote no when we extend copyright protection for any other purpose, regardless of how laudable that purpose may be. It is a misuse of the copyright grant; it is the extension of a monopoly over the expression of ideas; and it is doubtful that we will constitutionally remedy the problem of piracy without further thought and examination of alternatives available.

An artist's expression should be as free as possible, consistent with the need to compensate the artist to induce the expression. Vesting copyright protection in the record manufacturer may end the free ride of the pirate, but it may well restrict the widest dissemination of the artist's expression without adding to the compensation of the artist. Thus, my vote nay is not a vote for the pirate and against the artist or even against the record company. My vote nay is for the widest dissemination of the expression of ideas in a manner consistent with the constitutional grant of copyright authority. My vote nay is for further study of the issue of piracy with a view toward clearer definition of the problem and a more precise remedy consistent with our constitutional authority.

Mr. McCLELLAN. Mr. President, I think my previous statement explaining the bill will suffice to confirm the need for this legislation and also it is sufficient to answer the doubts expressed by my distinguished friend, the Senator from Michigan.

In view of the overwhelming support for the measure and the urgency of it, I shall ask for immediate consideration of the committee amendments.

Mr. President, I ask unanimous consent that the committee amendments be considered en bloc.

The PRESIDING OFFICER. Without objection, the amendments are considered and agreed to en bloc.

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

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

Mr. McCLELLAN. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. BYRD of West Virginia. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

QUORUM CALL

Mr. BYRD of West Virginia. 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. 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.

TRANSACTION OF ADDITIONAL ROUTINE MORNING BUSINESS

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that there again be a period for the transaction of routine morning business for not to exceed 15 minutes, with statements therein limited to 3 minutes.

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

FARM CREDIT

Mr. HUMPHREY. Mr. President, I am delighted to join Senator TALMADGE, chairman of the Senate Committee on Agriculture and Forestry, in the sponsorship of S. 1483, a bill to amend the laws which govern our farm credit system so that the system will be more responsive to the needs of modern American agriculture and the needs of rural residents.

This legislation is badly needed to add flexibility to a farm credit system which has served the American farmer well. The Production Credit Association has made it possible for many American farmers to get financing which they would have been unable to obtain from other sources. The Production Credit Associations across the Nation are relied upon by millions of American farmers to finance their yearly farming operations.

The Federal land banks have made it possible for farmers to buy land when they could not find a commercial source of financing.

The banks for cooperatives have provided a new source of credit to the Nation's farm cooperatives.

However, all of these institutions are operating under legal restrictions which are not appropriate for modern day financial markets. For example, the Federal land bank is limited by law to making loans not greater than 65 percent of the market value of the land. S. 1483 would remove this restriction and allow the Federal land banks to make loans according to sound financial judgments.

I am especially pleased that Senator TALMADGE has focused attention on the need to examine the credit needs not only of American agriculture, but of all rural America. The Senator made reference to the possible establishment of a rural development bank. I too am extremely interested in establishing a rural development bank which would meet the credit needs of small towns and rural communities, and I intend to introduce appropriate legislation in the near future.

We have a World Bank. We have an Export-Import Bank. But we do not have a bank for the small towns and communities of America that wish to borrow money to finance needed improvements in their water and sewer systems, for towns that wish to build a new civic center, or for communities that wish to establish an industrial park.

There are a number of Federal grant and loan programs which provide some assistance to small towns, but none of these programs has sufficient funds to make a substantial impact. Moreover, all are subject to the funding reductions or impoundments by the Office of Management and Budget.

The Nation's towns need a source of financial assistance beyond special-purpose Federal grant and loan programs. We must provide the financing necessary to improve services in rural areas and to establish a quality of life which will reverse the ruinous trend of rural out-migration.

A PERSPECTIVE ON AMERICAN FOREIGN POLICY—ADDRESS BY SENATOR JACKSON

Mr. MAGNUSON. Mr. President, on April 22, 1971, my distinguished and able colleague from Washington, Senator JACKSON, gave an address to the World Affairs Council of Boston. The address, entitled "A Perspective on American Foreign Policy," was a thorough and thoughtful analysis of American foreign policy in the Atlantic, in the Middle East, and in China.

I was particularly interested in Senator JACKSON's statement supporting a lift of the 21-year-old ban on direct trade with China. As chairman of the Senate Foreign and Interstate Commerce Committee, I have supported this position for over a decade.

I hope my colleagues will give careful attention to Senator JACKSON's address, because of his expert knowledge and deep concern regarding America's foreign policy.

Mr. President, I ask unanimous consent that Senator JACKSON's address be printed in the RECORD at this time.

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

A PERSPECTIVE ON AMERICAN FOREIGN POLICY

(By Senator HENRY M. JACKSON)

I am delighted to be here and share in this program.

In this great port city of Boston, you have always had a special relationship to the countries of the Atlantic area. Here in New England there has been an historic recognition that American interests are deeply tied to what is going on in the rest of the world. Here your commerce and cultural contacts with other countries have had special significance.

For well over a decade the attention of the American people has been focused on Southeast Asia. For too long now the war in Vietnam has absorbed an inordinate amount of the time, effort and resources of this country. Because of this preoccupation with one area of the world we risk neglecting other important areas.

I want to speak to you today about three other regions which need our national attention:

First—the North Atlantic area, still the decisive region for American security and freedom; a *second*—the Middle East—where a full-blown crisis is upon us and where American diplomacy leaves a lot to be desired; and a *third*—Northeast Asia, where Peking is getting back into the world of international diplomacy after an extended period of self-isolation.

THE ATLANTIC ALLIANCE

The North Atlantic Alliance has worked—superbly. The historic association of North America with Western Europe and the commitment of our country and Canada to the defense of our allies in Europe contributed notably to their recovery. Western Europe has enjoyed a period of high prosperity and rapid growth. It has made important progress toward building a West European economic community and together with the United States, Canada, Japan, and other nations it has reduced barriers to trade and developed impressive practical measures of international monetary cooperation.

At the same time American strategic power and the other defensive forces of the Alliance, combined with the resolute response to Soviet expansionist probes—especially in Berlin and the Cuban missile crisis—have made the policy of deterrence effective. No armed attack has been made on Western Europe or North America.

I have likened the Soviet Union, in its foreign policy, to a burglar walking down a hotel corridor, trying the door handles. When he finds one unlocked, in he goes. NATO has locked the door to Soviet westward expansion through the heartland of Europe.

There is little disagreement in this country about the value of the Atlantic Alliance or the importance and firmness of the U.S. commitment to the defense of the NATO area. Yet I and others in the Congress have had a strenuous time trying to maintain an effective American combat force in Europe as part of NATO's conventional strength.

Since 1966 resolutions have been introduced which in effect call for a substantial reduction of U.S. forces stationed in Europe. Some proponents say they want us to cut back to a trip-wire force of a few thousand Americans. Over half the Senate have cosponsored resolutions of one form or another to accomplish a substantial cutback. So far no version of the resolution has passed the Senate. Some proponents talked confidently of Senate passage in 1968—at the very moment when Soviet forces invaded Czechoslovakia. There were some red faces, some backpeddling, and sudden talk that "the time is obviously not propitious for a substantial reduction of U.S. forces in Europe."

Now Senate sponsors have announced their intention to introduce a 1971 version. There may be moves in this Congress for major cuts in funds for these forces. We do not yet know how drastic the new assaults will be.

These efforts stem in part from failure to understand why American troops in Europe are so important. The main purpose of the American troop commitment is political: to leave no doubt in the Kremlin that the United States would be involved, deeply involved, from the outset of a Soviet-inspired crisis or a Soviet move against the NATO area. It needs to be perfectly clear to the Russians that their forces would meet enough American forces to make the crisis a Soviet-American crisis, not just a European one. This means that a token American force is not adequate. It should be an effective American combat force, not just something to be tripped over, but a force capable of putting up a serious fight.

As Professor Thomas Schelling of Harvard put it:

"The American divisions that we have there, if they are flexible, adaptable, mobile, and properly located, can make a very enormous difference as to whether things get out of hand or, instead, can be controlled."

The primary function of NATO's conventional forces, with their vital American component, is to meet an emergency as effectively as they can, posing the continual threat that if the emergency continues and enlarges, the risks of escalation continue and enlarge with it—in particular the risk of nuclear war.

Any sizable cutback of American troops in Europe would imply a greater reliance on nuclear weapons and their incorporation in military operations at a very early phase of hostilities. Would this serve the best interests of the United States and its allies? Hardly! We must not leave the American President with only the nuclear button in his hand in the event of crises.

NATO force requirements are designed, of course, not only to contribute to deterrence and defense but also to fortify the diplomatic bargaining position of the West vis-a-vis the East. A major and as yet unachieved purpose of the Atlantic Alliance is to reach a genuine, stable European settlement with the Soviet Union. Among other things, such a settlement will involve the return of Soviet forces to the Soviet Union. How can the Soviet Government be encouraged to move in this direction? Certainly not by putting in jeopardy the bargaining position we have worked so long and hard to construct, and weakening it—unilaterally. Clearly, we should sustain that position and actively pursue acceptance of gradual and balanced revisions in forces on both sides of the Iron Curtain, recognizing the geographic unevenness of the Atlantic security area.

If and when the Soviet Government sees an advantage in reciprocal reductions in forces in Europe, this could surely be done so as to advance the legitimate security interests of all nations concerned.

I understand and share the feeling of many Americans that, overall, Western Europe is still not making a reasonably proportionate contribution to the common defense effort. I have spoken frankly and bluntly to our allies on this point. Last November I told the North Atlantic Assembly in The Hague that concrete and substantial progress in "burden sharing" is essential to strengthen the hand of those of us in the U.S. Congress who want to fend off unwise Congressional cuts of our troops in Europe.

There has recently been some movement in Europe toward sharing more of the burden—no great advance, but progress in the right direction. This is a time when steadiness on our part and a fuller sharing of responsibility by the Europeans could restore the momentum of our common quest for common security.

The world is moving into a dangerous period. The overall strategic balance is tilting in favor of Moscow. And we now have forbidding evidence of a determined, relentless Soviet build-up of a new offensive missile equal and perhaps superior to the SS–9 capability. Subsequent to our initial detection of this disturbing development we have now learned that Soviet construction of this system is moving ahead at a rapid rate. We know this new system involves missiles not less destructive than the 25 megaton SS–9 and it could mean missiles that are far more destructive than the SS–9. The Russians have an ability to deploy at least 60 to 70 of these huge new missiles this year. If they deploy 70 of the new missiles they will add in this one year alone more destructive power than the United States has in its entire land-based Minuteman ICBM system.

The adverse shift in the strategic equation is bound to have far-reaching effects upon world politics. A more confident Soviet Union can be expected to throw its weight around more vigorously on behalf of its great power interests, and to raise its bargaining price at the negotiating table. Thus new elements of risk and turbulence will be introduced into international relations, enhancing the dangers in crisis situations.

This growing Soviet boldness is evident in the Middle East, where the Soviets have invested vast sums of military and economic aid, supplied sophisticated weapons, sent military personnel and taken losses in combat, thereby greatly aggravating local instabilities with a considerable risk of great power confrontation.

Looking ahead, the need for the forces and firmness of the Atlantic Alliance is more compelling than ever.

THE MIDDLE EAST

In April 1967, two months before the Six Day War in the Middle East, Leonid Brezhnev

told an audience of European Communists that "there is no justification whatever for the constant presence of the U.S. fleet in waters washing the shores of Southern Europe. . . . The time has come to demand the complete withdrawal of the U.S. Sixth Fleet from the Mediterranean."

There is today little doubt that the continuing and accelerating Soviet penetration of the Middle East is an important expression of that demand. And those of us who are concerned about the security of Western Europe must, of necessity, concern ourselves with the clear threat to NATO that arises from the deepening involvement of the Soviet Union in the Middle East.

Russian interest in the Middle East as a means of affecting her relations with Europe has a long history, dating back to Catherine the Great in 1788. The persistence of this interest was dramatically evident both before and during the Potsdam Conference when Stalin and Molotov attempted to secure Soviet trusteeship over one of the former Italian colonies, preferably Libya. As reported in the official records, Secretary of State Byrnes felt that, "the Soviet foray into a region so close to the Suez Canal and the Persian Gulf shook up Churchill more than any other episode at the Conference."

Soviet hegemony in the Middle East would gravely imperil the vital flow of oil, essential for industry and defense, from the Middle East to Europe and Japan. Seventy percent of Europe's oil now comes from that region; for Japan the figure is 80 percent, and there are no near term prospects for the development of adequate and economic alternative sources of supply. The capacity of our NATO allies to resist Soviet pressure over a prolonged crisis would be drastically impaired if the petroleum pipeline could be shut down by Moscow.

The Middle East is today the "soft underbelly of Europe", not only because it possesses oil that Europe requires, but because of its strategic location. Our position in the Mediterranean, to say nothing of the Persian Gulf and Indian Ocean, is severely prejudiced by Soviet encroachments in the countries lining its shores, including the massive Soviet military presence in Egypt.

Yet the Middle East policy of this Administration has been marked by a singular inability to distinguish our friends from our enemies and a persistent failure to recognize that Soviet ambition, and not the conflict between Israel and the Arab states, lies at the heart of the instability in the Middle East.

The simple truth is that the Soviets would be in the Middle East even if there were no Arab-Israeli conflict—even, indeed, if Israel did not exist. And far from urging the Arab states to negotiate a genuine and stable peace with Israel, the Soviets are intriguing to perpetuate the uneasy condition of "neither war nor peace" in order to keep tensions high and facilitate their own continuing penetration of the Arab world.

From this perspective, two aspects of the Administration's Middle East policy are particularly self-defeating:

One: Continued support for the "Rogers Formula"—which provides that any settlement should be based on Israeli withdrawal from virtually all occupied territory—has now become a major obstacle to progress in the efforts to negotiate a stable peace in the Middle East. Its principal effect has been to shake the confidence of our friends, deepen the intransigence of our enemies and discourage genuine negotiations.

It is clear that commitment by the United States to a view of the general nature of a settlement in advance of negotiations between the parties was unnecessary and unwise. Moreover, the public statement of this view, by weakening the Israeli position in advance, merely compounded the initial error of making gratuitous concessions.

So long as the policy of the United States is based on the "Rogers Formula", the Arab states will be unwilling to enter into serious negotiations with Israel. Why, for example, would Egypt negotiate defensible borders for Israel while the United States, Israel's only friend among the Big Four, maintains that Israel should agree in principle to withdraw completely from the Sinai? Only a failure to appreciate Israel's determination to negotiate secure and defensible borders can explain the Administration's persistence in this shortsighted plan. If we wish to promote serious negotiations in the Middle East, we must drop the "Rogers Formula."

Two: Our energetic diplomacy aimed at reopening the Suez Canal is extremely dangerous.

Once the Canal is reopened the effectiveness of the growing Soviet military and merchant fleets would be doubled and a single fleet would be enabled to move rapidly between the Mediterranean and Indian Oceans and thereby contribute to the ongoing Soviet penetration of Africa.

Moreover, if the Canal were back in operation, the United States could well find itself undertaking to prevent, by force if necessary, Soviet-Egyptian movement on the East Bank of the Canal. In the absence of some means of assuring that the East Bank would not be occupied by Soviet-Egyptian forces, it is unlikely, and properly so, that Israel would withdraw from her present defensible positions on the Bar-Lev Line.

Clearly, the opening of the Suez Canal is a trump card in any forthcoming settlement of the Arab-Israeli dispute. With the Canal back in operation, one of the chief incentives the Soviets have to make concessions on the other outstanding issues will vanish. In my view, the reopening of the Suez Canal should only be negotiated as part of an overall settlement and not in order to obtain a fragile interim arrangement of doubtful value.

RELATIONS WITH THE PEOPLE'S REPUBLIC OF CHINA

A year and a half ago I proposed that this country should get its policy toward Mainland China on a less-rigid, more sensible footing. I proposed, among other steps, the negotiation of mutual U.S.-Chinese exchanges of reporters, scholars, scientists and cultural performers, and the improvement of trade relations between the U.S. and Mainland China, including the mutual reduction of barriers to trade.

So I, for one, have welcomed the recent Chinese and American overtures that have opened the way to improved relationships between our two countries.

I believe it would contribute to peace and stability in the Western Pacific if the People's Republic of China, comprising over seven hundred million people, could begin to re-enter the international community and place its international relations on a more normal, stable plane.

How far the Peking leadership will follow up on opportunities to move in this direction remains an open question.

But it was certainly high time that we lifted the 21-year old ban on direct trade with China. I hope the new regulations now being written by the Administration to govern the trade in non-strategic items will be non-discriminatory—that is, will provide for trade with Peking on the same basis as trade with the Soviet Union.

Also, we should take with utmost seriousness the new prospect for varying exchange programs of journalists, scholars, cultural performers, and others. Our own preparatory planning for such mutual exchanges must go into high gear.

There are additional moves we should make. I have proposed that we invite the People's Republic of China to join in arms control negotiations. It is obvious that sometime, somehow, the Mainland Chinese regime will have to join in the negotiations on arms control. No strategic arms control agreement with a loophole as large as China could survive Chinese acquisition of a substantial nuclear force.

I have also urged that we change our approach to the UN membership issue. Rather than concentrate U.S. efforts on how we can best delay Peking's entry into the United Nations, we should think more about how we may utilize the presence of the People's Republic of China in the UN and of a delegation in New York to improve our relationships with Peking. Our treaty obligations for the defense and security of the Republic of China on Taiwan will continue whatever the formula whereby Mainland China enters the UN. We will continue our close association with the Republic of China on Taiwan, and I do not believe it need constitute a block to the movement toward more normal relations between the U.S. and Peking.

The "ping pong diplomacy" of the last two weeks is no reason for euphoria. The problems that divide our two countries are still enormous and at best are likely to take years to negotiate. We cannot foresee the possible zigs and zags of future Chinese policy. Obviously, they are pursuing their own foreign policy purposes. And we shall watch with interest the Soviet response to Peking's new activities in international diplomacy.

As I see it, we should press ahead and accomplish what we can to improve mutual relations with Peking. The resumption of the bilateral talks in Warsaw, the implementation of a variety of exchange programs, and a renewal of trade could be steps in the direction of normalizing our bilateral relations. The pursuit of such reciprocal activities might well form a basis for a restoration of diplomatic relations between the United States and the People's Republic of China.

One final word:

The American people want to walk the road of cooperation with all who will accompany us. We want a world in which reconciliation and peace prevail. It is a noble cause. But a cause must have its champions, and we may take pride in being counted among them.

NOMINATIONS IN RAILPAX

Mr. MAGNUSON. Mr. President, as in executive session, I send to the desk, on behalf of the Committee on Commerce, certain nominations and ask unanimous consent that they be taken up at this time.

Mr. MANSFIELD. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. MAGNUSON. Then I merely ask that the reports on the nominations be filed. They are reported from the Commerce Committee.

The PRESIDING OFFICER. The reports on the nominations will be filed—see "Executive Reports of Committees," printed in the RECORD earlier today.

Mr. MANSFIELD. Mr. President, as the Senate knows, I am very much opposed to Railpax—if we use the Latin, meaning rail peace—now known as Amtrak, but, as far as Montana is concerned, it should be known as "Halftrak" because it would take away the Northern Pacific Railroad and its passenger service and the short line, the Union Pacific, running from Butte to Salt Lake.

It would be my belief that we ought to take a long, close look at these nominations and appropriations for Amtrak, in the hope that commonsense will return to this corporation and that the needs of the heartland of America will

be given the consideration which is its due.

There will be no north-south line between Chicago and the west coast. Eighty percent of the State of Montana will be without rail passenger service. In the wintertime, we cannot depend upon the airplane, the bus, or the automobile itself, and the only passage of convenience we have is rail passenger service.

In the last 3 years, increases in freight rates to the western railroads have amounted to approximately 50 percent, and the day after the Railpax plan was announced, an increase of 11.8 percent was granted to the western railroads.

Here we are, in a State like Montana, 148,000 square miles, and we get one line, the Great Northern, across the high line. I am delighted we are getting the Great Northern, but we want the Northern Pacific, too, and the short line as well.

As I have stated, 80 percent of our people will be without rail transportation facilities. Eleven of our colleges will have no contact with the railroad passenger service. The two veterans' hospitals, at Fort Harrison and Miles City, will be literally off the railroad track.

I would hope that the Members of the Senate and of Congress would recognize the needs of the people living in the heartland of this country, and recognize also that we are entitled to just as much service as are the urban areas on the east and west coasts. Montana is a part of the Union. It is one of the 48 contiguous States. Montana is entitled to this type of transportation service, and I am indeed sorry that the Committee on Commerce today failed to report out a resolution extending for 6 or 7 months the period before Amtrak would go into operation.

But I am not through exercising whatever persuasive tools are available. This means too much to the people of my State. I would hope too, that the people of other States such as Ohio, for example, where train service to Cleveland will be lost, would be aware of the situation. I would hope that the States of Vermont, New Hampshire, and Maine would recognize and say what it means to be without rail transportation, as they are at the present time. The States of Idaho, Wyoming, and South Dakota are in the same predicament.

All I can say is that whoever drew up this Rube Goldberg plan of trying to give service to the people of the United States was not taking into consideration the interests of the people of the United States. Three transcontinental railroads run through Montana: The Great Northern, a land-grant railroad; the Northern Pacific, a land-grant railroad; and the Chicago, Milwaukee, St. Paul and Pacific, known as the Milwaukee, which was not a land-grant railroad.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. BYRD of West Virginia. Mr. President, I yield the Senator my 3 minutes.

Mr. MANSFIELD. Under Amtrak the situation will change drastically. The Milwaukee Railroad, over the years, has reduced its service from Seattle and Tacoma all the way back to St. Paul and Chicago, taking off the passenger service, but keeping going the freight service. But the Great Northern and the Northern Pacific, now comprising the Burlington Northern, were given land grants by this Government for the purpose of laying tracks into the West, opening up the country, and serving the people. If Amtrak is to go into operation, then I think very serious consideration should be given to ways and means of reclaiming these land grants, because some of these railroads—the NP, I know, up in the River country—have huge timber tracts. They have oil holdings under land given them by the Government. They even have a vice president for oil.

These railroads are there to serve the people—not to discontinue or downgrade passenger service, but to build it up. As far as my colleague (Mr. METCALF) and I are concerned, we intend to see that something is done about this, because we do not intend to go passenger-service hungry in the State of Montana.

[Applause in the galleries.]

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

Mr. MANSFIELD. I yield.

Mr. HUMPHREY. I call to the attention of the majority leader the hearings which are now being held by the Committee on Agriculture and Forestry, under the direction of its chairman, the distinguished Senator from Georgia (Mr. TALMADGE). We are operating under a mandate of the law of the land, section 9 of the Agriculture Act of 1970. That section calls upon the Government of the United States to place at top priority the economic development of rural America, including such items as transportation.

Mr. President, I consider the Railpax system that has been designed by the Department of Transportation to be a violation of that law—surely of its spirit if not of its letter. How are you going to build rural America if you close off transportation? We just finished another 3 hours of hearings this morning. We had them all last week.

It is becoming impossible to talk in terms of the economic development of rural America, the great heartland and wide open spaces of this country, without considering the matter of transportation. I associate myself with the remarks of the distinguished Senator from Montana, because what he said as to Montana, with the exception of one little line coming up to the Twin Cities, is true for Minnesota as well.

Mr. MANSFIELD. The Senator is correct. It is the heartland of America which is being discriminated against, the breadbasket, the granary. All the emphasis is on the urban areas. But with a steadily declining farm population, now at about 6 percent a year and still going down, we are ignoring that segment of our country—that portion of our people.

AMTRAK

Mr. METCALF. Mr. President, yesterday my colleague, the distinguished Majority leader, testified before the subcommittee on Surface Transportation of the Senate Commerce Committee. Senator MANSFIELD made a forceful argument for postponement of the operations of Amtrak, the new National Railroad Passenger Corporation, and for legislation to correct the interpretations of the Secretary of Transportation and of the incorporators which are not consonant with the intent of Congress.

I enthusiastically subscribe to my colleague's statement. He has pointed to the fundamental fallacy in the Amtrak designation of a Halftrak national rail passenger service that leaves a number of the 48 contiguous States without any service or with vastly reduced service. In Montana alone existing passenger service would serve only a third of the State and none of the major population centers.

Senator MANSFIELD cited testimony developed by Congressman DINGELL in the House hearings on the railpax proposal, raising serious questions about the soundness of the Wyer-Dick studies which were to be used as the justification for discontinuing "losing" passenger trains. Mr. Nader and his associate, in a letter to Senator MANSFIELD, said:

> The basic study used by the Department of Transportation to determine which trains could or should be terminated was performed under grossly irregular contracting circumstances by Wyer, Dick & Company, a railroad consulting firm that has enjoyed private contractual arrangements with at least seven of eight railroads surveyed. One would think that the Department of Transportation could have somehow, somewhere, come up with competent consultants or auditors who did not have such deep relationships with the subjects of the study.

It is a fact that of the trains to be discontinued in Montana, only one has been the subject of a discontinuance proceeding before the Interstate Commerce Commission. The ICC twice denied the carrier's application, while greatly reducing the loss claimed on operation and that actually sustained. The Commission further held that the trains must be kept running since even that loss was but a small percentage of the vast income enjoyed by the carrier from its nonrail activities on granted lands and because the carrier had purchased support for the merger with promises to continue passenger service and finally, because the new company now called Burlington-Northern, had expressed pre-merger willingness to continue to operate the passenger trains.

Mr. President, I concur with the distinguished majority leader that a halt must be called immediately. Congress must defer implementation of the National Railroad Passenger Act until the law can be revised to provide the national service its title suggests.

So that other Senators may have the full text of Senator MANSFIELD's statement and his responses to questions in yesterday's hearing, I ask unanimous consent that they be printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. METCALF. In addition, I ask unanimous consent that a letter to the editor of the Missoulian be printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 2.)

Mr. METCALF. W. L. Rasmussen, a ticket clerk for the Burlington-Northern Railroad in Missoula, eloquently pleads for continuance of a passenger train which has served the southern route in Montana for eight decades. The train has carried legislators to the capital city of Helena, visitors to Yellowstone Park, students to Montana State University at Bozeman, to the University of Montana at Missoula, and to four other schools, veterans to and from our two veterans hospitals, and many, many other travelers. The train has run in all kinds of weather and in 1969, according to Mr. Rasmussen, nearly 37,000 passengers were counted on and off at Missoula alone.

Mr. President, the Railpax Commission has failed not only to regard the needs of rural America but has also failed to regard the needs under the Environmental Act which was passed by Congress in the last session.

For instance, in Yellowstone National Park alone, just try to go in. It is not possible. So many people are coming in there with their automobiles and trying to camp, yet we are cutting off all rail transportation for Yellowstone National Park. Those people who want to come in by rail will now be completely deprived of the opportunity to visit the greatest and the oldest of our national parks.

Mr. President, this shows a fundamental disregard of several of the laws we have passed. I am informed that the Governor of Montana will start an action to try to get an injunction to enjoin implementation of this law, because of the failure—the admitted failure, if you please, Mr. President—of the Commissioner of Railpax to take into consideration other acts of Congress, the rural legislation and the Environmental Act, and so forth, that are so important and significant in developing the whole transportation policy.

Mr. President, I am informed by a reliable source that no fewer than 283 employees of the Burlington-Northern who are currently working on the lines between Jamestown, N. Dak., and Sandpoint, Idaho, and between Bainville and Columbia Falls on the Great Northern route, will lose their jobs as a consequence of curtailment of passenger train service.

They include: 44 engineers; 43 firemen; 36 conductors; 69 brakeman; eight baggagemen; two traveling electricians; 52 clerks; 16 telegraphers; nine carmen; and four coach cleaners.

At the risk of being repetitious about Railpax, or rather Amtrak—to speak in $100,000 words—this is simply not in keeping with the intent of Congress.

Amtrak was not created to obliterate what meager rail passenger service now exists. It was not created to throw 16,000 railroad employees out of work. It was not created as a favor to the railroad industry, which has made quite clear where passenger rail service ranked on its list of priorities.

Mr. President, I sat in my office talking to Louis Mann, one of the chief officers of the Burlington Northern and he told me that he would like to get Northern Pacific and the Great Northern out of the railroad transportation passenger business. He said they own the land that contains oil, that they had real estate holdings and mining interests, and other interests, all of which were so significant that he would prefer to have a Northern securities company that did not operate a railroad business. That comes from the president or the board chairman of the largest railroad corporation in America.

As I understand the testimony presented in the other body on the activities of the Railpax incorporators, they have rushed into contracts with the railroads without negotiating fully the fate of railroad employees. If there was not enough time to do things properly, the incorporators of Railpax should certainly have come to Congress and asked for an extension.

I hope their failure to do so does not reflect more eagerness to allow the railroads to dump their terrible passenger service burden on the taxpayer than a legitimate interest in the fate of the forgotten railroad passenger.

It was disappointing but not surprising that President Nixon chose to nominate nearly all the incorporators of Railpax-Amtrak to be the board of directors. As one Senator, I plan to take a close look at their qualifications and their shameful actions while perpetrating this imminent disaster on the traveling public and the taxpayers.

Mr. President, I yield the floor.

EXHIBIT 1

INTRODUCTION

Senator HATFIELD. The hearing will please come to order.

Several Members of Congress have raised serious objections to the National Rail Passenger system as conceived by the incorporators of the National Rail Passenger Corporation. There are a number of bills before this committee in which one way or another would correct these defects in the system.

The purpose of this series of hearings is to provide the committee with a chance to hear more about the problems and the proposed solutions to those problems.

This morning we are very honored to have the distinguished Majority Leader, Senator Mike Mansfield, from the State of Montana lead off, and Senator Mansfield, you handle your testimony the way you wish.

STATEMENT OF THE HONORABLE MIKE MANSFIELD, U.S. SENATE, SENATOR FROM THE STATE OF MONTANA

Senator MANSFIELD. Thank you, Mr. Chairman.

Mr. Chairman and gentlemen of the Committee:

As everyone in this room knows, the railroads have put on a very strong advertising campaign over the past several years and their chief spokesman has been a former astronaut, Wally Schirra. I am sure that we are all aware of the slogan which is iterated and reiterated and emphasized time and time again which goes as follows: "Who needs the railroads? You do. We all do.

All I can say is that what Mr. Schirra says in behalf of the American Association of Railroads is the truth, but under the proposed plan proposed by Railpax, now known as Amtrak, a lot of us in the country are going to lose the use of the railroads, but that will not be the case on the East Coast where there is a concentration of privilege based on a concentration of population while the rest of the country gets little or no consideration.

I was interested to note that about a month ago witnesses appeared before this Committee in behalf of the American railroads and recommended a package of federal support amounting to $36 billion over ten years. I think it is well to note also that within the past three years the railroads have been given approximatelyy 50 percent increase in freight rates, the last 11.8 percent announced the day after Railpax made public its new routes.

Mr. Chairman, we as a nation are rapidly approaching the zero hour of what is likely to be a monumental transportation disaster. If the National Railroad Passenger Corporation plan is allowed to go into effect May 1, next Saturday, I fear that we will all live to regret the day Railpax was conceived. It is not going to achieve its intended purpose and I predict that it will not succeed and the Congress will then have another albatross to salvage. My colleague from the State of Montana, Senator Lee Metcalf, is out of the city and has asked that I indicate his deep concern about Railpax and what it is doing to Montana and other parts of the nation. We have both gone over this statement and he concurs in what I am saying today.

And may I say, incidentally, I note the distinguished Senator from New Hampshire is on the Committee, that there are a number of states in this union without any rail transportation whatsoever, and I believe New Hampshire, Vermont and Maine can be included along with South Dakota, Wyoming, possibly Idaho, where the Great Northern goes across the northern panhandle but gives no service, and also a number of our larger cities are deprived of this means of solid, stable transportation.

When Railpax was authorized by the Congress, I believed that this was a sincere attempt to find some compromise solution to the deteriorating rail passenger service in this country. I do not think anyone, any Senator, envisioned a wholesale abandonment of these services.

Montana will have passenger service along the northern tier of the State. It will serve about 20 percent of the State's population. These people need and deserve this service and I am for it, but what about the remainder of Montana which includes its five largest cities? The system, as announced for May 1, will completely ignore the larger cities of Missoula, Butte, Helena, Bozeman, Billings, Miles City and Glendive.

The Secretary of Transportation reported to me that this decision to ignore the southern and central half of Montana was made because ridership is less on this line than on the northern route. I find this extremely difficult to believe. My inquiry about the statistical justification have not as yet been answered. Montana is deserving of some service on both the old Northern Pacific and Great Northern lines. At the present time there are two passenger trains each way on both lines. We did not anticipate that we could maintain this service under Railpax but, at the very least, we thought we would have alternate day service on both lines.

The Burlington-Northern will have to maintain its entire system of tracks for freight service and, therefore, I do not believe that it would cost that much more to implement the alternate day proposal. I have seen estimates anywhere from one to five million dollars. But of the three trains to be discontinued, only one has been the subject of discontinuance proceedings before the Interstate Commerce Commission. This expense could be offset if there were a sincere effort to build up passenger service instead of discouraging it as has been happening for the past number of years, and has been happening deliberately as far as the railroads are concerned.

I am deeply concerned that the National Railroad Passenger Corporation has developed this negative attitude, a position very much like what we have been fighting against in many of the railroad corporations. Railpax appears to be the quickest way to acquiesce to

the railroads, giving them automatic authority to discontinue passenger service.

The densely populated areas of the nation, especially the Eastern corridor, will benefit from Railpax because it is intended to provide good, efficient service in high density areas. I must remind the incorporators that there are also a number of less densely populated states which are also part of the United States. We cannot forget long haul service through these large, sparsely populated states. There has been a lot of talk in recent weeks about a shift to the rural areas and the need to give rural America some attention. This has had no apparent influence on Railpax which ignores states like Montana. Senator Metcalf and I do not want to see the Big Sky Country merely as a roadbed for transcontinental freightlines. We deserve, at the least, minimal service and this we do not have under the present Railpax plan.

This nation of ours needs a coordinated system of public transportation. We cannot put this off much longer. The transportation crisis is mounting. There is no reason in the world why we cannot have an integrated system of bus, train and airlines travel. There is a place for all three. As we reduce public transportation services, we force people into automobiles and onto the highways, which are already becoming congested. Everyone is quite concerned about the environment and yet Railpax takes away all train service to a place like Yellowstone National Park, which is now glutted with auto traffic during the height of the tourist season. In fact, proposals are being suggested to ban automobile traffic in this National Park. Railpax totally ignores these environmental considerations.

In defense of rail passenger service, I believe it is the most reliable of all public conveyance. Air travel is often controlled by weather. Highways in a State like Montana become impassable because of freezing rain and blowing snow. The only reliable service under these conditions is passenger train service. In the State of Montana the lack of railroad service will create many difficulties for the elder citizen, the veteran and the college student. And, incidentally, both Veterans Hospitals in the State of Montana, at Miles City and Helena, if this plan goes into operation, will be without rail transport facilities. These people deserve better treatment.

The National Railroad Passenger Corporation is seemingly too closely allied with the interests of the railroad corporations. These corporations have refused to adopt new management policies and have made no effort to develop these services. I do not see that their advice and counsel should be given almost automatic consideration and almost always automatic approval. We need imaginative and creative thinking. This is not evident in Railpax.

Senator Metcalf and several of our colleagues have joined me in the introduction of legislation which would require the land grant railroads—and both the GN and the NP are land grant railroads—to return a portion of their grant whenever they abandon railroad services. Simply stated, these land grants were given as an incentive to provide continuing rail service to the Federal Government and the developers of the West. In financial terms, the railroads undoubtedly have repaid the Federal Government for this gift, but they have also received tremendous benefits with their multifaceted development on these lands.

If I may quote from a letter which I received under date of April the 26th from Mr. Ralph Nader, I would like to make the following statement: "The trusts and holding companies that control the finances and management of the railroads have diverted their resources to a variety of profit-oriented conglomerate enterprises—non-rail businesses such as mining and timber operations, real estate development, oil production, chemicals, even soft drinks and underwear manufacture—while repudiating their responsibilities to provide adequate passenger service. This was the pattern of abuse and neglect that last year's legislation, the Rail Passenger Service Act of 1970, was supposedly intended to correct."

The railroads have made out far better than Uncle Sam, and if my memory serves me correctly, the Northern Pacific, now a part of the Burlington Northern, even has a Vice President for Oil, and I know that the Northern Pacific has vast timber holdings in Montana which they received, in part at least, from the Federal Government. What the Federal Government has given can be taken away when the railroads discontinue providing the services which prompted these gifts of land, gifts to serve all the people, gifts to serve the nation.

Mr. Chairman, on April 26 I received a detailed letter from the great champion of the "consumer," Ralph Nader, and his associate Rueben Robertson. These gentlemen share the Montana Congressional Delegation's concern and objections. I ask that this letter be included as a part of testimony before the Committee this morning.

(Complete letter follows:)

WASHINGTON, D.C.,
April 26, 1971.

Hon. MICHAEL J. MANSFIELD,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MANSFIELD: Last year the Congress hurriedly passed new legislation, Public Law 91-518, purportedly designed to rescue the public's right of transit by rail from total abandonment by the railroads. This was to be done through creation of a new corporation to take over and maintain rail passenger service throughout the United States. This organization, known variously as Railpax and now Amtrak, is in fact a weird hybrid of public agency and private corporate privilege, in fact controlled by the railroads themselves through stock ownership, directorship and contracting arrangements. It is to be completely beyond the regulatory authority of the states, the Interstate Commerce Commission and even the courts. Congress, in its haste to avoid the industry's threats of massive passenger discontinuances and widespread bankruptcies, has created an SST on rails, a form of private socialism that is inimical to worthy American traditions. Indeed, there are growing doubts about the Constitutional validity of the Railpax law, in that it deprives the states of basic rights to demand and require adequate service from the railroads on behalf of their citizens, and delegates vast governmental powers to a private corporation without proper checks and balances.

It should be remembered that the railroads' commitment to provide continuing service to people was the *sine qua non* upon which enormous public largess, monopoly powers and grants of great areas of our nation's land were bestowed upon them by the States and the federal government. Relentlessly, these corporations have turned public trust into private profit. The trusts and holding companies that control the finances and management of the railroads have diverted their resources to a variety of profit-oriented conglomerate enterprises—non-rail businesses such as mining and timber operations, real estate development, oil production, chemicals, even soft drinks and underwear manufacture—while repudiating their responsibilities to provide adequate passenger service. This was the pattern of abuse and neglect that last year's legislation, the Rail Passenger Service Act of 1970, was supposedly intended to correct.

It is now clear that, in the hands of those who have been entrusted with its operation, the cure is far worse than the disease. As of May 1st, the Amtrak/Railpax corporation is planning to drop half the remaining passenger service throughout the country. This massive termination, perpetrated under the fraudulent guise of improving railroad passenger service, could never have been accomplished by the railroads through the normal administrative and legal channels which provide for adequate public notice, hearings, consideration of environmental impact and exploration of alternatives to the discontinuance of service. None of these fundamental protections for the public interest were provided in this arrogant, unilateral determination to junk historical and needed services. The discontinuances will accelerate degradation of the environment by forcing more and more travelers to use automobiles. It will prompt demands for new highways to slash through our cities and forests. The burdens will be especially severe upon the poor, the elderly, the young and the disabled. But all Americans will lose from this programmed destruction of our rail passenger system.

The actions by the Department of Transportation and the railroad industry, through Amtrak/Railpax, are an affront to the Congress, and an intentional distortion and contravention of its will in enacting the legislation. It is safe to say that few, if any, members of either House of Congress suspected that the National Railroad Passenger Service Corporation would be used as the vehicle for instantaneous abolition of the majority of existing service on the very first day of its operation; if they did, they certainly did not make such suspicions a matter of record during the debates on the legislation.

The wholesale abandonment of service by Amtrak/Railpax will leave millions of Americans in large sections of the country without any passenger service; many will have no adequate alternative means of public transportation. No service will go into San Francisco. Important cities such as Cleveland, Tulsa, Des Moines, Las Vegas, Little Rock, Tallahassee, Duluth and Grand Rapids will be completely abandoned. We will have no more intercity service between New York and Detroit; Kansas City and Denver; New Orleans and Jacksonville; Chicago and Buffalo; or Indianapolis and Cleveland. International services being dropped include New York-Montreal, Chicago-Toronto and Seattle-Vancouver.

Your own State of Montana, for example, will be hit hard. Helena, the State Capital, will be left without any service. Your highways will be further clogged by tourists who will no longer be able to take any train to visit Yellowstone. Students and other citizens in Missoula, Billings, Bozeman and Helena will be stranded. Disabled veterans at the state's two veterans hospitals in Miles City and Helena are losing a vital form of transportation—and you should also be aware that crippled or disabled persons, including those who have been injured in the service of their country, are subject to being arbitrarily refused transportation by the airlines. Similar deprivations will be imposed on the citizens of many other parts of the country.

* * * * *

This is hardly language that justifies Secretary Volpe's contention that the basic Railpax system was to be designated without regard for the procedures of the 1969 environmental protection law. Abolition of rail passenger service as planned will inevitably generate more highway construction and increased reliance on automobiles. It is a serious set back in the effort to stop pollution and environmental degradation.

Similarly, there has been not the slightest attempt to coordinate the Railpax system with other modes of transportation, which directly contravenes the contemplation and intention of Congress.

You and other congressional leaders have expressed concern about the initial actions of the Department of Transportation and the

Railpax corporation. There is much support for your views recently expressed to the Administration that the corporation "has so disregarded the needs of the traveling public and the will of Congress that all disbursement of funds should be halted immediately." There can be no such thing as a halfway rail passenger system. The Amtrak/Railpax capitalization, route structure, and schedule are so fundamentally and intentionally inadequate as to condemn the entire project to failure. It is abundantly clear that the Amtrak/Railpax operators are not really trying to restore and preserve passenger service. Rather, they are seeking to relieve the railroads of any responsibility for abandoning service, and put the burden and blame on a government-sponsored organization. Under P.L. 91–518, Amtrak/Railpax will be free to phase out the entire remaining system in two years.

Congress must not permit this to happen. We urge prompt responsible Congressional action which will repudiate the Railpax concept and replace it with a viable mechanism to serve the public. Of more immediacy is the need for a moratorium on any passenger train discontinuances by the railroads or Railpax until the issues and public remedies can be sorted out.

Sincerely,

RALPH NADER,
REUBEN B. ROBERTSON III.

Senator MANSFIELD. Mr. Nader raises some very serious questions about the soundness of the Wyer-Dick Studies which were used as the foundation for the Railpax proposal. Congressman John Dingell questioned this in some detail during the hearings before the House Interstate and Foreign Commerce Committee in June, 1970.

Mr. Chairman, if the Committee will allow me, I would like to quote again a brief portion of the letter from Mr. Nader to me, and I quote. "The wholesale abandonment of service by Amtrak/Railpax will leave millions of Americans in large sections of the country without any passenger service; many will have no adequate alternative means of public transportation. No service will go into San Francisco. Important cities such as Cleveland, Tulsa, Des Moines, Las Vegas, Little Rock, Tallahassee, Duluth and Grand Rapids—in addition to those I have mentioned in the State of Montana—"will be completely abandoned. We will have no more inter-city service between New York and Detroit; Kansas City and Denver; New Orleans and Jacksonville; Chicago and Buffalo; or Indianapolis and Cleveland. International services being dropped include New York-Montreal, Chicago-Toronto, and Seattle-Vancouver.

"Your own State of Montana, for example, will be hit hard. Helena, the State Capital, will be left without any service. Your highways will be further clogged by tourists who will no longer be able to take any train to visit Yellowstone. Students and other residents in Missoula, Billings, Bozeman and Helena will be stranded. Disabled veterans at the state's two veteran hospitals in Miles City and Helena are losing a vital form of transportation—and you should also be aware that crippled or disabled persons, including those who have been injured in the service of their country, are subject to being arbitrarily refused transportatoin by the airlines. Similar deprivations will be imposed on the citizens of many other parts of the country.

"To add exploitation to injury, the public even has to help finance this outrage with its own money. Already, as you know, $40 million has already been appropriated to the Railpax scheme.

"I understand, however, that only $2 million have been freed, and while I am in general against the impounding of money by the President—any President—I certainly hope that he keeps the remaining $38 million tied up.

"Hundreds of millions of additional dollars are scheduled to follow in federal guarantees and loans to the railroads, which are very unlikely every to be repaid."

Mr. Chairman, I would also like to share with the Committee an excellent summation of Railpax prepared by a good friend and concerned Montanan, Jim Beamer of Livingston. I ask that it also be made a part of the record.

(Complete letter follows:)

LIVINGSTON, MONT.,
April 21, 1971.

Senator MIKE MANSFIELD,
Senator LEE METCALF,
Congressman JOHN MELCHER,
Congressman DICK SHOUP.

GENTLEMEN: First my congratulations on your rapid recognition and start of corrective action on Montana transportation problems being created by the Rail Pax passenger train decision.

This could easily have degenerated into a North-South factional fight in Montana. It started that way with people and communities along the Hi-Line saying it was justly deserved recognition of need and those along the Southern Route saying the passenger trains should have been routed where the majority of the people are.

Both areas are right. The Hi-Line does lack the variety of transportation the Southern Route has. The majority of people do live along the Southern Route. Both areas are faced with comparable winter transportation problems. Both have National Parks crying for service. Montana's size demands rail passenger service along both lines because of the many similar problems people have securing adequate transportation east to west across the State. This being so, I believe everyone who gives the problem any thought will be quick to say let's not waste our time fighting each other but rather work together for complete service as it now exists. Then give impetus to a solution of the North-South travel problems where examination of bus and airline schedules on these traffic patterns just about proves the old saw, "you can't get there from here".

Two years ago during a proposed discontinuance of the Mainstreeter on the former Northern Pacific I noted six things the Company was doing to discourage passenger travel. Those six things I could prove. There were many more things I knew were being done but would have found it difficult, if not impossible, of finding proof. The reason for this is there are at least two ways of establishing policy. The first is by direct order and the second is by indirection. Indirection is accomplished by "THE BOSS" being critical of a lower echelon supervisor in the handling of a particular matter and saying nothing if the favored course is pursued. With indirection there are never any written orders given and this makes proof almost impossible to obtain, yet everyone knows what is being done.

My thirty years of service for the Northern Pacific and for the now Burlington Northern covers a time span wide enough to allow acquaintance with men working in other departments to develop. These friends tell me of things they see happening in their departments. Added together eventually these comments form a picture of what policies are being pursued in both operating of and the cost accounting of freight and passenger service.

A typical example of what I am saying about indirection is found in this particular comment I received: The foreman in a department told a workman working on a job chargeable to freight service to show his hours against a job chargeable to passenger service because "THE BOSS" is riding his tail about excessive costs chargeable to freight service because the foreman has discovered "THE BOSS" doesn't say anything about excessive passenger costs. The work gets done so why worry about which pocket the money to pay for the job comes out of, it's one company anyhow and besides the heat that can make or break a foreman is off. Easy way out? You bet—and most of us take it.

A week later who can remember how much extra cost passenger service has assumed by the ploy? Multiply this by many instances of this happening and an unfavorable cost picture of passenger service emerges. The beauty of this is that the accounting department can furnish the President of the Company a detailed cost sheet that is almost impossible to challenge. The President believes he is honest in his statement the Company lost "x" number of dollars on passenger service. The accounting department is honest because they use the figures supplied to them by the men where it started. The men where it started don't remember because it was such an insignificant thing to begin with.

Because I know this I am extremely irritated that Rail Pax has accepted management figures on operational costs of passenger trains. To me, this is akin to asking the fox guarding the chicken house how many chickens died of old age.

Rail Pax should be required to operate all existing passenger trains, making only those changes necessary to clean up the mess created by company management, until a true cost/revenue figure could be obtained. Two years should be sufficient for this. Given half a chance to succeed I submit Company stated losses won't occur and Rail Pax would hit about the break-even point or even show a profit.

Time is the most critical factor Congress faces today in coming to a decision on the passenger trains. If on May first, Rail Pax is allowed to discontinue the trains they have indicated and these trains are off for two or more weeks, Congress will find it extremely difficult to restore these trains, or, if re-established, the cost will be staggering.

Railroad Companies want out of passenger business. Some indicate they are not happy about having to run those few trains Rail Pax left on. You may rest assured, the Companies will move with unbelievable speed to obliterate the whole pattern necessary for passenger train operation.

For instance, where additional freight engines are needed, the unused passenger engines will be converted to freight engines and the unneeded parts will be scrapped. It only takes about six hours per engine to make this change. Where freight engines are not needed then the passenger engines will be stripped for salvageable parts and the balance written off for scrap. Already, I have been told repair parts for the steam boilers used to provide heat for the passenger trains are being discontinued here in Livingston, a major repair point for 52 Burlington Northern passenger engines. Unused passenger stations will be leased to other businesses, will be abandoned to be torn down at a later date, used for store rooms or other purposes. Passenger cars might last awhile longer but even they will be used as a source of interchangeable parts until they too can be scrapped. Personnel now assigned to handling passenger train requirements will be shifted around to other available jobs and the hard core of men needed to re-instate service will be unavailable when needed.

I sincerely believe Congress would find it easier to put Humpty Dumpty back together again than it will be to re-establish a passenger train once that train has been discontinued.

The word as I see it is: GO! GO! GO! NOW!!!!

Yours very truly,

JIM BEAMER.

Senator MANSFIELD. Mr. Chairman, May 1 is not very far away. In fact, Saturday of this week could well be a day of calamity for public transportation. The Congress has a responsibility to take action now. I am delighted that the National Association of Railroad Passengers has appealed this matter to the courts. Governor Forrest Anderson informed me that the State of Montana has taken similar action. Hopefully, this will postpone implementation of Railpax until such time as the Railpax plan can be properly reviewed.

Personally, I would like to see the Congress pass legislation amending the Railpax authority postponing its implementation for at least six months. There are any number of other proposals, all of which demand Congressional consideration. The most immediate problem before us is to stall the imminent destruction of passenger train service. I appeal to this Committee to take the necessary initiative. I stand ready to assist in any way possible through my Senate Leadership responsibilities and as a Member of the Senate Committee on Appropriations. In conclusion, I have only one more thing to say. Railpax or Amtrak, as it is apparently now called—perhaps a better name would be halftrak, as far as Montana is concerned—should not proceed, in any manner, until it is demonstrated that they are interested in pursuing the best interests of the consumer and the general public, not just along the Eastern seaboard, but throughout the entire United States and including the less densely populated states as well.

Thank you very much.

Senator HATFIELD. Thank you, Senator Mansfield.

This Committee is very appreciative of your interest and your very dynamic and succinct testimony.

I would like the record to show that Senator Frank Church of Idaho was at the witness table with Senator Mansfield, and I apologize for not having recognized the distinguished Senator from Idaho before.

At this point I would like to call on Senator Warren Magnuson, who is the Chairman of our Commerce Committee, who must go to an Appropriations Committee hearing very shortly, and ask him if he has any questions he would like to propound to Senator Mansfield.

Senator MAGNUSON. Well, I have no questions. I think the Senator from Montana has made a suggestion that I made about a month ago when our counterpart in the House, Harley Staggers, and I joined in a letter to the Railpax, that it might be well, in view of the confusion and all the things we are talking about here, to postpone any definitive action until at least six months so we can work out something.

I do not think we have received an answer from them to our suggestion, have we?

Mr. O'NEAL. Yes.

Senator MAGNUSON. All right. Now, we are posed here. I want to say to the Senator from Montana, with a sort of administrative problem. The terms of the present members of the Commission, the original Commission, expire on May 1. There has been sent up to the Committee the reappointment of all members with the exception of the appointment of a new executive director, which they ultimately are going to need regardless of what happens.

Now, we held a hearing this morning and I postponed any action by the Committee until we could hear from all the people involved, but I do think that to keep this alive so that we can do some of the things the Senator from Montana suggested—or, at least completely review the whole matter—we are going to have to reappoint these members with the executive director.

In the meantime, the Senator from Montana suggests that we pass legislation amending the authority and postponing its implementation for at least six months. That is your direct suggestion, is it not, Senator?

Senator MANSFIELD. Yes. That is the least I would like to see done, and as far as the nominations are concerned, I really do not see any hurry about bringing them up and reporting them out.

Senator MAGNUSON. I think we have got to keep this alive because it will be chaos if everything quits. Then, in the meantime, if the Committee saw fit—and I do not know the feeling of the Commerce Committee—but as far as I am concerned personally, I would be glad to introduce this legislation and hold it until we can settle some of these serious problems that are involved.

In the meantime, the Commission—or what do they call themselves now—Amtrak—I do not know why they changed the name—or halftrak is what you called it—they would still be alive so we would have a forum to go to to do the things we are talking about.

I do not think there should be any objection of those who have objection to keep them alive and to reappoint them but to postpone the action for at least six months at least. That is the minimum, I think, and we so wrote this organization—Congressman Staggers and I—and we have a reply. What does the reply say? I have not seen it yet.

Mr. O'NEAL. Basically, the answer was no.

Senator MAGNUSON. The reply is no, so the legislation then is going to be pending and I do not know how the Commerce Committee feels about it, but I will personally introduce it.

Senator MANSFIELD. I appreciate that, Mr. Chairman, and may I say that the——

Senator MAGNUSON. Put the letter in the record. I did not know that they had replied as yet. We sent the original letter the first part of April, about three weeks ago or maybe a month ago, but we got no answer until just recently, and I just think that because, after all—and I make this statement publicly—they do have to come back to Congress for an appropriation under the authorization act and there are many people who feel that there should be a complete review of this whole matter again—and this is what I would like to see the Committee do. I cannot speak for the whole Committee, but we will see what happens here.

Senator MANSFIELD. Mr. Chairman, may I say that I appreciate your comments and certainly, as always. I will be the first one to follow your leadership in seeking a postponement; but come this Saturday there is going to be chaos—and I am not asking for much for the State of Montana, just the return of the entry and the short line from Butte to Salt Lake, because we are a big state, 148,000 square miles, and we depend upon the railroads and I think the railroads have deliberately tried to do away with passenger service through a number of methods of which I have firsthand knowledge, and I wish that they would live up to their slogan that "Who needs the railroads? You do. We all do." And put into effect the kind of transportation system of which they are capable.

So I am encouraged by what the distinguished Chairman of the full Committee has said, and the Acting Chairman of the Subcommittee; and again, I want to repeat, as far as I am concerned, I hope the President—although it goes contrary to my principles—in this particular instance keeps that $38 million locked up, and I hope that there will be no funds forthcoming from the Appropriations Committee until something is done to rectify this situation; and, furthermore, I see no great rush to go ahead with these nominations.

Senator MAGNUSON. But I do think that we have to be prepared, if we are going to try and implement the services, to come up with the appropriation that will be needed for this matter nationwide.

Now, the Chairman has a little problem in his own State.

Senator MANSFIELD. He does, indeed.

Senator MAGNUSON. Yes. And I cannot understand why this Commission—and I have said so to them—we have a very profitable run from Seattle to Vancouver and the Commission decided they should not look into that because it involved international matters. Well, all you need is to call up Ottawa and they say "Go ahead." You do not have to have any treaty or anything like that. And I understand that this segment has been holding its own.

So these are some of the things we have got to take a good, long look at, but I do think we have to commit ourselves, if this is finally going to work—the whole Amtrak or Railpax or whatever you want to call it—that we have to be prepared to appropriate the amount of money to keep these services going that we think should be going—our share. It is only partially our share and, actually, in the scheme of things is not too much for a big country like ours.

I think in the long run we would save money by doing some of the things that you suggest. I see the Senator from North Dakota here. I understand that he has the same complaint. I know both lines well. I have traveled both the NP and Great Northern I don't know how many times and I like it. When I go home I sometimes take one route one time and then I take the northern route the next time, because they're both beautiful, scenic routes. But you cannot divide Montana and North Dakota in that distance as north and south for rail passenger traffic. It is impossible. The distances are too great in between.

So, as one, I appreciate your testimony.

Senator MANSFIELD. Thank you, Senator.

Senator MAGNUSON. And I think the Committee should act to continue the Commission and then we will introduce legislation for a postponement to settle some of these matters. This is my opinion of it.

Senator MANSFIELD. If the Committee would report out something today I could assure the Chairman that the Senate would be ready to take it up tomorrow, because we are approaching a deadline and the need for action is on us.

Senator MAGNUSON. Saturday is the deadline, is it not?

Senator MANSFIELD. That is right.

Senator HATFIELD. I would now like to call upon our distinguished ranking minority member, Senator Cotton, from New Hampshire.

Senator COTTON. I will not take time because there are other Senators waiting to testify. I think the distinguished Majority Leader has made a statement that is of great value to this Committee and naturally, for obvious reasons, he concentrated somewhat on the problems of his own section, but he also raised some very general questions and I think that most members of this Committee realize that we are on the banks of the Rubicon right now.

Just where we were headed when the original act was passed, this Senator had some doubts at that time whether we were on the way to nationalization of the railroads and what would happen if we took over the responsibilities of passenger traffic.

The only thing that I would like to—and I want to say that some of the questions raised by the Majority Leader this Senator finds himself in accord and great sympathy. We have got to face up to this thing now or we will find ourselves halfway down the road from which there is no return.

I think the Senator would agree to that, would he not?

Senator MANSFIELD. Yes, indeed.

Senator COTTON. I would like to just ask you one question: Does he feel—and he is

in a position—the prime position to make a decision on this point even more than this Committee—does he feel that the organization of the directors of Amtrak—that their nomination and confirmation should be held up until we face up to this whole situation, or does he feel they should be held up until some bill can be acted on that will grant some time, or does he feel that we should go ahead and keep the organization as it was created and then try to work from there?

Senator MANSFIELD. Well, may I say to the distinguished Senator from New Hampshire that, as he knows, that is a decision for the Committee. But as a Senator from Montana, I feel very deeply about the effect this will have on my state and the people whom I have the privilege to represent.

Frankly, I see no need to rush these nominations and, of course, as the Senator knows, any Senator who asks that a hold be put on a nomination or a bill, that hold will be observed for a reasonable period of time; so I would not suggest we act too hastily.

Senator COTTON. I think I get the message. Thank you.

Senator HATFIELD. Senator Mansfield, I would just like to comment briefly, because I think you have brought together so many of the points that relate to this problem and in a very brief and very excellent manner.

I had my suspicions about this whole proposition when I read the preliminary report made to the Secretary of Transportation, Mr. John Volpe, dated November 30, 1970. I feel that probably the most devastating of all criticisms that could be made was to go back to that original concept to show basically how inadequate the whole proposition was from its very origin, because in that preliminary report—I hold here before you the map, indicating that there was absolutely no north/south traffic service provided between Seattle, Portland, San Francisco, and Los Angeles. It was totally void of any north/south service. Here is a part of the fastest growing section of the United States and there is no recognition given at all to the population trends and the centers of population on the West Coast. Furthermore, there was no service provided for Los Angeles to the Southwestern States going eastward to Houston and New Orleans—totally void of any service.

Now, to me, that indicated right from the very beginning that this whole proposition was ill-conceived, poorly studied and poorly presented. Fortunately, before the final report was made on January 28, 1971, due to the protests of the Senators from Washington, California and Oregon, we were able to restore some north/south service between Seattle, Portland, San Francisco, and Los Angeles, and then along the centers of the Southwestern States the service was provided from Los Angeles through Texas to New Orleans.

But I could not help but be impressed by your comment that there has been anything but encouragement for potential rail passenger. Let me just indicate to you that as far as the State of Oregon is concerned, we have found almost an arrogance—more than indifference—as far as the Southern Pacific is concerned, which goes throughout our entire State and as it relates to passenger service over the last 15 or 20 years—railroad stations not providing the service for passengers to buy tickets, the attitude of the people who are serving passengers on those few trains that are left—all of this would indicate almost a deliberate policy by the Southern Pacific to discourage passenger service in hopes that they can abandon the service entirely.

Now, it goes beyond this. You go to any community in our State along the north/south route of the Southern Pacific and you will find that in any civic enterprise or undertaking, whether it is the United Fund or whether it is some special project to build a YMCA addition, you find one of the poorest participants as far as the corporations are concerned in that entire state is the Southern Pacific Railroad, and this is not just one man's opinion; that is from community to community.

I was told when I first started in politics that if you really want to guarantee yourself an election, you can just go along the Southern Pacific Railroad line and campaign against it and you can win any election in Oregon along those counties and those areas.

This may sound highly critical of the Southern Pacific, but let me say my bread and butter came from there. My father was a blacksmith on the Southern Pacific Railroad for almost 40 years and I have ridden many a mile on a Southern Pacific pass, and I have a great warmth and affection for that railroad and for all railroads frankly, and I just hate to see this happen to the whole railroad system in this country.

I only wanted to add these few words because for the last few years I have been studying the possibility of nationalizing at least the passenger service of railroads in this country, having traveled on a few European railroads and having seen what they can provide for passenger service in a fine manner, and I think it could be said that for those of us who really support and believe in rail service that we are here as friends today and not as opponents or critics, but really here as friends, and I believe that is your role, Senator Mansfield, here this morning, and Senator Church and Senator Burdick and the others who are going to be testifying.

We may sound critical, but I think the railroads have asked for it, frankly, in this area of passenger service, and I very much appreciate your comments because I think they are fair. I think they are right to the point, and, again, I just cannot help but feel that we speak here as friends and not as enemies of the rail service of this country.

Senator COTTON. Would the Senator yield for a second?

Senator HATFIELD. Yes, sir.

Senator COTTON. I just wanted to say that at this place the distinguished Senator from Oregon does not even know what arrogance is. The principal railroad in my section of the country filed an application with the Public Utilities Commission of my state for authority to take up the rails of a double track connection from Northern New England to Boston and had a hearing. At that time I was in the State Legislature. They had a hearing and after the hearing had reached the third or fourth day, it was discoverd they had torn up the rails three months before they entered the hearing. They had all been taken up.

But I do think the record should show this, and I am quite sure that the distinguished Senator would not object to this. I think we have delegated to the directors of Amtrak an almost insurmountable and impossible task involving much more than even many who voted for the bill had in mind, and that they find themselves in the position where railroads are continuing service with the expectation—certain railroads in certain localities—of being relieved and, of course, upon which the railroads claim to be losing large sums. They are under that pressure.

Of course, those railroads, I suppose, if there were six months delay, would be seeking some aid or some relief from utility commissions and the I.C.C., although I cannot imagine they could get much of a decision from the I.C.C. in the short period of six months, but perhaps they would.

But I do think the record should show that while we all recognize that we are up against a far-reaching decision, that what we do in the next few days or the next few weeks, as I said before, commits us to a pathway from which it is hard to turn back, I do think that the directors have earnestly and sincerely done their level best to carry out what they understood to be the direction of the Congress; and that when we feel it is necessary to stop, look and listen regarding this, that it is not a reflection on their good faith and their attempts to do what they have done, even though it has left many sections of the country in a situation for which there is justifiable complaint.

I think the record should show that, and I hope the Senator would not object to that.

Senator MANSFIELD. Not at all. I only know Mr. David Kendell, and I have a high regard for him and I think he is doing the best he can under the most difficult of circumstances so I would agree with the Senator from New Hampshire in what he just said.

May I say also, in complementing what the Senator from Oregon has stated, as I recall, there is no north/south line between Chicago and Seattle. Furthermore, in Montana, we used to have three transcontinental lines. The third one was the Milwaukee, which now runs freight only, but which deliberately cut down on its passenger service a division or so at a time until it is out of the passenger service, at least as far as the Dakotas, South Dakota and Montana and Idaho and Washington are concerned. But the Milwaukee was not a land grant railroad, so it had some justification.

I would like to conclude by agreeing with the Chairman of the Subcommittee, by saying, yes, we love the railroads. We loved their romanticism and their convenience, but we think, as they do, that we need the railroads and we would like to see them put their slogan in operation and continue to give—or give to the people the kind of service which they deserve and the kind of service on which the land grants to the GN and the NP were allowed for in the first place.

So I thank the Chairman and the Committee for its support.

Senator MAGNUSON. Every other section of land——

Senator MANSFIELD. Out in the Swan River country the NP has big forests up there. They have got it down in the Gallatin. They have got a Vice President for Oil. So they are getting things besides a roadbed, but what they want to make of Montana is a roadbed for the convenience of Chicago and the densely populated urban areas, and we think we are just as much a part of the Union as any other State; and not only that, but the Chairman of this Committee loses the NP in the State of Washington, and for all I know, he may lose the Spokane, Seattle and Portland train which goes down from Spokane to Portland.

So we are all in a pretty tough box on this, and the only people who can do something initially is this Committee.

Senator MAGNUSON. Well, now, as I understand it—and I want the assurance of the Senator from Idaho and the Senator from North Dakota—I do think we have to move swiftly to continue the Board, Commission or whatever they call themselves. Then, we would have to suggest by legislation, if necessary, that we postpone the definitive action for at least six months.

Is that the understanding?

Senator MANSFIELD. That is correct, and it will have to be done by Saturday, which gives us three days.

Senator MAGNUSON. All right. Because without the Commission, we cannot even get in to talk about this. In the meantime, it is my understanding that the rail situation will remain as it is.

Now, there are a lot of applications in front of the I.C.C. due to the act we passed, Senator Smathers and I, in 1958, the Transportation Act, which turned over some of the jurisdictions for the abandonment of certain lines to the I.C.C. rather than the state commis-

sions; and as a result, some of them, in all fairness, should have been abandoned. They were held up for years by state commissions.

But the routes we are talking about now, to me, are fundamental to the rail transportation of passengers in the United States. They are not the kind of spur line where it obviously was not working, either freight or passenger.

So the Committee will proceed with the nominations and will proceed with the piece of legislation.

I want somebody to tell me—I just read in the paper this morning that there is a court action. Has it been filed?

Senator MANSFIELD. The State of Montana has instituted a court action.

Senator MAGNUSON. You mentioned that. So, in event, the May 1st date is very impractical due to the situation right now.

Senator MANSFIELD. Very impractical.

Senator MAGNUSON. It is very impractical in my opinion, and I only speak for myself. I do not speak for the Committee.

Senator MANSFIELD. Well, you are a good voice to speak on it.

Senator MAGNUSON. Before you go, Senator Mansfield, Senator Hartke has been holding some hearings on this and he may want to ask one or two questions.

Senator MANSFIELD. I would be delighted to try to answer them.

Senator MAGNUSON. He is Chairman of the Subcommittee for Surface Transportation and has direct charge of these things —indirect charge—I will amend that.

Senator HARTKE. Let me say to Senator Mansfield, I was not here during your statement. I was down in front of the Rules Committee trying to get some money so we can provide a continuation of the study which needs to be done in this field which, frankly, in my opinion, has not been done by the Congress up to this time.

I will say, as I did before the Rules Committee, unless we have an adequate staff to do it, it is going to be impossible for us to do it in this field or any other field. This is a very serious matter. I am quite aware of that fact.

My own opinion is that the main difficulty here is the fact that this measure probably was not properly funded in the original instance. It is another example of trying to do a big job with only part of the necessary money, and I think that if we are to follow the procedure which I originally outlined in which we would have had a bill which would have provided us sufficient money, we could have had the comprehensive service which this country needs.

We were assured at that time by the Administration that this more limited approach could provide for that service and I am hopeful, since we have the incorporators here this morning, we can touch upon that; and certainly the questions which you have raised this morning will be directed to them.

Senator MANSFIELD. May I say, Senator Hartke, that if the Railpax proposal goes into effect on Saturday, there would not be much need for a study. So if you are going to have a study you had better keep the lines going and not allow Mayday to occur as far as the rail transportation industry is concerned.

Thank you.

Senator HATFIELD. Thank you, Senator Mansfield.

I will be happy to turn the gavel over to our regular subcommittee chairman, Senator Hartke.

Senator HARTKE. I want to thank Senator Hatfield for taking over this morning. Really, Senator Magnuson, I sometimes wonder about this dubious honor which you have conferred upon us.

Senator Church, we will be glad to hear from you.

EXHIBIT 2

[From the Missoula (Mont.) Missoulian, Apr. 22, 1971]

THERE IS SO MUCH TO REMEMBER . . .

I remember:

The times Johnson-Bell Field was socked in with fog, for days at a time. No air service in or out of Missoula.

The passenger trains ran without any problems.

The times the interstate highway has been black ice east and west out of Missoula. The highway department put out warnings of danger for auto travel, and to stay off.

The passenger trains ran without any problems.

The lady whose mother was dying and had to get to Seattle as soon as possible. She said the air line did not land; they had refunded her air ticket.

She got on the passenger train okay.

The number of older persons saying they do not drive, and could not afford the cost of air travel. The air fare is almost double the cost of passenger rail transportation.

The number of persons traveling to Spokane, Seattle and Portland by passenger train for special medical attention; the wide-eyed little children when they go for their first train trip. Some may never have the opportunity for a train ride from Missoula.

The school groups, university, high school, grade schools, church, and many others; the people from up the Blackfoot, the Bitterroot, the Flathead, northern Idaho—all who come to depart on trains from Missoula, the hub of five valleys.

The number of persons that go to Helena for a day at the Capitol, the number of students that travel to schools in Bozeman, Billings and the eastern schools beyond Chicago, the number of students that come into Missoula for the University, the numbers that go home over the holidays, the fight the people of Missoula put up when the railway company wanted to discontinue the Mainstreeter trains (they were saved)—that passenger train service has been with Missoula for about 80 years more or less.

Would you believe that in 1969 the number of passengers on and off at Missoula was 36,798, an average of a little over 100 per day? (Figures are not available for 1970.)

Comparative figures for state of Montana, north route versus south route for passenger fare sales, shows the south sales almost double over the north sales. The northern part of the state needs the service Railpax has assigned to it, but some service is also needed through Missoula east and west daily.

Railpax is going to spend your tax dollars, and if you don't ask or request some kind or rail service, you will get nothing. Let's get the pressure on our men in Washington, D.C., if you have not done so already.—W. L. (Bud) Rasmussen, Ticket Clerk, Burlington-Northern, Inc., Missoula.

RURAL TELEPHONE BANK—CONFERENCE REPORT

Mr. TALMADGE. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill—S. 70—to amend the Rural Electrification Act of 1936, as amended, to provide an additional source of financing for the rural telephone program, and for other purposes, and I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr. KENNEDY). Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

The report reads as follows:

CONFERENCE REPORT (REPT. No. 92-81)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 70) to amend the Rural Electrification Act of 1936, as amended, to provide an additional source of financing for the rural telephone program, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following:

That it is hereby declared to be the policy of the Congress that the growing capital needs of the rural telephone systems require the establishment of a rural telephone bank which will furnish assured and viable sources of supplementary financing with the objective that said bank will become an entirely privately owned, operated, and financed corporation. The Congress further finds that many rural telephone systems require financing under the terms and conditions provided in title II of the Rural Electrification Act of 1936, as amended. In order to effectuate this policy, the Rural Electrification Act of 1936, as amended (7 U.S.C. 921-924), is amended as hereinafter provided.

SEC. 2. The Rural Electrification Act of 1936, as amended, is amended by adding the following two new titles:

"TITLE III

"SEC. 301. RURAL TELEPHONE ACCOUNT.—There is hereby established in the Treasury of the United States an account, to be known as the rural telephone account, consisting of so much of the net collection proceeds (as defined in section 406(a) of this Act) as may be necessary to provide for investment in the capital stock of the Rural Telephone Bank in accordance with such section 406(a): *Provided*, That such investment shall be deemed paid in capital of the said bank notwithstanding that funds representing the proceeds from the sale of such stock shall remain in the rural telephone account until required for actual disbursement in cash by the said bank.

"SEC. 302. DEPOSIT OF ACCOUNT MONEYS.—Moneys in the rural telephone account shall remain on deposit in the Treasury of the United States until disbursed.

"TITLE IV

"SEC. 401. ESTABLISHMENT, GENERAL PURPOSES, AND STATUS OF THE TELEPHONE BANK.—(a) There is hereby established a body corporate to be known as the Rural Telephone Bank (hereinafter called the telephone bank).

"(b) The general purposes of the telephone bank shall be to obtain an adequate supply of supplemental funds to the extent feasible from non-Federal sources, to utilize said funds in the making of loans under section 408 of this title, and to conduct its operations to the extent practicable on a self-sustaining basis.

"(c) The telephone bank shall be deemed to be an instrumentality of the United States, and shall, for the purposes of jurisdiction and venue, be deemed a citizen and resident of the District of Columbia. The telephone bank is authorized to make payments to State, territorial, and local governments in lieu of property taxes upon real property and tangible personal property which was subject to State, territorial, and local taxation before acquisition by the telephone

bank. Such payment may be in the amounts, at the times, and upon such terms as the telephone bank deems appropriate but the telephone bank shall be guided by the policy of making payments not in excess of the taxes which would have been payable upon such property in the condition in which it was acquired.

"SEC. 402. GENERAL POWERS.—To carry out the specific powers herein authorized, the telephone bank shall have power to (a) adopt, alter, and use a corporate seal; (b) sue and be sued in its corporate name; (c) make contracts, leases, and cooperative agreements, or enter into other transactions as may be necessary in the conduct of its business, and on such terms as it may deem appropriate; (d) acquire, in any lawful manner, hold, maintain, use, and dispose of property: *Provided*, That the telephone bank may only acquire property needed in the conduct of its banking operations or pledged or mortgaged to secure loans made hereunder or in temporary operation or maintenance thereof: *Provided further*, That any such pledged or mortgaged property so acquired shall be disposed of as promptly as is consistent with prudent liquidation practices, but in no event later than five years after such acquisition; (e) accept gifts or donations of services or of property in aid of any of the purposes herein authorized; (f) appoint such officers, attorneys, agents, and employees, vest them with such powers and duties, fix and pay such compensation to them for their services as the telephone bank may determine; (g) determine the character of and the necessity for its obligations and expenditures, and the manner in which they shall be incurred, allowed, and paid; (h) execute, in accordance with its bylaws, all instruments necessary or appropriate in the exercise of any of its powers; (i) collect or compromise all obligations assigned to or held by it and all legal or equitable rights accruing to it in connection with the payment of such obligations until such time as such obligations may be referred to the Attorney General for suit or collection; and (j) exercise all such other powers as shall be necessary or incidental to carrying out its functions under this title.

"SEC. 403. SPECIAL PROVISIONS GOVERNING TELEPHONE BANK AS AN AGENCY OF THE UNITED STATES UNTIL CONVERSION OF OWNERSHIP, CONTROL, AND OPERATION.—Until the ownership, control, and operation of the telephone bank is converted as provided in section 410(a) of this title and not thereafter—

"(a) the telephone bank shall be an agency of the United Sttaes and shall be subject to the supervision and direction of the Secretary of Agriculture (hereinafter called the Secretary): *Provided, however*, That the telephone bank shall at no time be entitled to transmission of its mail free of postage, nor shall it have the priority of the United States in the payment of debts out of bankrupt, insolvent, and decedents' estates;

"(b) in order to perform its responsibilities under this title, the telephone bank may partially or jointly utilize the facilities and the services of employees of the Rural Electrification Administration or of any other agency of the Department of Agriculture, without cost to the telephone bank;

"(c) the telephone bank shall be subject to the provisions of the Government Corporation Control Act, as amended (31 U.S.C. 841, et seq.), in the same manner and to the same extent as if it were included in the definition of 'wholly owned Government corporation' as set forth in section 101 of said Act (31 U.S.C. 846);

"(d) the telephone bank may without regard to the civil service classification laws appoint and fix the compensation of such officers and employees of the telephone bank as it may deem necessary;

"(e) the telephone bank shall be subject to the provisions of sections 517, 519, and 2679 of title 28, United States Code.

"SEC. 404. GOVERNOR.—Subject to the provisions of section 410, the Administrator of the Rural Electrification Administration shall serve as the chief executive officer of the telephone bank (herein called the Governor of the telephone bank). Except as to matters specifically reserved to the Telephone Bank Board in this title, the Governor of the telephone bank shall exercise and perform all functions, powers, and duties of the telephone bank.

"SEC. 405. BOARD OF DIRECTORS.—(a) The management of the telephone bank, within the limitations prescribed by law, shall be vested in a board of directors (herein called the Telephone Bank Board) consisting of thirteen members.

"(b) The Administrator of the Rural Electrification Administration and the Governor of the Farm Credit Administration shall be members of the Telephone Bank Board. Five other members of the Telephone Bank Board shall be designated by the President to serve at his pleasure, three of whom shall be officers or employees of the Department of Agriculture but not officers or employees of the Rural Electrification Administration, and two of whom shall be from the general public and not officers or employees of the Federal Government. The Administrator and other officers and employees of the Department of Agriculture and the Governor of the Farm Credit Administration shall serve as members without additional compensation.

"(c) As soon as practicable after enactment of this title, the President of the United States shall appoint six additional members of the initial Telephone Bank Board to be selected from the directors, managers, and employees of any entities eligible to borrow from the telephone bank and of organizations controlled by such entities, with due regard to fair representation of the rural telephone systems of the Nation. The six members thus appointed shall serve until their successors shall have been duly elected in accordance with subsection (d).

"(d) Within twelve months following the appointment of the six members of the initial Board as provided in subsection (c), the Governor of the telephone bank shall call a meeting of all entities then eligible to borrow from the telephone bank and organizations controlled by such entities for the purpose of electing members of the Telephone Bank Board. Each such entity and organization shall be entitled to notice of and shall have one noncumulative vote at said meeting. Six members of the Telephone Bank Board shall be elected for a two-year term, three from among the directors, managers, and employees of cooperative-type entities eligible to vote and organizations controlled by such entities, and three from among the managers, directors, and employees of commercial-type entities eligible to vote and organizations controlled by such entities. These six members shall be elected by majority vote of the entities and organizations eligible to vote and such entities and organizations may vote by proxy.

"(e) Thereafter, in accordance with the bylaws of the telephone bank, the six members of the Telephone Bank Board shall be elected by holders of class B and class C stock, three from among the directors, managers, and employees of cooperative-type entities and organizations controlled by such entities holding class B or class C stock, and three from among the directors, managers, and employees of commercial-type entities and organizations controlled by such entities holding class B or class C stock. These six members shall be elected by majority vote of the entities and organizations eligible to vote and such entities and organizations may vote by proxy.

"(f) Any Telephone Bank Board member may continue to serve after the expiration of the term for which he is elected until his successor has been elected and has qualified. Telephone Bank Board members designated from the general public, pursuant to subsection (b), or appointed or elected pursuant to subsections (c), (d), and (e), shall receive $100 for each day or part thereof, not to exceed one hundred days per year for the first three years after enactment of this title and not to exceed fifty days per year thereafter, spent in the performance of official duties, and shall be reimbursed for travel and other expenses in such manner and subject to such limitations as the Telephone Bank Board may prescribe.

"(g) The Telephone Bank Board shall prescribe bylaws, not inconsistent with law, regulating the manner in which the telephone bank's business shall be conducted, its directors and officers elected, its stock issued, held, and disposed of, its property transferred, its bylaws amended, and the powers and privileges granted to it by law exercised and enjoyed.

"(h) The Telephone Bank Board shall meet at such times and places as it may fix and determine, but shall hold at least four regularly scheduled meetings a year, and special meetings may be held on call in the manner specified in the bylaws of the telephone bank.

"(i) The Telephone Bank Board shall make an annual report to the Secretary for transmittal to the Congress on the administration of this title IV and any other matters relating to the effectuation of the policies of title IV, including recommendations for legislation.

"SEC. 406. CAPITALIZATION.—(a) The telephone bank's capital shall consist of capital subscribed by the United States, by borrowers from the telephone bank, by corporations and public bodies eligible to become borrowers from the telephone bank, and by organizations controlled by such borrowers, corporations, and public bodies. Beginning with the fiscal year 1971 and for each fiscal year thereafter, the United States shall furnish capital for the purchase of class A stock and there are hereby authorized to be appropriated from net collection proceeds in the rural telephone account created under title III of this Act such amounts, not to exceed $30,000,000 annually, for such purchases until such class A stock shall equal $300,000,000: *Provided*, That on or before July 1, 1975, the Secretary shall make a report to the President for transmittal to the Congress on the status of capitalization of the telephone bank by the United States with appropriate recommendations. As used in this section and section 301, the term 'net collection proceeds' shall be deemed to mean payments from and after July 1, 1969, of principal and interest on loans heretofore or hereafter made under section 201 of this Act, less an amount representing interest payable to the Secretary of the Treasury on loans to the Administrator for telephone purposes pursuant to section 3(a) of this Act.

"(b) The capital stock of the telephone bank shall consist of three classes, class A, class B, and class C, the rights, powers, privileges, and preferences of the separate classes to be as specified, not inconsistent with law, in the bylaws of the telephone bank. Class B and class C stock shall be voting stock, but no holder of said stock shall be entitled to more than one vote, nor shall class B and class C stockholders, regardless of their number, which are owned or controlled by the same person, group of persons, firm, association, or corporation, be entitled in any event to more than one vote.

"(c) Class A stock shall be issued only to the Administrator of the Rural Electrification Administration on behalf of the United States in exchange for capital furnished to the telephone bank pursuant to subsection (a), and such class A stock shall be redeemed

and retired by the telephone bank as soon as practicable after June 30, 1985, but not to the extent that the Telephone Bank Board determines that such retirement will impair the operations of the telephone bank: *Provided,* That the minimum amount of Class A stock that shall be retired each year after said date and after the amount of class A and class B stock issued totals $400,000,000, shall equal the amount of class B stock sold by the telephone bank during such year. Class A stock shall be entitled to a return, payable from income, at the rate of 2 per centum per annum on the amounts of said class A stock actually paid into the telephone bank. Such return shall be cumulative and shall be payable annually into miscellaneous receipts of the Treasury.

"(d) Class B stock shall be held only by recipients of loans under section 408 of this Act. Borrowers receiving loan funds pursuant to section 408(a) (1) or (2) shall be required to invest in class B stock 5 per centum of the amount of loan funds so provided. No dividends shall be payable on class B stock. All holders of class B stock shall be entitled to patronage refunds in class B stock under terms and conditions to be specified in the bylaws of the telephone bank.

"(e) Class C stock shall be available for purchase and shall be held only by borrowers, or by corporations and public bodies eligible to borrow under section 408 of this Act, or by organizations controlled by such borrowers, corporations and public bodies, and shall be entitled to dividends in the manner specified in the bylaws of the telephone bank. Such dividends shall be payable only from income and, until all class A stock is retired, shall not exceed the current average rate payable on its telephone debentures.

"(f) If a firm, association, corporation, or public body is not authorized under the laws of the jurisdiction in which it is organized to acquire stock of the telephone bank, the telephone bank shall, in lieu thereof, permit such organization to pay into a special fund of the telephone bank a sum equivalent to the amount of stock to be purchased. Each reference in this title to capital stock, or to class B, or class C stock, shall include also the special fund equivalents of such stock, and to the extent permitted under the laws of the jurisdiction in which such organization is organized, a holder of special fund equivalents of class B, or class C stock, shall have the same rights and status as a holder of class B or class C stock, respectively. The rights and obligations of the telephone bank in respect of such special fund equivalent shall be identical to its rights and obligations in respect of class B or class C stock, respectively.

"(g) After payment of all operating expenses of the telephone bank, including interest on its telephone debentures, setting aside appropriate funds for reserves for losses, and making payments in lieu of taxes, and returns on class A stock as provided in section 406(c), and on class C stock, the Telephone Bank Board shall annually set aside the remaining earnings of the telephone bank for patronage refunds in accordance with the bylaws of the telephone bank.

"SEC. 407. BORROWING POWER.—The telephone bank is authorized to obtain funds through the public or private sale of its bonds, debentures, notes, and other evidences of indebtedness (herein collectively called telephone debentures). Telephone debentures shall be issued at such times, bear interest at such rates, and contain such other terms and conditions as the Telephone Bank Board shall determine: *Provided, however,* That the amount of the telephone debentures which may be outstanding at any one time pursuant to this section shall not exceed eight times the paid-in capital and retained earnings of the telephone bank. The telephone bank shall insert in all its telephone debentures appropriate language indicating that such telephone debentures, together with interest thereon, are not guaranteed by the United States and do not constitute a debt or obligation of the United States or of any agency or instrumentality thereof other than the telephone bank. Telephone debentures shall not be exempt, either as to principal or interest, from any taxation now or hereafter imposed by the United States, by any territory, dependency, or possession thereof, or by any State or local taxing authority. Telephone debentures shall be lawful investments and may be accepted as security for all fiduciary, trust, and public funds, the investment or deposit of which shall be under the authority and control of the United States or any officer or officers thereof.

"SEC. 408. LENDING POWER.—(a) The Governor of the telephone bank is authorized on behalf of the telephone bank to make loans, in conformance with policies approved by the Telephone Bank Board, to corporations and public bodies which have received a loan or loan commitment pursuant to section 201 of this Act, (1) for the same purposes and under the same limitations for which loans may be made under section 201 of this Act, (2) for the purposes of financing, or refinancing, the construction, improvement, expansion, acquisition, and operation of telephone lines, facilities, or systems, in order to improve the efficiency, effectiveness, or financial stability of borrowers financed under sections 201 and 408 of this Act, and (3) for the purchase of class B stock required to be purchased under section 406(d) of this Act but not for the purchase of class C stock, subject, as to the purposes set forth in (2) hereof, to the following provisos: That in the case of any such loan for the acquisition of telephone lines, facilities, or systems, the acquisition shall be approved by the Secretary, the location and character thereof shall be such as to improve the efficiency, effectiveness, or financial stability of the telephone system of the borrower, and in respect of exchange facilities for local services, the size of each acquisition shall not be greater than the borrower's existing system at the time it receives its first loan from the telephone bank, taking into account the number of subscribers served, miles of line, and plant investment.

"(b) Loans under this section shall be on such terms and conditions as the Governor of the telephone bank shall determine, subject, however, to the following restrictions:

"(1) All loans made under this section shall be fully amortized over a period not to exceed fifty years.

"(2) Funds to be loaned under this Act to any borrower shall be loaned under this section in preference to section 201 if the borrower is eligible for such a loan and funds are available therefor. Notwithstanding the foregoing or any other provision of law, all loans made pursuant to this Act for facilities for telephone systems with an average subscriber density of three or fewer per mile shall be made under section 201 of this Act; but this provison shall not preclude the making of such loans from the telephone bank at the election of the borrower.

"(3) Loans under this section shall, to the extent practicable, bear interest at the highest rate which meets the requirements set forth in paragraph (4), consistent with the borrower's ability to pay such interest rate and with achievement of the objectives of this Act; but not less than 4 per centum per annum.

"(4) Loans shall not be made under this section unless the Governor of the telephone bank finds and certifies that in his judgment (i) the security therefor is reasonably adequate and such loan will be repaid within the time agreed, and (ii) the borrower has the capability of producing net income or margins before interest at least equal to 150 per centum of the interest requirements on all of its outstanding and proposed loans, or such higher per centum as may be fixed from time to time by the Telephone Bank Board in order to allocate available funds equitably among borrowers or to improve the marketability of the telephone debentures: *Provided, however,* That the Governor of the telephone bank may waive the requirement of (ii) above in any case if he shall determine (and set forth his reasons therefor in writing) that this requirement would prevent emergency restoration of the borrower's system or otherwise result in severe hardship to the borrower.

"(5) No loan shall be made in any State which now has or may hereafter have a State regulatory body having authority to regulate telephone service and to require certificates of convenience and necessity to the applicant unless such certificate from such agency is first obtained. In a State in which there is no such agency or regulatory body legally authorized to issue such certificates to the applicant, no loan shall be made under this section unless the Governor of the telephone bank shall determine (and set forth his reasons therefor in writing) that no duplication of lines, facilities, or systems, providing reasonably adequate services will result therefrom.

"(6) As used in this section, the term telephone service shall have the meaning prescribed for this term in section 203(a) of this Act, and the term telephone lines, facilities, or systems shall mean lines, facilities, or systems used in the rendition of such telephone service.

"(7) No borrower of funds under section 408 of this Act shall, without approval of the Governor of the telephone bank under rules established by the Telephone Bank Board, sell or dispose of its property, rights, or franchises, acquired under the provisions of this Act, until any loan obtained from the telephone bank, including all interest and charges, shall have been repaid.

"(c) The Governor of the telephone bank is authorized under rules established by the Telephone Bank Board to adjust, on an amortized basis, the schedule of payments of interest or principal of loans made under this section upon his determination that with such readjustment there is reasonable assurance of repayment: *Provided, however,* That no adjustment shall extend the period of such loans beyond fifty years.

"SEC. 409. TELEPHONE BANK RECEIPTS.—Any receipts from the activities of the telephone bank shall be available for all obligations and expenditures of the telephone bank.

"SEC. 410. CONVERSION OF OWNERSHIP, CONTROL AND OPERATION OF TELEPHONE BANK.—(a) Whenever fifty-one per centum of the maximum amount of class A stock issued to the United States and outstanding at any time after June 30, 1985, has been fully redeemed and retired pursuant to section 406(c) of this title—

"(1) the powers and authority of the Governor of the telephone bank granted to the Administrator of the Rural Electrification Administration by this title IV shall vest in the Telephone Bank Board, and may be exercised and performed through the Governor of the telephone bank, to be selected by the Telephone Bank Board, and through such other employees as the Telephone Bank Board shall designate;

"(2) the five members of the Telephone Bank Board designated by the President pursuant to section 405(b) shall cease to be members, and the number of Board members shall be accordingly reduced to eight unless other provision is thereafter made in the bylaws of the telephone bank;

"(3) the telephone bank shall cease to be an agency of the United States, but shall continue in existence in perpetuity as an instrumentality of the United States and as a banking corporation with all of the powers and limitations conferred or imposed by this title

IV except such as shall have lapsed pursuant to the provisions of this title.

"(b) When all class A stock has been fully redeemed and retired, loans made by the telephone bank shall not continue to be subject to the restrictions prescribed in the provisos to section 408(a)(2).

"(c) Congress reserves the right to review the continued operations of the telephone bank after all class A stock has been fully redeemed and retired.

"SEC. 411. LIQUIDATION OR DISSOLUTION OF THE TELEPHONE BANK.—In the case of liquidation or dissolution of the telephone bank, after the payment or retirement, as the case may be, first, of all liabilities; second, of all class A stock at par; third, of all class B stock at par; fourth, of all class C stock at par; then any surpluses and contingency reserves existing on the effective date of liquidation or dissolution of the telephone bank shall be paid to the holders of class A and class B stock issued and outstanding before the effective date of such liquidation or dissolution, pro rata.

"SEC. 412. BORROWER NET WORTH.—Except as provided in subsection (b)(2) of section 408, notwithstanding any other provision of law, a loan shall not be made under section 201 of this Act to any borrower which during the immediately preceding year had a net worth in excess of 20 per centum of its assets unless the Administrator finds that the borrower cannot obtain such a loan from the telephone bank or from other reliable sources at reasonable rates of interest and terms and conditions."

SEC. 3. (a) Subsection (f) of section 3 of the Rural Electrification Act of 1936, as amended, is amended by inserting in lieu of the first word of said subsection "Except as otherwise provided in sections 301 and 406(a) of this Act, all".

(b) Section 201 of the Rural Electrification Act of 1936, as amended, is amended by inserting ", to public bodies now providing telephone service in rural areas", immediately after the word "areas" in the first sentence and also immediately after the word "areas" in the first proviso of the second sentence.

SEC. 4. Section 201 of the Government Corporation Control Act, as amended (31 U.S.C. 856), is amended, effective when the ownership, control, and operation of the telephone bank is converted as provided in section 410(a) of the Rural Electrification Act of 1936, as amended, by striking "and" immediately before "(5)" and by inserting ", and (6) the Rural Telephone Bank" immediately before the period at the end.

SEC. 5. The second sentence of subsection (d) of section 303 of the Government Corporation Control Act, as amended (31 U.S.C. 868), is amended, effective when the ownership, control, and operation of the telephone bank is converted as provided in section 410(a) of the Rural Electrification Act of 1936, as amended, by inserting "the Rural Telephone Bank," immediately following the words "shall not be applicable to".

SEC. 6. The right to repeal, alter, or amend this Act is expressly reserved.

SEC. 7. This Act shall take effect upon enactment.

And the House agree to the same.

HERMAN E. TALMADGE,
ALLEN J. ELLENDER,
GEORGE MCGOVERN,
JAMES B. ALLEN,
JACK MILLER,
GEORGE D. AIKEN,
ROBERT DOLE,
Managers on the Part of the Senate.

W. R. POAGE,
FRANK A. STUBBLEFIELD,
GRAHAM PURCELL,
THOMAS S. FOLEY,
PAGE BELCHER,
WILLIAM C. WAMPLER,
Managers on the Part of the House.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 70) to amend the Rural Electrification Act of 1936, as amended, to provide an additional source of financing for the rural telephone program, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House amendment to S. 70 struck out all after the enacting clause and inserted in lieu thereof the text of H.R. 7 as it passed the House.

The differences between S. 70 and the House amendment and their resolution by the conferees follow:

(1) The Senate bill provided for a rural telephone account consisting of as much of the net collection proceeds from outstanding Section 201 loans as the Administrator of the Rural Electrification Administration would determine necessary for the purchase of Class A stock in the bank.

The House bill provided for a rural telephone account consisting of all notes, collections, appropriations, and other funds and assets relating to outstanding Section 201 loans.

In both bills, Congress could appropriate not exceeding $30,000,000 annually to purchase Class A stock to fund the bank. These appropriations would have to come from the rural telephone account.

The conferees agreed to the Senate language with a modification which eliminated the authority of the Administrator of the Rural Electrification Administration to make a specific determination as to the amount of funds to be placed into the rural telephone account. The conferees felt that adequate funds should be made available to the rural telephone account to assure that Congress could appropriate the maximum $30,000,000 annually if it so desired, and provided for deposit in the account of so much of the net collection proceeds as may be necessary for that purpose.

(2) The Senate bill provided that the bank would be a wholly owned government corporation until such time as conversion to private control would occur. Under the Senate bill this conversion would take place after all government investment in Class A stock would be retired.

The House bill designated the bank a mixed-ownership government corporation. Conversion to private control would occur when the amount in stated value of Class B and C stock would equal two-thirds of the total stated value of Class A, B, and C stock.

Both bills required Treasury approval of the issuance and terms of the bank's debentures until conversion.

The conferees provided that the bank would be a wholly owned government corporation (as defined in Section 101 of the Government Corporation Control Act (31 U.S.C. 846)) until 51 percent of the Class A stock has been retired, thereby subjecting it to annual budgetary review by the Office of Management and Budget until conversion. Thereafter, the bank would be a mixed-ownership government corporation, thereby continuing to subject it to annual government audit but not budgetary review.

The conferees also provided that the bank's conversion to private control would occur at such time as 51 percent of the Class A stock is retired.

(3) The Senate bill provided that the rural telephone account would include proceeds from outstanding Section 201 loans beginning after June 30, 1969.

The House bill provided that the rural telephone account could be funded from such proceeds after June 30, 1970.

Since net collection proceeds are now about $30 million per year, the Senate version would make available an amount large enough for a supplemental appropriation to purchase Class A stock this fiscal year (fiscal 1971) and a regular appropriation for this purpose at any time in the new fiscal year starting July 1, 1971. The conferees therefore agreed to the Senate language in order to enable the rural telephone account to be funded as fully as possible, thereby giving the bank every opportunity to be established on a sound financial basis. It is anticipated that net collections from fiscal years 1969 and thereafter will be available for appropriation as provided in the bill without regard to whatever action may have been taken by the Treasury with respect to them, including covering them into the general fund of the Treasury, prior to the enactment of the bill.

(4) The House bill contained language to clarify the fact that public bodies eligible to borrow from the bank would be permitted to purchase Class C stock.

The Senate bill contained no such clarification.

The conferees agreed to the House language.

(5) The Senate bill provided that borrowers able to do so must obtain loans from the bank instead of 2 percent loans from Section 201.

The House bill contained no such provision.

The conferees accepted the Senate language. The conferees felt that Section 201 loans should be made available to those borrowers who are financially unable to afford the cost of bank loans. The conferees also agreed that, in instances where a borrower could afford to pay more than 2 percent interest but less than the bank's minimum rate of 4 percent, a combination of loans from the bank and Section 201 would be permissible. However, the conferees emphasize strongly that such a combination or blended loan should result in an interest rate of less than 4 percent and should not be made to borrowers who could afford to pay 4 percent or more.

(6) The Senate bill provided that bank loans must bear an interest rate based upon the borrower's ability to pay. Bank loans would be limited to borrowers with the capability of producing net income or margins, before interest, at least equal to 150 percent of the interest requirements on its outstanding and proposed loans. The Governor of the telephone bank could waive the 150 percent requirement in case of emergency restoration of the borrower's system or severe hardship. The Senate bill also provided for a minimum bank interest rate of 4 percent.

The House bill provided the bank with an intermediate interest rate on some loans at a maximum of 4 percent and an interest rate on other loans reflecting the cost of money and other expenses of the bank. The bank's authority to make intermediate loans would terminate on June 30, 1985, or any earlier date in which conversion would occur.

The conferees accepted the Senate language on these points.

(7) The House bill prohibited the use of bank loan funds to finance political activities prohibited under Sections 600, 601, 610, 611, and 612 of Title 18 U.S.C. The House bill required borrowers, prior to receiving a loan, to agree in writing not to engage in any such prohibited activity. Violation of such agreement would require full loan repayment within 30 days after the borrower receives notification from the Telephone Bank Board.

The Senate bill contained no such provision.

The conferees agreed to eliminate the House language in view of the fact that political activities are already covered by sections 600, 601, 610, 611, and 612 of title 18,

United States Code, and there is no need for further provision in this bill with respect to them.

(8) The Senate bill provided that no borrower of Section 201 or bank funds could, without the approval of the Administrator of the Rural Electrification Administration, or the Governor of the telephone bank, respectively, sell or dispose of its property, rights, controlling interest, or franchise, or merge or consolidate with any other corporation, until all indebtedness to the Rural Electrification Administration or the telephone bank shall have been repaid. The Senate bill provided that any such approval of such transactions would be conditioned upon the new owner or entity agreeing to pay such rate of interest as would be required if a new loan were made to the borrower.

The House bill provided that any borrower of Section 201 or bank funds could not, without the approval of the Administrator of the Rural Electrification Administration, or the Governor of the telephone bank, as the case may be, dispose of its property, rights, controlling interest, or franchise, until it has repaid all of its indebtedness to the Rural Electrification Administration or the bank.

The conferees took the language in Section 7 of the Rural Electrification Act of 1936, as amended, which deals with the disposition of property, rights, or franchises, and applied it to the telephone bank. Under the agreement, a borrower from the bank must have the approval of the Governor of the telephone bank under rules established by the Telephone Bank Board before selling or disposing of its property, rights, or franchises before the repayment of indebtedness to the bank.

The conferees felt that the language in the existing Act has worked well. The conferees felt that the Governor should approve any such transaction unless it would tend to frustrate the purpose of this Act and the Rural Electrification Act of 1936, as amended.

HERMAN E. TALMADGE,
ALLEN J. ELLENDER,
GEORGE MCGOVERN,
JAMES B. ALLEN,
JACK MILLER,
GEORGE D. AIKEN,
ROBERT DOLE,
Managers on the Part of the Senate.
W. R. POAGE,
FRANK A. STUBBLEFIELD,
GRAHAM PURCELL,
THOMAS S. FOLEY,
PAGE BELCHER,
WILLIAM C. WAMPLER,
Managers on the Part of the House.

Mr. TALMADGE. Mr. President, the conference report on S. 70 was signed by all of the conferees on the part of the Senate, and all but one of the conferees on the part of the House. The differences between the Senate bill and the House amendment were generally of a minor nature, and the conferees were very amicable.

The House amendment contained a political activities provision similar to one which the Senate had stricken on two occasions. The conference substitute, like the Senate bill, does not contain such a provision.

The Senate bill would have required renegotiation of the interest rates on bank loans in the event of mergers, consolidations or sale of the borrower's assets. This provision was not in the House amendment and further consideration showed it to be unwise in that its main effect would have been to discourage mergers and consolidations which might improve the efficiency of rural telephone systems and the service they rendered to subscribers. Consequently this provision has not been included in the conference substitute.

Probably the principal difference between the Senate bill and the House amendment was that dealing with interest rates paid by borrowers from the bank. The Senate provision was adopted, as well as the Senate provision requiring borrowers who could afford to do so to obtain loan funds from the bank rather than from the 2-percent section 201 program.

The Senate bill provided for conversion of the bank to private control when all of the Government capital was retired. The House amendment provided for such conversion when the total amount in stated value of class B and class C stock equaled two-thirds of the total amount in stated value of class A, class B, and class C stock. The conference substitute adopts an intermediate position and provides for such conversion when 51 percent of the class A or Government-owned stock has been retired. As in the Senate bill, the bank would be a wholly owned Government corporation subject to budgetary review until such conversion occurred. At that time it would become a mixed ownership corporation as provided in the House amendment, subject to annual audit, but not to budgetary review.

The provision of the Senate bill for a rural telephone account has been included in the conference substitute with a minor amendment providing that the account shall consist of so much of the net collection proceeds as may be necessary to provide for investment in the stock of the rural telephone bank rather than so much as the Administrator may determine necessary for that purpose.

Like the Senate bill, the rural telephone account would include net collection proceeds from June 30, 1969, rather than June 30, 1970, as provided by the House amendment. This would assure that there would be adequate funds available for appropriation as the appropriations are made.

Mr. President, I move the adoption of the conference report.

Before the Chair puts the question, I believe the Senator from Kansas (Mr. DOLE), who was one of the cosponsors of this bill, wishes to make some remarks.

Mr. DOLE. Mr. President, I support the conference report on S. 70, providing supplemental financing for the rural telephone program by creating a rural telephone bank. This bill is the result of the constant and persistent efforts of many Members of Congress. Similar legislation has been considered during previous sessions of Congress, and I am proud to have contributed to its consideration and final passage in this session.

Today we are vitally concerned with improving the quality of life. We are concerned with the problems in our urban centers. We are concerned with making our rural areas more attractive places to live. Better communications services will contribute to improving the living conditions in rural America.

For many years the Rural Electrification Administration has provided low interest loans to telephone companies operating in rural areas where it is otherwise uneconomical to provide telephone service. However, the REA has not been able to provide sufficient financial support necessary to meet the expanding needs of these telephone companies.

The enactment of this legislation will provide adequate capital through creation of a rural telephone bank and with its creation, rural America will be provided telephone service comparable to that of urban areas.

Mr. President, it is worthy to note that this is one of the first rural development bills to be passed by this session of Congress. President Nixon requested this particular bill be acted on promptly in his legislative message on January 26, 1971. Because of the importance the President has placed on rural development and his request that this legislation be passed, I am sure we can now look for prompt action by the President in signing the measure.

I must also point out that passage of this important bill would not have been possible without the full support of Senator TALMADGE of Georgia, who worked closely with me and authored comparable legislation in the 91st Congress.

With this bill, our rural telephone systems can now have the financial backing they need to provide the telephone communications necessary to reach a rural-urban balance in America. I urge approval of the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

HUMAN DEVELOPMENT MONTH AND VOLUNTARY OVERSEAS AID WEEK

Mr. HUMPHREY. Mr. President, earlier today I submitted a concurrent resolution relating to Voluntary Overseas Aid Week, asking the President to designate the week of May 9, 1971, as Voluntary Overseas Aid Week and the month of May 1971 as Human Development Month.

This is a resolution to commend those volunteer agencies for their fine work in humanitarian assistance.

I have spoken to the minority leader, the Senator from Pennsylvania (Mr. SCOTT), and the majority leader, the Senator from Montana (Mr. MANSFIELD), and have cleared with them the request for immediate consideration, since this resolution refers to the month of May.

Mr. ALLEN. Mr. President, reserving the right to object, what is the resolution?

Mr. HUMPHREY. This is a resolution to commend the religious and nonprofit organizations for their overseas and humanitarian work.

Mr. ALLEN. I have no objection.

The PRESIDING OFFICER (Mr. KENNEDY). Is there objection to the present consideration of the resolution?

There being no objection, the resolution (S. Con. Res. 22) was considered and agreed to, as follows:

Resolved By the Senate (the House concurring), That it is the sense of the Congress that in recognition of the 25th Anniversary of the American voluntary foreign aid programs and the International Walk for Development that the President should des-

ignate the week of May 9, 1971, as "Voluntary Overseas Aid Week" and the month of May, 1971, as "Human Development Month."

The preamble was agreed to.

The concurrent resolution with its preamble reads as follows:

Whereas the month of May, 1971, marks the 25th Anniversary of the major American voluntary programs of overseas relief and development assistance carried out under the guidance of the Advisory Committee on Voluntary Foreign Aid;

Whereas the International Walk for Development has been organized for the second weekend in May, 1971;

Whereas the American people and their Government have consistently supported the humanitarian work of the voluntary agencies to the end that people throughout the world can be free from hunger, illiteracy, and disease and poverty; and

Whereas these agencies are to be commended for their outstanding work in the area of humanitarian relief and the International Walk for Development for its planned program to focus attention on the tremendous need to continue the work of human and economic development; Now, therefore, be it

Resolved By the Senate (the House concurring), That it is the sense of the Congress that in recognition of the 25th Anniversary of the American voluntary foreign aid programs and the International Walk for Development that the President should designate the week of May 9, 1971, as "Voluntary Overseas Aid Week" and the month of May, 1971, as "Human Development Month."

QUORUM CALL

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

The PRESIDING OFFICER (Mr. FANNIN). The clerk will call the roll.

The second 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.

TO POSTPONE IMPLEMENTATION OF PROPOSED "AMTRAK" RAIL SYSTEM

Mr. MANSFIELD. Mr. President, on behalf of my distinguished colleague from Montana (Mr. METCALF) and myself, I send a resolution to the desk and ask that it be stated.

The PRESIDING OFFICER. The resolution will be stated.

The assistant legislative clerk read the resolution as follows:

Resolved, That it is the sense of the Senate that section 401(a)(1) of the Rail Passenger Service Act of 1970 be amended by striking out "May 1, 1971" each place it appears and inserting in lieu thereof in each such place "December 1, 1971".

SEC. 2. That section 401(b) of such Act be amended by striking out "May 1, 1971" each place it appears and inserting in lieu thereof in each such place "December 1, 1971".

SEC. 3. That said modifications should be enacted as soon as possible in order to enable the correction of certain inequities in the so-called proposed rail service system known as Amtrak.

Mr. MANSFIELD. Mr. President, I ask for its immediate consideration.

Mr. PROUTY. Mr. President, reserving the right to object, and may I say to my distinguished friend the majority leader that I am most reluctant to object, I think he does know that the Committee on Commerce this morning approved a resolution which will require and provide a $100,000 authorization for Amtrak to conduct a study and report back to the committee within 30 days and take into consideration the trains which will cease to serve the people in his State, the people in my State, and elsewhere.

Mr. MANSFIELD. Will the distinguished Senator from Vermont yield right there?

Mr. PROUTY. I yield.

Mr. MANSFIELD. If I recall, there is no train service in the States of Vermont, New Hampshire, and Maine.

Mr. PROUTY. That is absolutely correct.

Mr. MANSFIELD. There were three transcontinental lines in Montana and a study means that, come Saturday, Railpax, Amtrak, the Halftrak, or whatever they now call the operation goes into effect. So, if we want to do both at the same time, that is fine. But why stop the service to carry on an investigation? It will never get back on the tracks again.

Mr. PROUTY. If the Senator from Montana will yield further, it seems to me that we are going to destroy the whole concept which may restore effective rail service to this country unless we take action which the distinguished majority leader is suggesting at the present time.

I am concerned. I am as unhappy as he is, by virtue of the fact that we have no train service in northern Vermont, New Hampshire, or in Maine. Mr. Roger Lewis, whose nomination was before the Commerce Committee this morning, in response to a question from me, stated categorically and specifically that it was the intention of the corporation to conduct such studies as this, and that these trains may be put back into service at any time. Such studies are provided for in the law as it exists at the present time. So, I am most reluctant, but I feel that I have to object to the Senator's request.

The PRESIDING OFFICER (Mr. FANNIN). Is there objection?

Mr. PROUTY. I object.

The PRESIDING OFFICER. Objection is heard, and the resolution goes over under the rule.

Mr. MANSFIELD. Mr. President, I cannot follow the reasoning of my distinguished friend from Vermont, whose State has been without rail service for a long time now and for reasons which he is well aware. But, as I have tried to indicate, there was a time when three transcontinental lines ran through the State of Montana—a State of 148,000 square miles and 700 miles across. And what will we have if this plan goes into effect on Saturday? We will have one, the old Great Northern which is now part of the Burlington Northern. My colleagues and I are delighted that the Great Northern is going to be retained and that the northern part, the high line of Montana, will be served.

But we feel very strongly that, in addition, the southern and western part covered by the Northern Pacific should also be served. There is great need.

May I point out also that the Great Northern and the Northern Pacific came into being solely because of land grants given by the Government.

The Milwaukee, the Third Transcontinental Lines, was built privately. There were no land grants. But over the years it has gradually cut off passenger service so that it now has only freight service running through the State of Montana.

I am sorry that the resolution has been objected to. It expresses clearly the great inequity that exists in this situation and, if its objective is adopted, there will be sufficient time to work out a fair and adequate solution.

ORDER FOR ADJOURNMENT

Mr. MANSFIELD. Mr. President, I now ask unanimous consent, instead of coming in on Monday, that when the Senate adjourns today it stand in adjournment until the hour of 12 o'clock noon tomorrow.

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

AMTRAK

Mr. MANSFIELD. Mr. President, at that time unless satisfaction is received, the resolution will be brought up for consideration. If it can be brought up, I want to serve notice on the Senate that it is the intention of the two Senators from Montana to do everything in their power to look after the interests of the people of Montana and to look after the interests of our section of the country.

Mr. PROUTY. Mr. President, may I say that I am very sympathetic to the Senator's position. We have a similar problem in northern New England. However, we must remember that contracts have been entered into and are binding with 20 major railroad systems in this country.

I believe that we will be involved in lawsuits. I am not a lawyer. I cannot get into the legal technicalities. However, obviously we can have lawsuit after lawsuit. The Federal Government, I would think, would have to honor these contracts which are now completed.

It is not my intention to do anything to discourage the maintenance of adequate train service in Montana or in my section of the country.

The PRESIDING OFFICER. The Senator from Montana referred twice to this measure as a resolution. It has been submitted in the form of a bill. Since different ramifications follow, the Chair would appreciate clarification as to the Senator's intention.

Mr. MANSFIELD. Mr. President, the measure will be introduced in the form of a bill, and will thus have the effect of law if and when enacted.

The PRESIDING OFFICER. The bill will be appropriately referred.

Mr. MANSFIELD. Mr. President, since as a bill it will have to be referred, I would prefer its consideration tomorrow as a resolution coming over under the rule. It is therefore a resolution. If it

can later be worked out to consider this proposal as a bill today or tomorrow I shall hold open that option.

The PRESIDING OFFICER. The resolution will go over under the rule, objection having been heard to its immediate consideration.

Mr. MANSFIELD. Mr. President, I was interested in the remarks of the distinguished Senator from Vermont because, as far as I can see, he has no chance of getting any service under any circumstances. Railpax would not operate there. Maine, Vermont, and New Hampshire have lost their service over the years past. However, as far as Montana and the Midwest are concerned, the Heartland of America, we will lose what we have already paid for, what the Government paid for in the form of land grants. And as far as I can recall, the G.N. and the N.P. Railroads have not been operating at a loss, as have some of the eastern railroads such as Penn Central.

There is a great need, as my colleague has brought out, to take care of the needs of our veterans and college students and 80 percent of our people, not only in connection with the NP, but also along the short line from Butte to Salt Lake City.

I would like the Senator to know that I concur completely in the remarks of my distinguished colleague, as he has worked night and day to bring about rectification of this situation.

I would like to state that in my opinion what Railpax, now Amtrak, has done is not to follow the intent of Congress, but to place emphasis on the urban areas of this Nation and to ignore the rural sections of the country.

Let me read, if I may, an editorial from the Billings Gazette of April 25, last Sunday. It is written by an old student of mine at the university, Doc Bowler, a good friend of my colleague's. He is editor of the Gazette.

I read what he says:

The end of an era will come to Billings next weekend unless Congress can be prevailed upon to delay the start of Railpax.

Railpax, or AMTRAK as the new national railroad passenger corporation is known, starts operation May 1 in what well may spell the doom of the passenger in much of the nation.

In southern Montana, Wyoming, South Dakota and most of North Dakota and Idaho, Railpax spells The End. That's all.

It doesn't have to happen and it shouldn't happen. Vast segments of the nation should not be left without passenger train service.

Where Railpax chiefs got their figures on passenger travel, and what they are for that matter, is unknown. It can be presumed, but not certified, they got them from the railways that had been hauling passengers.

Railpax tells us that the northern route was chosen across Montana because of more ridership, whatever that means. At this writing the term has not been given definition or explanation.

It certainly is not advocated here that the northern route across Montana and North Dakota be abandoned in favor of the southern, more populous, route. Both are needed.

That expresses the feelings of my colleague and me. I continue to read:

There is good reason to believe that high officials of the Burlington Northern were just as amazed as most people in the area when they learned, along with the rest of us, that only the northern or Hi-Line route would be used.

Insiders thought both would be used, perhaps on alternate days, to serve both Yellowstone and Glacier parks and the people of the areas. The Interstate Commerce Commission recommended it.

The Interstate Commerce Commission, of all groups, recommended it.

I continue to read:

Whether Congress will be responsible to the will of the people is not known. Energetic forces are at work in Montana now to seek a delay in Railpax starting May 1. Another 90 days is sought in which to make a case.

Senators Mike Mansfield and Lee Metcalf and Representatives John Melcher and Dick Shoup are trying to persuade their fellow congressmen that Railpax is not doing what it said it would. More time is needed.

It was, as one of them states, the intent of the Railway Passenger Service Act to bring about rejuvenated passenger service that would replace deteriorating and stagnant facilities that the majority of railroads in this country are seemingly unable and unwilling to improve.

That is not what is happening under Railpax.

In the Burlington Northern's area alone the number of passenger trains is being cut from 32 to 6 and the daily train miles from 26,972 to 6,858.

Get that. The number of passenger trains is being cut from 32 to 6 and the daily train miles from 26,972 to 6,858.

I continue to read:

That could hardly be called an improvement.

Railpax appears to be concentrating on long-distance trains, like Chicago and Seattle. That isn't what is needed in this area or for that matter much of the west.

We need local service and clean, comfortable trains.

Admittedly, there are few who want to spend 24 hours getting from Billings to Chicago or a few hours less to Seattle. You'll fly. But try Wilbaux. Or Chester. Or Thompson Falls.

Or Shelby.

The Billings Chamber of Commerce, headed by President James Corning, is deeply involved in trying to preserve railway passenger service along "The Main Street of the Northwest," the southern route.

He is right when he says "we feel it is mandatory that the public have an opportunity to both hear and be heard before this 90-year old service is terminated." That is why a postponement is needed in Congress.

The Northern Pacific's first train crossed the Yellowstone River into Billings Aug. 22, 1882.

That, I believe, was 7 years after the battle of the Little Big Horn, at which Custer was massacred.

The renowned North Coast Limited began its steaming through the Yellowstone Valley in 1900. The Vista Domes came in 1954.

And now Railpax, May 1, 1971, spells the doom of the oldest name train in the west, a train not even the Burlington Northern asked to discontinue.

It is going to cost the Burlington Northern $33.4 million to shed its passenger trains in the contract it has signed with Amtrak (Railpax). The figure is based on 50 per cent of the railroad's passenger deficit for 1969.

It is going to cost most of the people of the area railway passenger service that Railpax purportedly was to improve.

And that is what Congress thought when it passed this bill.

In the words of Senator Metcalf "I can only recommend to the Defense Department that it set up a Railpax for the Ho Chi Minh Trail. It would be cheaper, save lives and probably be more successful in stopping traffic."

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

The PRESIDING OFFICER. The clerk will call the roll.

The second 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.

Mr. MANSFIELD. Mr. President, I have had further consultation regarding the parliamentary situation and in behalf of my distinguished colleague, the Senator from Montana (Mr. METCALF), and myself I introduce a bill and ask for its first reading. I do so as a means of keeping this issue alive in the form of a Senate bill. I would like action today but I am not unmindful of the parliamentary rights and privileges of other Senators. I would hope for action tomorrow.

The PRESIDING OFFICER. The clerk will read the bill.

The assistant legislative clerk read as follows:

S. 1698

A bill to postpone for seven months the date on which the National Railroad Passenger Corporation is authorized to contract for provision of intercity rail passenger service; to postpone for seven months the date on which the Corporation is required to begin providing intercity rail passenger service, and for other purposes.

Mr. PROUTY. Mr. President, I object to further consideration of the bill.

The PRESIDING OFFICER. Second reading will go over until the next legislative day.

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

The PRESIDING OFFICER. The clerk will call the roll.

The second 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.

Mr. MANSFIELD. Mr. President, will the Senator yield briefly?

Mr. BYRD of West Virginia. I yield.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to withdraw the resolution previously introduced, in favor of the bill S. 1698, just introduced.

The PRESIDING OFFICER. Without objection, the resolution is withdrawn.

ORDER FOR ADJOURNMENT FROM TOMORROW TO MONDAY NEXT

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that when Senate completes its business on tomorrow, it stand in adjournment until 12 o'clock noon on Monday next.

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

APPALACHIAN REGIONAL DEVELOPMENT ACT AMENDMENTS OF 1971—MESSAGE FROM THE HOUSE OF REPRESENTATIVES

Mr. BYRD of West Virginia. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 575.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill S. 575, an act to authorize funds to carry out the purposes of the Appalachian Regional Development Act of 1965, as amended, which was to strike out all after the enacting clause and insert:

TITLE I—PUBLIC WORKS ACCELERATION ACT

SEC. 101. This title may be cited as the "Public Works Acceleration Act Amendments of 1971".

SEC. 102. The Public Works Acceleration Act (42 U.S.C. 2641 et seq.) is amended as follows:

(1) Clause (1) of section 2(a) is amended to read as follows: "(1) certain communities and areas in the Nation are presently burdened by substantial unemployment and underemployment resulting from the economic decline of 1970, and".

(2) Subsection (b) of section 2 is amended to read as follows:

"(b) Congress further finds that Federal assistance to stimulate public works investment in order to increase employment opportunities is most urgently needed in those areas, both urban and rural, suffering persistent or substantial unemployment or underemployment."

(3) Subsection (a) of section 3 is amended to read as follows:

"(a) For the purposes of this section, the term 'eligible area' means—

"(1) those areas designated by the Secretary of Commerce as 'redevelopment areas' or as 'economic development centers' for the purpose of the Public Works and Economic Development Act of 1965, and those areas designated by such Secretary under section 102 of such Act.

"(2) those areas which the Secretary of Labor designates each month as having been areas of substantial unemployment for at least six of the preceding twelve months.

"(3) those areas which the Secretary of Labor designates each month as areas having an average rate of unemployment of veterans who served on active duty during the Vietnam era as defined in section 101(29) of title 38, United States Code, and who were discharged or released from active duty in the military, naval, or air service of the United States under conditions other than dishonorable, at least 25 per centum above the national average rate of all unemployment for three consecutive months or more during the preceding twelve-month period."

(4) The last sentence of subsection (c) of section 3 is amended to read as follows: "Notwithstanding any provision of such law requiring the Federal contribution to the State or local government involved to be less than a fixed portion of the cost of a project, grants-in-aid may be made under authority of this section which bring the total of all Federal contributions to such project up to 80 per centum of the cost of such project, or up to 100 per centum of the cost of such project if the State or local government has exhausted its effective taxing and borrowing capacity for such purposes and therefore does not have economic and financial capability to assume all of the additional financial obligations required."

(5) Subsection (d) of section 3 is amended to read as follows:

"(d) There is hereby authorized to be appropriated for the fiscal years beginning after June 30, 1970, not to exceed $2,000,000,000, to be allocated by the President in accordance with subsection (b) of this section."

(6) Subsection (e) of section 3 is amended by adding at the end thereof the following: "In prescribing such rules, regulations, and procedures, the President shall require that priority be given to projects for assistance in the construction of basic public works (including works for the storage, treatment, purification, or distribution of water; and sewage, sewage treatment, and sewer facilities) for which there is an urgent and vital public need."

(7) Subsection (h) of section 3 is amended to read as follows:

"(h) The criteria to be used by the Secretary of Labor in determining areas of substantial unemployment for the purposes of paragraph (2) of subsection (a) of this section shall be the criteria established in section 8.3(a) of title 29 of the Code of Federal Regulations as in effect March 2, 1971."

(8) Subsection (a) of section 4 is amended to read as follows:

"(a) No part of any allocation made by the President under this Act shall be made available during any fiscal year to any State or local government for any public works project if the proposed or planned total expenditure (exclusive of Federal funds) of such State or local government during such fiscal year for all its capital improvement projects is decreased."

(9) By adding at the end thereof the following:

"SEC. 7. An eligible area under this Act shall retain such designation for only so long as it continues to meet the unemployment criteria applicable to it but in no event shall such designation be terminated prior to one year after the date of designation.

"SEC. 8. Federal financial assistance made from allocations made by the President under this Act may be used for all or any portion of the basic Federal contribution to projects and for the purpose of increasing the Federal contribution to such projects."

SEC. 103. (a) Clause (ii) of the last sentence of paragraph (4) of subsection (b) of section 202 of the Housing Amendments of 1955 is amended by striking out "section 9" and inserting in lieu thereof "section 3".

(b) Section 202(e) of the Housing Amendments of 1955 is amended by striking out "section 9" and inserting in lieu thereof "section 3", and by striking out "50 per centum" and inserting in lieu thereof "80 per centum".

SEC. 104. No person in the United States shall, on the ground of sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance under the Public Works Acceleration Act.

TITLE II—THE PUBLIC WORKS AND ECONOMIC DEVELOPMENT ACT OF 1965

SEC. 201. This title may be cited as the "Public Works and Economic Development Act Amendments of 1971".

SEC. 202. Section 105 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3135) is amended by striking out the period at the end thereof and inserting in lieu thereof a comma and the following: "and not to exceed $550,000,000 per fiscal year for the fiscal years ending June 30, 1972, and June 30, 1973."

SEC. 203. Subsection (c) of section 201 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3141) is amended by striking out "June 30, 1971" and inserting in lieu thereof "June 30, 1973".

SEC. 204. Section 302 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3152) is amended by striking out "and June 30, 1971" and inserting in lieu thereof "June 30, 1971, June 30, 1972, and June 30, 1973".

SEC. 205. Section 401 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3161) is amended as follows:

(1) Paragraph (2) of subsection (a) is amended by striking out "40 per centum" and inserting in lieu thereof "50 per centum".

(2) Paragraph (6) of subsection (a) is amended to read as follows:

"(6) the Secretary may designate as redevelopment areas those communities or neighborhoods (defined without regard to political or other subdivisions or boundaries) which—

"(A) the Secretary determines have one of the following conditions:

"(i) a large concentration of low-income persons;

"(ii) rural areas having substantial outmigration;

"(iii) substantial unemployment;

"(iv) an actual or threatened abrupt rise of unemployment due to the closing or curtailment of a major source of employment; or

"(v) severe economic distress due to the occurrence of a natural disaster; and

"(B) have submitted an acceptable proposal for an overall economic development program which will have an appreciable beneficial impact upon such condition. No redevelopment area established under this paragraph shall be eligible to meet the requirements of section 403(a)(1)(B) of this Act;

"(7) those areas where per capita employment has declined significantly during the next preceding ten-year period for which appropriate statistics are available."

SEC. 206. The first sentence of section 402 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3162) is amended by striking out "thereof" and all that follows down through and including the period at the end of the sentence and inserting in lieu thereof the following: "of such reviews shall terminate or modify such designation whenever such an area no longer satisfies the designation requirements of section 401, but in no event shall such a designation of an area be terminated prior to the expiration of the third year after the date such area was so designated."

SEC. 207. Subsection (g) of section 403 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3171) is amended by striking out "June 30, 1971" and inserting in lieu thereof "June 30, 1973".

SEC. 208. Subsection (d) of section 509 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3188a) is amended by striking out the period at the end of the first sentence thereof and inserting in lieu thereof a comma and the following: "and for the two-fiscal-year period ending June 30, 1973, to be available until expended, not to exceed $305,000,000."

SEC. 209. Section 512 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3191) is amended by inserting immediately after "1971," the following: "and $500,000 for the two-fiscal-year period ending June 30, 1973,".

SEC. 210. Section 2 of the Act of July 6, 1970 (Public Law 91-304) is amended by striking out "1971" and inserting in lieu thereof "1972".

SEC. 211. No person in the United States shall, on the ground of sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance under the Public Works and Economic Development Act of 1965.

TITLE III—APPALACHIAN REGIONAL DEVELOPMENT ACT OF 1965

SEC. 301. This title may be cited as the "Appalachian Regional Development Act Amendments of 1971".

SEC. 302. The second sentence of subsection (b) of section 105 of the Appalachian

Regional Development Act of 1965 (40 App. U.S.C. 105) is amended to read as follows: "To carry out this section there is hereby authorized to be appropriated to the Commission, to be available until expended, not to exceed $1,900,000 for the two-fiscal-year period ending June 30, 1973, and not to exceed $1,900,000 for the two-fiscal-year period ending June 30, 1975. Not to exceed $475,000 of the authorization for any such two-year period shall be available for the expenses of the Federal Cochairman, his alternate, and his staff.".

SEC. 303. Paragraph (7) of section 106 of the Appalachian Regional Development Act of 1965 (40 App. U.S.C. 106) is amended by striking out "1971" and inserting in lieu thereof "1975".

SEC. 304. Subsection (g) of section 201 of the Appalachian Regional Development Act of 1965 (40 App. U.S.C. 201) is amended to read as follows:

"(g) To carry out this section, there is hereby authorized to be appropriated to the President, to be available until expended, $175,000,000 for the fiscal year ending June 30, 1971; $175,000,000 for the fiscal year ending June 30, 1972; $180,000,000 for the fiscal year ending June 30, 1973; $180,000,000 for the fiscal year ending June 30, 1974; $185,000,000 for the fiscal year ending June 30, 1975; $185,000,000 for the fiscal year ending June 30, 1976; $185,000,000 for the fiscal year ending June 30, 1977; and $180,000,000 for the fiscal year ending June 30, 1978."

SEC. 305. Subsection (b) of section 205 of the Appalachian Regional Development Act of 1965 (40 App. U.S.C. 205) is amended to read as follows:

(b) Notwithstanding any other provision of law, the Federal share of mining area restoration project costs carried out under subsection (a) of this section and conducted on lands other than federally owned lands shall not exceed 75 per centum of the total cost thereof. For the purposes of this section, such project costs may include the reasonable value (including donations) of planning, engineering, real property acquisition (limited to the reasonable value of the real property in its unreclaimed state and costs incidental to its acquisition, as determined by the Commission) and such other materials and services as may be required for such project."

SEC. 306. The first sentence of subsection (c) of section 214 of the Appalachian Regional Development Act of 1965 (40 App. U.S.C. 214) is amended by striking out "December 31, 1970" and inserting in lieu thereof "December 31, 1974".

SEC. 307. Section 401 of the Appalachian Regional Development Act of 1965 (40 App. U.S.C. 401) is amended to read as follows:

"SEC. 401. In addition to the appropriations authorized in section 105 for administrative expenses, and in section 201 for the Appalachian development highway system and local access roads, there is hereby authorized to be appropriated to the President, to be available until expended, to carry out this Act, $268,500,000 for the two-fiscal-year period ending June 30, 1971; $302,000,000 for the two-fiscal-year period ending June 30, 1973; and $314,000,000 for the two-fiscal-year period ending June 30, 1975."

SEC. 308. Section 405 of the Appalachian Regional Development Act of 1965 (40 App. U.S.C. 405) is amended by striking out "1971." and inserting in lieu thereof "1975.".

SEC. 309. No person in the United States shall, on the ground of sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance under the Appalachian Regional Development Act of 1965.

Amend the title so as to read: "An act to extend the Public Works Acceleration Act, the Public Works and Economic Development Act of 1965, and the Appalachian Regional Development Act of 1965."

Mr. BYRD of West Virginia. Mr. President, I move that the Senate disagree to the amendments of the House of Representatives and agree to the request of the House for a conference on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. RANDOLPH, Mr. MONTOYA, Mr. MUSKIE, Mr. EAGLETON, Mr. COOPER, Mr. BAKER, and Mr. DOLE conferees on the part of the Senate.

ORDER FOR A BILL TO BE HELD AT THE DESK

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the bill (H.R. 5674), to amend the Comprehensive Drug Abuse Prevention and Control Act of 1970 to provide an increase in the appropriations authorization for the Commission on Marihuana and Drug Abuse, be held at the desk.

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

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second 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.

RECESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate stand in recess, subject to the call of the Chair.

There being no objection, at 2:39 p.m. the Senate took a recess, subject to the call of the Chair.

At 4:21 p.m., on the expiration of the recess, the Senate reassembled, and was called to order by the Presiding Officer (Mr. BENNETT in the chair).

THE PENDING BUSINESS

Mr. BYRD of West Virginia. Mr. President, for the information of the Senate, what is the pending business before the Senate?

The PRESIDING OFFICER. There is no pending business before the Senate.

Mr. BYRD of West Virginia. I thank the Presiding Officer.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that tomorrow, immediately following the recognition of the two leaders under the standing order, there be a period for the transaction of routine morning business not to exceed 30 minutes, with statements therein limited to 3 minutes.

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

PROGRAM

Mr. BYRD of West Virginia. Mr. President, there is little that can be announced in the way of a program for tomorrow, except to say that, following recognition of the two leaders under the standing order, there will be a period for the transaction of routine morning business for a period not to exceed 30 minutes, with statements limited therein to 3 minutes.

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 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 23 minutes p.m.) the Senate adjourned until tomorrow, Friday, April 30, 1971, at 12 o'clock noon.

NOMINATIONS

Executive nominations received by the Senate April 29, 1971:

U.S. DISTRICT COURTS

Carl B. Rubin, of Ohio, to be a U.S. district judge for the southern district of Ohio vice, a new position created by Private Law 91–272, approved June 2, 1970.

CIVIL SERVICE COMMISSION

Jayne Baker Spain, of Ohio, to be a Civil Service Commissioner for the term of 6 years expiring March 1, 1977, vice James E. Johnson.

DEPARTMENT OF DEFENSE

James E. Johnson, of California, to be an Assistant Secretary of the Navy, vice James D. Hittle, resigned.

U.S. NAVY

The following named captains of the line of the Navy for temporary promotion to the grade of rear admiral, subject to qualification therefor as provided by law:

William J. Kotsch	William A. Myers III
Eugene H. Farrell	Robert G. Mills
Rowland G. Freeman III	James O. Mayo
	David A. Webster
Rupert S. Miller	Raymond W. Burk
Carl J. Seiberlich	Lloyd W. Moffit
Joseph E. Snyder, Jr.	Samuel M. Cooley, Jr.
Forrest S. Petersen	Merton D. Van Orden
Bernard B. Forbes, Jr.	Wayne S. Nelson
Doniphan B. Shelton	Alan B. Shepard, Jr.
Dewitt L. Freeman	Henry S. Morgan, Jr.
Arthur W. Price, Jr.	Edward W. Cooke
Charles H. Griffiths	Denis J. J. Downey
Charles D. Grojean	Chester G. Phillips
John M. Tierney	Alfred J. Whittle, Jr.
Isham W. Linder	James H. Doyle, Jr.
Charles P. Tesh	Harry E. Gerhard, Jr.
William Thompson	James B. Wilson
Frank D. McMullen, Jr.	Donald B. Whitmire
Leonard A. Snead	William H. Rogers
Tyler F. Dedman	Wesley L. McDonald
Samuel L. Gravely, Jr.	Earl F. Rectanus
Charles F. Rauch, Jr.	William F. Clifford, Jr
Stanley T. Counts	Edward C. Waller III
Harry D. Train II	James D. Watkins

CONFIRMATION

Executive nomination confirmed by the Senate, April 29, 1971:

U.S. DISTRICT COURTS

Charles R. Richey, of Maryland, to be a U.S. district judge for the District of Columbia.